



08 - 0643

**DATE:** August 25, 2008  
**TO:** Senator Don Betzold  
Representative Phyllis Kahn  
**FROM:** *Dana*  
Commissioner Dana Badgerow  
**SUBJECT:** Internal Service Fund Rates for FY 2009

A summary of Admin's internal service fund rates for FY 2009 is provided in the attached information as required by Minnesota Statutes 16B.48, Subdivision 4. Attachments include:

- Summary of percentage rate changes
- Six-year rate comparisons for each internal service fund

Business plans for each internal service fund are being provided to Kevin Lundeen and Helen Roberts.

Internal service fund revenue is generated from charges by Admin to other agencies, based on pre-approved rates to cover the costs of services and products provided to those agencies. In most cases, internal service fund rates are compared to prices offered by other service providers and this comparison reveals that Admin rates continue to represent high relative value to our customers.

Each year, business plans and rates are carefully developed, thoroughly reviewed and approved within Admin's executive team and then by the Department of Finance. With the budget forecast and general fund reductions in FY 2009, all internal service funds carefully analyzed the actions that could be taken to reduce expenses or increase sales with the net effect of providing relief to customers. Subsequently, vigorous reviews were completed internally and by Finance to ensure that the businesses were positioned to respond to agencies' demands, provide rates sensitive to agencies' budgets, and maintain financial stability for each of the funds. In some cases, Admin management asked businesses to re-evaluate their initial plan drafts to ensure that every reasonable cost reduction had been accommodated in their plans; in a few, businesses were asked to re-evaluate their proposed increases and find a way to hold rates flat or better. Although rate reductions were not feasible in all businesses, many businesses provided rates that absorbed salary adjustments and inflationary expenses without a rate increase. Specifically, four businesses were able to provide rates that reflect decreased costs for state agencies:

- Surplus Services has established a new rate structure that lowers the fee charged to state agencies
- Office Supply Connection (OSC) decreased the markup for stocked items
- Property and Casualty includes a dividend pay back
- Workers' Compensation provides a surplus rebate to premium pool participants

August 25, 2008

Should you or your staff have any questions or comments regarding the rates or the underlying business plan details, please contact me.

c: Kevin Lundeen, Senate  
Helen Roberts, House  
Tom Hanson, Finance  
Britta Reitan, Finance  
Sheila Reger, Admin  
Nicky Giancola, Admin  
Lenora Madigan, Admin  
Julie Poser, Admin



Internal Service Fund Rate Adjustments for FY 2009

The following information represents the overall rate adjustments in each of the Admin internal service fund operations. The impact of specific rates within each operation may differ from the overall rate adjustment. These rates were reviewed extensively by Admin leadership and were approved by the Department of Finance pursuant to Minnesota Statutes 16A.126.

Plant Management - Leases	0.70%	approved 9/25/2006
- Materials Transfer	0.00%	
- Parking	0.00%	
- Repairs & Other Jobs	0.00%	
- Central Mail	0.00%	
Risk Management - Property and Casualty		Overall cost to state agencies reduced due to dividend pay back
- Workers Compensation		Overall cost to state agencies reduced due to surplus rebate to premium pool participants
Materials Management - State Register	0.00%	
- Office Supply Connection	(1.50%)	
Fleet Services - Individualized Rates	0.00%	
- Categorized rates	0.00%	
Surplus Services	(2%)	auction fees on sales \$4,000+ reduced cost to state agencies by limiting auction fees
	-\$500	
	0.00%	on storage and handling
Management Analysis & Development	0.00%	
Land Management Information Center	5.5%	Sr. Consultant, 5.6% Sr. Analyst, 5.4% Analyst, 5.0% Technician

Commissioner's Office  
 200 Administration Building, 50 Sherburne Avenue, St. Paul, MN 55155  
 Phone: 651.201.2555 / Fax: 651.297.7909

*An Equal Opportunity Employer*

**FY 2009 Business Plan**

Business		Operating Revenue	Operating Costs & COGS	Nonoperating Rev/Costs	FY09	Change in Revenue Request vs Current Rate
Leases	FY09	63,267,947	61,574,191		FTE - 230.57	Rate increase of 0.7%.
	FY08	62,801,924	60,686,805		Rev/FTE \$274,398	
	Variance	466,023	887,386		Op & COGS/FTE \$267,052	
		0.7%	1.5%			
Materials Transfer	FY09	768,794	925,612		FTE - 13.16	No rate change requested.
	FY08	820,301	856,753		Rev/FTE \$58,419	
	Variance	(51,507)	68,859		Op & COGS/FTE \$70,335	
		-6.3%	8.0%			
Parking	FY09	3,496,280	3,592,123		FTE - 9.8	No rate change requested.
	FY08	3,493,031	3,443,262		Rev/FTE \$356,763	
	Variance	3,249	148,861		Op & COGS/FTE \$366,543	
		0.1%	4.3%			
Repair & Other Jobs	FY09	262,458	306,637		FTE - 2.55	No rate change requested.
	FY08	276,524	289,578		Rev/FTE \$102,925	
	Variance	-14,066	17,059		Op & COGS/FTE \$120,250	
		-5.1%	5.9%			
Risk Management - Property and Casualty	FY09	11,308,028	11,111,428	(743,763)	FTE - 11.75	Rate changes are very selective and address specific problems. Overall rate increase of 0.6%.
	FY08	11,291,692	10,917,894	(827,109)	Rev/FTE \$962,385	
	Variance	16,336	193,534	83,346	Op & COGS/FTE \$945,653	
		0.1%	1.8%	-10.1%		
Central Mail	FY09	8,830,358	8,791,988		FTE - 7.88	No rate change requested.
	FY08	8,631,815	8,635,385		Rev/FTE \$1,120,604	
	Variance	198,543	156,603		Op & Cog/FTE \$1,115,735	
		2.3%	1.8%			
MN Bookstore	FY09	1,620,800	1,580,694		FTE - 10.8	No rate change requested.
	FY08	1,651,800	1,610,951		Rev/FTE \$150,074	
	Variance	(31,000)	(30,257)		Op & Cog/FTE \$146,361	
		-1.9%	-1.9%			
Fleet Services	FY09	12,936,506	13,319,500	(210,000)	FTE - 10.5	No rate change requested.
	FY08	13,174,301	12,542,500	(400,000)	Rev/FTE \$1,232,048	
	Variance	(237,795)	777,000	190,000	Op & COGS/FTE \$1,268,524	
		-1.8%	6.2%	-47.5%		
Land Management Info.	FY09	691,037	632,898		FTE - 6.14	Senior Consultant increase 5.5%, Sr. Anayst increase 5.6%, Analyst increase 5.4% and Technician increase 5.0%
	FY08	650,132	584,056		Rev/FTE \$112,547	
	Variance	40,905	48,842		Op & COGS/FTE \$103,078	
		6.3%	8.4%			
Office Supply Connection	FY09	6,728,000	6,722,289	0	FTE - 9.1	Rate decrease of 1.5%
	FY08	7,128,000	7,120,128	0	Rev/FTE \$739,341	
	Variance	(400,000)	(397,839)	0	Op & COGS/FTE \$738,713	
		-5.6%	-5.6%			
Surplus Operations	FY09	1,215,283	1,470,553	0	FTE - 7.6	Auction fees decrease 2% for revenue more than \$4,000. No change for revenue \$4,000 and under. Cap on auction sales reduced by \$500. No change for storage and handling fees.
	FY08	1,478,644	1,569,508	0	Rev/FTE \$159,906	
	Variance	(263,361)	(98,955)	0	Op & COGS/FTE \$193,494	
		-17.8%	-6.3%			
Management Analysis	FY09	2,178,750	2,185,751	0	FTE - 19.86	No rate change requested.
	FY08	1,996,650	1,981,366	0	Rev/FTE \$109,705	
	Variance	182,100	204,385	0	Op & COGS/FTE \$110,058	
		9.1%	10.3%			

**Plant Management Leases  
Fiscal Years 2008 & 2009  
Six-Year Rate Comparison**

<u>Building</u>	<u>FY04</u>	<u>FY05</u>	<u>FY06</u>	<u>FY07</u>	<u>FY08</u>	<u>FY09</u>
321 Grove Bldg 1	\$7.65	\$7.65	\$7.65	\$7.65	\$6.65	\$6.65
321 Grove Bldg 2	7.90	7.90	7.00	7.00	6.00	6.00
691 N. Robert	9.50	9.50	9.50	9.50	12.00	14.00
Administration	14.68	14.68	14.68	14.68	15.70	16.70
Ag/Health Laboratory			28.69	28.69	35.75	37.25
Andersen			33.63	33.80	30.00	30.00
BCA Maryland	21.50	21.50	21.50	21.50	21.50	21.50
Capitol	29.60	29.60	29.00	29.00	28.00	28.00
Centennial	13.20	13.20	13.50	13.90	14.65	15.40
Ely	13.45	13.45	14.75	14.75	15.75	16.75
Freeman			35.08	35.34	35.00	35.00
Governor's Residence	26.75	26.75	23.00	23.00	24.00	25.00
Health	18.50	18.50				
Judicial Center	21.65	21.65	22.50	22.79	22.79	22.79
MN History Center	18.60	18.60	18.25	18.25	18.25	18.25
Retirement Systems	10.35	10.35	10.00	10.00	10.25	10.50
Stassen	15.55	15.55	10.55	15.55	15.55	15.55
State Office Bldg	14.65	14.65	13.75	13.75	14.50	15.25
Transportation	15.45	15.45	15.45	15.45	14.00	14.00
Veteran Services	16.70	16.70	15.70	15.70	15.70	15.70
Storage - most buildings	6.50	6.50	6.50	6.50	6.50	6.50

## Six Year Rate Comparison

MINNESOTA DEPARTMENT OF ADMINISTRATION  
MATERIALS TRANSFER  
FOR FISCAL YEAR 2009

<u>Rate</u>	<u>FY 2004</u>	<u>FY 2005</u>	<u>FY 2006</u>	<u>FY 2007</u>	<u>FY 2008</u>	<u>FY 2009</u>
Movers & More - Regular	\$42.00	\$42.00	\$43.00	\$43.00	\$43.00	\$43.00
Movers & More - Premium	50.40	50.40	51.60	51.60	51.60	51.60
Mail Delivery	37.75	37.75	39.00	39.00	39.00	39.00
Product Delivery	40.25	40.25	40.25	40.25	40.25	40.25
Chair	0.25	0.25	0.25	0.25	0.25	0.25
Table	2.25	2.25	2.25	2.25	2.25	2.25
Half Mile Hailer	15.00	15.00	15.00	15.00	15.00	15.00
Podium w/small P.A.	15.00	15.00	15.00	15.00	15.00	15.00
Expanded P.A.	100.00	100.00	100.00	100.00	100.00	100.00
Backdrop/Curtain	35.00	35.00	35.00	35.00	35.00	35.00
Banner Pole Set	35.00	35.00	35.00	35.00	35.00	35.00
Riser	10.00	10.00	10.00	10.00	10.00	10.00
Coat Rack	2.00	2.00	2.00	2.00	2.00	2.00
Easel	2.00	2.00	2.00	2.00	2.00	2.00
Power Cord - Indoor	10.00	10.00	10.00	10.00	10.00	10.00
Power Cord - Outdoor	25.00	25.00	25.00	25.00	25.00	25.00
Indoor Power Supply Panel*	25.00	25.00	25.00	25.00	25.00	25.00
Outdoor Power Supply Panel*	50.00	50.00	50.00	50.00	50.00	50.00
VCR/TV - First Day	15.00	15.00	15.00	15.00	15.00	15.00
VCR/TV - Additional Days	5.00	5.00	5.00	5.00	5.00	5.00
3M 471 tape	25.00	25.00	25.00	25.00	25.00	25.00

*Parking*  
**Six Year Rate Comparison**

---

	<u>FY04</u>	<u>FY05</u>	<u>FY06</u>	<u>FY07</u>	<u>FY08</u>	<u>FY09</u>
Lot	\$23.09	\$27.25	\$28.61	\$29.75	\$29.75	\$29.75
Lot - Non-State	34.53	n/a	n/a	n/a	n/a	n/a
Lot - Satellite at reduced rate	n/a	n/a	15.00	15.00	15.00	n/a
Ramp	40.10	47.32	49.68	51.67	51.67	51.67
Ramp - Non-State	51.80	n/a	n/a	n/a	n/a	n/a
Top Deck	26.49	31.26	32.82	34.13	34.13	34.13
Top Deck - Non-State	37.98	n/a	n/a	n/a	n/a	n/a
Garage	80.91	95.47	100.25	104.26	104.26	104.26
Motorcycle - Lot	11.51	13.58	14.26	14.83	14.83	14.83
Motorcycle - Ramp	17.28	20.39	21.41	22.27	22.27	22.27
Segway - Garage*	26.97	31.83	50.00	50.00	50.00	50.00
Legislative Intern per month	10.00	10.00	10.00	10.00	10.00	10.00
Daily Permit	4.00	4.00	4.00	4.00	5.00	5.00
Daily Bus Permit	n/a	n/a	n/a	10.00	10.00	10.00
Pkg Lost/Stolen Replacement Tag	25.00	25.00	25.00	25.00	25.00	25.00
Lost/Stolen Bike Locker Key	25.00	25.00	25.00	25.00	25.00	25.00
Replacement Metropass - 1st time	20.00	20.00	20.00	20.00	20.00	20.00
Replacement Metropass - 2nd time	40.00	40.00	40.00	40.00	40.00	40.00
Parking Meter per hour	1.00	1.00	1.00	1.00	1.50	1.50
Bike locker - Annual	75.00	75.00	50.00	50.00	50.00	50.00
Metropass	27.09	27.25	28.61	29.75	29.75	29.75

Notes:

Rates are per month unless otherwise noted

Beginning in FY05 non-state rates were eliminated; same rate is used for all

Replacement Metropass rates are set by MetroTransit

\*Segway - Garage rates for FY04 & FY05 reflect a monthly charge; FY06 and after reflect an annual charge.

Satellite lot available through December 2007

## Six Year Rate Comparison

MINNESOTA DEPARTMENT OF ADMINISTRATION  
REPAIR AND OTHER JOBS (ROJ)  
FOR FISCAL YEAR 2009

Rate	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
Labor - Regular	\$49.40	\$51.85	\$57.25	\$57.25	\$62.50	\$62.50
Labor - Premium	59.30	62.25	68.70	68.70	75.00	75.00
Signature Keys	5.00	5.00	5.00	5.00	5.00	5.00
Other Keys	1.10	1.10	1.10	1.10	1.10	1.10



## Six-Year Rate Comparison

MINNESOTA DEPARTMENT OF ADMINISTRATION  
CENTRAL MAIL  
FOR FISCAL YEAR 2009

<u>Rate</u>	<u>FY 2004</u>	<u>FY 2005</u>	<u>FY 2006</u>	<u>FY 2007</u>	<u>FY 2008</u>	<u>FY 2009</u>
<b>Sacking/labeling</b>						
First 1,000	\$13.00	\$13.00	\$13.00	\$13.00	\$13.00	\$13.00
Each additional piece	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02
<b>Pre-sort (3-digit) – Per piece</b>						
	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01
<b>Warrants -- Per thousand</b>						
Self mailer	\$7.00	\$7.00	\$7.00	\$7.00	\$7.00	\$7.00
Double Postcards	N/A	\$9.00	\$9.00	\$9.00	\$9.00	\$9.00
<b>Traditional inserting</b>						
<b>1 insert</b>						
First 1,000	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00
Additional 1,000s	\$18.00	\$18.00	\$18.00	\$18.00	\$18.00	\$18.00
<b>2 inserts</b>						
First 1,000	\$29.00	\$29.00	\$29.00	\$29.00	\$29.00	\$29.00
Additional 1,000s	\$19.00	\$19.00	\$19.00	\$19.00	\$19.00	\$19.00
<b>3 inserts</b>						
First 1,000	\$33.00	\$33.00	\$33.00	\$33.00	\$33.00	\$33.00
Additional 1,000s	\$20.00	\$20.00	\$20.00	\$20.00	\$20.00	\$20.00
<b>4 inserts</b>						
First 1,000	\$36.50	\$36.50	\$36.50	\$36.50	\$36.50	\$36.50
Additional 1,000s	\$21.00	\$21.00	\$21.00	\$21.00	\$21.00	\$21.00
<b>5 inserts</b>						
First 1,000	\$39.50	\$39.50	\$39.50	\$39.50	\$39.50	\$39.50
Additional 1,000s	\$23.00	\$23.00	\$23.00	\$23.00	\$23.00	\$23.00
<b>6 inserts</b>						
First 1,000	\$43.50	\$43.50	\$43.50	\$43.50	\$43.50	\$43.50
Additional 1,000s	\$24.00	\$24.00	\$24.00	\$24.00	\$24.00	\$24.00
<b>Match inserting</b>						
Set-up	N/A	N/A	\$40.00	\$40.00	\$40.00	\$40.00
Inserting fee (per thousand) -- 2 inserts	N/A	N/A	\$25.00	\$25.00	\$25.00	\$25.00
Inserting fee (per thousand) -- 3 inserts	N/A	N/A	\$28.00	\$28.00	\$28.00	\$28.00
<b>Sorting and Bar-coding -- Per piece</b>						
Scheduled runs	\$0.020	\$0.020	\$0.020	\$0.020	\$0.020	\$0.020
Small runs (metered)*	\$0.047	\$0.047	\$0.047	\$0.047	\$0.039	\$0.029
Double postcard sort	N/A	N/A	\$0.025	\$0.025	\$0.025	\$0.025
<b>Postage handling fee</b>						
	3.00%	3.00%	3.25%	3.25%	3.25%	3.25%
House/Senate monthly delivery - each body	\$0	\$0	\$100	\$100	\$100	\$100
<b>Ink-jet addressing</b>						
Set-up	\$23.00	\$23.00	\$23.00	\$23.00	\$23.00	\$23.00
Data import	\$28.00	\$28.00	\$28.00	\$28.00	\$28.00	\$28.00
National Change of Address (up to 13,000)	N/A	N/A	\$38.00	\$38.00	\$38.00	\$38.00
NCOA - 13,001 - 50,000 (Per thousand)	N/A	N/A	\$2.90	\$2.90	\$2.90	\$2.90
NCOA - 50,001 - 100,000 (Per thousand)	N/A	N/A	\$2.40	\$2.40	\$2.40	\$2.40
NCOA - More than 100,001 (Per thousand)	N/A	N/A	\$1.85	\$1.85	\$1.85	\$1.85
Addressing (zip+4 standard) -- Per thousand	\$7.50	\$7.50	\$7.50	\$7.50	\$7.50	\$7.50
Addressing -- Per thousand	\$17.50	\$17.50	\$17.50	\$17.50	\$17.50	\$17.50
Bulking -- Per piece	\$0.03	\$0.03	\$0.03	\$0.03	\$0.03	\$0.03
Pre-sorting -- Per piece	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02
Custom features - Per thousand	\$6.00	\$6.00	\$6.00	\$6.00	\$6.00	\$6.00
Tabbing Set-up	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00
Tabs -- Per tab	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01
<b>Permit filing</b>						
Use of state permit #171	\$20.00	\$20.00	\$20.00	\$20.00	\$20.00	\$20.00
<b>Shop rate (previously called Hand Work)</b>						
	N/A	\$36.75	\$36.75	\$36.75	\$36.75	\$36.75
<b>Folding</b>						
Simple - Per thousand	N/A	\$6.00	\$6.00	\$6.00	\$6.00	\$6.00
Complex - Per thousand	N/A	\$12.00	\$12.00	\$12.00	\$12.00	\$12.00

\*Metered bar-code runs are set by the USPS and are subject to change.  
On rare occasion, 1 1/2 times the billing rate, may be assessed for rush overtime jobs, related to the required service.

## Six-Year Rate Comparison

MINNESOTA DEPARTMENT OF ADMINISTRATION  
RISK MANAGEMENT DIVISION  
FOR FISCAL YEAR 2009

Rate	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	Change FY08/FY09
Automobile Liability per non-sired vehicle - Tier 2	\$158	\$158	\$158	\$158	\$174	\$174	0.00%
Tier 1					\$154	\$154	0.00%
Tier 3					\$194	\$194	0.00%
MnDOT & Minnesota State Colleges and Universities	\$158	\$158	\$198	\$198	\$194	\$194	0.00%
Exception: Anoka County		\$210	\$210	\$420	\$700	N/A	N/A
Dakota County	\$210	\$210	\$210	\$210	\$194	\$275	41.75%
Auto Liability per sired vehicle							
Tier 1					\$231	\$231	0.00%
Tier 2					\$261	\$261	0.00%
Tier 3					\$291	\$291	0.00%
Metropolitan Airports Commission	\$198	\$237	\$237	\$237	\$261	\$261	0.00%
Exceptions: Anoka County		\$263	\$263	\$526	\$900	N/A	N/A
Dakota County	\$263	\$263	\$263	\$263	\$291	\$825	183.51%
Public Safety	\$198	\$237	\$237	\$474	\$474	\$474	0.00%
Automobile Physical Damage (per \$100 of insurance)							
\$ 500 deductible	\$0.96	\$0.96	\$0.96	\$0.96	\$0.85	\$0.85	0.00%
\$1,000 deductible	\$0.90	\$0.90	\$0.90	\$0.80	\$0.75	\$0.75	0.00%
\$ 500 deductible (selected agencies)	\$1.47	\$1.47	\$1.47	\$1.47	\$1.47	\$1.47	0.00%
\$1,000 deductible (selected agencies)	\$1.37	\$1.37	\$1.37	\$1.37	\$1.37	\$1.37	0.00%
\$1,000 deductible (Dakota County)	\$1.44	\$1.44	\$1.44	\$1.44	\$1.44	\$1.44	0.00%
\$250/\$1,000 deductible (Anoka County)		\$1.58	\$1.58	\$1.58	\$3.95	N/A	N/A
\$2,500 (MnDOT lease/purchase snowplow chassis)			\$1.70	\$1.70	\$1.70	\$1.70	0.00%
General Liability	Varies	Varies	Varies	Varies	Varies	Varies	N/A
Property (including Boiler & Crime/Cyber) / per							
\$100 of insurance							
\$ 1,000 deductible	\$1.1250	\$0.1250	\$0.1250	\$0.1250	\$0.1250	\$0.1250	0.00%
\$ 2,500 deductible	\$0.0975	\$0.0975	\$0.0825	\$0.0825	\$0.0825	\$0.0825	0.00%
\$ 5,000 deductible	\$0.0825	\$0.0825	\$0.0675	\$0.0675	\$0.0675	\$0.0675	0.00%
\$ 10,000 deductible	\$0.0750	\$0.0750	\$0.0600	\$0.0600	\$0.0600	\$0.0600	0.00%
\$ 25,000 deductible	\$0.0656	\$0.0656	\$0.0500	\$0.0500	\$0.0500	\$0.0500	0.00%
\$ 50,000 deductible	\$0.0600	\$0.0600	\$0.0425	\$0.0425	\$0.0425	\$0.0425	0.00%
\$100,000 deductible	\$0.0550	\$0.0550	\$0.0375	\$0.0375	\$0.0375	\$0.0375	0.00%
\$250,000 deductible	\$0.0510	\$0.0510	\$0.0340	\$0.0340	\$0.0340	\$0.0340	0.00%
Inland Marine (per \$100 of insurance)							
Computer Equipment (\$100 min prem 1st yr of new business)							
\$1,000 deductible	\$0.25	\$0.25	\$0.25	\$0.25	\$0.25	\$0.25	0.00%
\$ 500 deductible	\$0.30	\$0.30	\$0.30	\$0.30	\$0.30	\$0.30	0.00%
\$ 250 deductible	\$0.50	\$0.50	\$0.50	\$0.50	\$0.50	\$0.50	0.00%
\$ 100 deductible	\$0.75	\$0.75	\$0.75	\$0.75	\$0.75	\$0.75	0.00%
Fine Arts (\$100 min prem 1st yr of new business)							
\$1,000 deductible - owned exhibits	\$0.50	\$0.50	\$0.50	\$0.50	\$0.50	\$0.50	0.00%
\$1,000 deductible - non-owned exhibits (blanket limit)	\$1.30	\$1.30	\$1.30	\$1.30	\$1.30	\$1.30	0.00%
\$ 500 deductible - owned exhibits	\$0.65	\$0.65	\$0.65	\$0.65	\$0.65	\$0.65	0.00%
\$ 500 deductible - non-owned exhibits (blanket limit)	\$1.75	\$1.75	\$1.75	\$1.75	\$1.75	\$1.75	0.00%
Contractors' Equipment (\$250 min prem 1st yr of new business)							
\$2,500 deductible	\$0.25	\$0.25	\$0.25	\$0.25	\$0.25	\$0.25	0.00%
\$1,000 deductible	\$0.30	\$0.30	\$0.30	\$0.30	\$0.30	\$0.30	0.00%
\$ 500 deductible	\$0.40	\$0.40	\$0.40	\$0.40	\$0.40	\$0.40	0.00%
Musical Instruments (\$100 min prem 1st yr of new business)							
\$1,000 deductible	\$0.50	\$0.50	\$0.50	\$0.50	\$0.50	\$0.50	0.00%
\$ 500 deductible	\$0.65	\$0.65	\$0.65	\$0.65	\$0.65	\$0.65	0.00%
Scoreboards (\$100 min prem 1st yr of new business)							
\$1,000 deductible	\$0.50	\$0.50	\$0.50	\$0.50	\$0.50	\$0.50	0.00%
\$ 500 deductible	\$0.65	\$0.65	\$0.65	\$0.65	\$0.65	\$0.65	0.00%
Cameras/ATV (\$100 min prem 1st yr of new business)							
\$1,000 deductible	\$0.30	\$0.30	\$0.30	\$0.30	\$0.30	\$0.30	0.00%
\$ 500 deductible	\$0.40	\$0.40	\$0.40	\$0.40	\$0.40	\$0.40	0.00%
Radio & TV Towers (\$250 min prem 1st yr of new business)							
\$1,000 deductible	\$0.90	\$0.90	\$0.90	\$0.90	\$0.90	\$0.90	0.00%
Miscellaneous Equipment (\$100 min prem 1st yr of new business)							
\$1,000 deductible	\$0.20	\$0.20	\$0.20	\$0.20	\$0.20	\$0.20	0.00%
\$ 500 deductible	\$0.25	\$0.25	\$0.25	\$0.25	\$0.25	\$0.25	0.00%
Garagekeepers (average premium)	\$826.87	\$826.87	\$826.87	\$826.87	\$826.87	\$826.87	0.00%
Consulting Services Fee Schedule - per hour							
Claims Consulting	\$87.50	\$87.50	\$87.50	\$ 100.00	\$ 100.00	\$ 100.00	0.00%
Underwriting Consulting	\$87.50	\$87.50	\$87.50	\$ 100.00	\$100.00	\$100.00	0.00%
Other	\$87.50	\$87.50	\$87.50	\$ 100.00	\$100.00	\$100.00	0.00%
Non-Insured Tort Claims		\$55.00	\$55.00	\$55.00	\$55.00	\$55.00	0.00%
Billbacks	Varies	Varies	Varies	Varies	Varies	Varies	N/A

## Six-Year Rate Comparison

---

**MINNESOTA DEPARTMENT OF ADMINISTRATION  
RISK MANAGEMENT DIVISION / WORKERS' COMPENSATION PROGRAM  
FOR FISCAL YEAR 2009**

RATE	FY04	FY05	FY06	FY07	FY08	FY09
Administrative Fee	2,496,000	2,496,000	2,496,000	2,496,000	2,496,000	2,496,000
Managed Care Fee (rate/employee/month)						
1st six months	1.77	1.77	1.88	2.00	2.08	2.10
2nd six months	1.77	1.88	2.00	2.08	2.10	2.15
(The rate increase in FY09 will be absorbed by the WC Program)						
WC Seminar (fee will be determined based on anticipated cost and charged to participants)						10,000

## Six-Year Rate Comparison

MINNESOTA DEPARTMENT OF ADMINISTRATION  
*State Register*  
 FOR FISCAL YEAR 2009

<u>Rate</u>	<u>FY 2004</u>	<u>FY 2005</u>	<u>FY 2006</u>	<u>FY 2007</u>	<u>FY 2008</u>	<u>FY 2009</u>
Billable page rate	\$144	\$144	\$144	\$144	\$144	\$144
Annual subscription ( <i>State Register</i> only via e-mail)	\$180	\$180	\$180	\$180	\$180	\$180
Annual subscription - commercial use ( <i>State Register</i> e-mail content) (1)	N/A	N/A	N/A	N/A	N/A	\$10,000
Annual subscription ( <i>State Register</i> only via mail)	\$160	Discontinued	N/A	N/A	N/A	N/A
Annual subscription ( <i>Solicitation Announcements</i> via mail)	\$135	Discontinued	N/A	N/A	N/A	N/A
Annual subscription ( <i>Solicitation Announcements</i> via fax)	\$150	Discontinued	N/A	N/A	N/A	N/A

(1) If this rate takes effect upon Thomson West proposal acceptance, billable page rate will drop to \$136 .

Six Year Rate Comparison

MINNESOTA DEPARTMENT OF ADMINISTRATION  
Office Supply Connection  
FOR FISCAL YEAR 2009

Rate (1)	<u>FY 2004</u>	<u>FY 2005</u>	<u>FY 2006</u>	<u>FY 2006</u> <u>Mid-Year</u>	<u>FY 2007</u>	<u>FY 2008</u>	<u>FY 2009</u>
Stock Product (OSC cost +)	28.50%	28.50%	28.50%	28.50%	28.50%	28.50%	27%
Non-stock First Choice inventory				Cost + 25%	Cost + 25%	Cost + 25%	Cost + 25%
Non-stock Full line catalog inventory				List - 5%	List - 5%	List - 5%	List - 5%
Non-stock (Basic Office Supplies) (Discount from list)	48%	46%	46%	N/A	N/A	N/A	N/A
Non-stock (Small Electrical) (Discount from list)	25%	20%	20%	N/A	N/A	N/A	N/A
Non-stock (Miscellaneous items) (Discount from list)	15%	10%	10%	N/A	N/A	N/A	N/A
Non-stock (Furniture, Appliances, Special order items) (Discount from list)	5%	5%	5%	N/A	N/A	N/A	N/A

Note:

(1) 1 percent web discount discontinued effective with FY06 mid-year rate proposal.

Fleet

Six Year Rate Comparison  
Categorized Rates

Long-term Rentals

	Rate	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009	% Change
<b>Automobiles</b>								
Sub-compact	Fixed	233	247	258	267	276	276	0.00%
	Mileage	0.081	0.086	0.090	0.093	0.097	0.097	0.00%
Compact	Fixed	268	284	297	307	318	318	0.00%
	Mileage	0.081	0.086	0.090	0.093	0.097	0.097	0.00%
Intermediate	Fixed	292	310	324	335	347	347	0.00%
	Mileage	0.105	0.111	0.116	0.120	0.124	0.124	0.00%
Int. Wagon	Fixed	297	315	329	341	353	353	0.00%
	Mileage	0.105	0.111	0.116	0.120	0.124	0.124	0.00%
Full Size	Fixed	350	371	388	402	416	416	0.00%
	Mileage	0.128	0.136	0.142	0.147	0.152	0.152	0.00%
Police	Fixed	373	395	413	427	442	442	0.00%
	Mileage	0.174	0.185	0.193	0.200	0.207	0.207	0.00%
<b>Specialty Vehicles</b>								
Mini-van	Fixed	304	322	336	348	360	360	0.00%
	Mileage	0.128	0.136	0.142	0.147	0.152	0.152	0.00%
Cargo Van	Fixed	347	368	385	398	412	412	0.00%
	Mileage	0.174	0.185	0.193	0.200	0.207	0.207	0.00%
Pass. Van	Fixed	380	403	421	436	451	451	0.00%
	Mileage	0.233	0.247	0.258	0.267	0.276	0.276	0.00%
Spec. Van	Fixed	465	493	515	533	552	552	0.00%
	Mileage	0.209	0.222	0.232	0.240	0.248	0.248	0.00%
Jeep	Fixed	380	403	421	436	451	451	0.00%
	Mileage	0.198	0.210	0.219	0.227	0.235	0.235	0.00%
Carry-all	Fixed	454	481	503	521	539	539	0.00%
	Mileage	0.233	0.247	0.258	0.267	0.276	0.276	0.00%
<b>Light Trucks</b>								
Pickup 431	Fixed	322	341	356	368	381	394	0.00%
	Mileage	0.174	0.185	0.193	0.200	0.207	0.207	0.00%
Pickup 531	Fixed	350	371	388	402	416	416	0.00%
	Mileage	0.221	0.234	0.245	0.253	0.262	0.262	0.00%
Pickup 731	Fixed	380	403	421	436	451	451	0.00%
	Mileage	0.221	0.234	0.245	0.253	0.262	0.262	0.00%
Pickup 931	Fixed	408	432	451	467	483	483	0.00%
	Mileage	0.244	0.259	0.271	0.280	0.290	0.290	0.00%

Note: Fixed Rates are rounded to the nearest whole dollar. Mileage rates are rounded to the nearest tenth of a cent. Percentages are calculated using rate numbers prior to rounding.

Note: This chart does not include the 10 cent per gallon credit for the use of E85 fuel.

### Six Year Rate Comparison

MINNESOTA DEPARTMENT OF ADMINISTRATION  
 SURPLUS SERVICES FUND 941  
 FOR FISCAL YEAR 2009

Rate	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
Auction Admin. Fee (Metro/Online) (Items \$4,000 and under)	10%	10%	10%	10%	10%	10%
Auction Admin. Fee (Out-state) (Items \$4,000 and under)	10.50%	10.50%	10.50%	10.50%	10.50%	10.50%
Auction Admin. Fee (Metro/Online) (Items over \$4,000)	10%	10%	10%	10%	10%	8%
Auction Admin. Fee (Out-state) (Items over \$4,000)	10.50%	10.50%	10.50%	10.50%	10.50%	8.50%
Host Fee	0.50%	1%	1%	1%	1%	1%
State Surplus Property Fee	Various	Various	Various	Various	Various	Various
Computer Wiping Fee	N/A	N/A	\$10.00	\$10.00	\$10.00	\$10.00
Daily Garage Sale Fee	Various	Various	Various	Various	Various	Various
Materials Storage Fee (Inside)	\$5.65*	\$5.65*	\$5.65*	\$5.65*	\$5.85*	\$5.85*
Materials Storage Fee (Outside)	\$25.00~	\$25.00~	\$25.00~	\$25.00~	\$25.00~	\$25.00~
Forklift Fee	\$28.75^	\$28.75^	\$28.75^	\$28.75^	\$29.60^	\$29.60^
Truck Fee	\$36.00^	\$36.00^	\$36.00^	\$36.00^	\$43.00^	\$43.00^
Warehouse Person Fee	\$21.00^	\$21.00^	\$21.00^	\$21.00^	\$21.65^	\$21.65^
Warehouse Supervisor Fee	\$28.35^	\$28.35^	\$28.35^	\$28.35^	\$29.20^	\$29.20^
*Annual Sq. Ft. Cost						
~Vehicle Monthly						
^Hourly						
FY 2008 - Online Auctions Not to Exceed \$1,500 Per Item						
FY 2009 - Online Auctions Not to Exceed \$1,000 Per Item						

## Six Year Rate Comparison

**MINNESOTA DEPARTMENT OF ADMINISTRATION  
Management Analysis & Development  
FOR FISCAL YEAR 2009**

<b>Rate</b>	<b>FY 2004</b>	<b>FY 2005</b>	<b>FY 2006</b>	<b>FY 2007</b>	<b>FY 2008</b>	<b>FY 2009</b>
MAD	98	103	115	120	125	125

Certain projects may be billed at a fixed price based on the nature of the work.

Rates for work provided by a third party contracted through MAD will be charged at cost plus a contract management fee.

Rates for open enrollment and courses offered at client sites are based on actual costs and benchmarking for comparable courses offered elsewhere.



LMIC

materials and are comparable to rates for similar services by other units of government and compare favorably with commercial rates.

**Special Expenses**

Special expenses are sometimes incurred in order to meet a client's needs. These may include supplies, equipment, travel, or professional services. In these cases, the client is invoiced for the cost of these special expenses in addition to being charged LMIC's published hourly rate associated with the task.

**Treatment of Capital Equipment**

LMIC capital assets are depreciated over a five-year period using straight-line depreciation methods. Depreciation is considered a cost that must be recovered through rates so that adequate resources are available to purchase replacement equipment when needed. All capital assets are now fully depreciated.

**Six-Year Rate Comparisons**

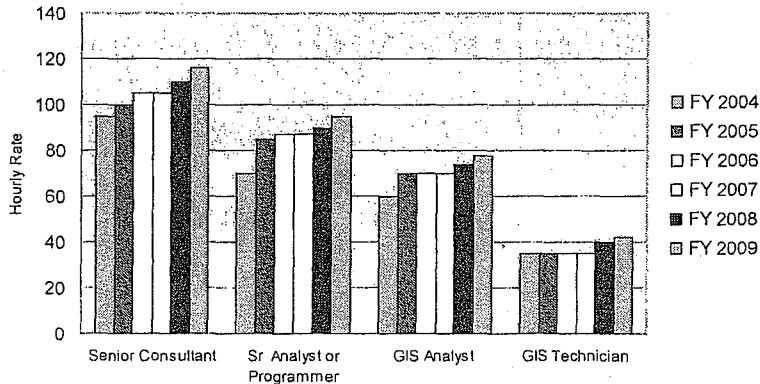
LMIC's rates from FY04 through FY08 are shown below, along with proposed rates for FY09. There was no rate increase in FY07. An increase for all rates for FY08 of 5.3% (weighted average) was approved.

**LMIC Rates from FY 2004 through FY 2009**

	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
Senior Consultant	95.00	100.00	105.00	105.00	110.00	116.00
Sr. Analyst/Programmer	70.00	85.00	87.00	87.00	90.00	95.00
GIS Analyst	60.00	70.00	70.00	70.00	74.00	78.00
GIS Technician	35.00	35.00	35.00	35.00	40.00	42.00

In addition to labor charges, special supplies, equipment or services purchased by LMIC on behalf of a client to complete a project are billed at cost.

**LMIC Staff Rates, FY 2004 to FY 2009**



**Schedule of Outstanding Loans**

LMIC currently has no outstanding loans.