City of Minneapolis
FY 2009 Budget

City Council Departments

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ASSESSOR

MISSION

Serve the taxpayers of the City by valuing and classifying real estate property in an accurate, ethical, equitable and defensible manner as prescribed by state law. Provide information and analysis to internal and external partners such as Elected Officials, City Departments, Minneapolis School District, Hennepin County Attorneys and Hennepin County Taxpayer Services, Minnesota Department of Revenue, taxpayers, neighborhood groups and the media.

BUSINESS LINES

- **Maintain Data Integrity of the City's Tax Base** –
  - Collect, verify and maintain property records for the City
  - Provide property information to Hennepin County
  - Dispose of property records and private data according to data privacy laws and City ordinances

- **Real Estate Property Assessment –** Perform the assessment function for all real estate and appropriate personal property

  Valuation – The annual estimation of value for all taxable and non-taxable real property per state law

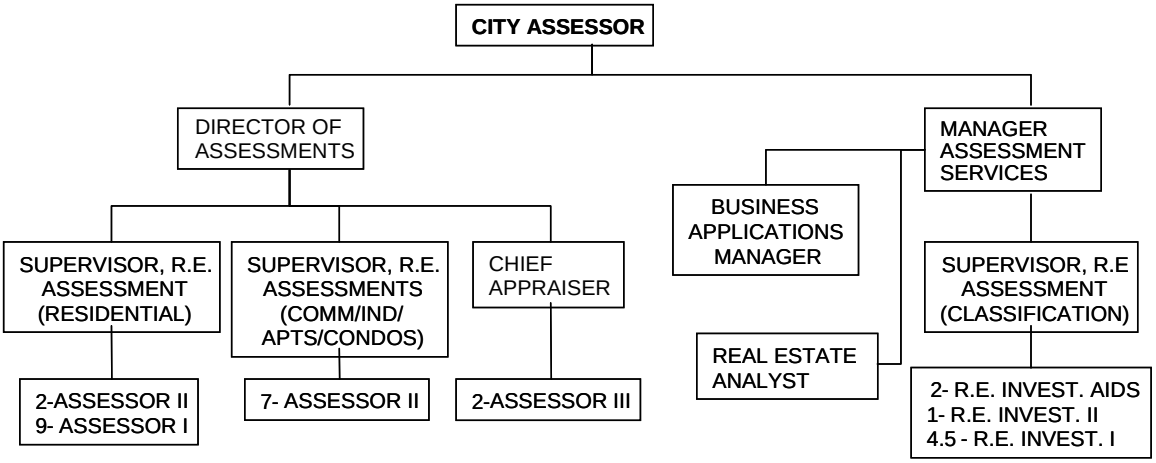
  Classification – The annual classification and recording of parcels by property use and property type

  Appeals and Reviews – Respond to all informal and formal owner/taxpayer appeals and requests for property reviews. Defend assessment values and classifications at the City and County Boards of Appeal and Equalization

  Defend Tax Court Cases - Defend assessment values and classifications in Minnesota Tax Court

- **Provide Information and Data Analysis To**: Taxpayers, Elected Officials, City departments, primarily CPED, Regulatory Services, GIS, Finance, Public Works, IGR, Hennepin County Attorneys, Hennepin County Taxpayer Services, Minnesota Department of Revenue, Commerce Department, Minneapolis School District, neighborhood groups and the media

ORGANIZATION CHART



FIVE –YEAR DEPARTMENTAL GOALS AND OBJECTIVES	
Department Goal	**Objective**
Property taxes provide approximately 17% of the City revenue. Accuracy in the assessment and a strong defense of market value provides the funding to maintain the City's physical infrastructure, invest in long-term capital improvements, maintain the natural and historic environment and insure a clean and sustainable Minneapolis.	
Provide value added services to taxpayers	Improve access to information for customers
	Be proactive in taxpayer education
Improve the efficiency and effectiveness of business processes	Maintain 98.0% of tax levy collection
	Meet MN statute for sales ratio
	Streamline appraisal process to identify which properties with building permits result in a measurable change in value, condition or classification
	Streamline appraisal process for all property types: residential, condos, apartments, commercial & industrial
	Streamline appraisal process of all property types: residential, condos, apartments, commercial & industrial
Maintain a competent, positive and fully staffed workforce.	Maintain the department's institutional knowledge through training, mentoring and coaching

RESULT MINNEAPOLIS MEASURES, DATA AND TARGETS TABLE						
MEASURE NAME	**2005 DATA**	**2006 DATA**	**2007 DATA**	**2008 DATA YTD**	**2008 TARGET**	**2012 TARGET**
Tax related presentations given each year	6	11	12	4	12	15
Percent of levy collection maintained	99.1%	98.8%	98.6%	N/A	98.5%	98%
Sales ratio for:						
Residential	94%	93.6%	94.7%	N/A	90% to 105%	90% to 105%
Apartment	92.7%	90.5%	93.6%			
Commercial/Industrial	92.3%	91.7%	90%			
$ Added to tax base based on building permit data:						
Residential	$469M	$369M	$534.8M	$164.1M	$164.1M	$700M for all property types
Apartment	$35M	$37.4M	$28.8M	$40.6M	$40.6M	
Commercial/Industrial	$55.9M	$86.8M	$78M	$82.2M	$82.2M	
% of employees with annual development plans	0%	0%	54%	N/A	100%	100%

What key challenges and trends does your department face and how will they be addressed?

Continuing to meet the statutory requirements and preserve the City's tax base while addressing the volatile market conditions within current resources.

In the past eight years the addition of new condominiums, apartments and townhouses units has grown from 9,814 to 17,833. Inspecting, appraising, and responding to owner's concerns on each of these new units has added to the department's workload. Annually, twenty percent of all of the Minneapolis parcels need to be equalized to meet the Minnesota statute requirement of viewing properties at a minimum of once every five years.

Year Added to Tax Base	New Condo/Apt. /Townhouse Units	Total Condo/Apt. /Townhouse Units in Minneapolis	FTE Hours Needed to Meet Minimum Required Work (new units and on-going)
1999	-	9,814	
2000	467	10,158	2,430 hours
2001	333	10,492	2,431 hours
2002	591	10,809	2,753 hours
2003	127	10,803	2,288 hours
2004	1,413	12,026	3,818 hours
2005	3,503	15,175	6,538 hours
2006	3,666	16,677	7,001 hours
2007	1,721	17,833*	5,287 hours

Swings in the economy, increasing property taxes and decreasing property values have significantly increased property reviews, local and County appeals and tax court cases in 2008. Defending property values in a rapidly changing market requires even greater time and resources which translates into an increased workload for the appraisers.

Tax Year Court Case Was Initiated	2003	2004	2005	2006	2007	2008	Totals
# Of Cases Petitioned by year	425	360	363	347	324	337	2,156
# of parcels petitioned	833	745	968	822	901	1,120	5,389
# of parcels dismissed	374	326	286	303	213	0	1,502
# Of Open Cases Remaining	1	2	6	53	145	337	544
# Of Parcels Still Under Petition	1	8	30	129	498	1,120	1,786
Value of Outstanding Parcels Under Petition (In billions)	.0011	.0026	.0632	.556	1.3	Waiting for data from Henn Cty	Waiting for data from Henn Cty

******Data as of June 2008*

In the current Minneapolis real estate market there are many changes and challenges occurring simultaneously that are affecting the department's workload. Sub-Prime lending practices, foreclosures, vacant and boarded buildings, vandalism (copper stripping), etc. all require multiple site visits to document changes in property condition.

Data Collection and Data Dissemination

The department requested one-time money for the purchase and implementation of the wireless mobile data collection technology. Staff productivity would be improved if they were able to have real-time wireless access to property data while assessors are in the neighborhood. This improvement in efficiency and data quality requires an investment in software and hardware.

With the implementation of Govern, the department is building a database that links a property photograph with its corresponding building record on every Minneapolis property. In light of the increased number of taxpayer calls, board cases and petitions this year, property photographs are becoming a valuable tool when working with taxpayers and property owners. At this time, less than 10% of all property is photographed.

FINANCIAL ANALYSIS

EXPENDITURE

The Assessor's 2009 budget of $3.9 million is in line with the five year financial direction. The budget will increase 3.7% over the 2008 adopted budget. There are 36.5 positions in the department. Personnel are 76% of the total department budget. The department's contractual expenses are about 17% of its budget. The largest contractual expense is BIS Services.

REVENUE

Revenue in 2009 is projected to be $66,000. The revenues come from payment in lieu of taxes (PILOT) paid by nonprofit nursing homes through agreements in the community planning and economic development (CPED) department's work.

FUND ALLOCATION

The Assessor's department entire budget comes from the general fund.

MAYOR'S RECOMMENDED BUDGET

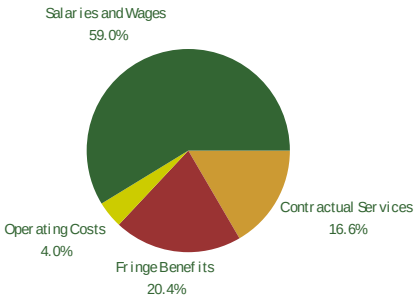
The Mayor recommends $25,000 in additional funding for database improvements. The Mayor also recommends a $20,000 reduction to meet the Mayor's Five Year Financial Direction.

ASSESSOR
EXPENSE AND REVENUE INFORMATION

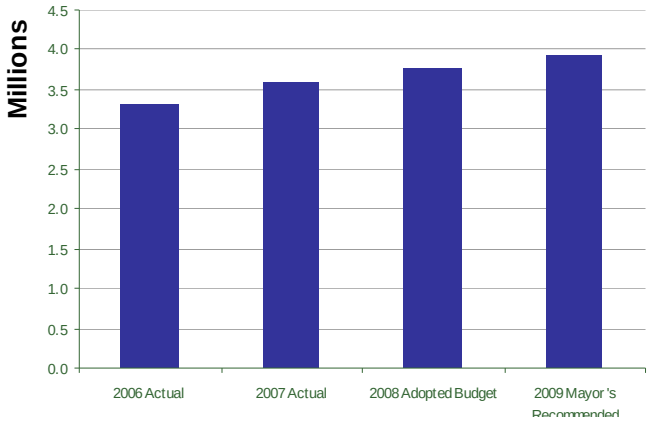
EXPENSE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Mayor's Recommended	Percent Change	Change
GENERAL						
Salaries and Wages	1,876,345	2,052,989	2,289,600	2,303,958	0.6%	14,358
Fringe Benefits	569,829	602,295	718,917	798,074	11.0%	79,157
Contractual Services	687,201	776,718	586,674	649,073	10.6%	62,399
Operating Costs	182,905	144,978	169,116	154,361	-8.7%	(14,755)
Capital	0	0	1,693	1,740	2.8%	47
TOTAL GENERAL	**3,316,280**	**3,576,980**	**3,766,000**	**3,907,207**	**3.7%**	**141,207**
TOTAL EXPENSE	**3,316,280**	**3,576,980**	**3,766,000**	**3,907,207**	**3.7%**	**141,207**

REVENUE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Mayor's Recommended	Percent Change	Change
GENERAL						
Property Taxes	67,080	62,138	65,000	65,000	0.0%	0
Charges for Service	18	105	1,000	1,000	0.0%	0
Charges for Sales	296	414	0	0	0.0%	0
TOTAL GENERAL	**67,394**	**62,656**	**66,000**	**66,000**	**0.0%**	**0**
TOTAL REVENUE	**67,394**	**62,656**	**66,000**	**66,000**	**0.0%**	**0**

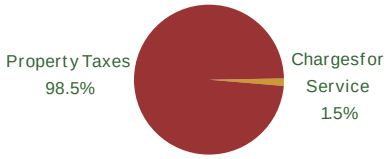
Expense by Category



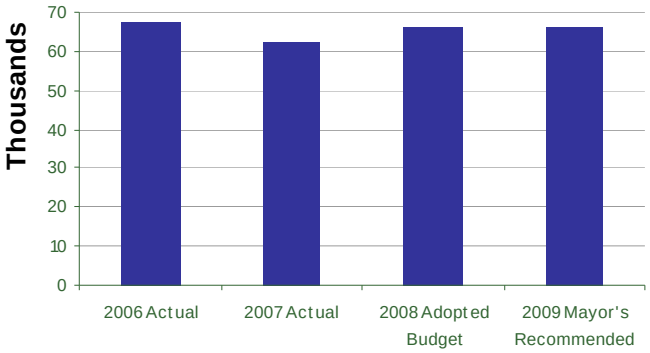
Expense 2006 - 2009



Direct Revenue by Type

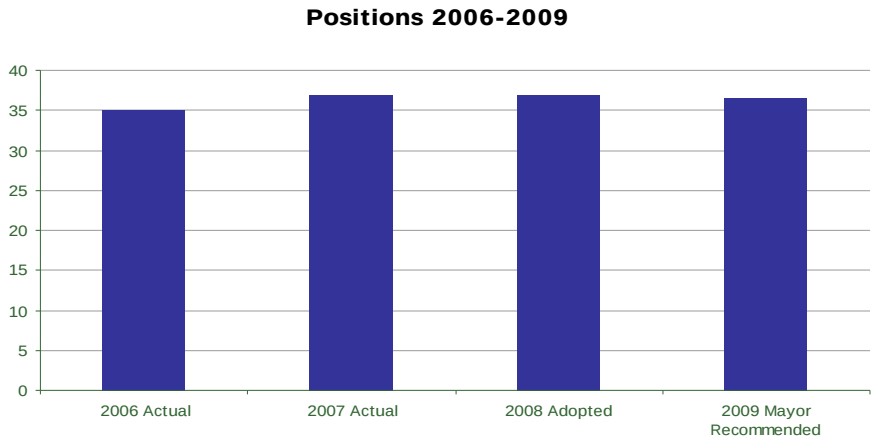


Revenue 2006 - 2009



ASSESSOR
Staffing Information

	2006 Actual	2007 Actual	2008 Adopted	2009 Mayor Recommended	% Change	Change
ASSESSOR OPERATIONS	35.00	37.00	37.00	36.50	-0.01	-0.50
TOTAL	**35.00**	**37.00**	**37.00**	**36.50**	**-0.01**	**-0.50**



ATTORNEY

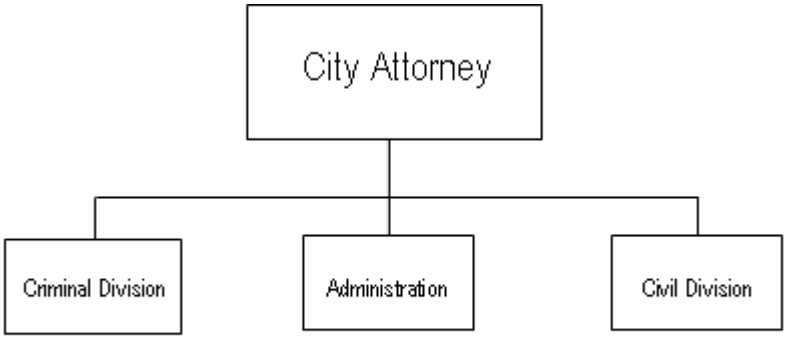
MISSION

To enhance public safety, serve justice and vigorously represent the interests of the City and its residents by holding criminal offenders accountable and delivering the highest quality, cost effective legal services.

BUSINESS LINES

- Enhancing public safety
- Delivering civil legal services

ORGANIZATION CHART



FIVE –YEAR DEPARTMENT GOALS AND OBJECTIVES		
City Goals & Strategies	**Department Goal**	**Objective**
A safe place to call home: A. Guns, Gangs, Graffiti gone B. Crime reduction C. Lifecycle housing **One Minneapolis:** C. Equitable City services **Connect Communities:** B. Walkable, Bikeable, Swimmable E. Streets & Avenues **A premier destination:** B. Reposition City C. Cleaner, greener, safer downtown E. Leverage our entertainment edge	Reduce crime in the City.	Perpetrators of gross misdemeanor weapons violations will be successfully prosecuted.
		Perpetrators of domestic violence will be successfully prosecuted.
		Chronic offenders receive appropriate and timely sanctions.
		Perpetrators of livability crimes will be successfully prosecuted.
		Successfully prosecute graffiti offenders. (New)
		Reduce crime and improve public perceptions of safety in the downtown area. (New)
		Support Blueprint to Reduce Youth Violence. (New)

A safe place to call home: A. Guns, Gangs, Graffiti gone B. Crime reduction E. Youth: valued, challenged & engaged **One Minneapolis:** A. Close race & class gaps C. Equitable City services	Improve efficiency and responsiveness of the criminal justice system.	Successful partnerships with others in the criminal justice system.
		Full and accurate utilization of Practice Manager case management system.
		Successful integration of case management system with other criminal justice systems.
A safe place to call home: A. Guns, Gangs, Graffiti gone B. Crime reduction **One Minneapolis:** A. Close race & class gaps C. Equitable City services **Connect Communities:** B. Walkable, Bikeable, Swimmable E. Streets & Avenues **A premier destination:** B. Reposition City C. Cleaner, greener, safer downtown	Continued active collaboration with neighborhoods on community justice.	Address community concerns about misdemeanor crime in neighborhoods.
A safe place to call home: A. Guns, Gangs, Graffiti gone B. Crime reduction C. Lifecycle housing D. Make healthy choices **One Minneapolis:** A. Close race & class gaps B. Middle class C. Equitable City services **Lifelong learning:** B. Economic engine C. Skills for all 21-year-olds **Connect Communities:** A. Integrated, multimodal transportation B. Walkable, Bikeable, Swimmable C. Development services D. Northstar, Central Corridor, SW Corridor E. Streets & Avenues **Enriched environment:** C. Arts D. Upper Mississippi **A premier destination:** B. Reposition City C. Cleaner, greener, safer downtown	Assist the City in minimizing its financial exposure to claims and lawsuits.	Aggressively defend claims and lawsuits that result from the City's risk generating activities.
		Commence timely litigation to advance the City's adopted goals and policy objectives or to recover public monies.
		Identify risk generating activities and assist departments in finding solutions.
	Provide high quality legal services to the City's elected officials, its departments, independent boards and commissions, and staff.	Respond to requests for civil legal services in accordance with priorities in the adopted Business Plan.
		Ensure client satisfaction with the quality of services provided by the City Attorney's Office.

RESULTS MINNEAPOLIS MEASURES, DATA AND TARGETS TABLE						
Measure Name	**2004 Data**	**2005 Data**	**2006 Data**	**2007 Data**	**2008 Target**	**2011 Target**
Number of "Top 200" chronic offenders convicted	83	81	129	130	145	200
Conviction rate of domestic violence cases	48%	48%	58%	54%	60%	60%
Percentage gross misdemeanor weapons cases charged result in a conviction	N/A	N/A	86%	84%	87%	95%
Number of community meetings attended and in person contacts made by community attorneys	N/A	3,495	7,176	11,405	11,975	13,862
Percentage of convicted "Top 200" Chronic Offenders for whom community impact statements were solicited and presented	N/A	N/A	N/A	N/A	65%	95%
Number of cases referred to neighborhood restorative justice programs	247	612	880	600 (Number was limited by capacity of providers)	630	729
Liability payouts resulting from certain of the City's risk generating activities	$3.7 M	$1.9M	$1.7M	$9.3M	$1.8M	$1.5M
Outside counsel costs	N/A	N/A	N/A	Litigation Matters: $1.4M	$500,000	$400,000

What key trends and challenges does the department face and how will each be addressed?

Success of the Community Attorney/Chronic Offender Prosecution Model: Beginning in 2002, the Office implemented a community prosecution model for addressing livability crime. This included assigning a criminal attorney and a paralegal to be housed in each of the five police department precincts. The Community Attorney program became fully staffed in 2008 with the assignment of a full-time paralegal to the 5th Precinct. The Community Attorneys and paralegals work closely with community and neighborhood groups and businesses, the police, the County Attorney's Office and other criminal justice system stakeholders. Five out of the Office's 29 criminal prosecutors (17%) and five of the 13.5 criminal division paralegals (37%) are dedicated to the Community Attorney program. While the Community Attorneys prosecute certain chronic offender cases, they do not carry regular caseloads.

In addition to the Community Attorney initiative, the Office implemented an intensive prosecution model for individuals identified as chronic offenders – those who commit repeated offenses and seriously impact the livability of our neighborhoods and communities. The chronic offender list initially included 100 individuals. This list was expanded in 2006 to include the "Top 200" chronic offenders. The Office utilizes a higher staffing ratio for the prosecution of the top 200 chronic offenders, with three prosecutors and two paralegals assigned to these cases. This model provides greater accountability and more certain consequences for this group of offenders.

In 2007 the Office handled a total of 901 cases involving the Office's "Top 200" chronic offenders, including 800 misdemeanor cases and 101 gross misdemeanor cases. The Minneapolis Police Department arrested/cited 178 of the "Top 200" list in 2007. The CAO prosecuted all 178 and was able to obtain convictions against 130 of them in calendar year 2007 (a conviction rate of 73%). This represents a 35% increase in convicted chronic offenders over 2006. Following conviction, the top offenders were ordered to serve a total of 14,631 jail days (44 average jail days per conviction), with another 23,425 days (70 average days) of stayed jail time. Stayed jail time was ordered in a total of 210 cases in 2007. In 82 of these cases, the City Attorney's Office succeeded in obtaining a revocation of the stayed sentence due to probation violations, resulting in an additional 6,730 days of jail time served.

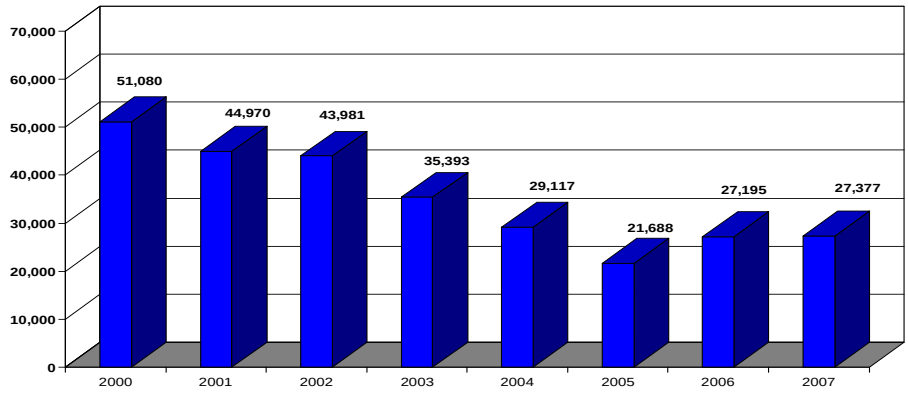
In 2007, the MPD and CAO identified 274 top offenders. Following prosecution by the CAO, 57 (21%) did not reoffend during 2007. Given that these offenders typically commit multiple offenses during a year, this result is significant.

The community prosecution model implemented by the Office reflects best practices and research in addressing livability crime. The results achieved by the Office through this model support its continued application and, depending on availability of resources, potential future expansion.

Caseload Trends and Staffing

There has been an upward trend in the criminal caseload beginning in 2006, with an increase of 21% in the number of criminal cases compared to 2005. The caseload continued at this increased level in 2007 for a total of 27,377 cases. The Office has absorbed this caseload increase without additional staffing, while also reallocating a position in 2008 to complete the staffing model for the Community Attorney program.

Criminal Division Caseload from 2000 through 2007



2008 Caseload Indicators

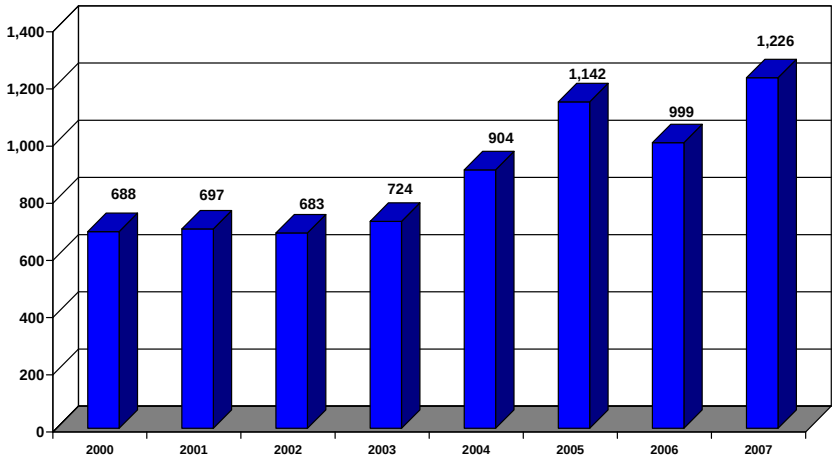
First Quarter Numbers: The first quarter caseload numbers for 2008 show a significant increase in numbers of cases (9,138 cases) compared to the first quarter of 2007 (6,331 cases), an increase of over forty percent. It is unknown if the case numbers will continue at this rate, but the Office anticipates an increase in the number of cases over 2007.

The Civil Division workload remains heavy, both in the number of matters handled by the Division, as well as the complexity of those matters. In 2007, for example, the City Attorney's Office was successfully involved in the following initiatives:

- The Minneapolis Public Library merger with Hennepin County
- The closing on the sale of five municipal parking ramps for a total sale price of approximately $65 million
- The successful conclusion of the airport litigation.

Matters of this complexity require a significant expenditure of attorney time. The City Attorney's Office also has absorbed the Ethics Officer position, which now accounts for 50% of the workload of one of our senior civil attorneys. In 2008, a number of other issues, such as ranked choice voting, are likely to continue to require significant attorney involvement.

Civil Litigation Matters



"Span of Control:" Need for Supervising Attorneys: The Criminal Deputy has 49 direct reports (29 attorneys and 19.5 paralegals, investigators and other staff) and the Civil Deputy has 34 direct reports (28 attorneys and 6 paralegals and other staff). This ratio of management to staff is substantially out of line with comparable public law offices and is contrary to best practices for management of such offices. The norm for comparable public law offices is a ratio of no more than one supervisory attorney for an average of 7 to 12 staff.

The Office has functioned with this management structure by utilizing "team leaders." Team leaders are Assistant City Attorneys who have agreed to take on the responsibilities of directing the flow of work. They are peer bargaining unit members, however, and do not have the authority to conduct performance reviews or engage in other oversight and personnel activities that are inherent in a management/ supervisory position.

The Criminal Division should have a supervising attorney for each of the four prosecution teams in addition to the Criminal Deputy position. This would provide a ratio of 11 direct reports (6 attorneys/5 paralegals and other staff) per supervising attorney and would reduce the number of the criminal deputy's direct reports to six. The supervising attorneys would be expected to carry a 50% caseload and devote the balance of their time to supervision, operations management and training. This would allow for true accountability in the criminal prosecution activities of the Office, insuring consistency in charging, plea bargaining and trials.

In the Civil Division, the team leader position in civil litigation should be upgraded to a management position. In light of the complexity of civil litigation matters handled by the Office and the liability at stake, both monetarily and in terms of protecting against negative court rulings that can limit the authority of the City to take actions to further the City's goals, the civil litigation function of the Office warrants a management level position. The position would be tasked with not only managing and assigning the litigation matters, but with a broader responsibility to minimize civil liability of the City through analysis of existing and past matters and recommendations to prevent future liability and to train and mentor less experienced litigators.

Costs of Technology Improvements: The City Attorney's Office has greatly improved the Office's technological capability through the installation of its new case management system, outlined in greater detail in the City Attorney's Office's 2007-2011 Business Plan. The new case management system implemented for the Office has increased efficiencies and opportunities for data management and accountability. It has also made possible the required integration with the court and police department systems. The systems are dynamic, requiring updates and changes as the systems of our criminal justice partners are modified and our case management vendor issues modifications and upgrades.

As another example, e-discovery – providing discovery in criminal cases electronically to the public defender's office, instead of manual copying and mailing – is a project of the Hennepin Justice Integration Project ("HJIP") to be implemented in 2008. While funding for system integration between the City Attorney's Office and the Public Defender's Office is being provided through the HJIP budget, the City Attorney's Office will need to purchase or develop the software module and, after implementation, will be responsible for maintenance of the system and future upgrades for the City Attorney's Office portion of the project. The project will provide efficiencies, freeing staff time, but also adds to technology maintenance costs.

FINANCIAL ANALYSIS

EXPENDITURE

The department's 2009 budget is $13.7 million, a 7.2% or $918,891 increase over the 2008 adopted budget. Please Note: the Ethical Practices Board is fully funded ($13,000).

REVENUE

The expenditure and revenue information does not reflect the total amount of revenue because a significant portion of revenue is shared with the police department. This revenue is from the Justice Assistance Grants (JAG) and Grants to Assist Arrests.

FUND ALLOCATION

The primary funding sources for the department are the general fund (55%) and the self-insurance fund (42%). The remaining 3% of funding is derived from the federal, state or other grant funds. The 2009 general fund budget for the department increases by 2.3%, the self-

insurance fund budget increases by 5.0%, and the special revenue fund budget increases by 35.2%.

MAYOR RECOMMENDED BUDGET

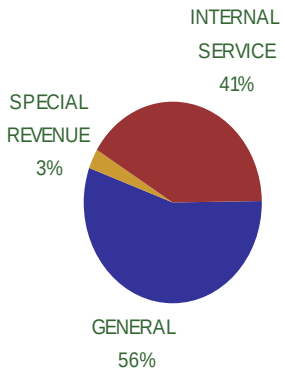
The Mayor recommends $280,000 in additional funding to add 2 criminal manager positions in 2009. The Mayor also recommends the addition of a litigation manager position in 2010. No reductions to growth are required from this department.

ATTORNEY
EXPENSE AND REVENUE INFORMATION

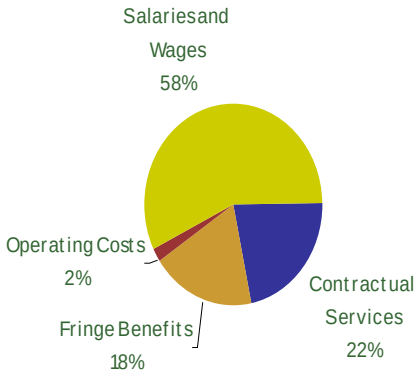
EXPENSE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Mayor's Recommended	Percent Change	Change
GENERAL						
Salaries and Wages	3,262,295	3,473,419	3,743,719	4,112,519	9.9%	368,800
Fringe Benefits	787,374	915,203	1,116,741	1,284,023	15.0%	167,282
Contractual Services	1,627,026	1,613,958	2,052,437	2,057,093	0.2%	4,656
Operating Costs	223,208	159,470	182,027	183,266	0.7%	1,239
TOTAL GENERAL	**5,899,903**	**6,162,050**	**7,094,924**	**7,636,902**	**7.6%**	**541,978**
SPECIAL REVENUE						
Salaries and Wages	295,278	274,407	272,689	339,306	24.4%	66,617
Fringe Benefits	62,049	66,078	69,027	108,662	57.4%	39,635
TOTAL SPECIAL REVENUE	**357,327**	**340,485**	**341,716**	**447,968**	**31.1%**	**106,252**
INTERNAL SERVICE						
Salaries and Wages	3,060,948	3,477,161	3,435,285	3,467,670	0.9%	32,385
Fringe Benefits	743,184	795,363	1,004,867	1,097,047	9.2%	92,180
Contractual Services	863,493	997,788	787,591	929,860	18.1%	142,269
Operating Costs	188,016	133,722	136,650	140,476	2.8%	3,826
TOTAL INTERNAL SERVICE	**4,855,641**	**5,404,034**	**5,364,393**	**5,635,053**	**5.0%**	**270,660**
TOTAL EXPENSE	**11,112,871**	**11,906,569**	**12,801,033**	**13,719,924**	**7.2%**	**918,891**

REVENUE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Mayor's Recommended	Percent Change	Change
GENERAL						
Charges for Service	15,274	9,603	17,000	17,000	0.0%	0
Other Misc Revenues	1,202	48	3,000	3,000	0.0%	0
TOTAL GENERAL	**16,476**	**9,651**	**20,000**	**20,000**	**0.0%**	**0**
SPECIAL REVENUE						
Federal Government	49,258	309,418	0	0	0.0%	0
TOTAL SPECIAL REVENUE	**49,258**	**309,418**	**0**	**0**	**0.0%**	**0**
INTERNAL SERVICE						
Charges for Service	39,785	1,506	20,000	20,000	0.0%	0
Other Misc Revenues	3,883	10,357	10,000	10,000	0.0%	0
TOTAL INTERNAL SERVICE	**43,668**	**11,863**	**30,000**	**30,000**	**0.0%**	**0**
TOTAL REVENUE	**109,402**	**330,931**	**50,000**	**50,000**	**0.0%**	**0**

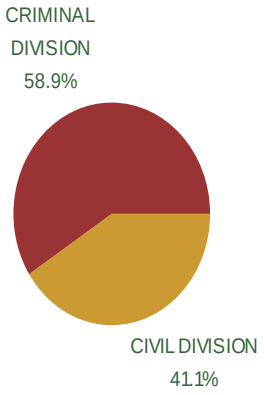
Expense by Fund



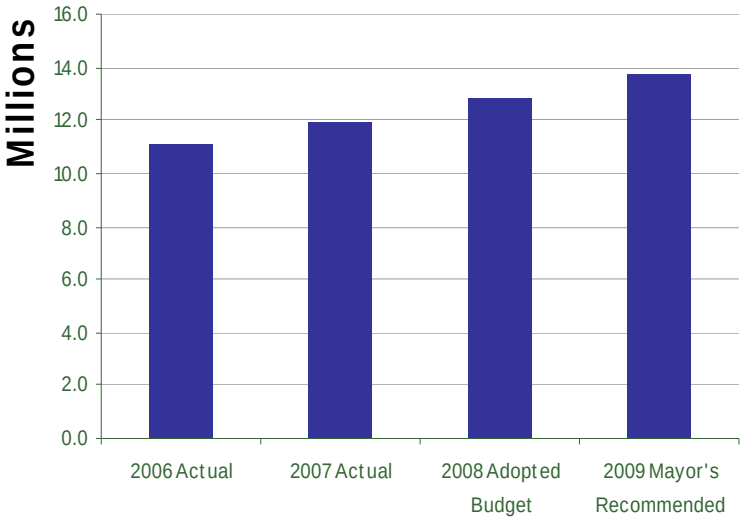
Expense by Category



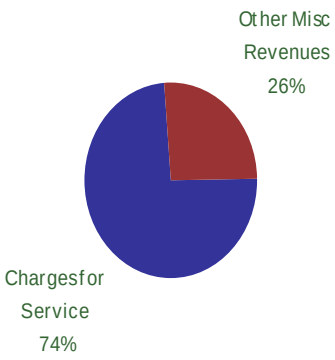
Expense by Division



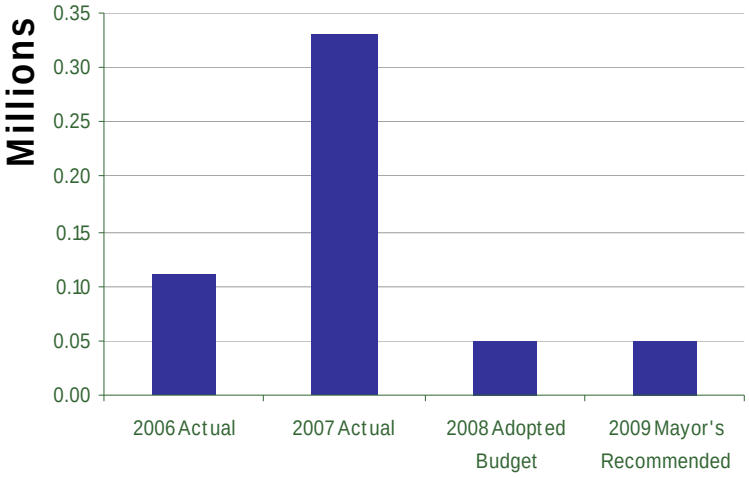
Expense 2006 - 2009



Direct Revenue by Type



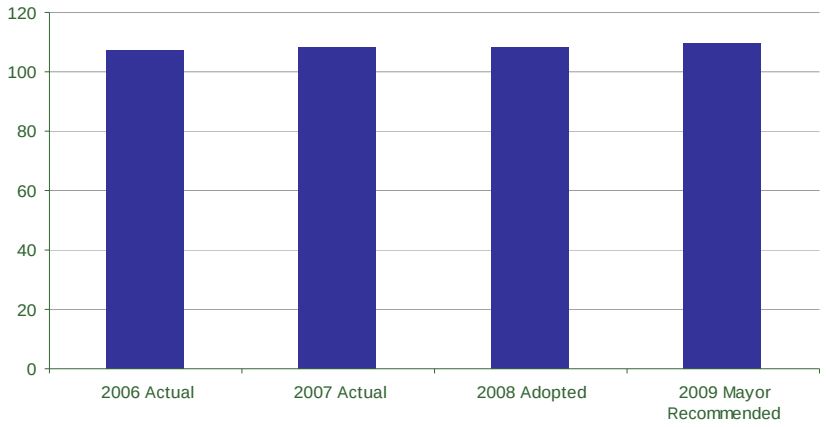
Revenue 2006 - 2009



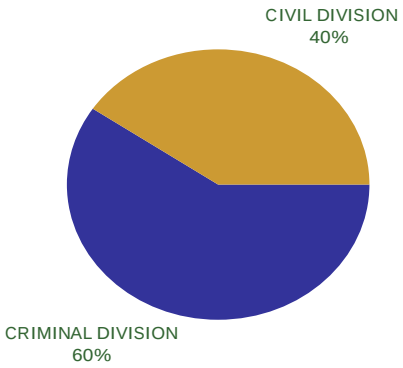
ATTORNEY
Staffing Information

	2006 Actual	2007 Actual	2008 Adopted	2009 Mayor Recommended	% Change	Change
CRIMINAL DIVISION	62.0	63.0	63.0	65.5	0.0	2.5
CIVIL DIVISION	45.0	45.0	45.0	44.5	0.0	-0.5
TOTAL	**107.0**	**108.0**	**108.0**	**110.0**	**0.0**	**2.0**

Positions 2006-2009



Positions by Division



CITY CLERKS/ELECTIONS/CITY COUNCIL

MISSION

To provide high quality, cost-effective processes and information for Council Members, City staff and the public, so that effective and responsible decisions can be made to govern the City.

The City Clerk's Office is designated by City Charter and Ordinance as the official archivist of all city records and as the authority responsible for providing access to those records by the public.

We act diplomatically and apolitically to document and preserve the archival history of the city and to ensure citizens and lawmakers have unfettered access to information needed for responsible decision-making.

The mission and actions of the City Clerk Department serve to support all six of the City's goals.

BUSINESS LINES

Committee Management and Council Information
Coordinate activities of the City Council, 8 standing committees, 4 special committees, Executive Committee, Charter Commission and Committee of the Whole.

Administration for Council and Clerk
Provide administrative support to Council Members, their staff and the Reception Desk as well as to the City Clerk's Department.

Records Management and Enterprise Information Management (EIM)
Oversee the management of all official government records for the City of Minneapolis.

Printing, Data Operations and Mailing
Provide data operations service to City and County.

- Printing personalized vendor checks, payroll checks, utility bills and other licensing documents.
- Update and maintain documentation on business information services processes related to document production.

Provide copying and bindery services for all City departments including:

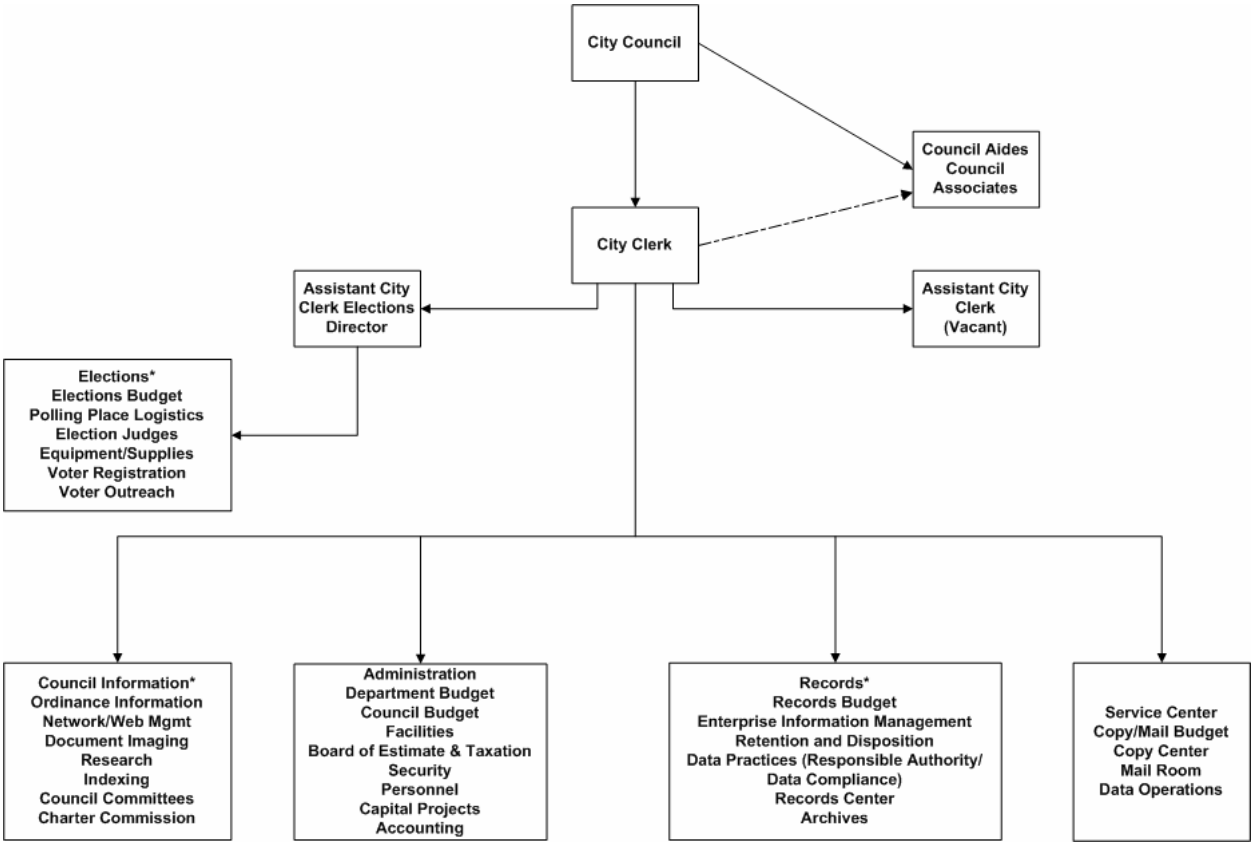
- High speed xerography, offset printing and digital color printing
- Collating/folding
- Paper cutting/drilling, hand assembly and numbering
- Envelope insertion and Stitching/stapling/binding

Provide mailing services for City departments including:

- First class and standard mail (bulk mail) assistance
- Interoffice mail delivery in City Hall
- Courier service to city departments in downtown buildings
- Package assistance and mailing through United Parcel Service
- Assistance with specialty mail such as certified, registered and insured mail

Elections
Administer Federal, State, County and Local elections for the citizens of Minneapolis.

ORGANIZATION CHART



FIVE – YEAR DEPARTMENT GOALS AND OBJECTIVES **This department supports all city goals**	
Department Goals	**Objectives**
Procedures: Ensure that all documents related to Council activity are accurate and available and that the legislative process is clear, efficient, and effective.	Continue to implement efficiencies and quality improvements to Council processes and information. Continue to increase access to and quality of information through expanded use of technology. Provide official records to the public within state regulations.
Appointments: Manage the appointments process for City boards and commissions so citizens have involvement in City government. Seek enhancements to the process to promote citizen engagement.	Provide clear and easy access to information and services that facilitate citizen engagement.
Staffing: Create an atmosphere that honors the unity, commitment, diversity and professionalism of our workforce and the public we serve	Insure a competent professional workforce that meets the City's current and future needs.
Information Management: Guide the City's management of electronic and paper records to comply with State and Federal regulations	Manage Enterprise Information Management (EIM) standards and practices for all City departments, consistent with other jurisdictions and in compliance with regulations.

Records Retention: Implement records management procedures for retention and destruction to help ensure efficient and effective information systems	Store records based on their retention schedules and destroy records when they have met their retention limits.
Data Practices: Provide information as required by the MN Data Practices Act	Provide information within reasonable time limits based on the complexity of the request.
Archives: Preserve and provide access to the City's historical records housed in the Municipal Library (aka the Archives).	Develop a process to manage the Archives into the future considering best practices and cost effectiveness.
Copy/Mail: Provide cost effective and efficient printing, copying, bindery services, courier and mail services for City departments	Provide services at a cost significantly less than private sector vendors.
Ranked Choice Voting (RCV): Be ready to implement RCV by 2009	Prepare sufficient information and plans for the Council to determine feasibility of implementation.
Legal Requirements: Insure that all election procedures conform to legal requirements and that voters have confidence in the system.	Participate in legislative process and create efficiencies in election administration.
Participation: Maximize voter participation	Expand voter education strategies to motivate more people to vote.

***RESULTS MINNEAPOLIS* MEASURES, DATA AND TARGETS TABLE**

Measure Name	**2004**	**2005**	**2006**	**2007 Actual**	**2008 Target**	**2011 Target**	**2012 Target**
Number of new systems incorporating EIM standards	NA	NA	NA	3 BIS Projects	TBD	TBD	
Number of departments and divisions that have State approved retention schedules	NA	NA	2 of 17	4 of 17	8 of 17	17 of 17	
% by which City copy center costs are lower than two downtown private sector vendors – Black, white and Color Copies	NA	NA	NA	54.1% B&W 53.6% COLOR	42% B&W 47% COLOR	50% B&W 50% COLOR	
% by which City mail room courier costs are lower than two private sector vendor costs for same service	NA	NA	NA	31.6%	54%	30%	
Number of ballots cast in each November election	201,672	70,987	149,318	NA	200,000	NA	

What key trends and challenges does the department face and how will each be addressed?

Enterprise Information Management - The Clerk's Office is unable to direct appropriate resources to the City's EIM initiative. Indeed, the department has been unable to meet legal obligations to develop record retention guidelines and data practices training programs, initiatives undertaken by other Minnesota cities a decade ago. The department must develop methodologies and funding sources which allow attainment of future goals as well as perform work necessary to address past unmet needs.

Adoption of Revised City Charter – The Charter Commission is proposing to bring forward for adoption a redrafted City Charter. Current state law requires extensive publication requirements. Discussions are underway regarding the viability of seeking legislative relief through special law proposed in the 2009 session. Staff will be working with *Finance and Commerce* to negotiate the lowest possible price should the legislative approach fail.

What changes to ordinance are needed to improve services and/or reduce cost?

Publication Requirements: Statute and Charter provisions requiring newspaper publication were adopted prior to advent of web publication, which is now the standard for communication with the public. Web publishing is less costly, more effective and reaches a broader audience than publication in the official newspaper. The City has advocated for relief from publication requirements contained in statute for several years. The Legislature, however, is unwilling to support the initiative.

As an alternative, City Clerk staff has proposed a change in newspaper publication requirements contained in charter, many of which significantly exceed the requirements contained in statute. Discussions have been held with Charter Commission members and it is generally believed that both the Charter Commission and City Council will be supportive of the proposed changes. This proposal is part of the City Clerk work plan for 2008.

Ranked Choice Voting - Another challenge facing the department is the need to implement Ranked Choice Voting (RCV) for the municipal election of 2009. Estimates for equipment run between $75,000 and $1.5 M dollars. If, through the RFP process currently underway, it is determined that no equipment is available, the city could be compelled to conduct a hand count. Personnel costs associated with a hand count could potentially be higher than costs incurred at a presidential election. These higher costs are inconsistent with financial strategies put into place in 2007 to address fluctuations in voter turnout over the four year election cycle.

FINANCIAL ANALYSIS

EXPENDITURE

The 2009 City Clerk, Council, and Elections & Registrations department's budget of $8.3 million is in line with the five-year financial direction. This budget includes an increase to Elections as there is a Municipal election in 2009. Starting in 2007, City Council combined their budget with the City Clerk and Elections budget.

The outsourced postage service previously paid by individual departments is being paid by Central Mailing. In 2009 Central Mailing's budget is estimated at $416,000. The budget for the Copy Center is estimated at $625,000 for 2009, for the copying requisition (printing) function. Both the Mail Room and the Copy Center have equal revenues for services, both are estimated,

and both expenditures and revenues may need increases during the year, based on use of services.

REVENUE
Revenue is estimated at $1 million, with declining sales of documentation copies due to availability of internet access. In Elections, the passport revenues are no longer a part of the department's function. It is predict that the estimate for the sales of Domestic Partnership licenses will increase, as nationwide the licenses have increased.

Central Mailing expects matching revenues to expenditures with mailing services. The Copy Center also expects matching revenues to expenditures in the copying requisitions (printing) function. The Data Operations Center should bring in matching revenues to expenditures with the rate model.

FUND ALLOCATION
The department's expenditure budget is funded by the General Fund (86%) and Internal Service Funds (14%).

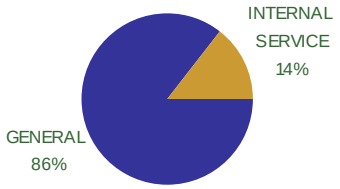
MAYOR RECOMMENDED BUDGET
The Mayor recommends $75,000 in one time funding to implement the ranked choice voting system. The Mayor also recommends a reduction of $40,000 to meet the financial direction.

CITY COUNCIL/CLERK/ELECTIONS
EXPENSE AND REVENUE INFORMATION

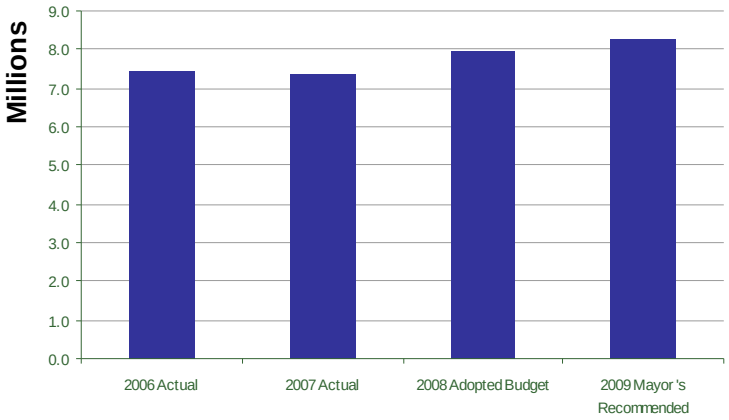
EXPENSE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Mayor's Recommended	Percent Change	Change
GENERAL						
Salaries and Wages	3,432,952	3,367,850	3,498,298	3,515,129	0.5%	16,831
Fringe Benefits	892,910	944,664	1,057,954	1,292,658	22.2%	234,704
Contractual Services	1,639,607	1,262,256	1,874,936	1,858,436	-0.9%	(16,500)
Operating Costs	194,058	424,011	374,956	428,250	14.2%	53,294
Capital	0	8,621	15,856	16,300	2.8%	444
TOTAL GENERAL	**6,159,527**	**6,007,402**	**6,822,000**	**7,110,772**	**4.2%**	**288,772**
INTERNAL SERVICE						
Salaries and Wages	160,255	241,218	263,427	261,682	-0.7%	(1,745)
Fringe Benefits	52,348	88,393	107,402	119,582	11.3%	12,180
Contractual Services	644,856	688,960	524,094	556,534	6.2%	32,440
Operating Costs	281,298	333,040	245,612	237,439	-3.3%	(8,173)
Capital	111,055	27,766	26,033	26,762	2.8%	729
TOTAL INTERNAL SERVICE	**1,249,812**	**1,379,377**	**1,166,568**	**1,202,000**	**3.0%**	**35,432**
TOTAL EXPENSE	**7,409,339**	**7,386,779**	**7,988,568**	**8,312,772**	**4.1%**	**324,204**

REVENUE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Mayor's Recommended	Percent Change	Change
GENERAL						
License and Permits	3,305	2,625	1,000	2,500	150.0%	1,500
Charges for Service	102,413	101,618	80,500	45,735	-43.2%	(34,765)
Charges for Sales	6,399	1,976	1,125	2,100	86.7%	975
Other Misc Revenues	1,581	563	500	325	-35.0%	(175)
TOTAL GENERAL	**113,698**	**106,782**	**83,125**	**50,660**	**-39.1%**	**(32,465)**
INTERNAL SERVICE						
Charges for Service	1,333,890	1,193,905	1,010,706	1,041,405	3.0%	30,699
Charges for Sales	0	940	0	0	0.0%	0
Other Misc Revenues	1,684	0	0	0	0.0%	0
TOTAL INTERNAL SERVICE	**1,335,575**	**1,194,845**	**1,010,706**	**1,041,405**	**3.0%**	**30,699**
TOTAL REVENUE	**1,449,273**	**1,301,626**	**1,093,831**	**1,092,065**	**-0.2%**	**(1,766)**

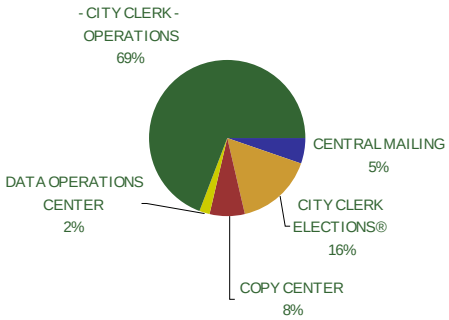
Expense by Fund



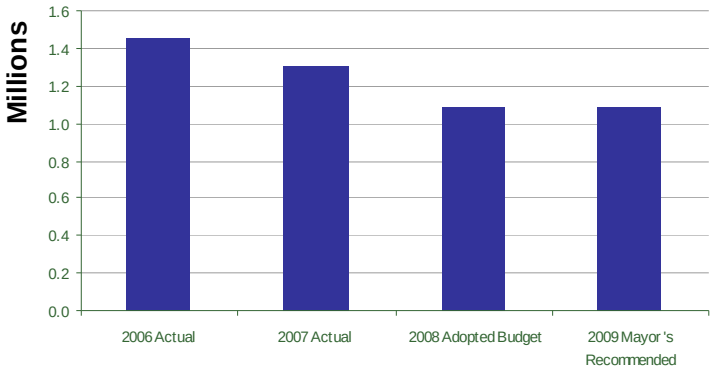
Expense 2006 - 2009



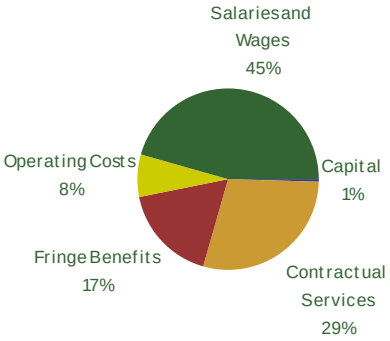
Expense by Division



Revenue 2006 - 2009



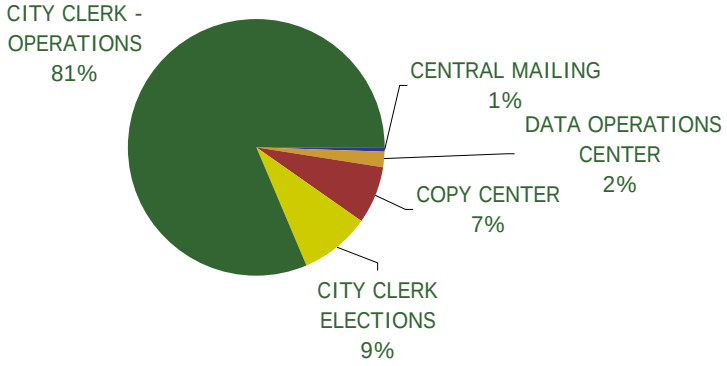
Expense by Category



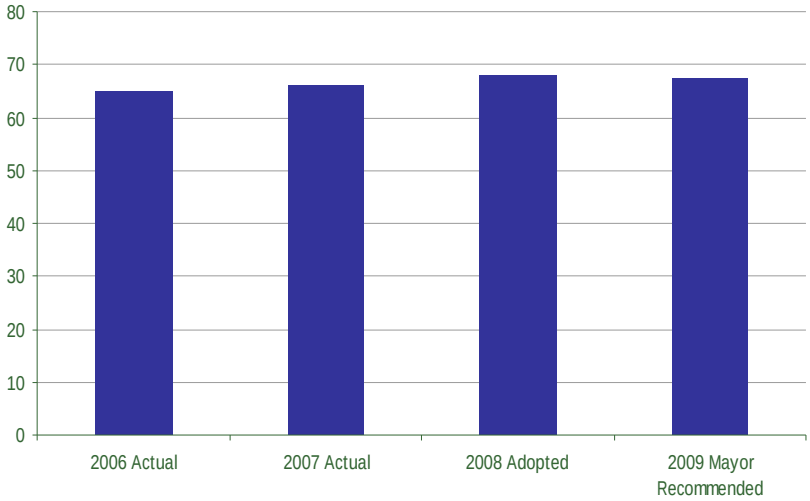
City Council/Clerk/Elections
Staffing Information

	2006 Actual	2007 Actual	2008 Adopted	2009 Mayor Recommended	% Change	Change
CITY CLERK - OPERATIONS	54.0	55.0	55.0	55.0	0.0	0.0
CENTRAL MAILING	0.0	0.0	0.0	0.4		0.4
DATA OPERATIONS CENTER	0.0	0.0	1.0	1.3	0.3	0.3
COPY CENTER	5.0	5.0	5.0	4.9	0.0	-0.2
CITY CLERK ELECTIONS &REG	6.0	6.0	6.0	6.0	0.0	0.0
TOTAL	**65.0**	**66.0**	**68.0**	**67.5**	**0.0**	**0.5**

Positions by Division



Positions 2006-2009



CITY COORDINATOR

MISSION [EXCERPTED FROM THE CITY CHARTER]
The Office of the City Coordinator provides administrative and management services for the City, including but not limited to planning, budgeting and fiscal management, program monitoring and evaluation, personnel, data processing and purchasing. The coordinator shall coordinate City activities as directed by the City Council and shall supervise the inspections department, the Minneapolis Convention Center, convention and tourism, licenses and consumer services, federal programs, and such other activities as the City Council may direct. The City Coordinator after consultation with City agencies shall recommend to the City Council and Mayor a management system for all agencies.

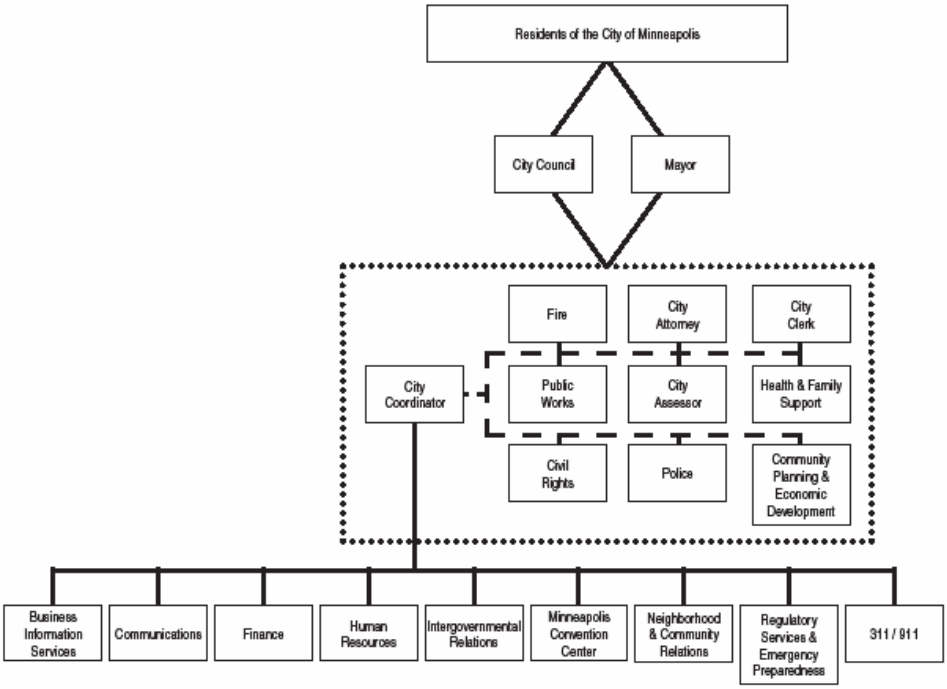
BUSINESS LINES
The City Coordinator Department has three primary business lines:

Strategic Policy Development and Implementation: The City Coordinator acts as a strategic policy advisor to the Mayor and City Council and ensures that policy and project implementations are accountable and consistent with Mayor and Council direction.

Enterprise Management Services: The City Coordinator provides strategic direction and oversight to the City's management service departments including business information services, communications, finance, human resources, and intergovernmental relations to ensure the effectiveness of the City's internal services.

Direct Services: The City Coordinator has direct management oversight responsibilities to ensure cost-effective, high-quality service and public accountability for line service departments, including emergency communications (911), non-emergency information and services (311), regulatory services and emergency preparedness, and the work of the Minneapolis Convention Center.

ORGANIZATION CHART



FIVE YEAR DEPARTMENT GOALS AND OBJECTIVES	
City Coordinator is aligned with all City goals.	
Department Goal	**Objectives**
Shape, monitor progress, and support the implementation and achievement of the City's goals and strategic directions	Develop and support the ongoing implementation of the new City goals and strategic directions
	Administer business plan process that aligns City direction with department business plans
	Use performance measures and other indicators to drive progress to outcomes and demonstrate accountability (develop a fully results-oriented culture)
The City's management practices are continuously improving and are outcome and customer-focused	Management service departments are recognized as valuable strategic partners to all City departments
	Identify opportunities & assist departments in streamlining key departments and multi-department systems
	Minneapolis 311 operation continues to provide excellence in customer service through ongoing refinement of operations, expanded customer services and close and broadened working partnerships
	Customer-focused service is a recognized hallmark of City operations
	City of Minneapolis identifies, shares and implements best practices and strategic management techniques
Convene, coordinate and strategically manage multi-jurisdictional and inter-departmental efforts to successful outcomes	Provide strategic coordination to achieve multi-department, multi-jurisdictional initiatives
	Advance strategic partnerships in the City's public, private and non-profit networks
	"Executive leadership" is well-defined and understood by entire City management
The City's workforce is engaged, energized and proud	The City has a progressive yet practical compensation philosophy and practices

RESULTS MINNEAPOLIS RESULT, DATA AND TARGET TABLE							
Measure Name	**2004 Data**	**2005 Data**	**2006 Data**	**2007 Data**	**2008 YTD**	**2008 Target**	**2011 Target**
A safe place to call home							
Violent crimes	4825	5572	6480	5660		5377	
Guns seized	1093	1032	1458	1087			
Youth related homicides	21	17	26	15		12	8
Graffiti abatement			95%	94% (target)			94%
Affordable housing units produced	1294	566	673	323			
One Minneapolis							
Graduation rates by race and ethnicity	76.1%	78.4%	79.6%	86%		80%	80%

Low birth weight babies by race and ethnicity	7.9%	8.2%	7.6%				5%
Poverty rates	19%	21%	22.7%				
Percent of homeowners and renters paying more than 30% of income on housing	R:45%	R:51%	R: 52%				
	O:26%	O:28%	O:34%				
Foreclosures		863	1610	2895	813	3000	1000
Lifelong learning second to none							
Beginning kindergarten assessment literacy scores		56%		58%			60%
Circulation of library materials	2,521,870	2,474,434	2,757,997	3,340,000			
3rd grade math and reading proficiency rate	M 49.48%	56.78%	57.5%	58%	60%		
	R 49.79%	56.01%	64.7%	65%	59%		
Connected communities							
Light rail ridership	2,938,778	7,901,669	9,356,982				
Bike trail miles	84	85	96	100			130 (2015)
Satisfaction with development services	68%			92%	96%	90%	
Enriched environment							
Good air quality days	187	166	193	178			
Use of renewable energy by Xcel		7%	12%	13%			
Net loss of trees on public land	-3530	-2410	-393	-1587			
Water quality of Mpls lakes (in Trophic State Index) — Brownie	58	NS	56	NS		55	
Calhoun	40	37	42	42		47	
Cedar	47	48	54	47		47	
Harriet	43	40	48	46		47	
Isles	58	54	60	59		57	
High school students enrollment rate in arts class(es)		61%	65%	49%			95% * (2014)
A premier destination							
Job growth in arts, entertainment and recreation sector and Health care and social assistance sector	378	659	2115	742			750
Safety downtown (crime stats)	Data to be collected						
Attendance at City-owned venues	1,850,232	1,770,920	1,315,194	1,431,863			
Hotel occupancy	68%	71.1%	70.8%				
Convention center attendees	903,330	784,250	836,000	782,059		800,000	884,000
Downtown office vacancy rates	20.2%	18.4%	15.9%	14.1%			

Management measures							
External partner (customer) satisfaction with 311	No data						
Effectiveness of the assistance departments have received on business planning (Excellent or Above average)				57.66%			
Effectiveness of the assistance departments have received on *Results Minneapolis* (Excellent or Above average)				69.91%			
Departments that think the enterprise service departments have met their needs (Strongly agree or Agree) -Finance -HR -BIS -Communications -IGR -311				 -61.00% -68.20% -55.40% -73.35% -85.00% -67.60%			
Elected officials satisfaction support from City Coordinator operations	No data						

What key trends and challenges does the department face and how will each be addressed?

At the annual PUSH Conference in early June 2008, Jonathan Greenblatt – former White House aide, VP at Starbucks, cofounder of Ethos brand water, and currently the CE0 of the socially-conscious GOOD Magazine – suggested six key elements that will always be evident in the most successful twenty-first century businesses and organizations. They are:

INTENTION
AUTHENTICITY
PERFORMANCE
COMMITMENT
TRANSPARENCY
ENGAGEMENT

Greenblatt went on to highlight example after example of the presence of these ingredients in today's most ethical brands, courageous companies and problem-solving organizations.

The Coordinator's Office, on a shared mission with elected and employees to make the City not only a great American city, but an ethical and courageous organization nimble and ready to solve any problem in partnership with residents, assessed City government through Greenblatt's six elements to see where the department stands. The outcome tells the tale of what the department sees as a four-year transformation of organization and indeed the redevelopment of a strong, meaningful Coordinator operation.

Intention: The organization or business should be "impelled by a mission," says Greenblatt, and "intention should lead to action." In 2006, the City's elected officials, alongside the top appointed officials, developed a 2020 mission statement, six five-year goals and thirty-one strategic directions. These intentions were powerful statements about what the department wanted the City *to be* today and in the near future. They represented a collective consensus of what the City should become if all forces were moving in the same direction, internally and externally. They represented the guidance executive departments needed to refine and further spell out specific programs and actions in their business plans to achieve these goals, and continue to serve as the ultimate outcomes to which the department work on a daily basis.

Authenticity: There is nothing quite as authentic as true representative democracy. Minneapolis utilizes a form of government that keeps decisions close to residents and allows continuous input into the governing processes. The department collaborates in hundreds of cross-jurisdictional committees and policy partnerships where debate is vigorous and challenging. More than fifty citizen boards and commissions contribute ideas and advice to the way the department work and the services the department provide. This is a government that is connected and in touch with the people the department serves, and decisions and policy outcomes continue to reflect just that.

Performance: It is here that city government has made its greatest strides in the past two years. Performance measures have been in place in City departments for nearly a decade; they have, however, been made more meaningful to managers and policymakers alike through weekly conversations (*Results Minneapolis*) about tangible and objective data and candid assessment of whether real progress is occurring. These progress conferences are the place where the department tests what is working and what should change to get further faster on key goals and objectives.

Commitment: Greenbelt said the "commitment must be 'laced' throughout the organization." From frontline employees to Council committee chairs, Minneapolis is blessed with committed individuals getting the work done. One of the standout results of the last employee survey, conducted in the autumn of 2006, was the degree to which employees felt pride in "their public service." The private firm assessing the survey results said that the Minneapolis results were well outside the norm –favorably- for municipal governments.

In 2007, the Coordinator's Office expanded its expertise to lead a new program of business process improvement (BPI). BPI aims to empower employees at every level of the enterprise with good techniques to improve key City business processes and to ultimately deliver improved results to our residents while using fewer resources (time, people and money) to do so.

Transparency: Always a value of City government, transparency is much on the minds of the Coordinator's Office as the department develops:

- New two-way communications tools
- Work on the new neighborhood portals afforded by the wireless project
- Develop a new website with user-friendly, up-to-date information for residents on the City's performance measures
- Continue to share broadly good information about all activities of government. Greenblatt says, "Transparency is key" for the trust and connection organizations want to have with partners and constituents.

Engagement: There is maybe no issue that has received greater attention in the past eighteen months and will remain a focus in the coming years. The Mayor and City Council have undertaken an extensive review of community engagement practices and relationship with neighborhoods and other community organizations. This review will culminate in a specific proposal to establish a new Department of Neighborhood and Community Relations in the coming year. The department will be charged with improving, throughout the City, the quality of engagement practices.

The City Coordinator's Office Today: The City Coordinator's Office is proud of the progress the department is making. Through the reallocation of resources in 2006 and 2007, the office has been reshaped to serve as the core planning and management resource a city this size should maintain. The office accepts the following responsibilities in service to the entire city organization:

- Strategic and business planning counsel and advice
- Performance measurement and accountability practices
- Business process improvement training and management
- Strategic partnership development
- Enterprise project management and coordination
- Enterprise initiative guidance (*e.g.,* sustainability, community engagement)
- Leadership and executive management development

Regarding Sustainability: The City's sustainability effort is maturing, driving a higher degree of sophistication is being expected in terms of setting targets, measuring and reporting outcomes, selecting activities that will have the greatest impact, and promoting sustainable practices without additional resources.

Work in 2009 will be focused on further systematization of sustainability into business plans and close partnerships with all City departments. A special emphasis is being placed on climate change strategies – which can provide unique opportunities to save money and to strengthen the economy and health of the City. The department is continuing to improve outreach to local and national partners in order to leverage City resources. In partnership with Saint Paul, our federal Department of Energy solar grant aimed at creating a viable market will heat up in 2009.

FINANCIAL INFORMATION FOR ALL COORDINATOR'S DEPARTMENTS COMBINED

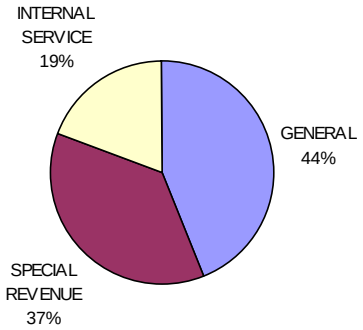
The Coordinator's 2009 budget is $153.8 million, an 8.8% increase from 2008. The budget is funded by the general fund, the convention center fund, three grant funds, and two internal service funds. The overall change in positions is an increase of three to a total of 944.

CITY COORDINATOR DEPARTMENTS
EXPENSE AND REVENUE INFORMATION

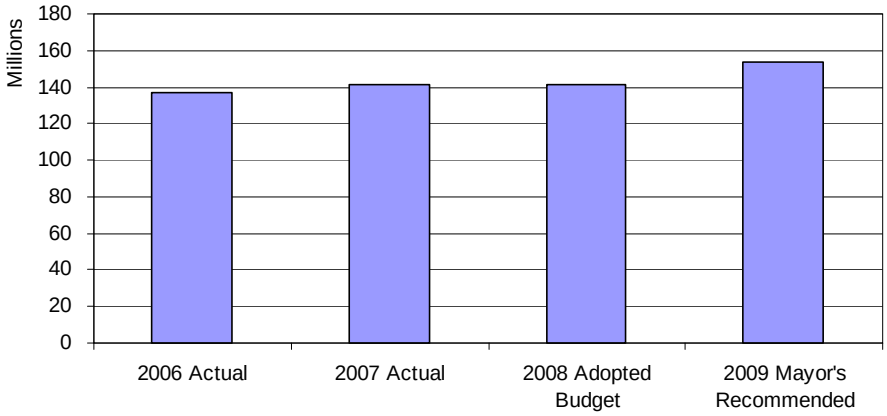
EXPENSE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Mayor's Recommended	Percent Change	Change
GENERAL						
Salaries and Wages	31,128,308	33,050,437	34,321,639	35,520,382	3.5%	1,198,743
Fringe Benefits	9,061,206	10,072,652	11,686,472	12,877,277	10.2%	1,190,805
Contractual Services	17,420,755	15,285,670	14,021,101	15,154,985	8.1%	1,133,884
Operating Costs	2,381,338	3,181,740	2,933,995	3,459,124	17.9%	525,129
Capital	714,506	754,533	334,298	295,596	-11.6%	(38,702)
TOTAL GENERAL	**60,706,113**	**62,345,032**	**63,297,505**	**67,307,365**	**6.3%**	**4,009,860**
SPECIAL REVENUE						
Salaries and Wages	9,245,249	10,123,112	10,534,647	11,054,633	4.9%	519,986
Fringe Benefits	3,007,262	3,293,860	3,992,069	4,894,751	22.6%	902,682
Contractual Services	24,971,715	24,711,050	25,369,061	26,709,701	5.3%	1,340,640
Operating Costs	1,057,695	1,715,422	1,658,601	1,731,981	4.4%	73,380
Capital	1,242,978	1,106,990	7,767,381	12,342,677	58.9%	4,575,296
TOTAL SPECIAL REVENUE	**39,524,899**	**40,950,434**	**49,321,759**	**56,733,742**	**15.0%**	**7,411,983**
ENTERPRISE						
Capital	622,519	549	0	0	0.0%	0
TOTAL ENTERPRISE	**622,519**	**549**	**0**	**0**	**0.0%**	**0**
INTERNAL SERVICE						
Salaries and Wages	5,995,678	6,549,541	7,607,935	8,133,530	6.9%	525,595
Fringe Benefits	1,565,203	1,693,679	2,501,416	2,718,177	8.7%	216,761
Contractual Services	17,779,513	22,389,054	17,343,240	17,452,398	0.6%	109,158
Operating Costs	10,374,691	7,804,432	1,160,028	1,305,644	12.6%	145,616
Capital	0	55,136	130,019	133,660	2.8%	3,641
TOTAL INTERNAL SERVICE	**35,715,085**	**38,491,842**	**28,742,638**	**29,743,408**	**3.5%**	**1,000,770**
TOTAL EXPENSE	**136,568,616**	**141,787,857**	**141,361,902**	**153,784,515**	**8.8%**	**12,422,613**

REVENUE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Mayor's Recommended	Percent Change	Change
GENERAL						
Franchise Fees	2,926,489	2,893,999	2,500,000	2,500,000	0.0%	0
License and Permits	21,166,246	21,088,247	22,267,098	22,689,450	1.9%	422,352
Local Government	62,500	114,857	50,393	66,905	32.8%	16,512
Charges for Service	3,296,541	978,142	783,047	946,530	20.9%	163,483
Charges for Sales	30,154	47,405	14,800	10,225	-30.9%	(4,575)
Fines and Forfeits	272,691	455,527	354,320	377,622	6.6%	23,302
Special Assessments	1,197,142	2,319,732	0	561,754	0.0%	561,754
Rents	11,889	8,169	8,400	7,000	-16.7%	(1,400)
Contributions	173,285	170,031	400,000	400,000	0.0%	0
Other Misc Revenues	94,973	124,952	86,335	84,706	-1.9%	(1,629)
TOTAL GENERAL	**29,231,910**	**28,201,062**	**26,464,393**	**27,644,192**	**4.5%**	**1,179,799**
SPECIAL REVENUE						
Sales and Other Taxes	56,724,560	60,065,202	57,864,000	59,454,405	2.7%	1,590,405
License and Permits	0	0	85,000	285,000	235.3%	200,000
Federal Government	2,064,396	3,183,612	5,161,127	4,997,163	-3.2%	(163,964)
State Government	917,362	564,710	517,500	521,000	0.7%	3,500
Local Government	0	37,538	0	0	0.0%	0
Charges for Service	5,155,200	5,292,581	6,180,000	5,475,000	-11.4%	(705,000)
Special Assessments	0	0	1,540,000	3,974,400	158.1%	2,434,400
Interest	0	27,166	954,000	1,729,011	81.2%	775,011
Rents	6,768,181	6,508,640	6,689,250	6,435,000	-3.8%	(254,250)
Contributions	537,500	1,117,528	700,000	721,000	3.0%	21,000
Other Misc Revenues	2,624,748	2,595,488	2,724,000	3,025,000	11.0%	301,000
TOTAL SPECIAL REVENUE	**74,791,948**	**79,392,465**	**82,414,877**	**86,616,979**	**5.1%**	**4,202,102**
AGENCY						
Interest	-1,858,141	0	0	0	0.0%	0
TOTAL AGENCY	**(1,858,141)**	**0**	**0**	**0**	**0.0%**	**0**
INTERNAL SERVICE						
Charges for Service	30,556,473	31,417,945	28,409,691	30,488,133	7.3%	2,078,442
Charges for Sales	22,695	26,438	45,000	30,000	-33.3%	(15,000)
Special Assessments	0	0	0	105,000	0.0%	105,000
TOTAL INTERNAL SERVICE	**30,579,169**	**31,444,383**	**28,454,691**	**30,623,133**	**7.6%**	**2,168,442**
TOTAL REVENUE	**132,744,884**	**139,037,910**	**137,333,961**	**144,884,304**	**5.5%**	**7,550,343**

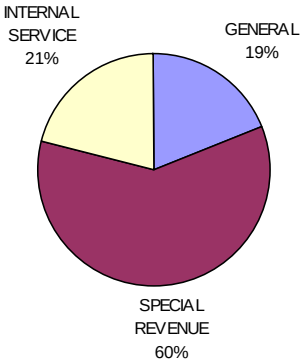
Expenditure by Fund



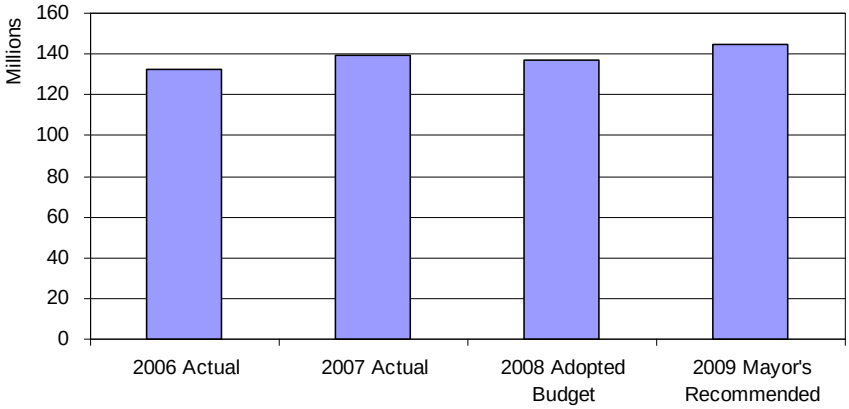
Total City Coordinator Expenditures 2006-2009



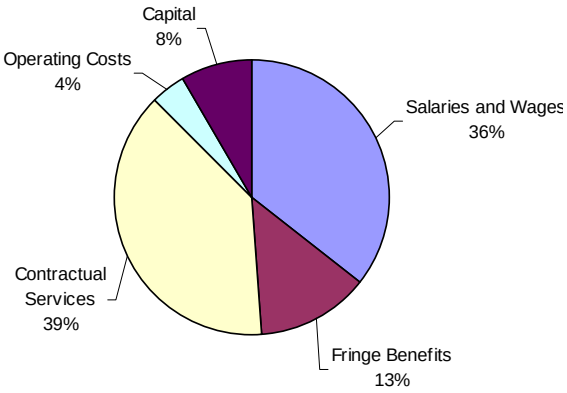
Revenue by Fund



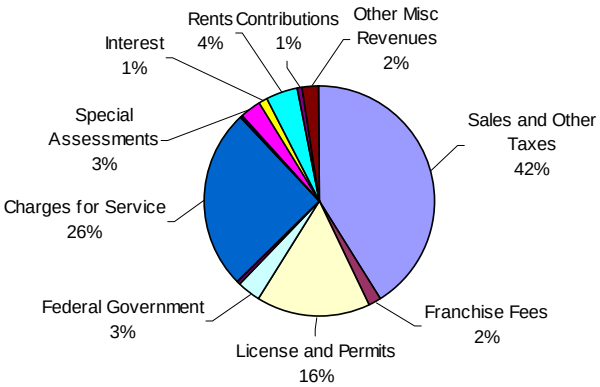
Total City Coordinator Revenues 2006-2009



Expenditures by Type



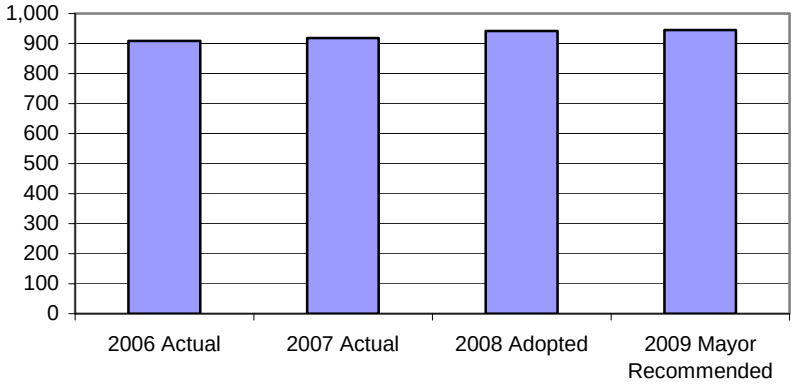
Revenue by Type



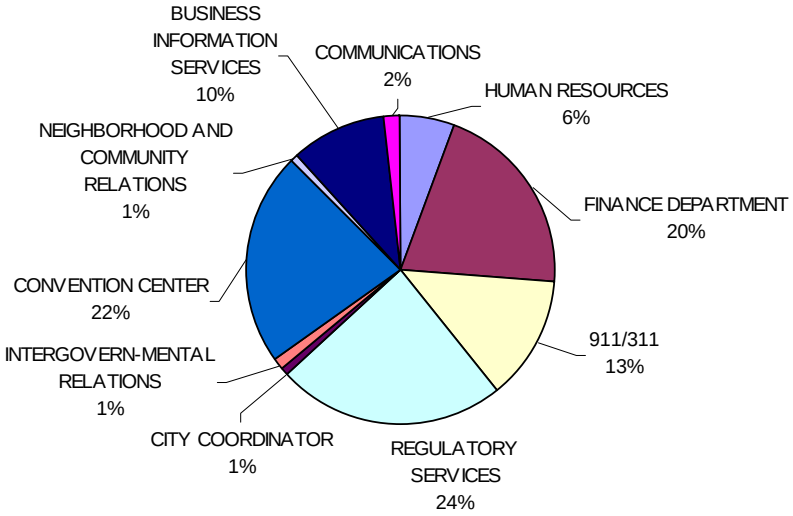
CITY COORDINATOR
Staffing Information

FTE'S by Department	2006 Actual	2007 Actual	2008 Adopted	2009 Mayor Recommended	% Change	Change
HUMAN RESOURCES	55	55	55	55	0.0%	0
FINANCE DEPARTMENT	202	201	202	193	-4.5%	(9)
911/311	118	118	122	122	-0.4%	(1)
REGULATORY SERVICES	210	214	221	225	2.0%	4
CITY COORDINATOR	3	8	10	10	0.0%	0
INTERGOVERNMENTAL RELATIONS	11	10	10	9	-10.0%	(1)
CONVENTION CENTER	211	211	212	212	0.1%	0
NEIGHBORHOOD AND COMMUNITY RELATIONS	0	0	0	9	0.0%	9
BUSINESS INFORMATION SERVICES	82	84	93	94	1.2%	1
COMMUNICATIONS	16	17	17	16	-5.9%	(1)
TOTAL COORDINATOR DEPTS	**908**	**918**	**941**	**944**	**0.3%**	**3**

Total City Coordinator
Staff Summary 2006-2009



Staffing by Department (944)



CITY COORDINATOR – ADMINISTRATION

FINANCIAL ANALYSIS

EXPENDITURE
The 2009 budget for the City Coordinator Administration department is $1.5 million, a 10.9% increase from the 2008 adopted budget.

REVENUE
This department does not generate revenue.

FUND ALLOCATION
One-hundred percent of the City Coordinator Administration department's budget is funded from the general fund.

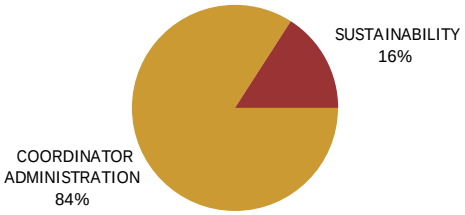
MAYOR'S RECOMMENDED BUDGET
The Mayor's recommended budget includes a $10,000 reduction to growth to this department and provides the City's tree program (the Tree Trust) with a recommendation of $75,000 in one-time funding. The Mayor's recommendation also includes $75,000 in one-time funding for Climate Change grants.

CITY COORDINATOR
EXPENSE AND REVENUE INFORMATION

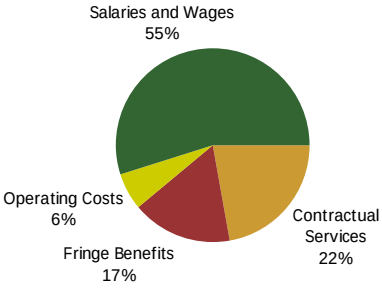
EXPENSE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Mayor's Recommended	Percent Change	Change
GENERAL						
Salaries and Wages	548,231	714,349	765,255	841,976	10.0%	76,721
Fringe Benefits	100,356	183,819	184,988	253,701	37.1%	68,713
Contractual Services	250,573	342,140	341,805	338,306	-1.0%	(3,499)
Operating Costs	51,823	223,597	85,505	94,186	10.2%	8,681
Capital	192	925	1,581	1,625	2.8%	44
TOTAL GENERAL	**951,175**	**1,464,830**	**1,379,134**	**1,529,794**	**10.9%**	**150,660**
SPECIAL REVENUE						
Contractual Services	0	122,349	0	0	0.0%	0
TOTAL SPECIAL REVENUE	**0**	**122,349**	**0**	**0**	**0.0%**	**0**
TOTAL EXPENSE	**951,175**	**1,587,179**	**1,379,134**	**1,529,794**	**10.9%**	**150,660**

REVENUE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Mayor's Recommended	Percent Change	Change
SPECIAL REVENUE						
Federal Government	0	100,000	0	0	0.0%	0
Local Government	0	22,350	0	0	0.0%	0
TOTAL SPECIAL REVENUE	**0**	**122,350**	**0**	**0**	**0.0%**	**0**
TOTAL REVENUE	**0**	**122,350**	**0**	**0**	**0.0%**	**0**

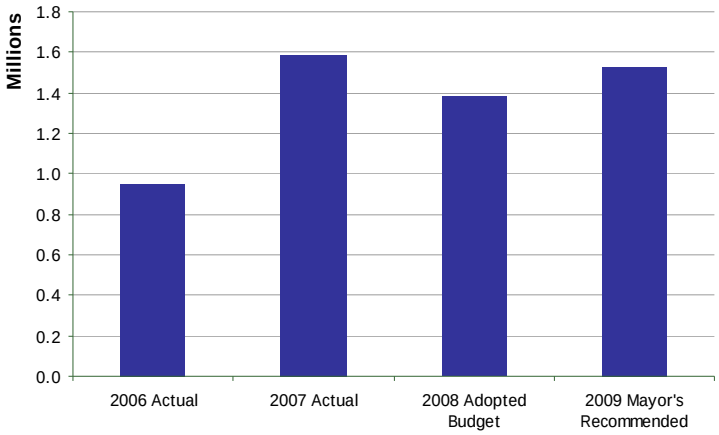
Expense by Division



Expense by Category



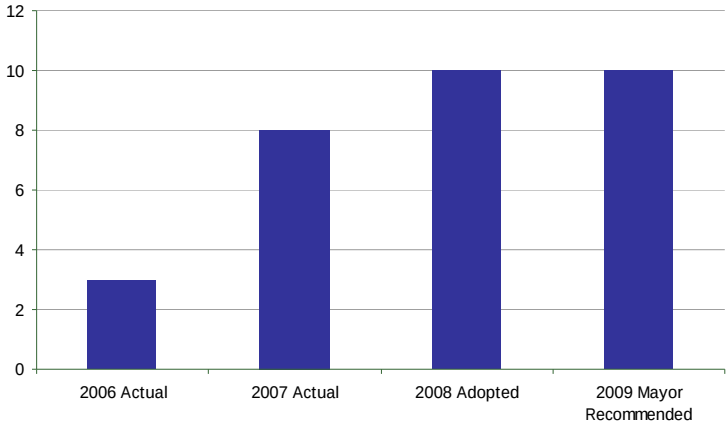
Expense 2006 - 2009



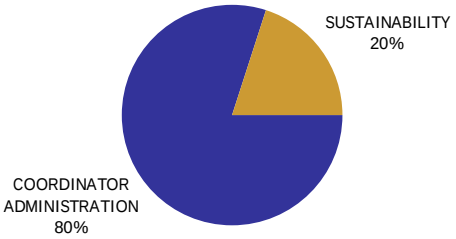
CITY COORDINATOR ADMINISTRATION
Staffing Information

	2006 Actual	2007 Actual	2008 Adopted	2009 Mayor Recommended	% Change	Change
COORDINATOR ADMINISTRATION	3	8	8	8	0.0%	
SUSTAINABILITY			2	2	0.0%	
TOTAL	**3**	**8**	**10**	**10**	**0.0%**	

Positions 2006-2009



Positions by Division



911/311

MISSION

911: To operate, in a professional manner, a complete public safety answering point and dispatching service for police, fire, and emergency medical service to support the needs of residents, visitors, and businesses in the City.

311: To serve as the single point of contact to the City for all non-emergency requests for information and services:

- Simplifying citizen access to City services and information
- Enabling city employees to deliver services more effectively
- Tracking requests for service delivery from inception to completion
- Providing access to City services by voice, e-mail and the web

BUSINESS LINES

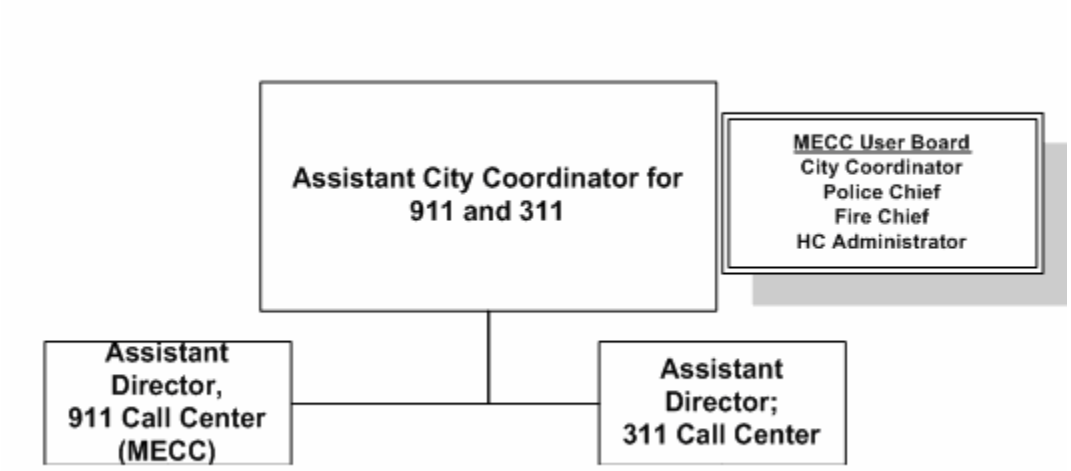
Emergency public safety communications services (911)

- Answer 911 calls for service
- Dispatch emergency responders
- Conduct various administrative tasks in support of internal customers

Non-emergency City government information provision and services request initiation (311)

- Answer questions via a "knowledge base" or transfer to those who can
- Initiate request for services via the "Frontlink" Customer Relationship Management system
- Provide data on all contacts to inform the continuous improvement activities of the City's departments

ORGANIZATION CHART



FIVE YEAR DEPARTMENT GOALS AND OBJECTIVES		
City Goals & Strategies	**Department Goals**	**Objectives**
A Safe Place to Call Home: (Gangs, Guns, Graffiti Gone; Crime Reduction)	Improve effectiveness & efficiency of 911 & 311 business processes	Consistently accommodate citizens' needs for government information and service initiation
		Improve resident satisfaction
		Ensure high priority calls are rapidly assigned to emergency responders
A Safe Place to Call Home, Connected Communities: (Gangs, Guns, Graffiti Gone; Crime Reduction)	Semper Paratus (always ready) for 911	Ensure critical systems are reliable (and/or backed up)
Connected Communities, One Minneapolis: (Customer Focused Services, Close Race & Class Gaps, Equitable City Services)	Ensure a highly qualified, trained and diverse workforce in 911 and 311.	Attract and retain a highly qualified, diverse workforce
		Ensure a highly qualified staff
		Maintain a positive departmental culture
One Minneapolis: (Equitable City Services)	Expand 311 Center services; ensure it becomes the de-facto non-emergency gateway for City information & services.	Offer services to external partners (schools, parks, libraries, tourism-related orgs and suburbs) while ensuring 16 city departments are fully accommodated

RESULTS MINNEAPOLIS MEASURES, DATA AND TARGETS TABLE						
Measure Name	**2004 Data**	**2005 Data**	**2006 Data**	**2007 Data**	**2008 Target**	**2011 Target**
911 Answer Time (sec)	6.51	6.4	7.3	7.9	6.5	5.5
911 Pending Time*	2m 17s	2m 51s	2m 58s	3m 10s	2m	1 min
911 Citizen Satisfaction	89%	93%	(no resident survey)	(no resident survey)	95%	98%
911 Complaints (Total/% Sustained)	115/64%	88/56%	81/57%	74/45%	50/30%	25/15%
Abandon calls; 911/311%	10.5%/NA	11%/NA	10%/3.2%	10.9%/4.8%	9%/3.5%	7%/3%
311 Answer Time (sec)**	N/A	N/A	10s	22s	10s **	15s**
311 Calls Answered (<20 sec)	N/A	N/A	90.3%	74.4%	90% **	90%

Measure Name	2004 Data	2005 Data	2006 Data	2007 Data	2008 Target	2011 Target
311 First-Call Resolution	N/A	N/A	69%	76%	85%	90%
Citizen Satisfaction with access to city services	N/A	75% (from resident survey)	(no resident survey)	(no resident survey)	90% (will determine from resident survey results)	98%
Cost Per Contact For 911/311	$9.25/NA	$9.99/NA	$10.71/$7.23	$10.26/$5.64	$10.70/$5.61	$10/$5

* Pending time = elapsed time from CAD entry to dispatch (for high priority calls only)
** 311 answer time and service level may not be attainable in 2008. Call volumes are up significantly (~20% increase). The department recommends maintaining current service level, rather than the 9 second GOALS as predicted in the 5-year plan.

What key trends and challenges does the department face and how will each be addressed?

- The **next generation of 911 telephony** will bring with it both capabilities and challenges. Internet Protocol (IP) will allow for better service and data delivery to the 911 Centers (including location information for VoIP phones, text messages, and video streams). At present, it would appear that 2010 may be the first year that hardware and software change-outs will be required.

- **Regionalization of 911 services** is also gaining steam in the state and around the country. Recently, Ramsey County and St. Paul merged into one 911 center as did the six 911 Centers in Dakota County. The MECC has proposed, and still finds it feasible, to provide dispatching for any and all fire departments in Hennepin County in its current space.

- **7 X 24 X 365 operations for the 311 Center** ($650,000 additional costs). Both the residents of Minneapolis and various departments continue to expect that 311 operations can be expanded. A number of departments and divisions maintain overnight "emergency" personnel who are either present or on-call; costs that may be reduced with expanded 311 hours.

- **Training:** The business of receiving and dispatching emergency calls for service continues to evolve technologically, legally, and professionally. These factors drive the need to provide training to 911 staff. Three categories of training must be considered:

  - "New hire" initial training

  - "Refresher" training in established business processes for experienced staff

  - "New process" training when changes are implemented or requirements are adjusted. There is a need for the full attention of at least one FTE to the department's training needs.

FINANCIAL ANALYSIS

EXPENDITURE

The 2009 budget for 911/311 is $11.27 million, a 7.1% increase from the 2008 adopted budget. The general fund supports 911/311 with $10.75 million, an 8.0% increase over 2008. The largest increase was related to fees for BIS application support – a $642,000 or a 176.6% increase over the 2008 budget.

Personnel expense makes up 79% of the department's budget and contractual services make up 20% of the budget. Equipment and other operating expenses make up 1% of the budget.

Of the non-personnel expenses that represent approximately 21% of the department's budget, the majority is paid to the City's internal service funds for BIS charges, phones, self-insurance, parking and benefit administration fees. The remainder is for training, equipment, memberships and supplies.

REVENUE

The 2009 budget for $521,000 in revenue relates to the 911 surcharge fees. This represents a 0.7% increase over the 2008 budget.

FUND ALLOCATION

Approximately 95% of the 911/311's budget for 2009 comes out of the general fund, with the remainder coming from grants.

MAYOR'S RECOMMENDED BUDGET

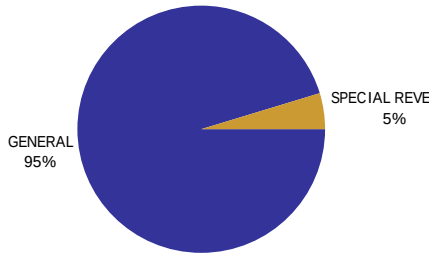
The Mayor's recommended budget does not include any reductions from the current service level for this department.

911/311
EXPENSE AND REVENUE INFORMATION

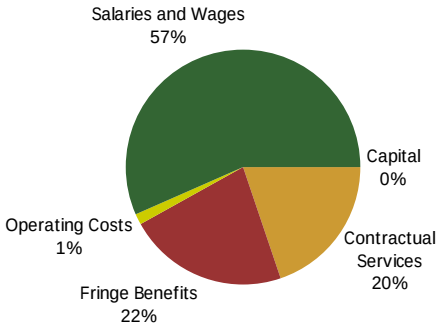
EXPENSE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Mayor's Recommended	Percent Change	Change
GENERAL						
Salaries and Wages	5,901,842	6,310,350	6,395,805	6,371,938	-0.4%	(23,867)
Fringe Benefits	1,793,012	1,882,320	2,230,870	2,520,471	13.0%	289,601
Contractual Services	1,558,992	1,010,306	1,166,215	1,686,540	44.6%	520,325
Operating Costs	400,968	187,374	150,530	161,202	7.1%	10,672
Capital	256	0	9,837	10,112	2.8%	275
TOTAL GENERAL	**9,655,070**	**9,390,350**	**9,953,257**	**10,750,264**	**8.0%**	**797,007**
SPECIAL REVENUE						
Contractual Services	3,499,163	2,506,000	450,298	521,000	15.7%	70,702
Operating Costs	19,071	54,940	0	0	0.0%	0
Capital	103,089	495	117,202	(0)	-100.0%	(117,202)
TOTAL SPECIAL REVENUE	**3,621,323**	**2,561,435**	**567,500**	**521,000**	**-8.2%**	**(46,500)**
TOTAL EXPENSE	**13,276,393**	**11,951,785**	**10,520,757**	**11,271,264**	**7.1%**	**750,507**

REVENUE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Mayor's Recommended	Percent Change	Change
GENERAL						
Charges for Service	2,542,706	574	0	0	0.0%	0
Other Misc Revenues	250	0	0	0	0.0%	0
TOTAL GENERAL	**2,542,956**	**574**	**0**	**0**	**0.0%**	**0**
SPECIAL REVENUE						
State Government	893,679	552,645	517,500	521,000	0.7%	3,500
Interest	0	27,166	0	0	0.0%	0
TOTAL SPECIAL REVENUE	**893,679**	**579,811**	**517,500**	**521,000**	**0.7%**	**3,500**
TOTAL REVENUE	**3,436,634**	**580,386**	**517,500**	**521,000**	**0.7%**	**3,500**

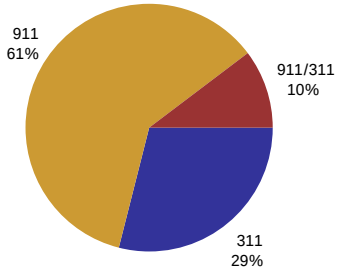
Expense by Fund



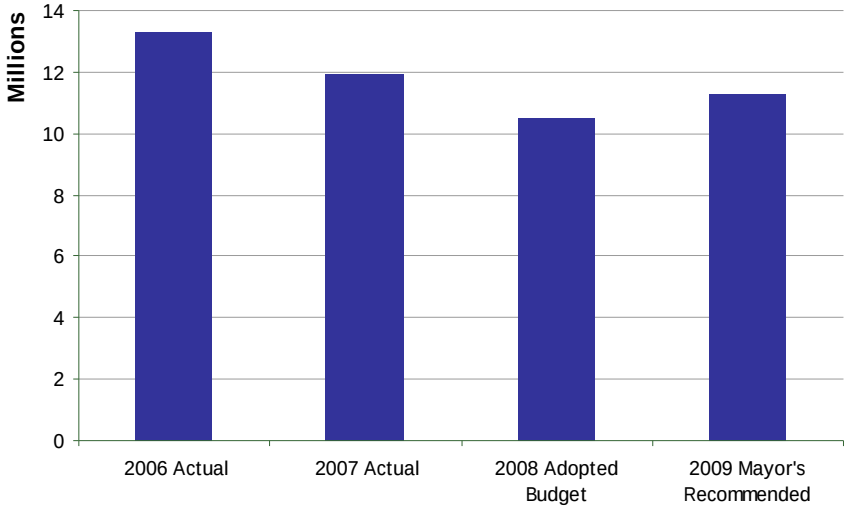
Expense by Category



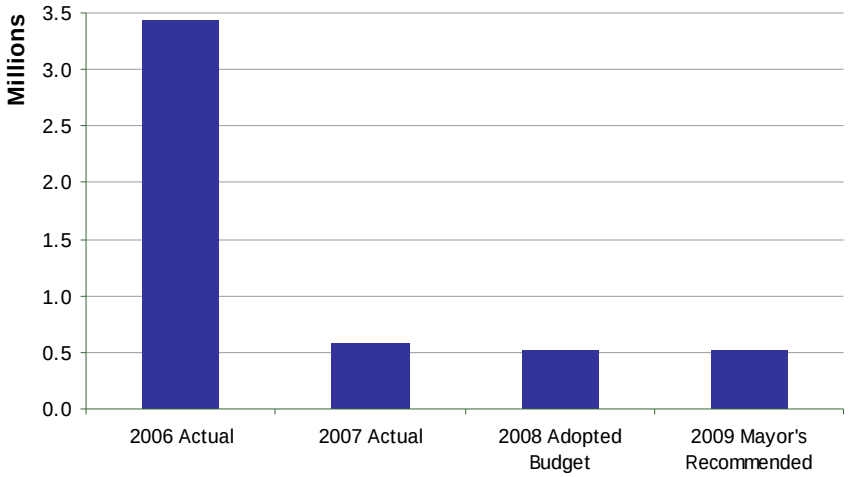
Expense by Division



Expense 2006 - 2009



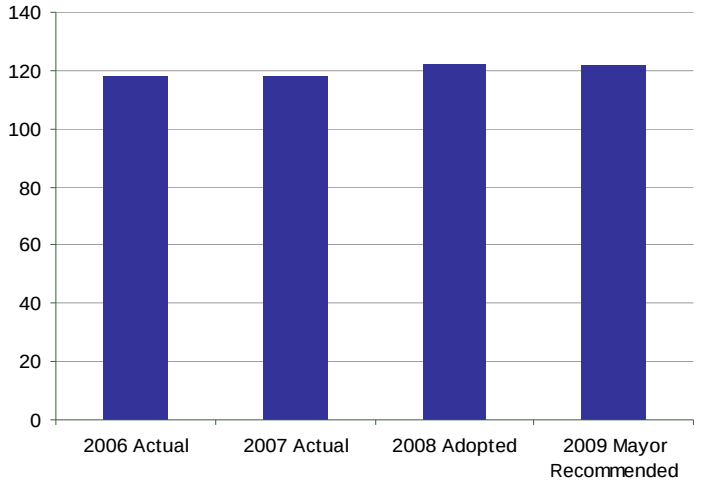
Revenue 2006 - 2009



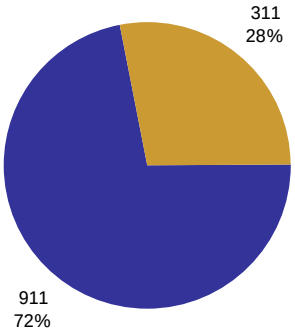
911/311
Staffing Information

	2006 Actual	2007 Actual	2008 Adopted	2009 Mayor Recommended	% Change	Change
911	118	118	122	88	-28.3%	(35)
311				34		34
TOTAL	**118**	**118**	**122**	**122**	**-0.4%**	**(1)**

Positions 2006-2009



Positions by Division



BUSINESS INFORMATION SERVICES

MISSION

To deliver high quality, value-added services at a reasonable cost to City departments in support of their business goals and objectives.

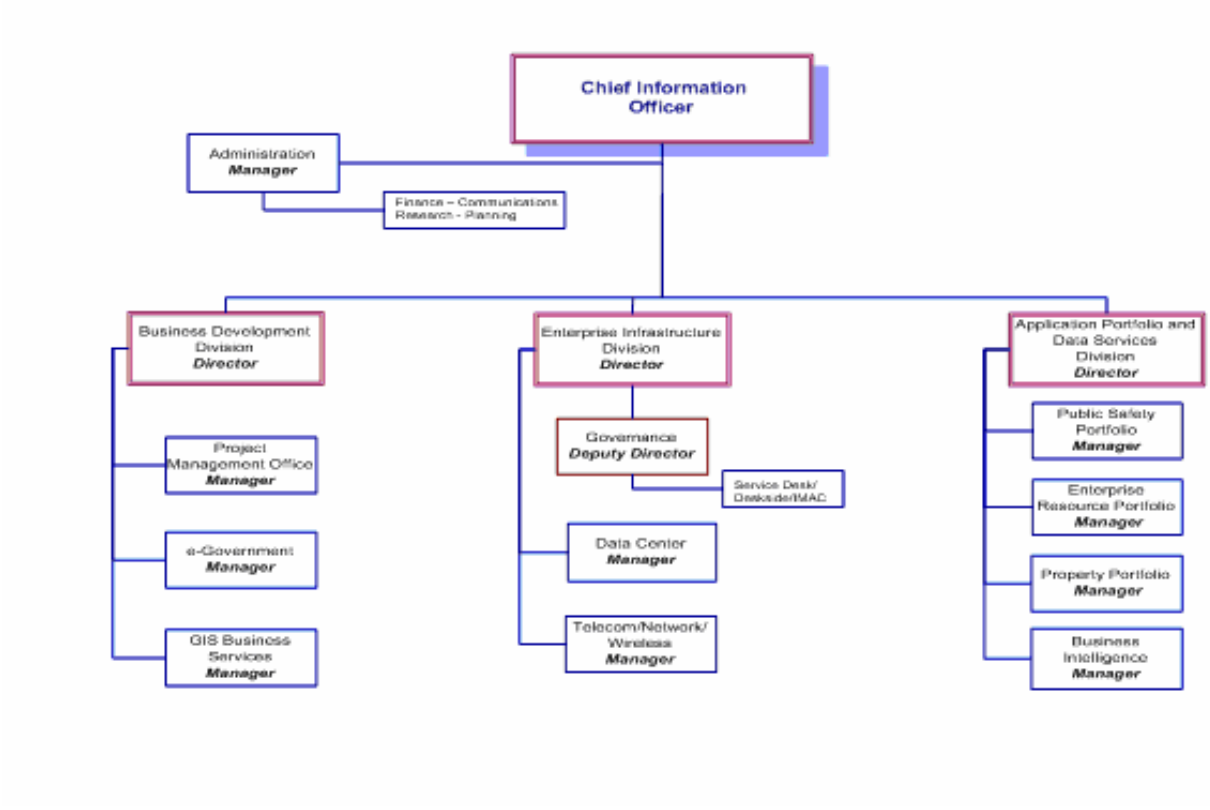
BUSINESS LINES FIVE YEAR DEPARTMENT GOALS AND OBJECTIVES

- **Application Portfolio and Data Services:** partners with City departments to support critical business applications, ensures sustainability of business functionality through lifecycle planning, and provides business performance measurement capabilities.

- **Business Development Services:** collaborates with City departments to design and implement information technology services that meet business needs. This includes re-engineering business processes, leveraging enterprise architecture and technology investments, and expanding e-government and geographic information services.

- **Enterprise Infrastructure Services:** works with City departments to understand their needs and partners with external service providers to sustain and enhance City computer and telecommunications operations. Ensure that the information technology infrastructure meets today's needs and is positioned to meet the City's future needs.

ORGANIZATION CHART



FIVE YEAR DEPARTMENT GOALS AND OBJECTIVES		
City Goal	**Department Goal**	**Objectives**
Connected Communities Premier Destination	Ensure continuing City operations	The City's technology infrastructure provides decision-makers with the right information at the right time to effectively manage any incident.
		Provide Information Technology services to ensure business continuity that meets City operational needs.
		Ensure information assets are protected against unauthorized access or loss.
		Information systems are available at capacity levels sufficient to support City operations.
		Incidents resolved and fulfillment requests completed within established service level agreements.
Connected Communities Premier Destination One Minneapolis	Maximize the use of City resources and technology investments	City departments leverage wireless capabilities for greater efficiency and/or effectiveness.
		Project requests are evaluated and prioritized through the Information Services (IS) governance process
		Monitor and govern consumption of contracted services.
		Institutionalize Enterprise Information Management throughout the enterprise.
		Business intelligence is leveraged for enterprise performance measurement.
		Implementation of enterprise addresses data management.
		Implementation of enterprise land data management.
		Implementation of enterprise employee data management.
Connected Communities Premier Destination	Utilize industry best practices	Adopt lifecycle approach to service management using Information Technology Infrastructure Library (ITIL) principles.
		Apply business process Improvement (BPI) to new initiatives.
		Service Provider governance is standard practice.
Connected Communities	Continuous improvement of BIS operational efficiencies	Develop application lifecycle strategy/plan to leverage City investments.
		Provide full support to applications
		Ensure the business of BIS runs smoothly.
		Continuously develop employees.

***RESULTS MINNEAPOLIS* MEASURES, DATA AND TARGETS TABLE**						
Measure Name	**2004 Data**	**2005 Data**	**2006 Data**	**2007 Data**	**2008 Target**	**2011 Target**
Outsourced Services Scorecard	N/A	N/A	85	83	TBD*	TBD*
BIS Customer Survey - percent rating "satisfied or very satisfied"						
Quality of services	N/A	N/A	63	64	70	85
Service desk	N/A	N/A	73	85	85	90
Deskside services	N/A	N/A	57	60	70	90
Project management	N/A	N/A	64	87	90	95
Business needs	N/A	N/A	35	55	60	75
E-Government: Number of Services Delivered or referenced online	N/A	N/A	N/A	77	80	100
Business Process Reengineering						
Total # Processes Identified in Database *(cumulative)*	N/A	N/A	N/A	1264	1293	1493
Processes Partially reengineered *(cumulative)*	N/A	N/A	N/A	642	672	780
Sub-processes completely re-engineered *(cumulative)*	N/A	N/A	N/A	290	320	420
IT Spend as a percent of City Budget (Forrester Benchmark)	*Yr 2000* 2.26	N/A	2.57 (5.0)	2.59	2.60	2.75

** Being revised as a result of renegotiated contract.*

What key trends and challenges does the department face and how will each be addressed?

Challenges

Funding for ongoing operations and future investments continues to be the most serious challenge for BIS. As a result, BIS has shifted to department or division specific projects funded on a “pay as you go” basis by operating departments. There is a risk that this funding trend will lead to:

- Disparate investments in services – the smaller departments have a limited ability to fund new initiatives.
- Lack of system integration – pressure to meet only the paying department’s requirements.
- Further segmentation of City services – multiple small systems in lieu of enterprise wide investment.

To mitigate these risks, BIS will continue to lead in finding **innovative means to fund** and implement programs that benefit the City.

Furthermore, the demand for information services and technology solutions is increasing as customers demand better, faster services and departments increase their use of technology to save resources and increase productivity. A review of department business plans shows that departments have identified numerous potential opportunities to streamline business processes to improve efficiency and customer services. Many of these opportunities involve technology, BIS does not have the capacity to actually implement these improvements. Therefore, working through the recently implemented information services governance structure, BIS will be leading the City in using best practices to **properly prioritize new initiatives**. As a result, departments will be following a more rigorous process to create business case justifications for the information technology expenditures.

In addition, BIS historically funded enterprise wide core technology service needs through operating funds accumulated by maintaining vacancies. As departments have increased the use of technology to improve services and efficiencies, the need for essential BIS technical expertise has also increased. To meet the advanced enterprise wide core technology service expertise and ensure the City is positioned appropriately for the future, BIS now must fill these vacancies, resulting in **diminished capacity to fund core services**.

Trends

Wireless Minneapolis is a critical component for the City to better meet the needs of Minneapolis residents, allowing City staff to increase their mobility while maintaining their access to the information needed to perform their duties. BIS is leading departments in their efforts to fully leverage this significant City investment. BIS will collaborate with departments to identify current services that can be migrated to the wireless network. Also, BIS will lead departments in identifying potential future opportunities that the wireless network now makes possible.

To more closely align technology with City goals and business plans, BIS worked with departments and elected officials to establish **an IS governance** structure. Governance now engages City leaders in setting strategic direction around IT investments. As the IS governance process matures, the governance groups will take a leadership role in assessing proposed technology investments and prioritizing those investments from an enterprise perspective. The implementation of governance within City operations is being expanded to vendor management for larger service providers.

To help City management and policymakers make better business decisions, BIS will focus on initiatives that will deliver the right information to the right individuals. A key component will be **Enterprise Performance Measurement**. In 2008, BIS established an emphasis on the City's ability to measure and report on key performance indicators. To build the appropriate foundation will require additional work in enterprise information management and enterprise data management programs.

What actions will the department take to meet the five-year financial direction?

Meeting the five-year financial direction is dependent upon BIS driving cost reductions and efficiencies in operations and those of primary service providers. Implementation of effective governance as well as the staffing to properly monitor service delivery will result in reduced costs for both the short and long term.

FINANCIAL ANALYSIS

EXPENDITURE

The budget calls for an expenditure amount of $25.9 million for BIS in 2009. This is an increase of $0.7 million over the 2008 adopted budget, or an increase of 3.0%. Most of the increase is attributable to ongoing application support maintenance contracts. These ongoing costs support the utility billing system, MECC CAD initiative, HRIS, and other customer-sponsored projects. These expenditures are offset by revenues received from the sponsors. The 2009 budget includes a reduction of $946,000 in managed service costs related to the 311 implementation, offset by an increase of $671,000 in customer-funded maintenance contracts and an increase in general fund overhead allocation of $327,000.

REVENUE

With anticipated revenues of $27.0 million, the BIS budget for 2009 shows an increase of 7.6% or $1.9 million over the 2008 adopted budget of $25.1 million. The revenue BIS collects from customer departments through the rate model includes $900,000 to support other departmental expenditures within the Intergovernmental Services fund such as Human Resources, the Data Center, interest on debt, and Computer-Aided Dispatch refresh. This increase in revenue is primarily attributed to customer-sponsored projects.

FUND ALLOCATION

Business Information Services is funded entirely within the Intergovernmental Services internal service fund.

MAYOR'S RECOMMENDED BUDGET

The Mayor recommends a reduction to growth of $140,000 for this department.

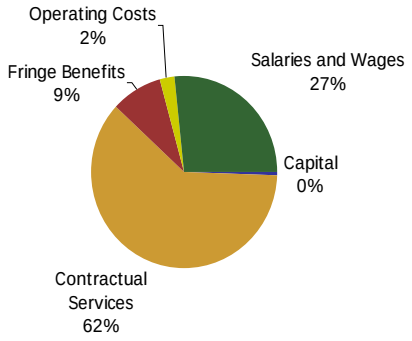
The 2009 Mayor's recommended budget includes $1.5 million in pre-payment of internal service fund obligations for 2012, reducing pressure on the general fund in that year. The Mayor's budget also includes $1.5 million to repay this fund for capital costs related to completing the City's wireless network that will be incurred in 2008. (These expenses are in addition to the City's annual $1.25M buying commitment.)

BUSINESS INFORMATION SERVICES
EXPENSE AND REVENUE INFORMATION

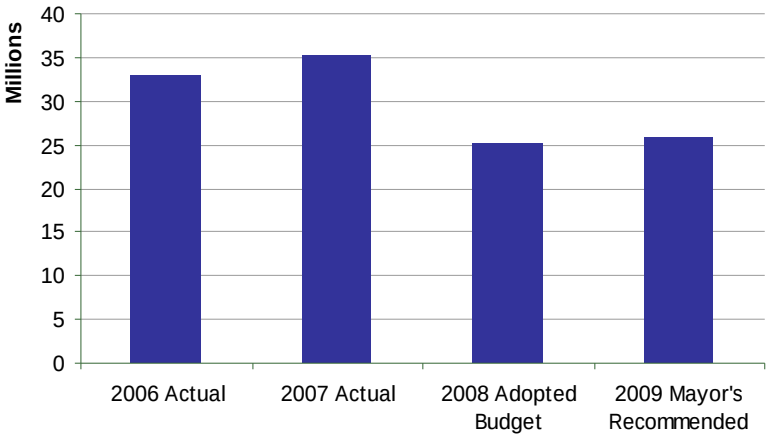
EXPENSE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Mayor's Recommended	Percent Change	Change
SPECIAL REVENUE						
Contractual Services	332,632	34,409	0	0	0.0%	0
TOTAL SPECIAL REVENUE	**332,632**	**34,409**	**0**	**0**	**0.0%**	**0**
INTERNAL SERVICE						
Salaries and Wages	5,146,197	5,526,774	6,461,791	6,925,017	7.2%	463,226
Fringe Benefits	1,329,127	1,382,278	2,113,774	2,313,434	9.4%	199,660
Contractual Services	16,064,050	20,858,389	15,856,322	15,910,428	0.3%	54,106
Operating Costs	9,935,642	7,301,967	561,311	583,266	3.9%	21,955
Capital	0	55,136	124,372	127,854	2.8%	3,482
TOTAL INTERNAL SERVICE	**32,475,016**	**35,124,544**	**25,117,570**	**25,860,000**	**3.0%**	**742,430**
TOTAL EXPENSE	**32,807,648**	**35,158,953**	**25,117,570**	**25,860,000**	**3.0%**	**742,430**

REVENUE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Mayor's Recommended	Percent Change	Change
SPECIAL REVENUE						
Federal Government	332,632	19,897	0	0	0.0%	0
TOTAL SPECIAL REVENUE	**332,632**	**19,897**	**0**	**0**	**0.0%**	**0**
INTERNAL SERVICE						
Charges for Service	29,139,456	29,962,434	25,018,919	26,941,369	7.7%	1,922,450
Charges for Sales	22,695	26,438	45,000	30,000	-33.3%	(15,000)
TOTAL INTERNAL SERVICE	**29,162,151**	**29,988,872**	**25,063,919**	**26,971,369**	**7.6%**	**1,907,450**
TOTAL REVENUE	**29,494,783**	**30,008,769**	**25,063,919**	**26,971,369**	**7.6%**	**1,907,450**

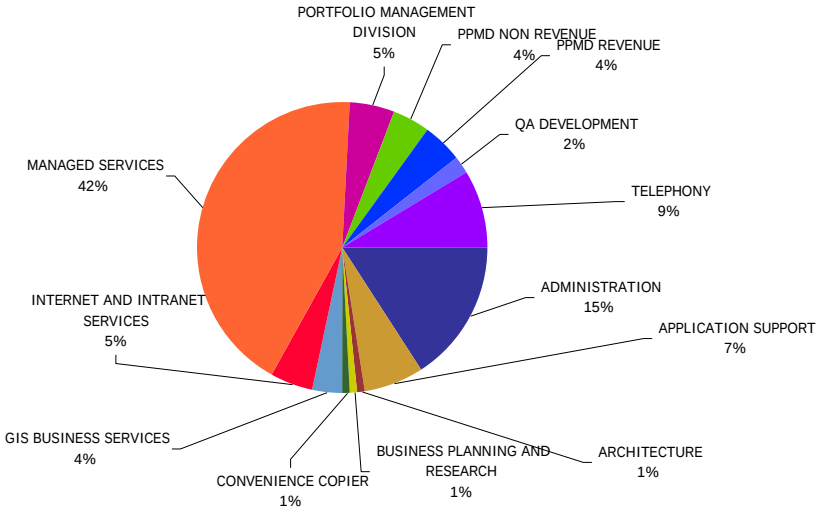
Expense by Category



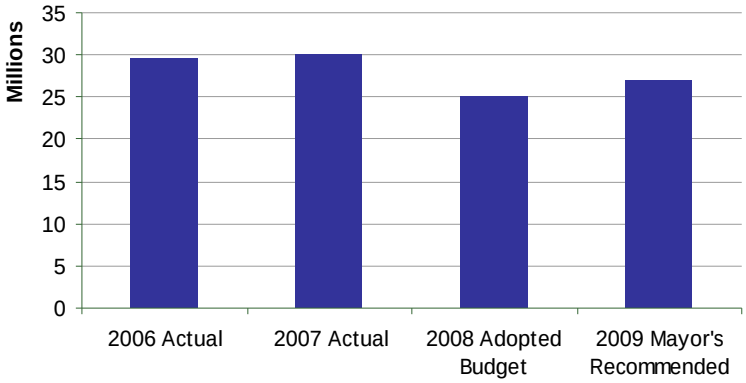
Expense 2006 - 2009



Expense by Division



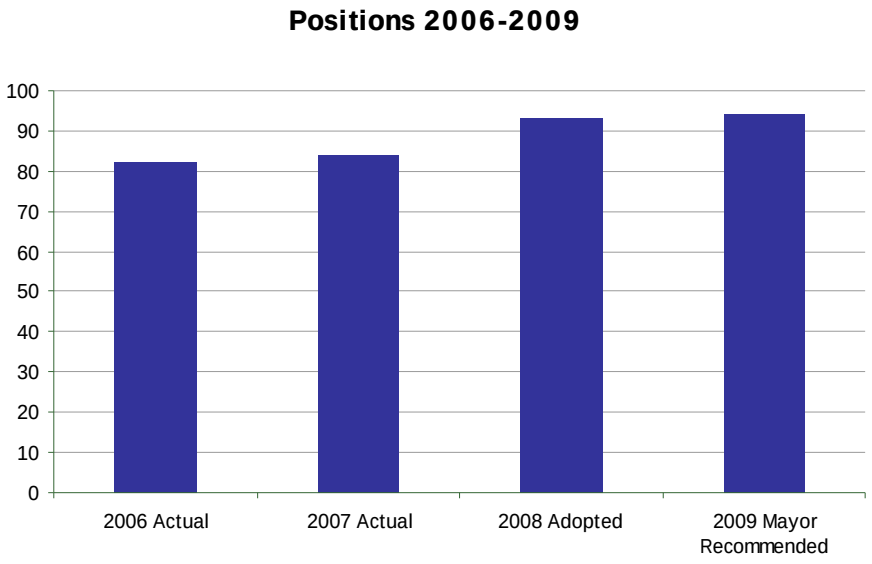
Revenue 2006 - 2009

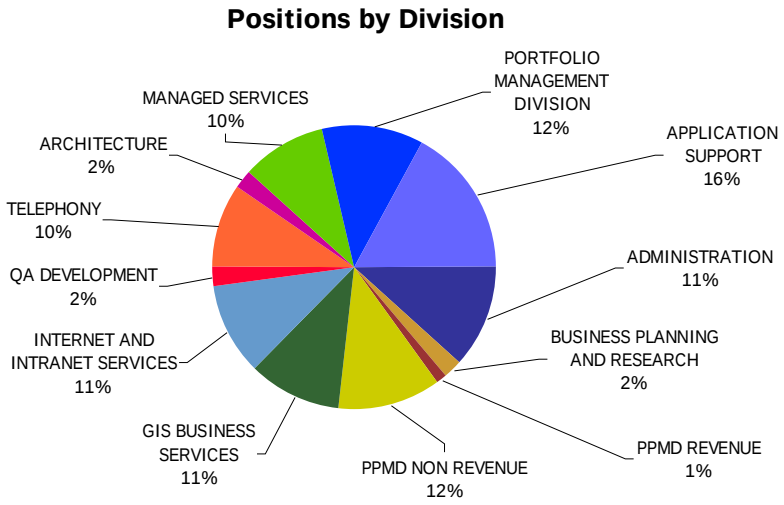


BUSINESS INFORMATION SERVICES
Staffing Information

	2006 Actual	2007 Actual	2008 Adopted	2009 Mayor Recommended	% Change	Change
ADMINISTRATION			11	11	0.0%	
BUSINESS PLANNING AND RESEARCH				2		2
PPMD REVENUE			12	1	-91.7%	(11)
PPMD NON REVENUE				11		11
GIS BUSINESS SERVICES				10		10
INTERNET AND INTRANET SERVICES				10		10
QA DEVELOPMENT			10	2	-80.0%	(8)
TELEPHONY				9		9
ARCHITECTURE			8	2	-75.0%	(6)
MANAGED SERVICES			4	9	125.0%	5
PORTFOLIO MANAGEMENT DIVISION				11		11
APPLICATION SUPPORT	82	84	48	16	-66.7%	(32)
TOTAL	**82**	**84**	**93**	**94**	**1.1%**	**1**

Note: Prior to 2008, the budget document did not break down BIS positions by division.


Positions 2006-2009
100
90
80
70
60
50
40
30
20
10
0
2006 Actual
2007 Actual
2008 Adopted
2009 Mayor Recommended


Positions by Division
PORTFOLIO MANAGEMENT DIVISION 12%
APPLICATION SUPPORT 16%
ADMINISTRATION 11%
BUSINESS PLANNING AND RESEARCH 2%
PPMD REVENUE 1%
PPMD NON REVENUE 12%
GIS BUSINESS SERVICES 11%
INTERNET AND INTRANET SERVICES 11%
QA DEVELOPMENT 2%
TELEPHONY 10%
ARCHITECTURE 2%
MANAGED SERVICES 10%

COMMUNICATIONS

MISSION

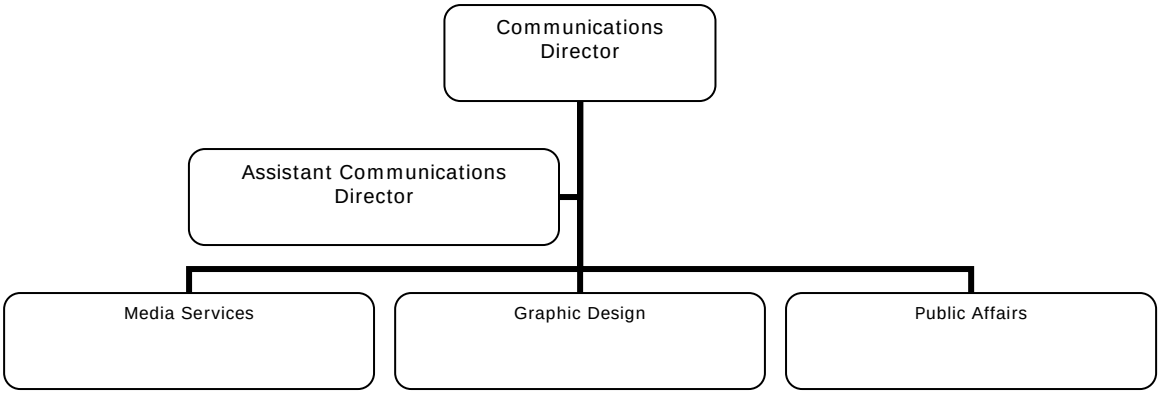
To assist City Departments and policy makers in effectively and accurately communicating information about the City, and to engage the public in the governing process, so that the citizens and visitors of the City better appreciate, understand and benefit from our services.

BUSINESS LINES

Assist elected officials and city departments with all communications functions, internal and external: Communications staff provides strategic communications support and planning to all City departments and elected officials, edits and designs print publications and other communications products, manages and oversees Internet and intranet Web content and government cable access, and oversees employee communications. It does this through direct staff support, establishing protocols and procedures for departments, conducting trainings and department-specific communications planning efforts.

Manage the City's cable franchise: Communications manages the City's cable franchise, including overseeing the current franchise agreement, negotiating a new franchise agreement and handling consumer complaints.

ORGANIZATION CHART



FIVE –YEAR DEPARTMENTAL GOALS AND OBJECTIVES	
Department Goals	**Objectives**
Effectively tell the City's story to its internal & external customers.	Provide timely communications counsel or strategies to City departments and policy-makers in order to connect the appropriate message to the appropriate audience using the most appropriate media, with a goal of anticipating and preparing for significant communications needs and challenges
	Connect City departments, employees and policymakers to the appropriate tools and knowledge to effectively communicate to their audiences
	Seek, find and encourage compelling stories of City employees and accomplishments to provide a rich picture of the scope and scale of City services and the people who deliver them.
	Identify and assess the level of a crisis to prepare departments and policy-makers to communicate accurate, timely and consistent information so that people may take appropriate action and remain confident in Minneapolis city government.
	Annually conduct evaluations of media content on select, limited major issues and initiatives to promote full and accurate reporting of the City and its services.
Enhance and standardize community engagement practices.	

What key trends and challenges does the department face and how will each be addressed?

- *News & Information Delivery and Community Engagement*
  How people access news and information and how they engage in public dialogue are changing and those shifts could have a significant impact in how the City communicates with and engages the people of Minneapolis.

  The number of people who report regularly getting their news from traditional sources has steadily declined for the past decade (most significant declines are seen by newspapers and radio, with local television news viewer ship being less impacted). At the same time more people are turning online for news and information, and a new wave (particularly younger adults) are using new technology (cell phone, PDA, podcasts) to get news and information.

  Communications has already launched a number of new tools (NorthForce, NewsBites, and e-subscribe list) that give direct avenues outside of traditional news sources to reach audiences. The department has placed a heavier emphasis on Web content and promotions, and has overhauled employee communications so employees can serve as a source for City news.

Provide incentives, training, tools and techniques to City departments and policy-makers to ensure that citizens are appropriately aware of – and invited to participate in – decisions that affect them.

But to meet the challenge of communicating effectively with the people of Minneapolis, the department must continue to create or seek out additional avenues. In addition, the department must make the absolute most from the tools that the department already has.

- *New Tools & Technology*
  During 2008, the department is developing plans for how best to utilize Really Simple Syndication (RSS) feed and podcasting to deliver news and information, with the goal of instituting plans in 2009. In addition, Communications will be exploring other social networking tools (twitter, UTube) to determine how effective they can be to achieving department goals.

- *Revamping & Promoting City Cable 14 & 79*
  Communications operates two cable access television stations. Channel 79 primarily is a mechanism to broadcast City Council and Council committee meetings, and Channel 14 is where the City airs original programs, such as Access Minneapolis (the City's program to provide City news and information to those who speak Spanish, Somali, and Hmong), and community events.

  In late 2008 and early 2009, Communications will be assessing every aspect of original programming (note that this does not include our broadcasts of Council and Committee meetings), and researching other cities that are on the forefront of cable programming. City Cable channels offer one of the most powerful tools for providing information to the people of Minneapolis. Through this assessment, the Department intends to find ways – through creative programming and effective promotion – to make Channels 14 and 79 effective ways to deliver city news and information, and promote transparency in government.

- *Wireless Minneapolis Community Benefits (Community Portals, Civic Garden)*
  Communications is leading the effort to develop an interim and long-term strategy for the Wireless Minneapolis community benefits (community and neighborhood portal pages and civic garden) and community involvement in that decision-making. Currently, a team of community members are meeting to develop recommendations that will go before City Council related to how the Wireless community benefits should be managed, and how the City should address digital inclusion efforts. There is potential for those recommendations to have an impact on department staffing and resources. Recommendations are anticipated to be made to the City Council in mid-summer. In general, the wireless portals have the potential to serve as a significant information channel to reach Minneapolis residents and visitors.

- *Creating & Maintaining a consistent City "brand"*
  Communications is in the process of working with two pro-bono partners (General Mills and Periscope) to develop a new brand identity for the City. The final brand design will require City Council approval. However the work to transition the City to this new brand design will require staff time and brand management skills. This includes providing tools and resources to ensure staff have easy and user-friendly materials to appropriately use the new design (style manual, brand standards, easy-to-access graphics). While much of this work will be completed in 2008, the ongoing brand management will be most important as the new graphic is rolled out and in the early stages of use.

What changes to the ordinance are needed to improve services and/or reduce cost?

City staff are currently meeting to discuss the potential for eliminating public payphones. While the actual cost for a vendor to manage the payphones is under $5,000 annually, these payphones require staff attention – particularly in Regulatory Services – and in nearly all cases impact negatively on neighborhood livability by attracting graffiti, litter, and sometimes even drug dealers.

FINANCIAL ANALYSIS

EXPENDITURE

The 2009 expense budget for the Communications Department, which includes public affairs, graphics, cable regulation and video services, is $2.5 million – a 7.5% decrease from the 2008 Adopted Budget. The decrease is primarily due to $100,000 in one-time funding for 2008, which was not continued in 2009. The budget includes $700,000 in annual draw downs of the cable franchise settlement over the next three years. This recommendation results in level funding for cable-related items until an increase to Public, Educational and Governmental (PEG) programming fees comes in 2012.

REVENUE

The Communications Department's $3.6 million revenue budget remains unchanged from 2008.

FUND ALLOCATION

The Communications Department is funded entirely from the General Fund.

MAYOR'S RECOMMENDED BUDGET

The Mayor's recommended budget includes a $10,000 reduction to growth to this department.

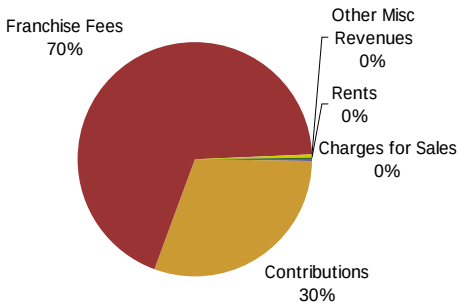
The Mayor moves one position as a part of the creation of the department of Neighborhood and Community Relations.

COMMUNICATIONS
EXPENSE AND REVENUE INFORMATION

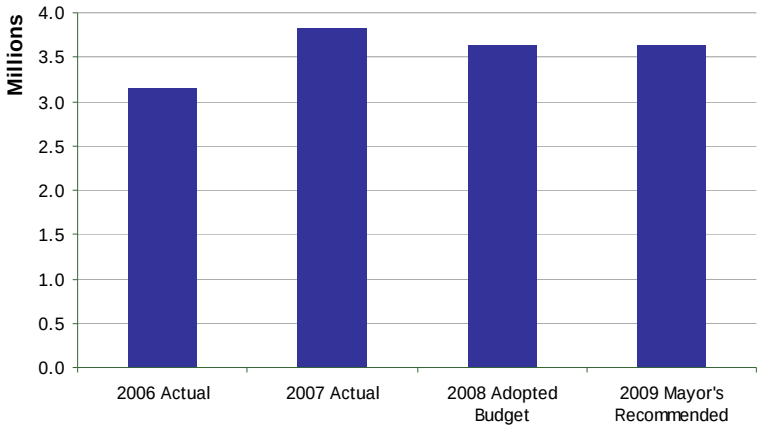
EXPENSE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Mayor's Recommended	Percent Change	Change
GENERAL						
Salaries and Wages	826,555	900,497	982,377	940,339	-4.3%	(42,038)
Fringe Benefits	210,145	248,302	283,271	297,845	5.1%	14,574
Contractual Services	1,158,478	1,033,551	1,265,506	1,083,285	-14.4%	(182,221)
Operating Costs	73,279	84,917	127,630	136,609	7.0%	8,979
Capital	78,102	19,264	23,769	24,435	2.8%	666
TOTAL GENERAL	**2,346,559**	**2,286,531**	**2,682,553**	**2,482,513**	**-7.5%**	**(200,040)**
SPECIAL REVENUE						
Salaries and Wages	0	6,539	0	0	0.0%	0
Contractual Services	0	4,525	0	0	0.0%	0
TOTAL SPECIAL REVENUE	**0**	**11,064**	**0**	**0**	**0.0%**	**0**
TOTAL EXPENSE	**2,346,559**	**2,297,595**	**2,682,553**	**2,482,513**	**-7.5%**	**(200,040)**

REVENUE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Mayor's Recommended	Percent Change	Change
GENERAL						
Franchise Fees	2,926,489	2,893,999	2,500,000	2,500,000	0.0%	0
Charges for Sales	29,865	44,899	14,600	10,000	-31.5%	(4,600)
Rents	11,889	8,169	8,400	7,000	-16.7%	(1,400)
Contributions	172,702	169,296	400,000	400,000	0.0%	0
Other Misc Revenues	15,944	19,736	6,100	12,100	98.4%	6,000
TOTAL GENERAL	**3,156,889**	**3,136,100**	**2,929,100**	**2,929,100**	**0.0%**	**0**
SPECIAL REVENUE						
Contributions	0	704,525	700,000	700,000	0.0%	0
TOTAL SPECIAL REVENUE	**0**	**704,525**	**700,000**	**700,000**	**0.0%**	**0**
TOTAL REVENUE	**3,156,889**	**3,840,625**	**3,629,100**	**3,629,100**	**0.0%**	**0**

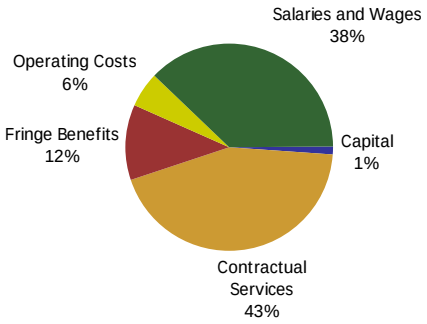
Direct Revenue by Type



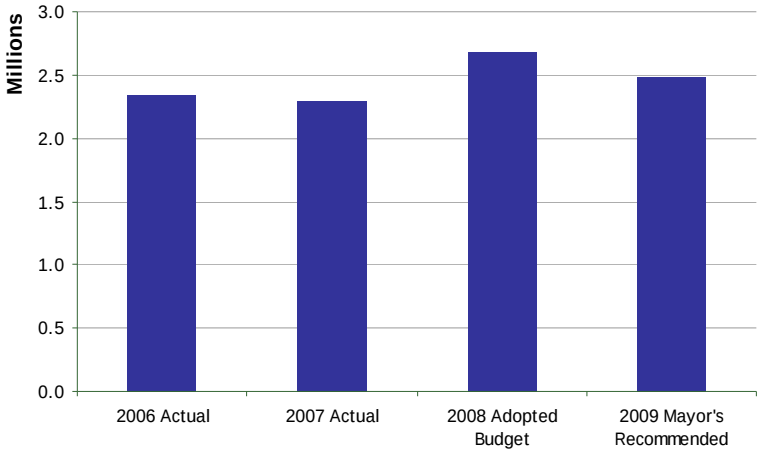
Revenue 2006 - 2009



Expense by Category



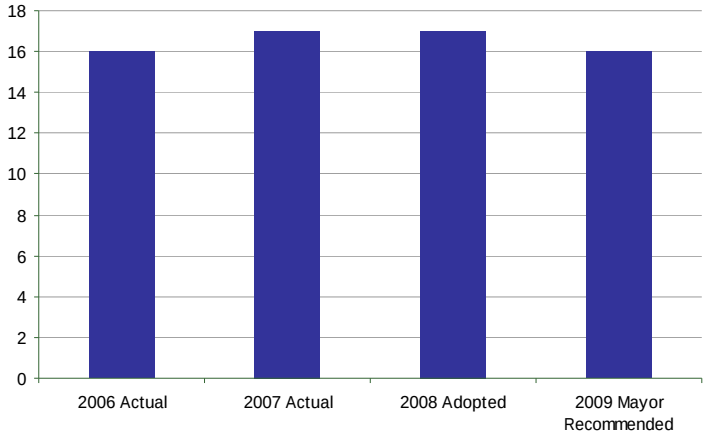
Expense 2006 - 2009



COMMUNICATIONS
Staffing Information

	2006 Actual	2007 Actual	2008 Adopted	2009 Mayor Recommended	% Change	Change
COMMUNICATIONS DEPT	16	17	17	16	-5.9%	(1)
TOTAL	**16**	**17**	**17**	**16**	**-5.9%**	**(1)**

Positions 2006-2009



CONVENTION CENTER

MISSION

By hosting events and offering a variety of services, the Minneapolis Convention Center showcases and provides economic benefit to Minneapolis and the surrounding region. The Convention Center is the national convention and trade show venue of the State of Minnesota.

The department will provide an exceptional product, in a safe environment, while maintaining the integrity and financial health of the facility.

BUSINESS LINES

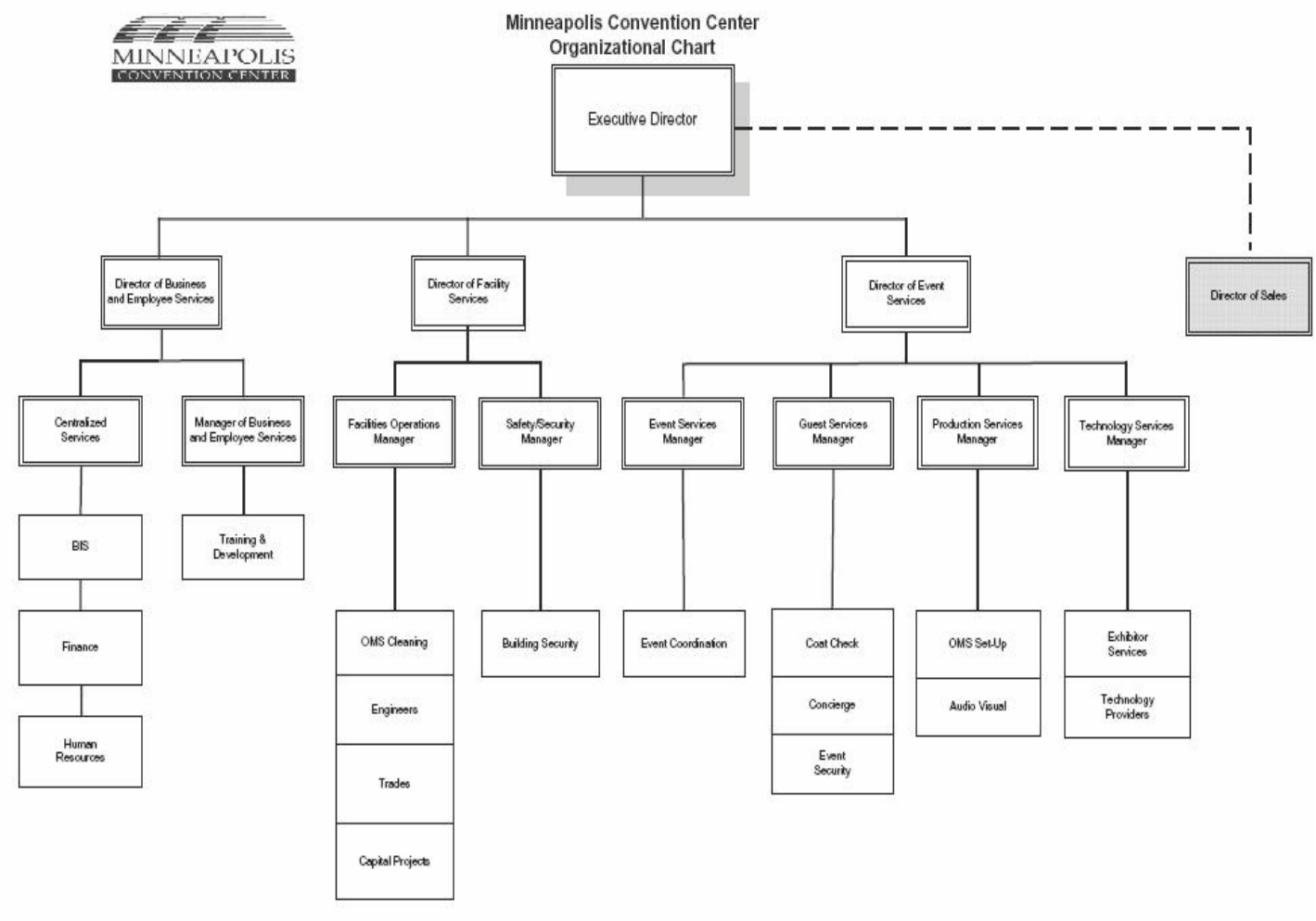
Event Services – Responsible for providing an exceptional event planning product through coordination of both in-house departments and vendors for all events. Event Services coordinates production, set-up, technology services, guest services as well as event planning.

Facility Services – Ensures the safety, sustainability and maintenance of the building required to provide a world-class facility for customers. This includes contract management, capital planning, safety and security, parking operations, building and grounds maintenance to include custodial operations.

Sales and Marketing – Through a partnership with Meet Minneapolis, this group is responsible for selling and marketing the Convention Center. This includes being the initial point of contact for customers, identifying and attracting clients/events, gathering marketing data, determining and implementing marketing strategies and capitalizing on existing client relationships.

Business and Employee Services – Responsible for providing financial management activities and employee relationship and development programs for the Center's Staff. This includes providing data analysis, financial planning and evaluation, business and strategic planning as well as developing, implementing and evaluating employee programs (training, professional development, recognition).

ORGANIZATION CHART



FIVE YEAR DEPARTMENT GOALS AND OBJECTIVES		
City Goals & Strategies	**Department Goal**	**Objective**
A safe place to call home **A premier destination**	Provide a safe and secure experience for all	Convention Center staff & events have adequate security.
		Emergency Response is coordinated efficient, and effective.
A safe place to call home **A premier destination** **Cleaner, greener, safer downtown**	Employees work in an environment which is free from hazards to their health or safety	
One Minneapolis **A premier destination**	High Quality Product & Services	Show managers and exhibitors receive clear, concise, relevant information when they need it.
		Maintain and upgrade clean, functional, competitive facility
		Clients, employees, and guests with limited English proficiency are readily able to access Convention Center services.

City Goals & Strategies	Department Goal	Objective
Lifelong Learning A Premier Destination	Optimize Business Processes	Manage and contain cost factors to limit annual expenditures
		Improve level of operational self-sufficiency
		Refine client contracting and invoicing processes
		Increase utilization of MCC on-line services
One Minneapolis A Premier Destination	Maximize utilization of facility and services	Increase public exposure and use
		Increase facility utilization in local, corporate and national markets
		Guests, exhibitors, and clients have a variety of parking options.
One Minneapolis Lifelong learning A premier destination	Provide a positive work environment	Employees work in a positive environment which encourages their growth and development.
		Workplace is free from harassment and retaliation
		Employees have the opportunity to continually improve and develop skills.

***RESULTS MINNEAPOLIS* MEASURES, DATA AND TARGETS TABLE**

Measure Name	2004 Data	2005 Data	2006 Data	2007 Data	2008 Target	2011 Target
Total Occupancy	55.9%	65.5%	61.8%	60.7%	65%	65%
Total Attendance	903,330	784,250	836,000	782,059	800,000	800,000
Total Revenue (1,000's)	$14,161	$16,208	$15,645	$14,341	$15,309	$17,571
Customer Survey Overall Rating	4.45	4.42	4.42	4.50	4.5	4.5
Climate Survey Rating	4.00	3.91	3.93	4.26	4.10	4.20

What key trends and challenges does the department face and how will each be addressed?

Capital Repairs: Leaks in the dome roofs are pushing roof repair/replacement ahead of schedule in the long-term capital plan. The high price tag would require some re-shuffling of capital priorities as well as additional funds from the Convention Center fund.

Supply and Demand of Space: As reported in 2007, research from *Trade Show Week* shows that the national supply of available convention space is more than adequate, creating flat sales projections for the convention market. To off-set this projection, increased effort to maximize ancillary service revenue and entice new clients through creative uses of the space are being pursued. Partnership with Meet Minneapolis will be a key factor in creating demand for space

and services. A formal marketing plan and greater focus on the strategic relationship between the marketing of the Convention Center and Sales efforts must be deliverables as services from Meet Minneapolis.

Competitiveness: Comparable Centers in Denver, Indianapolis and Louisville are keeping their rates down. Maintaining the balance between quality service and low cost is a challenge; defining the City's competitive edge will be important. A re-branding of the Convention Center with a focus on its strengths will help provide competitive advantage and direction. The department also seeks to revitalize the building through enhancements to space in late 2008 through 2009. Capital projects focused on public space will add to amenities.

Technology: Determining how to develop and market technology services to clients will be important as the department try to capitalize on non-rental revenues. Selling sponsorship opportunities, internet access, revamping utility service offerings and on-line ticketing options will be important in future marketing efforts. Innovative ideas in these areas have caused growing pains as the department has not realized the returns on investments in the areas of ticketing, sponsorship sales, and wireless services. The department is poised to reap these rewards with the addition of two cell phone carriers and the philosophy of lowering wireless internet fees with the goal of a free service that connects to Wireless Minneapolis. Ticketing services are slowly coming on line, with impressive early returns that will only increase as the service becomes exclusive in 2009. Video sponsorship sales likely will leave the control of Meet Minneapolis and move to a third party vendor that has experience in the area. With the added expertise, revenues should increase substantially.

Customer Service Expectations: Customers are continuing to demand even more responsiveness to last minute changes. Many customers work from an expectation that the department will be able to muster large amounts of labor and/or equipment in a short period of time. The Time and Labor Management project will bring many of the event software solutions out onto the front lines through mobile workstations that will be able to capture real time changes and redirect staff appropriately, while also keeping track of changes to ensure proper client billing.

Revenue Development: Over the last five years, the department has captured several targeted revenue streams. It is important to maintain balance as the department moves forward and looks toward the development of added-value services. The department has consistently attempted to develop services which improve its attractiveness to its central customers; national and regional convention and tradeshows. Those events have historically been more able and inclined to pay premium prices for premium services. However, as the department assumes more exclusive services, the department has to be aware that some smaller clients may decide to utilize another option. Balancing this service investment with its anticipated return will be a challenge moving forward.

The 2009 Revenue Projections are flat with rental revenue predicted to be below average while food service commission based on the amended catering contract growing modestly.

Work Environment: The department still believes that people will be the product that sells over the next 10 years. The thing that will differentiate the center from its competition, the one thing that cannot be copied, is a successful culture or work environment. Building a culture of trust and teamwork will be paramount to future success. Focused efforts on improving lines of communication as well as employee/supervisor relationships will be keyed to attainment of this goal.

Branding/Identity/Image: The Convention Center needs to define its competitive edge and pursue and market that edge through its partnership with Meet Minneapolis. Staffing levels, exclusive services, and front line staff experience have provided the Convention Center with a positive industry reputation for service. The department needs to focus on and expand this reputation for service so that it becomes part of the soul of staff and story to customers.

Budget Subsidy: The gap with the Convention Center's operating expenses and direct revenues has grown as the department has added services, increased customer service offerings, and focused on an improved work environment. This subsidy should be viewed as a yearly investment in the hospitality industry that showed a $160 million return in economic impact to our community in 2007. An appropriate subsidy must be a part of a broad economic strategy.

While Convention Center Operating revenue has been flat, the Convention Center Fund revenue has increased at a steady rate. The Fund cash balance has increased from $11.5 million in 2003 to $27.5 million in 2007, which shows strong economic activity in the hospitality industry. Convention Center Fund revenues are vulnerable to an economic downturn through decreased spending activity, which highlights the importance of the hospitality industry's economic stimulus to spending.

New revenue opportunities for the fund will occur with the opening of the new Minnesota Twins Stadium drawing more people to the downtown area, which will continue to keep fund revenues stable in the coming years. A strong fund with significant cash reserves will allow investment in needed major structural replacements and could be used as an investment tool to reinvest in the hospitality industry of Minneapolis.

Meet Minneapolis must increase their marketing and sales focus on the Convention Center to increase rental revenues. Ancillary revenues are tied directly to the events that are booked for the facility and the ability increase their impact on overall revenue has not been fully realized with current occupancy levels. Flat revenues cannot be accepted at the current rate of expenses and future decisions must be made regarding the purpose and organizational structure if revenues do not increase.

What changes to the ordinance are needed to improve services and/or reduce cost?

Some potential changes that would improve the Center's ability to meet employee and client needs include the following:

- *Purchasing (18.120)* – The bid policies and procedures do not allow for quick business response which is a concern when operating in a competitive marketplace. Additionally, some specialty items are limited to specific vendors that provide that service and competitive bid procedures increase administrative burden.

- *Personnel, Salaries (20.10)* – The inability to pay employees for performance hinders efforts to recognize high-performing individuals and provide incentive for all employees to exceed performance expectations.

FINANCIAL ANALYSIS

EXPENDITURE

The convention center's 2009 expense budget is $45.9 million, a 13.9% or $5.6 million increase from the 2008 budget. This includes a $3.9 million increase to the budget for capital, a 73.1% increase over the 2008 budget.

REVENUE

The convention center's 2009 Mayor's recommended revenue budget is expected to increase to $76.1 million, a 2.3% or $1.7 million increase over the 2008 budget.

MAYOR'S RECOMMENDED BUDGET

The Mayor recommends $250,000 for a bike share station at the convention center.

CONVENTION CENTER
EXPENSE AND REVENUE INFORMATION

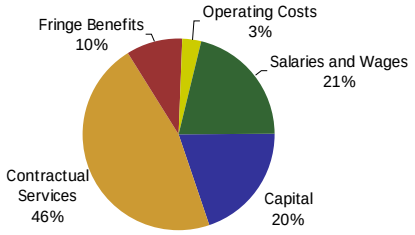
EXPENSE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Mayor's Recommended	Percent Change	Change
SPECIAL REVENUE						
Salaries and Wages	8,491,973	9,342,248	9,497,774	9,729,713	2.4%	231,939
Fringe Benefits	2,813,398	3,084,234	3,691,898	4,428,970	20.0%	737,072
Contractual Services	18,727,863	18,870,796	20,564,037	21,265,196	3.4%	701,159
Operating Costs	842,247	1,314,130	1,330,506	1,404,979	5.6%	74,473
Capital	1,135,055	1,048,975	5,269,987	9,120,840	73.1%	3,850,853
TOTAL SPECIAL REVENUE	**32,010,536**	**33,660,383**	**40,354,202**	**45,949,698**	**13.9%**	**5,595,496**
TOTAL EXPENSE	**32,010,536**	**33,660,383**	**40,354,202**	**45,949,698**	**13.9%**	**5,595,496**

REVENUE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Mayor's Recommended	Percent Change	Change
SPECIAL REVENUE						
Sales and Other Taxes	56,724,560	60,065,202	57,864,000	59,454,405	2.7%	1,590,405
Charges for Service	5,155,200	5,291,366	6,180,000	5,475,000	-11.4%	(705,000)
Interest	0	0	954,000	1,729,011	81.2%	775,011
Rents	6,768,181	6,508,640	6,689,250	6,435,000	-3.8%	(254,250)
Contributions	537,500	391,900	0	0	0.0%	0
Other Misc Revenues	2,624,553	2,581,563	2,714,000	3,025,000	11.5%	311,000
TOTAL SPECIAL REVENUE	**71,809,993**	**74,838,671**	**74,401,250**	**76,118,416**	**2.3%**	**1,717,166**
TOTAL REVENUE	**71,809,993**	**74,838,671**	**74,401,250**	**76,118,416**	**2.3%**	**1,717,166**

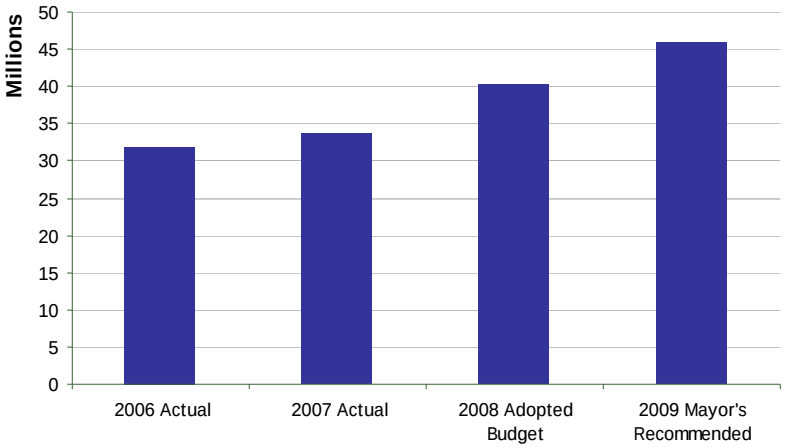
Note:

The expense figures above include contractual costs of $7.6 million for Meet Minneapolis.

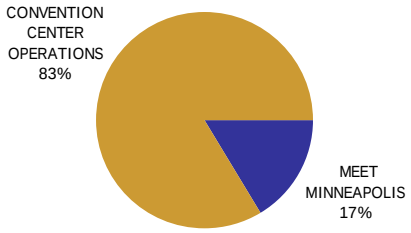
Expense by Category



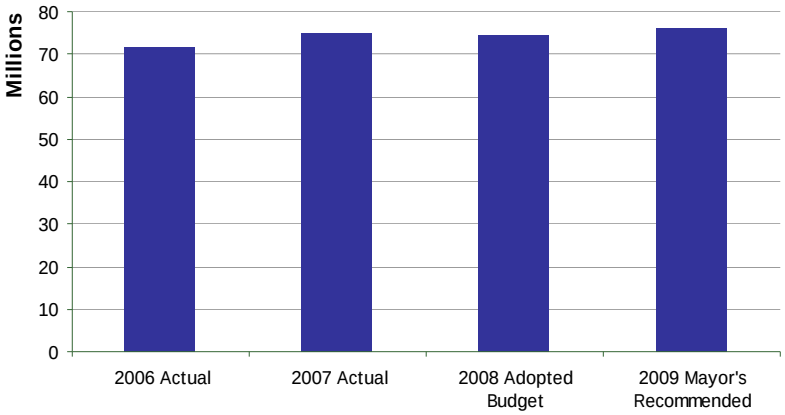
Expense 2006 - 2009



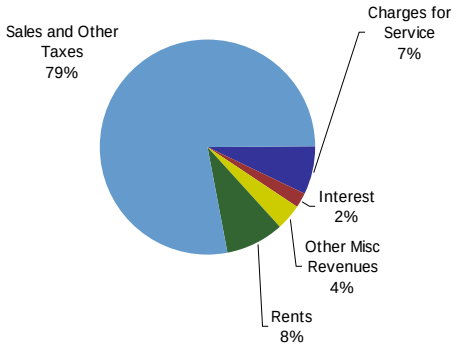
Expense by Division



Revenue 2006 - 2009



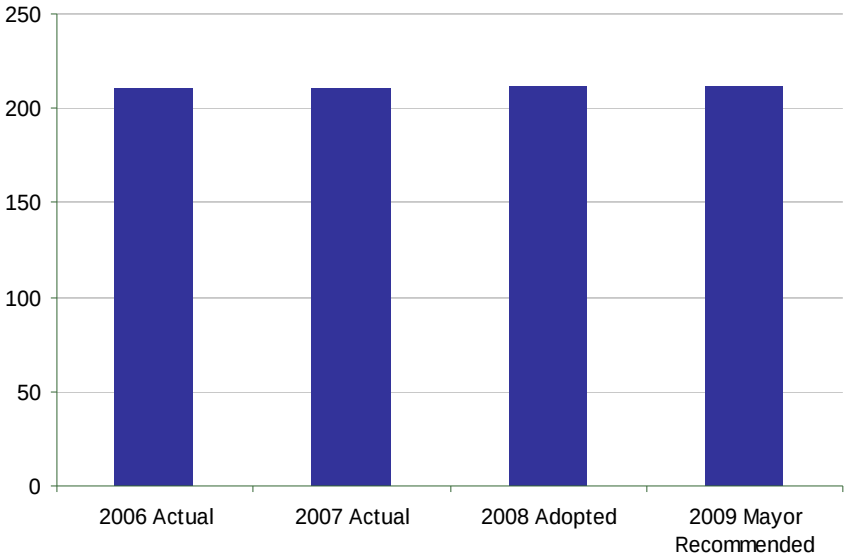
Direct Revenue by Type



CONVENTION CENTER
Staffing Information

	2006 Actual	2007 Actual	2008 Adopted	2009 Mayor Recommended	% Change	Change
CONVENTION CENTER OPERATIONS	211	211	212	212	0.1%	0
TOTAL	**211**	**211**	**212**	**212**	**0.1%**	**0**

Positions 2006-2009



FINANCE

MISSION

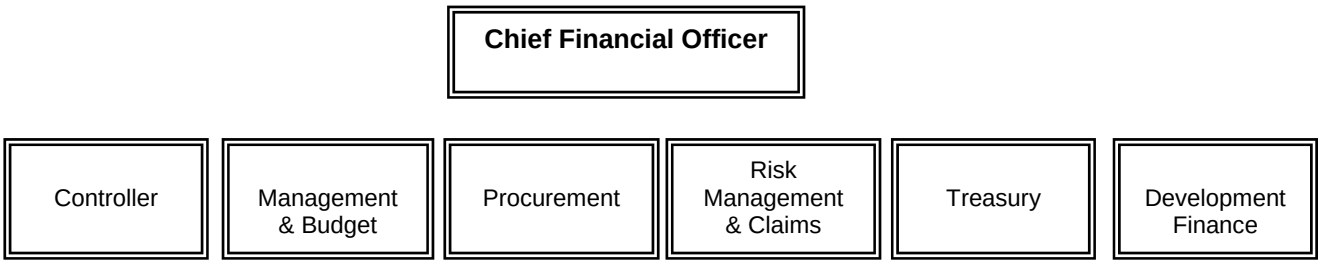
Provide financial services that assist managers and elected officials in making sound and informed decisions and ensure the City's financial integrity.

BUSINESS LINES

Financial Operations – Providing accurate, timely financial information: Collecting and receiving revenue, managing receivables, paying employees, vendors and other third parties, and managing and preserving assets.

- **Decision Support – Supporting informed financial and business-related decisions:** Supporting elected officials in making decisions regarding source and allocation of financial resources, and supporting departments in making decisions regarding management of financial resources.

ORGANIZATION CHART



FIVE YEAR DEPARTMENT GOALS AND OBJECTIVES	
Department Goals	**Objectives**
Note: As financial stewards for the City, the department's work is linked to all the City's goals.	
Ensure the City's financial stability through informed decision making, aligning with the City priorities.	Provide financial information to managers and policy makers in making sound, informed decisions about: • Economic development initiatives • City services and operations • Capital investment in physical infrastructure • Resource allocation and performance measurement
	Maintain and improve established internal and external fees for specified services to fully recover costs
	Coach and support the implementation of Loss Prevention (LP) tactics in every department.
	Simplify and improve business processes through implementation of a new financial system.
	Maintain a positive work environment for employees by strengthening and improving methods of workforce accountability and feed back.
	Develop a competent and versatile workforce.
	Invest City cash reserves to preserve capital, meet City liquidity needs and maximize returns.

RESULTS MINNEAPOLIS MEASURES, DATA AND TARGETS TABLE						
Measure Name	**2004 Data**	**2005 Data**	**2006 Data**	**2007 Data**	**2008 Target**	**2011 Target**
Bond ratings	AAA Aa1 AAA	AAA Aa1 AAA	AAA Aa1 AAA	AAA Aa1 AAA	AAA Aaa AAA	AAA Aaa AAA
Total debt as a percentage of Assessor's estimated market value	4.1%	3.6%	3.2%	3.0%	3.0%	2.5%
General fund performance (minimum fund balance of 15%)	21%	17%	17%	15%	15%	15%
Net assets of internal service funds with workout plans (dollars in millions)	-$62	-$55	-$35	-$18	-$1	$58
Percent of Finance resources spent on Decision Support	30%	35%	40%	45%	50%	50%
Percent of Finance resources spent on Operations Support	70%	65%	60%	55%	50%	50%
Collections effectiveness indicator (CEI)	79%	68%	61%	74%	78%	85%
Percent of receivables in CEI	73%	74%	76%	83%	85%	90%
Utility billing electronic payments as percent of utility billing revenues	15.2%	18.0%	19.7%	26.1%	26.0%	30.0%
Investment return (operating funds) total return/benchmark	1.73%/0.91%	2.50%/1.67%	4.40%/3.96%	5.45%/5.76%	5.26%/5.95%	NA
Citywide liability claims paid out (in thousands)	$621	$457	$396	$446	$422	$406
Citywide workers' compensation claims paid out (in thousands)	$5,856	$5,899	$5,393	$5,646	$5,414	$5,073

What key trends and challenges does the department face and how will each be addressed?

- **The Finance Department has reduced its operating budget by $800,000** between 2005 and 2008 to meet the five-year financial direction and will be required to reduce General Fund and Self-Insurance Fund spending by $1.38 million to meet Current Service Level guidelines for 2009. At the same time, Finance has reallocated $1.5 million annually toward payment of the new City enterprise resource system (financial and human resources information) and will continue these contributions through 2013.

Finance Division	**Positions**	**Personnel**	**Non-Personnel**	**Total Reduction**
Executive	0.0	$0	$57,500	$57,500
Controller	7.0	$505,000	$97,000	$602,000
Treasury	1.0	$74,400	$390,000	$465,000
Procurement	1.0	$61,000	$11,000	$72,000
Development Finance	0.0	$0	$150,000	$150,000
Risk Management	0.0	$0	$38,000	$38,000
Total Finance:	9.0	$640,000	$744,000	$1,384,242

Finance will address this challenge by exploring and implementing business process improvements wherever possible and realizing efficiencies through implementation of COMPASS. A total of nine positions will be eliminated and non-personnel spending will be reduced by approximately $744,000.

- **Continue investment in technology improvements** related to the City enterprise resource system. Phase I of the COMPASS project will conclude in 2008 and includes implementation of a new enterprise financial system for processing and tracking invoices, managing procurement contracts, and paying vendors and employees. Project activities in COMPASS Phase II will include implementation of the accounts receivable module by mid-year 2009. Finance staff will continue work to increase functionality within the COMPASS system to reduce transactional costs and help support decision-making in City departments.
- **Business process improvements (simplification, automation, or elimination) to reduce costs and improve customer service.** Finance continually seeks to improve its operating business processes to reduce costs and improve customer service. Implementation of the COMPASS system has and will require several major business process improvements. As part of COMPASS Phase I, accounts payable activities previously spread throughout all City departments has been centralized and consolidated. Another component of Phase I will include implementation of the Time and Labor module, which will reduce time and resources directed at preparing and processing employee payroll as well as project accounting activities. The accounts receivable module will result in business process improvements by centralizing collection of City revenues and more efficient cash handling practices.
- **Heightened demand for financial information, analysis, and decision support** by elected officials and department managers due to significant cuts in state aid, declining resources for public safety, infrastructure, and economic development, and the advent of five-year business planning.
- **Mitigating upcoming workforce reductions and ensuring adequate training opportunities for employees to fill the jobs of the future.** As the wave of Baby Boomer retirements begins, Finance estimates that close to 25-percent of its workforce is eligible to retire in the next 5 years and over one-third will be eligible by 2018. Finance employees must be prepared to better understand the business of City operations, critically analyze financial and market trends, solve problems, offer solutions, and lead multi-discipline teams. Finance employees also must be prepared to continually make operational improvements and find simpler methods to achieve financial results.
- **Loss prevention initiative, a proactive program for each City department** to incorporate tactics into their daily operations, which will lead to decreasing losses and preserving precious human and property resources.

FINANCIAL ANALYSIS

EXPENDITURE

For 2009, the department's expense budget for all funds is $22.2 million, a 4.9% or $1.0 million increase over the 2008 adopted budget, keeping the department in line with the five-year financial direction. The 2009 budget reflects a reduction of 9 FTEs, with cost savings used to implement and support the City's new Enterprise Resource System.

REVENUE

The revenue budget for the finance department is $2.3 million, reflecting the implementation of the self-insurance rate model for internal service funds and risk management. This is a 5.9% increase over the 2008 adopted budget, a result of reallocating revenue between worker's compensation and liability premiums to more accurately reflect prior years' experience.

FUND ALLOCATION

The department's budget is primarily derived from the general fund ($19.7 million or 89%) with $2.3 million (10%) coming from the self-insurance internal services fund. Special revenue funds account for the remaining 1% of the budget, for support of departments that are significantly funded by grants.

MAYOR'S RECOMMENDED BUDGET

The Mayor's recommended budget includes a reduction to growth of $100,000 to this department, a smaller reduction than anticipated and described in the department's trends and challenges section.

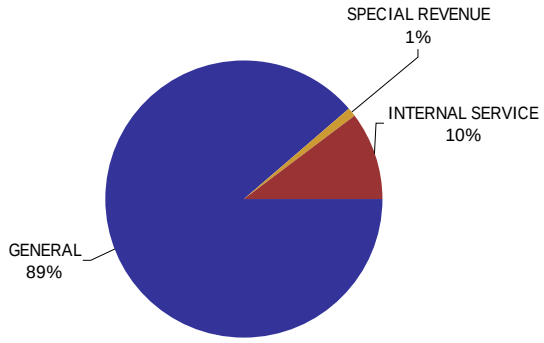
The Mayor also recommends extending the internal loan for COMPASS by two years to allow additional time for needed business process improvements to be implemented.

FINANCE DEPARTMENT
EXPENSE AND REVENUE INFORMATION

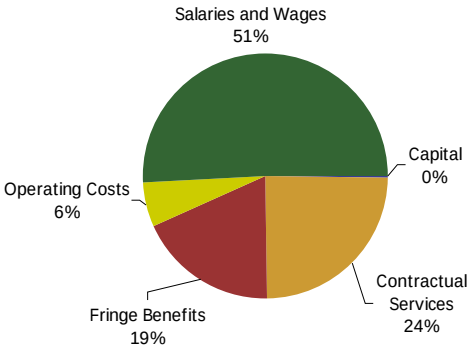
EXPENSE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Mayor's Recommended	Percent Change	Change
GENERAL						
Salaries and Wages	9,305,493	9,725,525	10,089,805	10,473,934	3.8%	384,129
Fringe Benefits	2,814,273	3,119,576	3,684,456	3,850,149	4.5%	165,693
Contractual Services	5,123,958	4,343,854	4,288,516	4,547,569	6.0%	259,053
Operating Costs	505,336	622,191	612,004	740,700	21.0%	128,696
Capital	7,914	18,371	45,219	46,485	2.8%	1,266
TOTAL GENERAL	**17,756,974**	**17,829,517**	**18,720,000**	**19,658,837**	**5.0%**	**938,837**
SPECIAL REVENUE						
Salaries and Wages	255,101	220,893	177,735	188,443	6.0%	10,708
Fringe Benefits	68,295	58,242	55,977	60,438	8.0%	4,461
Contractual Services	70	514	36,305	(0)	-100.0%	(36,305)
Operating Costs	1	59	0	0	0.0%	0
TOTAL SPECIAL REVENUE	**323,467**	**279,708**	**270,017**	**248,881**	**-7.8%**	**(21,136)**
INTERNAL SERVICE						
Salaries and Wages	451,685	519,196	563,674	606,042	7.5%	42,368
Fringe Benefits	128,979	164,584	199,974	203,321	1.7%	3,347
Contractual Services	965,284	899,287	830,283	888,858	7.1%	58,575
Operating Costs	417,497	470,551	563,107	581,874	3.3%	18,767
Capital	0	0	5,647	5,805	2.8%	158
TOTAL INTERNAL SERVICE	**1,963,445**	**2,053,618**	**2,162,685**	**2,285,901**	**5.7%**	**123,216**
ENTERPRISE						
Operating Costs	499,094	549	0	0	0.0%	0
TOTAL ENTERPRISE	**499,094**	**549**	**0**	**0**	**0.0%**	**0**
TOTAL EXPENSE	**20,542,980**	**20,163,392**	**21,152,702**	**22,193,619**	**4.9%**	**1,040,917**

REVENUE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Mayor's Recommended	Percent Change	Change
AGENCY						
Interest	(1,858,141)	(0)	0	0	0.0%	0
TOTAL AGENCY	**(1,858,141)**	**(0)**	**0**	**0**	**0.0%**	**0**
GENERAL						
Local Government	15,000	15,000	0	15,000	0.0%	15,000
Charges for Service	8,391	6,048	6,000	6,000	0.0%	0
Charges for Sales	5	166	0	0	0.0%	0
Other Misc Revenues	81	3,624	0	0	0.0%	0
TOTAL GENERAL	**23,477**	**24,838**	**6,000**	**21,000**	**250.0%**	**15,000**
INTERNAL SERVICE						
Charges for Service	559,295	338,616	2,172,000	2,285,901	5.2%	113,901
TOTAL INTERNAL SERVICE	**559,295**	**338,616**	**2,172,000**	**2,285,901**	**5.2%**	**113,901**
TOTAL REVENUE	**(1,275,370)**	**363,453**	**2,178,000**	**2,306,901**	**5.9%**	**128,901**

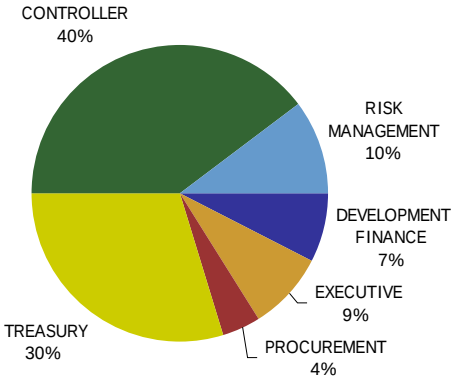
Expense by Fund



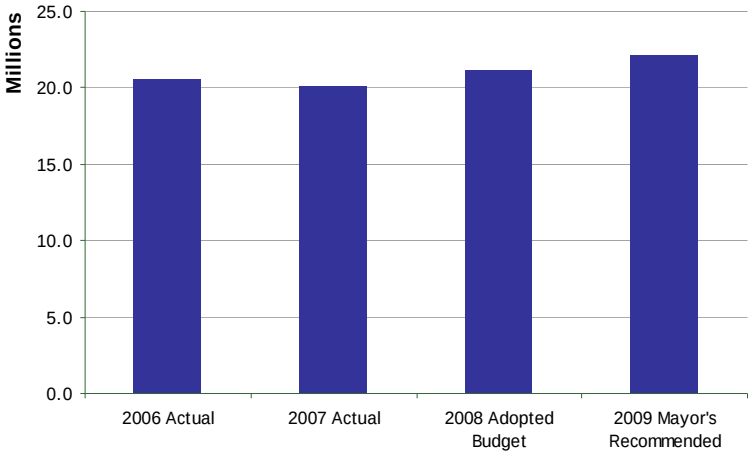
Expense by Category



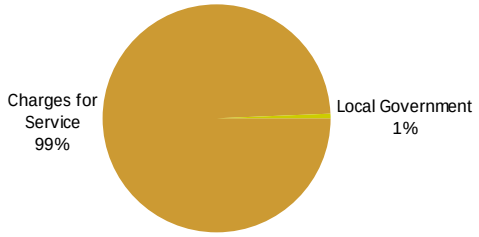
Expense by Division



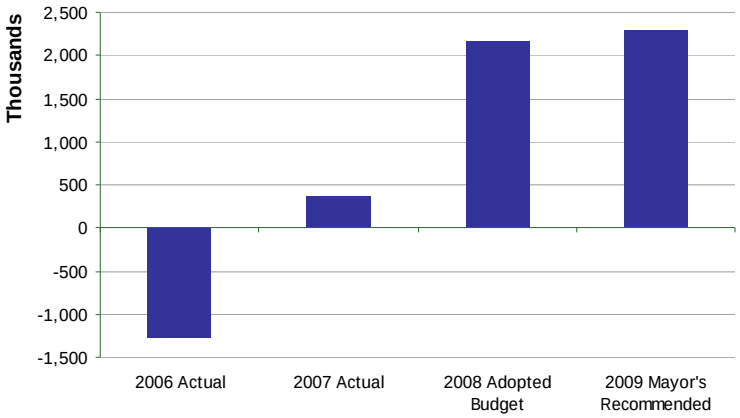
Expense 2006 - 2009



Direct Revenue by Type



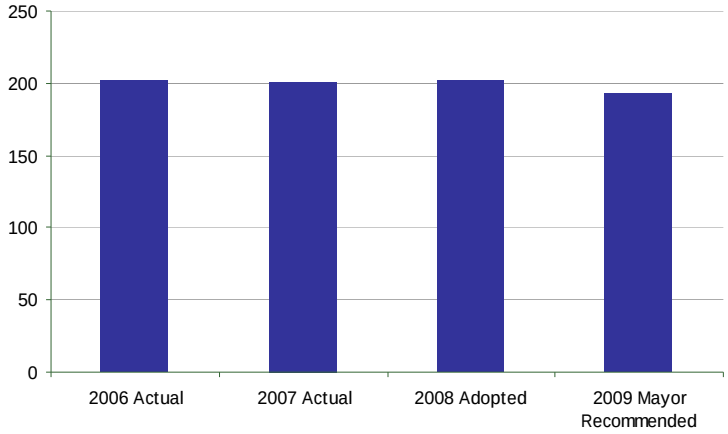
Revenue 2006 - 2009



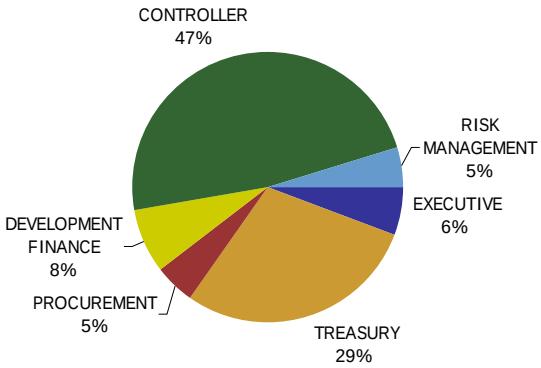
FINANCE
Staffing Information

	2006 Actual	2007 Actual	2008 Adopted	2009 Mayor Recommended	% Change	Change
CONTROLLER	100	100	100	93	-7.0%	(7)
RISK MANAGEMENT	9	9	9	9	0.0%	
EXECUTIVE	10	9	9	11	22.2%	2
TREASURY	58	58	59	56	-5.1%	(3)
PROCUREMENT	10	10	10	9	-10.0%	(1)
DEVELOPMENT FINANCE	15	15	15	15	0.0%	
TOTAL	**202**	**201**	**202**	**193**	**-4.5%**	**(9)**

Positions 2006-2009



Positions by Division



HUMAN RESOURCES

MISSION

To strategically partner with City departments to hire, develop and retain an excellent workforce.

BUSINESS LINES

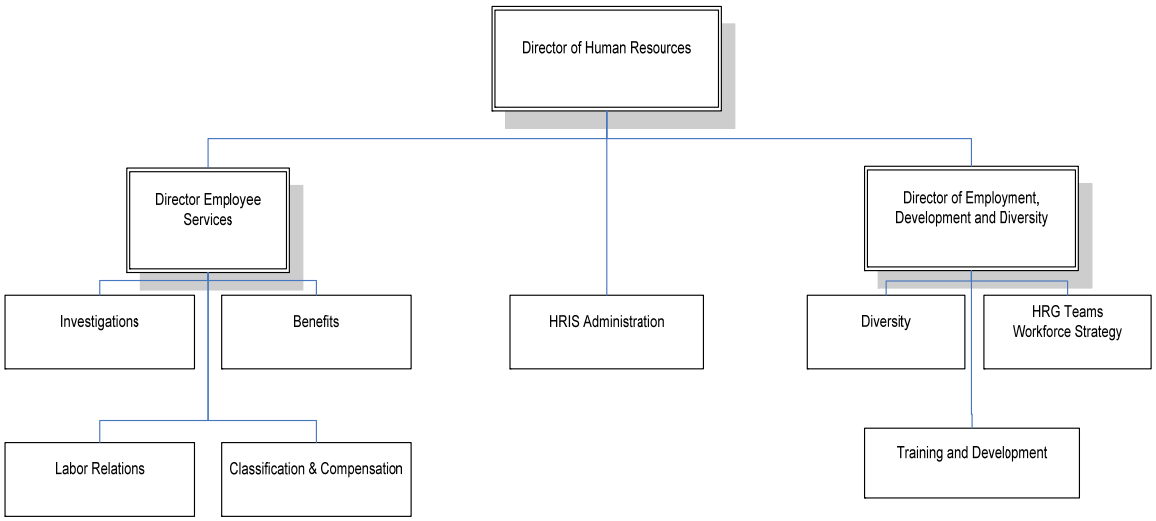
The HR Department has three primary business lines – Employee Services, Diversity and Workforce Strategy Services and Administration/HRIS. Because the work of our department involves more than just one business line, it is necessary that the employees of each division engage in cross-divisional cooperation so that the department can accomplish goals and eliminate the existence of 'silo-mentality' across the departments.

- **Administration/ HRIS:** The key services associated with this business line are twofold. Key activities include: administration of the department to include policy development and implementation, business planning and strategic direction, and Civil Service Commission oversight. Also important to this business line are services provided by the HRIS Team, which include: enterprise employment information management, managing and providing information to City, Independent Boards and Agencies for decision making purposes and supporting Enterprise Learning Management (ELM) and Enterprise Resource Planning (ERP) related efforts and initiatives.

- **Employment, Development and Diversity:** Designs and implements enterprise-focused diversity initiatives to include: developing and implementing an Affirmative Action Plan, targeted recruitment efforts, and strategic direction for workforce strategies. Also important to this business line are the services provided by the HR Generalist teams, which include: customer-focused strategic and operational advice, staffing, and performance management consultation. This business line provides learning opportunities for managers, supervisors and employees to maximize their development and to minimize organizational risk.

- **Employee Services:** Provides strategic and operational leadership for all of the City's collective bargaining. In addition to the collective bargaining responsibilities, the key activities essential to this business line are: contract administration, compensation administration, classification administration, complaint investigation, the implementation of the Return-to-Work Program; and designing, negotiating and implementing employee healthcare and wellness programs.

ORGANIZATION CHART



Overview of Services	City Council Department Services	Other Agencies Services
Services required by Federal Law, State Statutes and City Charter/ Ordinance	Yes	Yes
Advertising	Yes	Yes
Job Classification	Yes	Yes
Civil Services Commission Appeals	Yes	Yes
HRIS (Payroll, Benefits, Records)	Yes	Yes
Administer Compensation	Yes	No
Administer Benefits	Yes	Yes (fee based)
Negotiate and Administer Labor Contracts	Yes	No
Compliance Investigations	Yes	No
Policy Training (Respect in the Workplace, Ethics)	Yes	No
Return to Work/Job Bank	Yes	No
Discretionary Services (Promoting Cost-effective, centralized services)	Yes	No
Training and Development	Yes	No
Management Consultation	Yes	No
Alternative Dispute Resolution	Yes	No
Affirmative Action (AA) Support	Yes	Some
Recruiting	Yes	No

FIVE YEAR DEPARTMENT GOALS AND OBJECTIVES		
City Goals and Strategies	Department Goals	Objectives
2 – One Minneapolis 4 – Connected Communities 6 – A Premier Destination	The City of Minneapolis has a work environment and diverse workforce that fosters success.	Create a workforce that reflects the communities the City serves. Work with departments to improve the City's work environment.
1 – A Safe Place to Call Home 2 – One Minneapolis 3 – Lifelong Learning Second to None 5 – Enriched Environment 6 – A Premier Destination	Provide departments the strategic support and information they need to make informed and timely business decisions.	Continue to develop HRIS as the system of record. Develop HR Intranet and related tools to improve and make HR information and tools more accessible to the customer.
1 – A Safe Place to Call Home 2 – One Minneapolis 3 – Lifelong Learning Second to None 6 – A Premier Destination	Assist departments in the hiring and development of a workforce to achieve City, department and individual goals.	Streamline hiring process. Provide strategic recruitment guidance to departments. Provide training opportunities to supervisor, manager and leadership levels. Revise design and implement comprehensive performance management systems.
2 – One Minneapolis 3 – Lifelong Learning Second to None	Provide the City and its employees a competitive compensation program.	Negotiate equitable collective bargaining agreements. Establish a health and wellness program.

RESULTS MINNEAPOLIS MEASURES, DATA AND TARGETS TABLE						
Measure Name	**2004**	**2005**	**2006**	**2007**	**2008 Target**	**2011 Target**
% Female Applicants	36.5%	46.9%	38.3%	43.1%	45.0%	45.0%
# of Female Applicants	2382	3654	4417	4691	4950	4500
% Female Eligible for hiring consideration.	35.3%	42.2%	45.3%	41.1%	45.0%	45.0%
# Of Female Eligible for hiring consideration.	1016	1444	2202	1992	2250	1800
% Female Hires	34.8%	32.9%	35.7%	43.3%	36.5%	45.0%
# of Female Hires	98	118	153	123	100	100
% People of Color Applicants	35.5%	34.7%	31.7%	30.9%	31.0%	35.0%
# of People of Color Applicants	2316	2704	3607	3367	3685	3500
% People of Color Eligible for hiring consideration.	34.6%	31.0%	25.0%	29.4%	31.0%	35.0%
# of People of Color Eligible for	995	1061	1216	1426	1550	1400

RESULTS MINNEAPOLIS MEASURES, DATA AND TARGETS TABLE						
Measure Name	**2004**	**2005**	**2006**	**2007**	**2008 Target**	**2011 Target**
hiring consideration.						
% People of Color Hires	32.3%	34.0%	28.7%	28.2%	31.0%	35.0%
# of People of Color Hires	91	122	123	80	85	85
Females by EEO-4 Category (%)						
• Officials & Administrators	NA	NA	NA	45.2%	TBD	TBD
• Professionals	NA	NA	NA	47.7%	TBD	TBD
• Technicians	NA	NA	NA	20.4%	TBD	TBD
• Protective Service	NA	NA	NA	16.9%	TBD	TBD
• Paraprofessionals	NA	NA	NA	75.9%	TBD	TBD
• Administrative Support	NA	NA	NA	80.5%	TBD	TBD
• Skilled Craft	NA	NA	NA	2.9%	TBD	TBD
• Service Maintenance	NA	NA	NA	10.6%	TBD	TBD
Employees of Color by EEO-4 Category (%)						
• Officials & Administrators	NA	NA	NA	15.4%	TBD	TBD
• Professionals	NA	NA	NA	19.6%	TBD	TBD
• Technicians	NA	NA	NA	16.3%	TBD	TBD
• Protective Service	NA	NA	NA	25.0%	TBD	TBD
• Paraprofessionals	NA	NA	NA	17.2%	TBD	TBD
• Administrative Support	NA	NA	NA	27.9%	TBD	TBD
• Skilled Craft	NA	NA	NA	11.5%	TBD	TBD
• Service Maintenance	NA	NA	NA	30.4%	TBD	TBD
# of Days to Complete Classification Studies	12	10	26	12	14	14
# of Days to Create an Eligible List	83	65	64	59	55	50
Satisfaction with Staffing Services	4.4	4.3	4.3	4.6	4.5	4.5
Hard to Fill Positions	NA	NA	NA	NA	TBD	TBD
Hard to Keep Filled Positions	NA	NA	NA	NA	TBD	TBD
% of Employees with Completed Performance Review in HRIS	5.6%	6.7%	10.1%	34.6%	40.0%	90.0%
Health Insurance Cost Growth to City & Employee	$6848	$7939	$9118	$9938	$11,392	$14,720
Training & Development (Initiatives and Value of Investment)	NA	NA	NA	NA	TBD	TBD

What key trends and challenges does the department face and how will each be addressed?

The department continues to face the challenges of meeting enterprise needs with diminishing resources. The department's workforce plan demonstrates how the department intends to balance its resources so that the department is able to provide operational services, where appropriate, while the department builds staff capacity to truly become strategic partners with customer departments.

What remains unresolved is the cost of future upgrades to the HRIS/COMPASS enterprise system. Historically funding for upgrades has been through annual departmental savings, which are no longer realized as the department has experienced

budget reductions. In 2011, upgrade costs will exceed $1M, and unless there is a new model for funding these initiatives, there will not be resources available for the upgrade.

Talent management – assisting the organization with the hiring, training & development, and retention of a highly qualified, diverse workforce – is a key challenge for the department and for the City. While the department works to address these issues through improvements, the ability to develop and deliver other enterprise initiatives (recruitment, leadership development, employee engagement and recognition, feeder programs and management consultation) is challenged because of continued resource reductions. The department business plan addresses these concerns, making every effort to deliver needed services. It will take the department longer to provide these services. The department expects that this will result in individual departments hiring out these services, thus minimizing both economies of investments and consistency of information.

Increases in health care cost also continue to be both a trend and a challenge. The department is addressing these challenges by implementing comprehensive health & wellness programs. In addition, the highly successful Benefits Labor Management Committee continues to look for new ways to enhance and/or re-design benefits packages.

What changes to the ordinance are needed to improve services and/or reduce cost?

A change to the City Charter (Rule of 1) and Minnesota State law (Rule of 3) allowing the City to use Rule of the List for all hiring in the Classified Service has the potential to improve services to customer departments seeking to fill vacant positions. This change also could result in reduced costs and improved results in a number of department performance measures (Protected Class Hires, Hard to Fill Positions, # of days to create an eligible list and satisfaction with staffing services)

The City's policy development and review process needs to be improved as the current process can be lengthy if the proposed or updated policy needs to be reviewed, by department heads, citywide LMC, Executive Committee, Ways & Means/Budget committee and the full City Council.

FINANCIAL ANALYSIS

EXPENDITURE

The 2009 budget for this department is $7.9 million, a 5.2% or $394,000 increase over the 2008 adopted budget. The budget includes a 39% increase to operating expenditures due to a reclassification of training costs from contractual to operating. The 2009 budget includes elimination of the Enterprise Services division and a shift in budget distribution, allocating more resources to employee training and registration and less to contractual services within Administration, Employee Services, and Employment Services.

REVENUE
The department's revenue budget reflects an 11.1% or $137,000 increase from 2008 to 2009, primarily attributable to the benefits administration fee that is charged to customer departments through the self-insurance rate model.

FUND ALLOCATION
The majority (80%) of the department's budget comes from the general fund. The department also operates the benefits administration function out of the self-insurance fund and enterprise training out of the intergovernmental services fund.

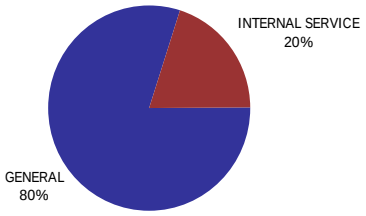
MAYOR'S RECOMMENDED BUDGET
With the Mayor's recommended budget, the department received a reduction to growth of $30,000. The Mayor also recommends an increase to Health Benefit Administration fees charged to other departments in order to offset the cost of total compensation statements ($30,000) and providing an employee incentive to use bike station programs ($75,000).

HUMAN RESOURCES
EXPENSE AND REVENUE INFORMATION

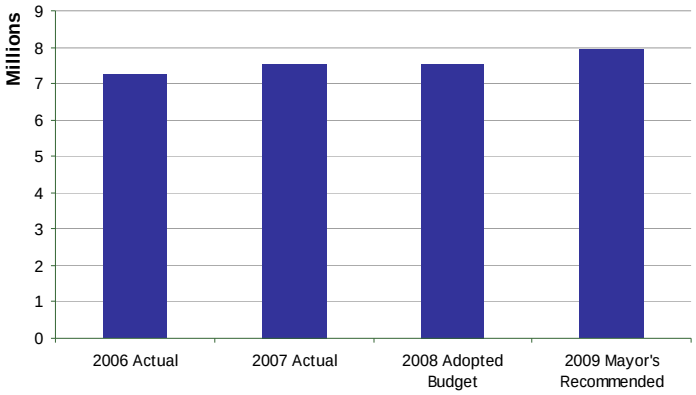
EXPENSE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Mayor's Recommended	Percent Change	Change
GENERAL						
Salaries and Wages	2,775,671	2,803,567	2,997,440	2,984,860	-0.4%	(12,580)
Fringe Benefits	689,102	714,918	854,783	942,487	10.3%	87,704
Contractual Services	2,135,549	2,013,295	1,744,996	1,833,904	5.1%	88,908
Operating Costs	311,790	498,836	472,958	578,749	22.4%	105,791
Capital	0	0	823	0	-100.0%	(823)
TOTAL GENERAL	**5,912,112**	**6,030,616**	**6,071,000**	**6,340,000**	**4.4%**	**269,000**
SPECIAL REVENUE						
Salaries and Wages	47,514	45,980	0	0	0.0%	0
Fringe Benefits	18,643	19,632	0	0	0.0%	0
Contractual Services	0	120,117	0	0	0.0%	0
Operating Costs	1,347	13,808	10,000	0	-100.0%	(10,000)
TOTAL SPECIAL REVENUE	**67,504**	**199,537**	**10,000**	**0**	**-100.0%**	**(10,000)**
INTERNAL SERVICE						
Salaries and Wages	397,796	503,571	582,470	602,471	3.4%	20,001
Fringe Benefits	107,097	146,817	187,668	201,422	7.3%	13,754
Contractual Services	750,179	631,378	656,635	653,111	-0.5%	(3,524)
Operating Costs	21,552	31,914	35,610	140,504	294.6%	104,894
TOTAL INTERNAL SERVICE	**1,276,624**	**1,313,680**	**1,462,383**	**1,597,507**	**9.2%**	**135,124**
TOTAL EXPENSE	**7,256,240**	**7,543,833**	**7,543,383**	**7,937,508**	**5.2%**	**394,125**

REVENUE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Mayor's Recommended	Percent Change	Change
GENERAL						
Other Misc Revenues	8,837	15,139	5,000	5,000	0.0%	0
TOTAL GENERAL	**8,837**	**15,139**	**5,000**	**5,000**	**0.0%**	**0**
SPECIAL REVENUE						
Other Misc Revenues	196	13,925	10,000	0	-100.0%	(10,000)
TOTAL SPECIAL REVENUE	**196**	**13,925**	**10,000**	**0**	**-100.0%**	**(10,000)**
INTERNAL SERVICE						
Charges for Service	857,723	1,116,895	1,218,772	1,260,863	3.5%	42,091
Special Assessments	0	0	0	105,000	0.0%	105,000
TOTAL INTERNAL SERVICE	**857,723**	**1,116,895**	**1,218,772**	**1,365,863**	**12.1%**	**147,091**
TOTAL REVENUE	**866,756**	**1,145,959**	**1,233,772**	**1,370,863**	**11.1%**	**137,091**

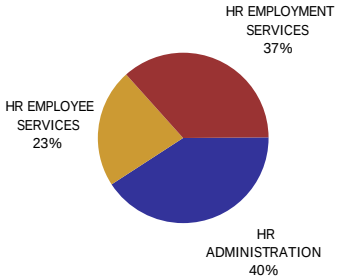
Expense by Fund



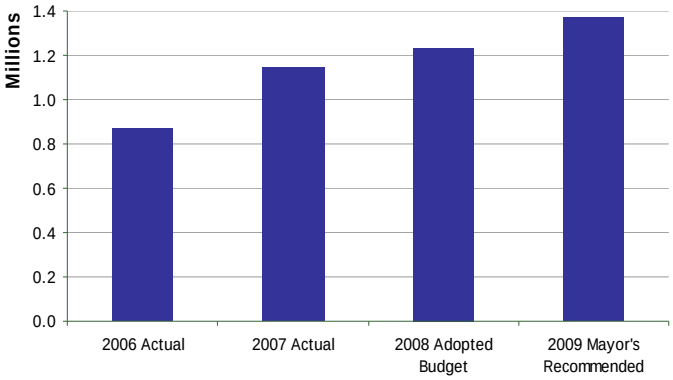
Expense 2006 - 2009



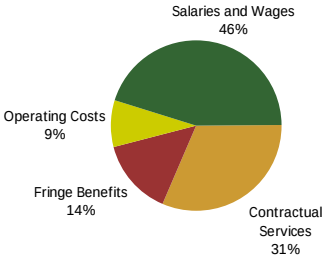
Expense by Division



Revenue 2006 - 2009



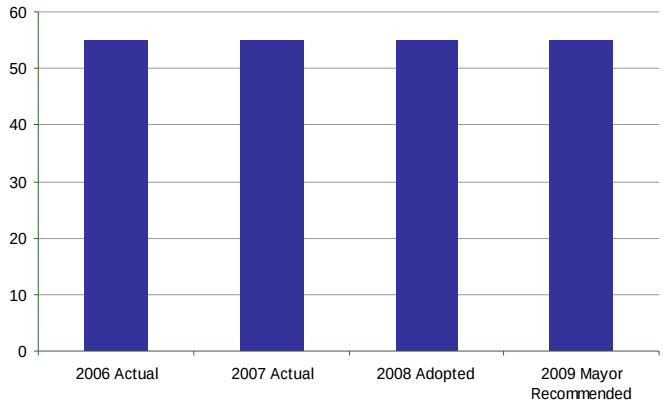
Expense by Category



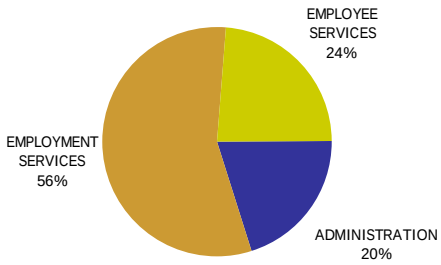
HUMAN RESOURCES
Staffing Information

	2006 Actual	2007 Actual	2008 Adopted	2009 Mayor Recommended	% Change	Change
ADMINISTRATION	2	2	2	11	452.5%	9
EMPLOYMENT SERVICES	26	27	27	31	14.8%	4
ENTERPRISE SERVICES	17	17	17		-100.0%	(17)
EMPLOYEE SERVICES	10	9	9	13	43.9%	4
TOTAL	**55**	**55**	**55**	**55**	**0.0%**	

Positions 2006-2009



Positions by Division



INTERGOVERNMENTAL RELATIONS

MISSION

Advocate policy proposals and funding requests on behalf of the City at the federal, state, metropolitan and local government levels. Build relationships between departments and community-based organizations that facilitate applications for funding with private-sector sources, between the City and other levels of government, and interested organizations.

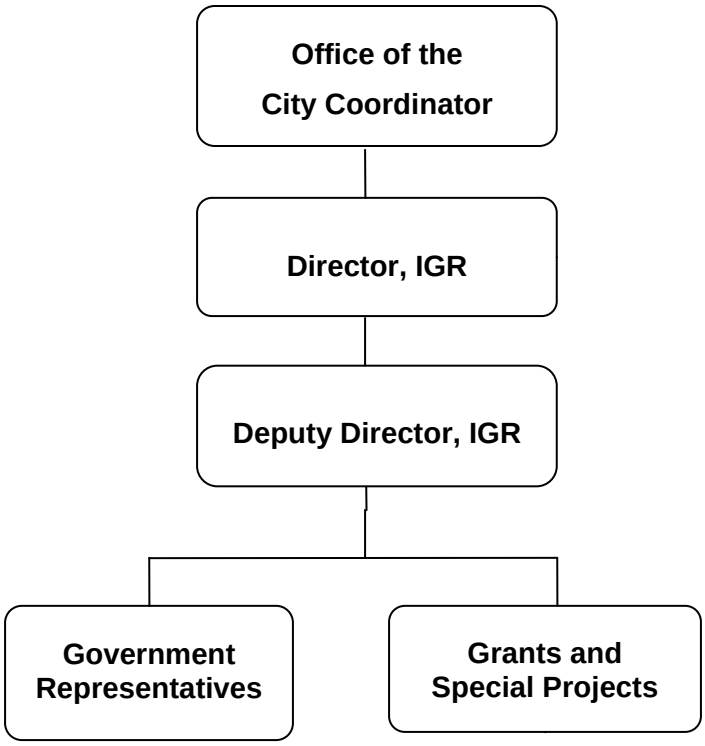
BUSINESS LINES

- **Intergovernmental agenda development and implementation:** The annual legislative and federal agendas are prepared with City departmental, City Council and Mayoral input, with City Council approval on final agendas and an agenda summary prepared and distributed. Given that there are many issues involving the City and other governmental entities, City staff and elected officials are encouraged to serve on committees and boards of national, state and regional governmental organizations.

- **Grants information, compliance and development:** City departments and community-based agencies are given grant application and management information and technical assistance on grant issues. Partnerships are developed and sustained to enhance awareness of funding needs and opportunities throughout the City and the metropolitan area. The department also manages special projects as needed.

- **Special Projects:** Develop and implement special projects. Projects often require liaison with other city departments and other units of government.

ORGANIZATION CHART



FIVE –YEARS DEPARTMENT GOALS AND OBJECTIVES	
Department Goal	**Objectives**
Shape, monitor progress, and support the implementation and achievement of the City's goals and strategic directions	Develop and support the ongoing implementation of the new City goals and strategic directions
	Administer business plan process that aligns City direction with department business plans
	Use performance measures and other indicators to drive progress to outcomes and demonstrate accountability (develop a fully results-oriented culture)
The City's management practices are continuously improving and are outcome and customer-focused	Management service departments are recognized as valuable strategic partners to all City departments
	Identify opportunities & assist departments in streamlining key departments and multi-department systems
	Minneapolis 311 operation continues to provide excellence in customer service through ongoing refinement of operations, expanded customer services and close and broadened working partnerships
	Customer-focused service is a recognized hallmark of City operations
	City of Minneapolis identifies, shares and implements best practices and strategic management techniques
Convene, coordinate and strategically manage multi-jurisdictional and inter-departmental efforts to successful outcomes	Provide strategic coordination to achieve multi-department, multi-jurisdictional initiatives
	Advance strategic partnerships in the City's public, private and non-profit networks
	"Executive leadership" is well-defined and understood by entire City management
The City's workforce is engaged, energized and proud	The City has a progressive yet practical compensation philosophy and practices

RESULTS MINNEAPOLIS MEASURES, DATA AND TARGETS TABLE						
Measure Name	**2004 Data**	**2005 Data**	**2006 Data**	**2007 Data**	**2008 Target**	**2011 Target**
Grant revenue as a % of annual City revenue budget (minus Board transfers)	N/A	3.66	4.64	4.29	6.28 (*does not include May property tax revenue; % will fall when tax rev. received)	4.00
Amount of grant funds applied for versus awarded (in millions) with success %	$47/$34 72%	$38/$26 68%	$52/ $34 65%	$84/ $53 63%	$4/$6 (through 1st quarter)	Award Target is 70% of funds applied for

Measure Name	2004 Data	2005 Data	2006 Data	2007 Data	2008 Target	2011 Target
Amount of local government aid paid/certified to Minneapolis (in millions	$82.51	$80.34	$93.95	$83.98	$82.23	$90
Amount of state bonding received /requested for operations (in millions)	N/A	N/A	N/A	$16/$32		$15/$28

What key trends and challenges does the department face and how will each be addressed?

- The turnover of legislators and shifts in majority parties at the national and state level has resulted in a change in political climate. There is a need for leadership experience and a need for more familiarity with the City's legislative priorities.
- The decreasing federal budget and its effect on longtime, City grant-funded activities.
- Compliance with federal regulations in grant-funded programs.
- Continue to work with City Council members to incorporate them into the Intergovernmental Relations process**.**
- The alignment of the local bonding process with the City's capital needs versus the capital needs of the non-profit entities in the city. The state's capital bonding process requires that the funding be used in four years and that there is a local match for the bond amounts.
- The increase in geographic division at the legislature.
- The need for ongoing relationships with other government units-Hennepin County, the University of Minnesota, the Metropolitan Council and St. Paul.
- State budget pressures will impact local governments including cities and counties.
- Assist departments and community-based agencies to work with increased external mandates and in an environment of decreasing or stagnant resources.
- Community groups have a desire to be heard throughout City Hall.
- Increasing need for language access for individuals who live, work, worship, or do business in Minneapolis.

FINANCIAL ANALYSIS

EXPENDITURE

The expense budget for this department includes the grants and special projects function of the City as well as Intergovernmental Relations staff. The department's budget also includes grants to external organizations that receive funding from the consolidated plan. The total operating budget for these functions is $2.6 million, with $1.4 million from the general fund and $1.1 million from the community development block grant fund.

REVENUE
This department does not generate revenue.

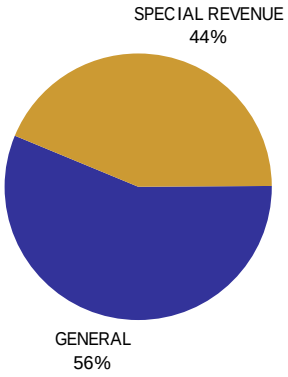
FUND ALLOCATION
The intergovernmental relations function is funded entirely from the general fund while the grants and special projects division receives a portion of its funding from community development block grant funds for efforts supporting the consolidated plan and related grant processes.

MAYOR'S RECOMMENDED BUDGET
The Mayor's recommended budget includes a $10,000 reduction to growth to this department. The budget also moves the homelessness program to the new department of Neighborhood and Community Relations ($75,000 in CDBG).

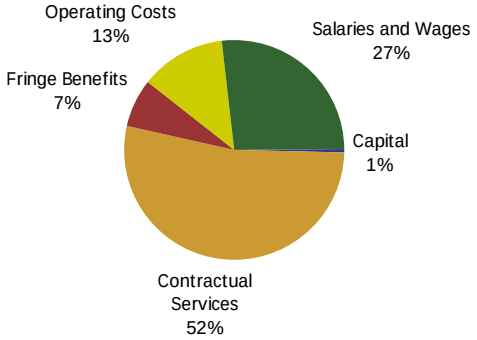
INTERGOVERNMENTAL RELATIONS
EXPENSE AND REVENUE INFORMATION

EXPENSE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Mayor's Recommended	Percent Change	Change
GENERAL						
Salaries and Wages	427,607	444,602	627,874	524,533	-16.5%	(103,341)
Fringe Benefits	95,464	95,762	121,972	143,874	18.0%	21,902
Contractual Services	216,824	259,213	400,375	431,248	7.7%	30,873
Operating Costs	205,985	282,713	306,006	329,393	7.6%	23,387
Capital	0	213	13,334	13,707	2.8%	373
TOTAL GENERAL	**945,880**	**1,082,503**	**1,469,561**	**1,442,756**	**-1.8%**	**(26,805)**
SPECIAL REVENUE						
Salaries and Wages	240,166	227,909	237,293	159,821	-32.6%	(77,472)
Fringe Benefits	53,599	61,672	68,321	43,894	-35.8%	(24,427)
Contractual Services	731,676	986,405	828,386	922,285	11.3%	93,899
Operating Costs	1,665	880	0	0	0.0%	0
TOTAL SPECIAL REVENUE	**1,027,106**	**1,276,866**	**1,134,000**	**1,126,000**	**-0.7%**	**(8,000)**
TOTAL EXPENSE	**1,972,986**	**2,359,369**	**2,603,561**	**2,568,756**	**-1.3%**	**(34,805)**

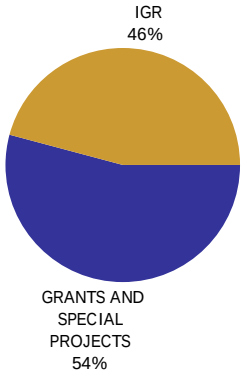
Expense by Fund



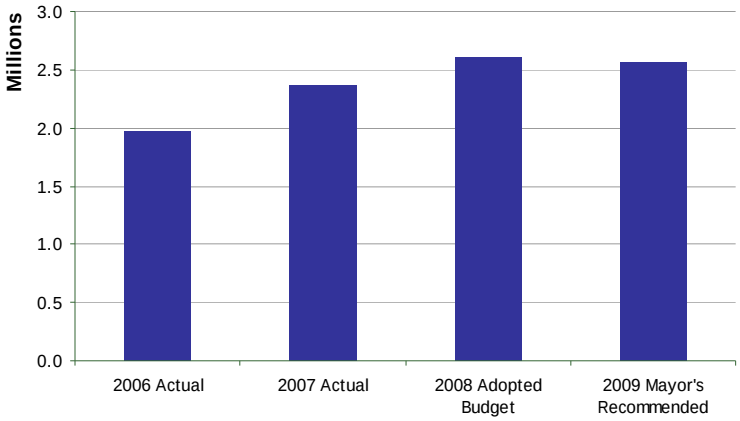
Expense by Category



Expense by Division



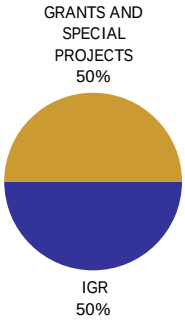
Expense 2006 - 2009



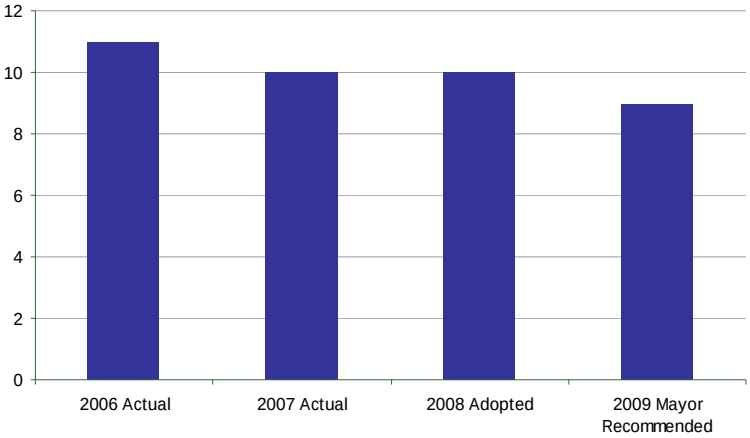
INTERGOVERNMENTAL RELATIONS
Staffing Information

	2006 Actual	2007 Actual	2008 Adopted	2009 Mayor Recommended	% Change	Change
IGR	4	4	4	5	12.5%	1
GRANTS AND SPECIAL PROJECTS	7	6	6	5	-25.0%	(2)
TOTAL	**11**	**10**	**10**	**9**	**-10.0%**	**(1)**

Positions by Division



Positions 2006-2009



NEIGHBORHOOD AND COMMUNITY RELATIONS

MISSION

Serves residents directly and supports all other City departments with enterprise guidance in the realm of strong neighborhood and community relationships. The department is charged with strengthening our City's quality of life through vigorous community participation, resident involvement in neighborhood and community organizations, and supporting clearly defined links between the City, City services and neighborhood and community organizations.

BUSINESS LINES

The Neighborhood and Community Relations (NCR) will be housed in the broader department of the City Coordinator. (Please see the organization chart in the *Coordinator-Administration* section.) NCR will bring positions from within the City together to collaborate on access and outreach, community participation and engagement, and provide services to the City enterprise. It will also incorporate support of neighborhoods and administration of the Neighborhood Revitalization Program (NRP).

Neighborhood Vitality

The City's "connected communities" goal prescribes that there be "thriving neighborhoods" in every corner of Minneapolis. Neighborhood vitality has been both a constant aspiration and a trademark of identity throughout the City's history. So, too, has the City's partnership with neighborhood groups in defining the opportunities and challenges that face us in achieving, maintaining and enhancing truly livable neighborhoods.

Neighborhood groups exist as independent organizations. Each has its own priorities and processes. The City contracts with these organizations to provide a forum for participation of residents and other stakeholders. Our work with neighborhood groups, however, extends beyond this contractual relationship; we share a common goal of creating a better City for all our residents. To achieve this goal, the City and its neighborhood groups must work to forge and foster strong partnerships that respect each other's roles and responsibilities.

The most remarkable fruit of this partnership began in 1990 with the creation of the Neighborhood Revitalization Program (NRP). For the past two decades, the NRP process has worked to make the city's residential areas better places to live, work, learn and play. NRP is an investment program based on bringing residents into the priority-setting process of the City and on the belief that the mobilization of untapped resources, energy and creativity can make our collective desire for a better future a reality.

This department will focus on nurturing neighborhood vitality through neighborhood-based priority setting, planning and implementation; and the integration of this work with the work of the City.

- ***Neighborhood Organizational Infrastructure*:** Community participation is a basic City service. The department will administer a new, enhanced community participation program to include:
    - neighborhood organization administrative support allocations;
    - technical support to neighborhood organizations to help build the capacity and leadership development of neighborhood groups through training and educational opportunities;
    - assistance to neighborhood groups in navigating City departments;

- support for the involvement of diverse populations in neighborhood organizations, including alternative methods and models for involvement;
- enhancement of the professional support available to neighborhoods from City staff; and
- a forum where best practices can be shared and peer support can be coordinated among community organizations.

- ***Neighborhood Investment Fund & Community Innovation Fund*:** The Neighborhood Investment and Community Innovation funds are proposed to provide dedicated funds to neighborhood organizations. The Investment Fund is proposed to be allocated by neighborhoods to help address neighborhood-identified priorities; the Innovation Fund will be awarded to neighborhood organizations for specific projects that foster innovative responses to citywide challenges.

  Department staff will work with neighborhood organizations on the allocation and implementation of investment funds and the integration of these activities with other City resources and initiatives. Department staff also will work with neighborhood organizations on the continued planning and implementation of their Phase I and Phase II NRP activities.

  Department staff also will work with neighborhood organizations on developing an understanding of the City-identified priorities for the grants to be allocated through the Innovation Fund and facilitate connections with other community-based organizations interested in developing collaborative responses to these priority issues.

- ***A Strengthened Link*:** An original goal of the City's neighborhood program was to assure that neighborhood perspectives were appropriately reflected in the broad resource allocation decisions of the City. Still an important goal, it is hoped that a new structure can strengthen the link between neighborhoods and City departments, and simultaneously get us closer to this goal.

  The Coordinator's Department provides planning and management support and services throughout the City enterprise, including the coordination of departmental business planning and oversight of performance goals. With strong leadership expectations regarding strengthened relationships with residents and neighborhoods, there will be every opportunity to not only formalize the expression of departmental work and plans with neighborhoods, but a mechanism is already in place for monitoring progress and working toward meaningful performance in this area.

- ***Block Clubs:*** Block clubs are an essential civic building block of neighborhoods. Department staff, in cooperation with community crime prevention, will promote more collaboration and improved communication between community organizations and block clubs where their respective goals in community participation align.

Access and Outreach

The City's "One Minneapolis" goal prescribes "equal access, equal opportunity and equal input" for all residents of the City. These aspirations have been important throughout the City's history and development, but become even more pertinent as we experience rapidly changing demographics and welcome a growing population of new and diverse residents every day. The City will remain strong if our residents are engaged in civic life and understand fully the opportunities for community involvement.

To close race and class gaps and assure that City services are understood, obtainable and equitable, this department will focus on addressing and removing all barriers to full civic

participation and meaningful engagement. In the recent past, the City has made substantial headway in assuring that all language barriers are removed through a comprehensive approach on limited English proficiency planning and implementation. In addition, the City is known as accessible to those with physical disabilities. That said, the coordination and communication effort to assure all barriers are removed can be renewed and re-energized through a matrixed effort in this new department.

Finally, multicultural barriers exist today that did not twenty years ago. Because of our strong belief that all benefit from a population who understands civic responsibility and the value of contributing to community strength, it is important to look anew at ways to bridge cultural differences and embrace new definitions of what real community means.

- ***Multicultural Services & Outreach*:** The department will strengthen the ability of diverse cultural communities to participate fully in the civic and economic life of our community through sustainable outreach strategies, coordination with other governmental jurisdictions and their services, and education about community-based programs aimed at increasing the self sufficiency of minority and immigrant groups.
- ***Limited English Proficiency (LEP) Plan Implementation & Interpretation Services*:** Current interpretation and translation activities will continue while the department pursues the integration of this work into all City departments. Department staff will finish the implementation of departmental LEP plans focused on the removal of language barriers.
- ***Americans with Disabilities Act (ADA) Compliance*:** The department will provide a point of contact and communication for people with disabilities. Department staff will serve as a supportive link to all City departments in removing all barriers to employment, movement throughout the City, and full and complete participation and compliance with federally-prescribed mandates. The department will work closely with the City's Commission on People with Disabilities to address concerns and seize opportunities for change and improvement in our environment.
- ***Welcoming & Orienting New Residents*:** The City has experienced extraordinary growth in the past ten years. Downtown population has soared and the number of residents arriving from foreign countries has exploded. There is an expectation of community responsibility that is unique from many parts of the country or world, and the City should not be timid about providing good information regarding civic opportunities for participation and contribution. From education about the services offered by Minneapolis 311 to an invitation for participation in neighborhood organizations or block clubs to assistance with library services or access to technology, proactively welcoming new residents will go a long way to assuring community strength and vitality.

Community Participation and Engagement

Community participation and engagement serve to strengthen Minneapolis. The City's formal adoption of core principles for community engagement reflects the shared beliefs of the Mayor and City Council on how the City should engage the community and how the community can participate in the City's decision-making process. The principles serve as a guide for community engagement and establish a foundation for expectations that the Mayor and City Council hold of City staff, department leadership and elected officials.

- ***Right to be involved*** – Public participation is based on the belief that those who are affected by a decision have a right to be involved in the decision-making process.
- ***Contribution will be thoughtfully considered*** - Public participation includes the promise that the public's contribution will be thoughtfully considered.

- ***Recognize the needs of all*** - Public participation promotes sustainable decisions by recognizing and communicating the needs and interests of all participants, including decision-makers.
- ***Seek out involvement*** - Public participation seeks out and facilitates the involvement of those potentially affected by or interested in a decision.
- ***Participants design participation*** - Public participation seeks input from participants in designing how they participate.
- ***Adequate information*** - Public participation provides residents with the information they need to participate in a meaningful way.
- ***Known effect of participation*** - Public participation communicates to participants how their input affected the decision.

Not only do these principles help to capture the viewpoints and concerns of those who are potentially affected, they also foster communities that are involved in the business of government and should lead to more sustainable policies, programs and services which take into account diverse community needs and views.

- ***Connection to Neighborhood & Community Organizations*****:** All City officials and departments will continue to have multiple points of contact with neighborhoods and community organizations. That said, there is room for better coordination of multi-department efforts, support for resident initiatives, and assistance to external stakeholders who are experiencing a breakdown in meaningful engagement activities.

  This department will not only organize the breadth of information about neighborhood and community partners, but also help inform people of the various avenues and resources available for participation and serve to troubleshoot when conflicts or problems arise.
- ***Boards & Commissions: Mission-Driven, Well-Oriented, Quality Public Service:*** The City utilizes the volunteer efforts of hundreds of residents who serve on more than fifty advisory boards and commissions. These board and commissions represent the key core of community engagement activity, especially in regard to City actions and decision-making. Residents should have good information about service opportunities and be well-oriented once selected to serve. In addition, the missions of our boards and commissions should be clear and relevant to the City's need for meaningful input. Finally, staff that supports this component of community engagement should be trained and supported in their efforts.
- ***Civic Participation Academy*****:** In cooperation with the Clerk's division on elections and all departments of the City, Minneapolis should do more to educate those interested in the activities of a municipal corporation, the partnership goals we have with City residents, the expectations of civic responsibility, and the opportunities available for community participation.
- ***City Staff Education & Training:*** Coordinator departments provide assistance to all City departments in the key areas of business planning & performance management, finance, personnel, technology, intergovernmental relations and more. In addition, Coordinator staff serves as consultants around enterprise initiatives such as sustainability, community engagement, enterprise information management and others as needed. It will be valuable to have a team of staff who can be helpful throughout our organization on matters of meaningful resident connection and communication.

Services to the City

The department will serve as a resource to all City departments on the incorporation into their work of community participation practices.

- ***Data & Information Management*:** The department will keep comprehensive and updated database and contact information about all neighborhood and community organizations for use by all City departments. Department staff will work to establish systems for use of communications tools.
- ***Two-Way Communications*:** Department staff will research and identify tangible ways to communicate to residents and expand opportunities for the City to hear from Minneapolis residents. The department will work to address the "feedback loop" that is desired by those who provide input and is frequently missing after decisions get made.
- ***Accountability and Performance Measures*:** The department will establish measurement and evaluation tools for use by all City departments related to community participation. The department will offer a forum through which City departments can share lessons learned from community engagement activities.

  As with all City departments, a strong set of outcome measures will be established against which progress will be measured. Department leadership will appear at *Results Minneapolis* progress conferences to discuss trends, progress on goals, and departmental programs and practices that are producing the greatest results or determine and eliminate problems getting in the way.
- ***Staff Collectives and Coordination Teams*:** Staff teams from across the enterprise should be organized to support the achievement of neighborhood development, board and commission vitality, accessibility goals, and specific initiatives related to community connectedness.
- ***Training and Resources*:** Department staff will aid in the planning and implementation of community participation activities and enhance the community engagement skill sets by coordinating training sessions, cross-departmental collaboration, up-to-date contact information and meeting resources.
- ***Analysis of Community Participation Practices*:** The Department will conduct ongoing analyses of City processes to foster dynamic community participation practices that are responsive to the changing needs and interests of the City, residents, and business owners. Some examples include:
  - Increasing two-way integration of neighborhood and City goals, priorities, plans, programs, projects and activities.
  - Supporting City departments and staff to adapt practices that involve residents early in projects through communication about upcoming projects and identifying ways in which resident input can be solicited and incorporated into the planning processes of upcoming projects.

RECOMMENDATION REGARDING CERTIFICATION AND ALLOCATION OF RESOURCES ALLOWED BY SPECIAL LEGISLATION OF THE STATE LEGISLATURE

Background

Established in 1990, the twenty-year Neighborhood Revitalization Program and its funding are set to sunset in 2009. The City and neighborhood groups have been pondering this major

turning point for almost 10 years. In addition, the City's purchase in 1995 of the Target Center increased long-term demand for resources

During the 2008 legislative session, the Minnesota Legislature authorized the City to establish a non-contiguous redevelopment tax increment finance (TIF) district. If established, this district will be comprised of properties commonly know as "pre-1979" TIF districts, which are scheduled to end in 2009. The earliest year the tax increment revenue can be realized is in 2011. Without further action by the City, the current districts will go back into the tax base during 2009 and stay in the tax base in 2010, increasing the overall size of the tax base, resulting in property tax relief for many property owners.

Under the special legislation, tax increment from the district may be expended only to pay principal and interest on Target Center bonds or for "neighborhood revitalization purposes." The legislation does not specify or require any particular allocation of revenues between these purposes.

The legislation also explicitly states that the certification of the district does not impact the City's "property wealth" factors in the Local Government Aid program. A $9 million drop in the City's LGA will occur in 2011, whether or not the City uses the special legislation. Much of the impact is anticipated in the general fund ($8 million).

Overall Recommended Funding from the District

Consistent with the recommendations in the "Framework for the Future" from the Neighborhood Revitalization Program (NRP) Work Group, the Mayor recommends certification of a redevelopment tax increment finance district to pay principal and interest on Target Center bonds and to fund neighborhood revitalization programs and administration. Further, the Mayor recommends establishment of this new City department in the Coordinator's group, with transition funding allocated.

The Mayor's recommendation is to certify districts so that $18 million dollars is generated in 2011, the earliest year allowed under the special legislation. The Mayor allocates these funds as follows:

Target Center principal and interest	$10 million
Neighborhood Investment & Community Innovation Funds (neighborhood operations, department of Neighborhood and Community Relations)	$ 8 million
Total	$18 million

This recommendation would lead to certifying about 75% tax capacity of the district. Under this recommendation, preliminary estimates show residential taxpayers would see a reduction in their tax bills from $17 to $87 annually, depending on the value of the home. If none of the districts were certified, residential taxpayers would see a reduction in their tax bills from $61 to $307 annually. The district would last for ten years (through 2020).

Financial recommendation for Target Center principal and interest

The current Target Center financial plan (before the 2008 State legislation) is not structurally balanced. In addition to $61.3 million in fixed rate debt at an interest rate higher than the current market conditions, the financial plan does not take into account two cost pressures: an operating subsidy for the operator (up to $1.7 million annually) and capital refurbishment of the arena ($2-3 million annually).

The current plan relies on the following revenue sources:

- *Property tax* generated at the arena - $100,000 annually through 2012, $550,000 when the arena TIF district decertifies in 2013 and beyond.
- *Tax Increment* from the Arena - $1 million annually through 2012. This resource may only be used for debt service, certain administrative costs, and capital costs.
- *Entertainment tax* generated at the arena - $1.1 million annually
- *Event parking* - $2.6 annually million in 2010, escalating to $5.6 million by 2024.
- *Minnesota Amateur Sports Commission* - $750,000 in 2009 only
- *Tax Increment* from the Common Project – around $5 million annually through 2013. This resource may only be used for debt service, certain administrative costs, and capital costs.

Of these resources only entertainment tax, parking revenues and property tax can be used to fund the operating subsidy. But for dedication in the plan, any of these amounts could be used to reduce financial pressures in the general fund or the parking fund.

The Mayor's recommendation funds the principal and interest payments for the Target Center financial plan at $10 million each year. This recommendation provides the opportunity to redirect resources to the unfunded capital and operating needs. The finance department will prepare an updated finance plan for the arena based upon this recommendation by the end of the year.

Financial recommendation for neighborhood operations and programming

The Mayor's recommendation specifies $8 million per year for neighborhood programming. In addition, the recommendation includes funding for neighborhood operations. In the current neighborhood revitalization program, neighborhood groups identify administrative funding from within the overall program funding.

This recommendation demonstrates support for a long-term funding source for neighborhood groups tied to the length of the new program as defined in state law. Neighborhood groups may decide to reallocate administrative funding to programmatic funding as needed. The following is the summary of this recommendation:

Neighborhood and Community Relations Proposed Sources and Uses (in thousands)

	2008	2009 Mayor's Recomm	2010 Forecast	2011 Forecast	2012 Forecast	2013 Forecast
Sources						
CDBG	428	420	416	185	182	179
NRP central admin funds - admin set aside	1,250	1,250	350	0	0	0
Property Tax (including revenue from new district in 2011)	590	1,110	984	8,314	8,334	8,355
Total Sources	2,268	2,780	1,750	8,499	8,516	8,534
Uses						
(1) Neighborhood Investment & Community Innovation Funds, neighborhood operations, and department of Neighborhood and Community Relations	0	500	1,100	7,905	7,905	7,905
(2) Existing Citizen Participation Program	333	328	328			
(3) Existing Homelessness Program	225	225	75	75	75	75
(4) Existing Multicultural Services	380	392	407	424	441	459
(5)Existing NRP - Central Administration	1,250	1,250	350	0	0	0
(6) Existing City Community Engagement	80	85	90	95	95	95
Total Uses	2,268	2,780	2,350	8,499	8,516	8,534
Difference	0	0	-600	0	0	0

Detail of Program Recommendation

As outlined above, the recommendation allocates $8 million to Neighborhood Investment & Community Innovation Funds, neighborhood operations, and the Neighborhood and Community Relations department. Multiple funding sources and transition of functions require a more detailed break out.

(1) New Neighborhood Funding

	2008	2009 Mayor's Recomm	2010 Forecast	2011 Forecast	2012 Forecast	2013 Forecast
Sources						
Property tax	0	500	1,100	7,905	7,905	7,905
Total	0	500	1,100	7,905	7,905	7,905

This amount is dedicated to Neighborhood Investment and Community Innovation Funds, neighborhood operations and the department of Neighborhood and Community Relations. As the program moves forward, neighborhood groups could move funding between operations and increase program funding.

Centralized administration begins its transition in 2009. The Mayor's recommended budget establishes the Neighborhood and Community Relations department. Transition funding is included for an assistant City Coordinator and project management NRP central administration funding drops to available levels. Transition resources ($600,000) will need to be identified in 2010 to fund NCR as responsibilities between the two central administrative offices evolve. In 2011, these central administrative functions are funded by the new district revenues.

(2) Existing Neighborhood Group Citizen Participation Program: Recommended Sources

	2008	2009 Mayor's Recomm	2010 Forecast	2011 Forecast	2012 Forecast	2013 Forecast
Sources						
CDBG	233	228	228			
Property tax	100	100	100			
Total	333	328	328	0	0	0

The program's funding source changes to the new property tax revenue in 2011 and moves to the overall neighborhood program above. Existing funding from general fund property tax and CDBG are quite volatile. The aim with this switch is to program a sustainable funding source for neighborhood operations.

(3) Existing Homelessness Program: Recommended Sources

	2008	2009 Mayor's Recomm	2010 Forecast	2011 Forecast	2012 Forecast	2013 Forecast
Sources						
CDBG - homelessness outreach coordinator	75	75	75	75	75	75
Property tax - homelessness outreach	150	150				
Total	225	225	75	75	75	75

The program's outreach funding has been funded from one-time resources, as the status of the general fund permits. The coordinator position is partly paid by the City, partly paid by Hennepin County. The program is not changed with its move to NCR.

(4) Existing Multicultural Services: Recommended Sources

	2008	2009 Mayor's Recomm	2010 Forecast	2011 Forecast	2012 Forecast	2013 Forecast
Sources						
CDBG	120	117	113	110	107	104
Property tax	260	275	294	314	334	355
Total	380	392	407	424	441	459

The program moves from the Civil Rights department to NCR. The funding sources will not change, although because CDBG is a declining resource, property tax resources are shown as making up for a 3% decline each year. The move of this program to NCR does not change the program's position allocation.

(5) Existing centralized neighborhood administration: Recommended Sources

	2008	2009 Mayor's Recomm	2010 Forecast	2011 Forecast	2012 Forecast	2013 Forecast
Sources						
NRP central admin funds - admin set aside	1,250	1,250	350			
Total	1,250	1,250	350	0	0	0

NRP central administration drops to available levels in 2010 and ceases in 2011.

(6) Existing City community engagement funding

	2008	2009 Mayor's Recomm	2010 Forecast	2011 Forecast	2012 Forecast	2013 Forecast
Sources						
Property tax	80	85	90	95	100	105
Total	80	85	90	95	100	105

The program's funding source changes to the new property tax revenue in 2011 from the general fund property tax. The aim with this switch is to promote transparency and consistency in the funding source for City administration.

FINANCIAL ANALYSIS

EXPENDITURE

The 2009 expenditure budget for NCR is $1.2 million, with contractual services accounting for 48%, and personnel expenses accounting for 52%. (The City's payments to neighborhood operations are classified as contractual services.) The department is supported by the general fund at 84%, and special revenue fund at 16%.

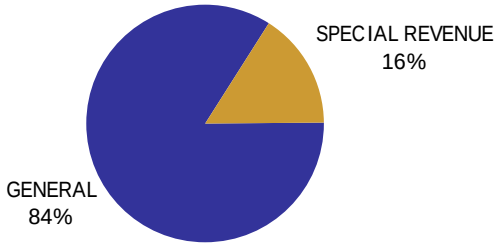
MAYOR'S RECOMMENDED BUDGET

The Mayor's recommended budget establishes this department. Transition funding is included for an assistant City Coordinator, transition management, and funding for neighborhoods whose administrative funding has been depleted ($500,000 funding level continues in 2010, with future year's allocations to be determined with overall neighborhood funding considerations. One-time funding is included for homeless outreach ($150,000).

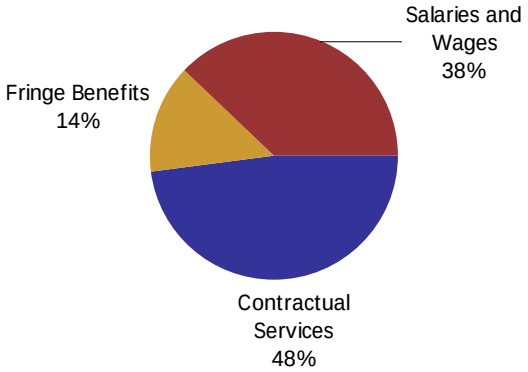
NEIGHBORHOOD AND COMMUNITY RELATIONS
EXPENSE AND REVENUE INFORMATION

EXPENSE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Mayor's Recommended	Percent Change	Change
GENERAL						
Salaries and Wages	0	0	0	245,422	0.0%	245,422
Fringe Benefits	0	0	0	89,886	0.0%	89,886
Contractual Services	0	0	0	675,478	0.0%	675,478
TOTAL GENERAL	**0**	**0**	**0**	**1,010,786**	**0.0%**	**1,010,786**
SPECIAL REVENUE						
Salaries and Wages	0	0	0	208,359	0.0%	208,359
Fringe Benefits	0	0	0	80,566	0.0%	80,566
Contractual Services	0	0	0	(96,925)	0.0%	(96,925)
TOTAL SPECIAL REVENUE	**0**	**0**	**0**	**192,000**	**0.0%**	**192,000**
TOTAL EXPENSE	**0**	**0**	**0**	**1,202,786**	**0.0%**	**1,202,786**

Expense by Fund



Expense by Category



NEIGHBORHOOD AND COMMUNITY RELATIONS
Staffing Information

	2006 Actual	2007 Actual	2008 Adopted	2009 Mayor Recommended	% Change	Change
NEIGHBORHOOD AND COMMUNITY RELATIONS				9		9
TOTAL				**9**		**9**

REGULATORY SERVICES AND EMERGENCY PREPAREDNESS

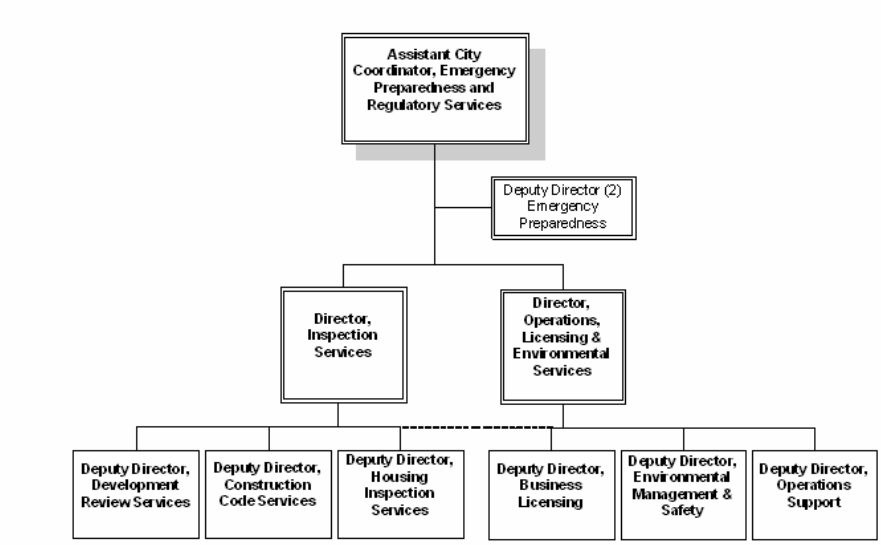
MISSION

To ensure the safety, health, and livability of our community through information, education, regulation, and enforcement of applicable laws and regulations.

BUSINESS LINES

- **Inspections Services:** Deals with structure planning and implementation and consists of the following service activities:
  - **Minneapolis Development Review**
  - **Construction Code Services**
  - **Housing Inspection Services**
- **Operations, Licensing & Environmental:** Deals with services, behaviors and activities, and consists of the following service activities:
  - **Business Licensing Services**
  - **Environmental Management & Safety**
  - **Operations Support**
- **Emergency Preparedness (EP):** Plans, prepares, responds and recovers for and from natural and human-made disasters. This is done through an All-Hazards Emergency Operations Plan (EOP), Continuity of Operations Plan (COOP), Pandemic Flu Plan, Urban Area Security Initiative (UASI) Plan, and our TIC-P plan. Along with planning, EP provides the necessary training and equipment to mitigate and reduce or eliminate long-term risk to people and their property from hazards and their effects. Emergency Preparedness applies for many state and federal grants for planning, training and equipment. The department has secured approximately $40 million over the last five years.

ORGANIZATION CHART



FIVE YEAR DEPARTMENT GOALS AND OBJECTIVES		
City Goal and Strategies	**Department Goal**	**Objective**
Connected Communities-Customer-Focused, Outcome-Based, Performance-Driven Development Services	Customer Focused Services	Effective, efficient Development Review
Connected Communities-Customer-Focused, Outcome-Based, Performance-Driven Development Services	Customer Focused Services	Partner with Minneapolis 311 to provide more efficient call response for customers
Connected Communities	Customer Focused Service	Standardize Community Engagement efforts to City model
One Minneapolis – Equitable City Services	Customer Focused Service	Establish staffing models for service (internal department focus)
Connected Communities	Efficient, Effective Delivery of Services	Maximize use of technology (internal department focus)
One Minneapolis – Equitable City Services	Customer Focused Service	Establish staffing models for service (internal department focus)
Connected Communities	Efficient, Effective Delivery of Services	Maximize use of technology (internal department focus)
A Safe Place to Call Home – Crime Reduction and Lifecycle Housing Throughout the City	Efficient, Effective Delivery of Services	Streamline regulatory processes and regulatory requirements in Code of Ordinances
One Minneapolis - Close Race & Class Gaps	Efficient, Effective Delivery of Services	Hire to meet multilingual needs (Limited English Proficiency planning (internal department focus)
A Safe Place to Call Home	Efficient, Effective Delivery of Services	Reduce number of accidents caused by employees (internal focus)
One Minneapolis – Close Race & Class Gaps	Safe and Productive Work Environment	Develop and maintain a highly qualified, diverse workforce (internal department focus)
A Safe Place to Call Home – Community Policing, Accountability & Partnership	Safe Businesses and Consumer Safety	Commercial rental licenses and general retail licenses
A Safe Place to Call Home	Housing, Health and Safety	Conversion rental license inspections
A Safe Place to Call Home and A Premier Destination	Customer Focused Service and Safe Businesses and Consumer Safety	Focused Enforcement / Chronic Offenders
A Safe Place to Call Home and Premier Destination	Safe Businesses and Consumer Safety	Commercial Building Program
A Safe Place to Call Home and Premier Destination	Safe Businesses and Consumer Safety	Retail Business License
A Safe Place to Call Home	Customer Focused Service	Pet Licensing
A Safe Place to Call Home and Premier Destination	Safe Businesses and Consumer Safety	Annual Elevator Inspection Program

***RESULTS MINNEAPOLIS* MEASURES, DATA AND TARGETS TABLE**							
Measure Name	**2004 Data**	**2005 Data**	**2006 Data**	**2007 Data**	**2008 YTD**	**2008 Target**	**2011 Target**
Annual Police Calls for Service at Top 15 Problem Grocery Stores	1,929	2,530	1,856	303	56	175	100
Average Days to Process Liquor Licenses	N/A	N/A	68	42	37	40	36
Reported Animal Bites	N/A	481	407	453	150		
Destruct Orders	N/A	3	1	59	13		
Number of Lead Poisoned Children (EBL>10)	172	206	215	166	37	125	50
Customer Satisfaction Rate with MDR	68%	N/A	N/A	91%	94%	90%	90%
Average Days to Route Formal Plans (MDR)	27	37	19	11	8	<10	<10
Percent of Permits Processed via the Citywide Web	7%	13%	15%	15%	17%	17%	25%
Citywide Valuation of Building Permits	$945 M	$855M	$840M	$761M	$278M		
PSRS Decisions & Directors Orders	18	33	57	65	19	60	
Number of Minneapolis Foreclosures	N/A	863	1,610	2,895	813		
Number of Buildings Registered as Vacant	286	258	481	770	883		
PPU Calls for Service 12 Months Prior to 12 Months After PPU Intervention *	N/A	N/A	75%	60%	60%	60%	80%
Number of Housing Inspections	N/A	60,523	105,334	105,655	18,110	100,000	100,000
Rental Properties Inspected	N/A	7,377	8,320	7,541	2,469	7,600	8,000
Rental Properties Violations Written	N/A	32,175	31,463	28,948	7,464	30,000	30,000
Rental License Revocations	2	1	32	69	62	75	50
% of 311 Animal Control Requests Responded to Within SLA	N/A	N/A	N/A	90%	84%	90%**	90%**
% of 311 Exterior Nuisance Complaints Responded within SLA	N/A	N/A	N/A	87%	70%	90%**	90%**
% of 311 Residential Condition Complaints Responded within SLA	N/A	N/A	N/A	96%	88%	90%**	90%**

* *Snapshot in time that somewhat reflects average percent reduction in call-for-service. Volatility in the trend lines has to do with the type of properties on the list at the point-in-time. For example, if the department takes on an owner and only ½ of his/her properties have police calls; the average calls-for-service will be lower. Conversely, with low calls-for-service across the board, a small increase in one property will register as a large jump on the chart.*

** *The projections for 2008 and for 2011 reflect our anticipated revision of some service level response times shortening the response time for residential condition complaints and re-prioritizing response in animal control.*

What key trends and challenges does the department face and how will each be addressed?

- **Foreclosures:** As the number of foreclosures in the City grows, Regulatory Services will continue to work closely with CPED to strategize on new efforts to minimize the negative impact. The department is currently developing a plan to facilitate rehabilitation and resale of the properties that are salvageable. (Hennepin County is also a partner in this program.) Funding for demolitions must be available for those houses that cannot be rehabilitated.

  Because foreclosed properties often become maintenance problems, Regulatory Services will maintain our focus on housing inspections and nuisance abatement activities, as well as work proactively with property managers to obtain compliance. The department is also developing a number of programs and system improvements to increase inspectors and administrative staff through processes that will not take us off the five-year financial plan.

- **Fleet and Technology:** The department has been replacing older fleet vehicles within existing resources – this plan is working effectively and the department anticipates no changes to our fleet plan.
  - *Technology is an ongoing challenge, with the land management system (KIVA).* Regulatory Services has begun discussions and preliminary analysis with BIS on the strategy for replacement of the current KIVA application. The department will define the new system business requirements in conjunction with our key partners (CPED, Fire, Assessor, Public Works and BIS). Regulatory Services will strive to ensure the new system is built to meet the goals of all strategic enterprise partners for master addressing and overall land management. In addition, the new system will integrate property information which is currently contained in disparate systems (GOVERN, MINS, KIVA and CAD) that do not interface.
  - *Fleet – Regulatory Services is transitioning into a green fleet.* Green vehicles are defined as clean and fuel-efficient options that meet our needs. Low emissions and good fuel economy are both important for the environment and the air the department breathe. Some examples are E85 flexible fuel vehicles and hybrid gas-electric vehicles. By the end of 2008, the department will have reduced the fleet by 27 vehicles that were not utilized to capacity, and have a fleet that includes 40 “green” vehicles (34% of fleet). For 2009, the department plan to purchase fleet replacements that are “green” whenever feasible.

- **Sustainability.** Regulatory Services continues to be a leader in sustainable initiatives. Some of the department’s more recent initiatives include a revised air quality ordinance, a revised noise ordinance, and a comprehensive idling ordinance. Other trends and accomplishments include a new green building website, an increased LEED certification focus citywide, and a particular focus and effort in Regulatory Services’ plan review and development review functions to encourage green development and educate the customers on the economic benefits of responsible environmental practices. Despite numerous ordinance changes and new staff concentrations, the main challenge continues to be adequately enforcing new and existing mandates.

  The department has increased training requirements for environmental response staff to be cross-trained. An immediate response by qualified staff can minimize the environmental

impact of a spill, emission or other incident affecting the quality of air, water or sewer systems. Additionally, the following two items are proposed as sustainability efforts.

Green Permit Fee Waiver

Item	Positions	Revenue	Expense	Fund
Green Permit Fee Waiver	0.0	($100,000)	$0	00100

Regulatory Services proposes permit fees for single-family solar projects be waived on the front end. The waived permit fees from Regulatory Services would reduce expected revenue, with an initial annual cap of $100,000. This will encourage individual development of sustainable energy sources and contribute to the City's efforts that sustainability and responsible environmental stewardship permeate every layer of the City organization. Customers will still need to pull permits and follow the applicable codes.

Green Building

Item	Positions	Revenue	Expense*	Fund
Green Building	1.0	$0	$137,000	00100

** Includes allocations for space, fleet, technology, etc.*

Regulatory Services has created a multi-disciplinary Green Building Work Team to facilitate the development and implementation of green building policies and practices. One staff person has been temporarily reassigned from other duties as an unpermitted work inspector to work on this initiative. This temporary reassignment has resulted in the successful rollout of the City's green building website, the creation of multiple green building documents, and the incorporation of green building design into the City's development review processes.

However, this reassignment has resulted in a reduced level of proactive enforcement of unpermitted work violations. The creation of a Green Building Coordinator to continue the work of this committee would ensure that Minneapolis is a national leader in the development of green building policies and practices.

What changes to the ordinances are needed to improve services and/or reduce cost?

Ordinance Revision Initiative

This project to update and simplify regulatory ordinances was authorized by Council in July of 2005 as part of a 5-year initiative. The project is on track with approximately 57% of ordinance changes made.

This project has evolved over time and is, in reality, an ongoing project, rather than a one-time initiative. One reason for that is many unanticipated ordinance changes not on the original list have become priorities and been added to the list. Examples include the recent place of entertainment changes for restaurants and the alcohol versus food sales percentage for some licensees. Another reason is that some serious issues have been addressed more than once, as needs arise, such as dangerous animal declarations and vacant and boarded buildings.

These additional changes keep the City flexible, competitive and more effective in dealing with today's issues.

Major changes have been accomplished:

- Administrative issuance of business licenses
- Air quality and abrasive blasting regulation
- Hazardous materials regulation
- Modifications for animal control regulations and dangerous animals
- Taxicab license issuance and reciprocity
- Rental license revision in the areas of heat, ventilation, pest extermination and carbon monoxide alarms
- Vacant and boarded building processing and fees

Major reviews are in process for the Liquor Code and the Building Code chapters of ordinance.

The department anticipates that some planned ordinance revisions will carry over into 2011, because of the accommodations made for emergent issues each year.

Fee Indexing
Revisions for ordinances providing for permit and license fees to allow for an administrative increase of 3% per year would allow the department to stay in compliance with budget direction. An alternative approach would be to allow for 3% or a specified consumer indexing tool (i.e., CPI), whichever is higher. This would avoid the risk of the department falling behind when the consumer indexing tool falls below 3%. License fees are not currently indexed, so they are brought to the City Council annually to request an increase to the rates.

New Initiatives

- **Focused Enforcement/Chronic Offenders**

Type of Staff	Revenue*	Expense**	Business Licenses	Problem Properties Unit	Total Staff
Inspector	$1,300,000	$1,096,000	2.0 positions	6.0 positions	8.0 positions

** Revenues and expenses are already included in revolving fund estimates.*
*** Includes allocations for fleet, technology, space, benefits, supplies, etc.*

Regulatory Service is in the process of expanding its focus on "chronic offenders" in all divisions of the department, similar to the program developed to deal with license holders of problem grocery stores. The focusing of resources on chronic offenders puts pressure on Regulatory Services' delivery of service to its remaining partners and performance of more routine tasks. As the department continues to expand its focused approach on a smaller number of chronic users of City resources, additional staffing is needed for such focuses to be sustainable for the long term. In particular, the department currently needs an adequate staffing model for the Problem Properties Unit and in Licenses for dealing with problem properties and businesses.

The Problem Properties Unit has a greatly increased workload due to the foreclosure crisis, with a sharp upswing in the number of vacant and boarded properties. The Licenses division also needs to focus resources on the problem businesses that continue to create issues for their communities. In addition, the department proposes creating a problem

property and businesses team. The team will regularly meet to form enforcement strategies for specific problem businesses. The team will include the Problem Properties Unit, Police, and others.

- **Retail Business License**

Item	Positions	Revenue	Expense*	Fund
Retail Business License	1.0	$137,000	$137,000	01600

** Includes allocations for fleet, technology, space, etc.*

This issue was referred from City Council on June 15, 2007 to the Public Safety and Regulatory Services Committee to set a public hearing adding a new chapter entitled, "Retail Sales Establishments Not Otherwise Licensed," requiring licensure of general retail establishments not otherwise licensed. A small percentage of any given community are responsible for creating the majority of the problems faced by all. Problematic businesses are no exception to this rule.

The Division of Licenses and Consumer Services has most recently used a coordinated approach to dealing with problem grocery and convenience stores. The department is using targeted enforcement and monitoring techniques toward 36 of our 400 grocery stores through the Grocery Store Task Force. The division is also monitoring approximately 20 of 600 on- and off-sale liquor establishments that create livability or safety problems.

Unlike many other jurisdictions, Minneapolis does not have a general business license requirement where all businesses are required to obtain a business license. The division often finds that certain business types that are creating livability, consumer, or safety problems are not required to obtain a business license. Examples of these types of businesses include cell phone stores, t-shirt shops, hair and nail salons, new furniture stores and dollar stores. Without the threat of license revocation, the department has little enforcement influence with these business owners.

- **Pet Licensing**

Item	Positions	Revenue	Expense
Pet Licensing	1.0	$150,000	$150,000

Regulatory Services was given a staff directive at the Public Safety and Regulatory Services Committee on January 9, 2008 to request a position through the budget process for pet licensing. The following goals were identified:

- Increase the number of pets licensed in the City. Within 24 months of implementation of online licensing, double number of animals licensed from 9,000 in 2007 to 18,000.

- Establish a user-friendly pet licensing program – expanded pet licensing and web-based pet licensing.

- Engage partners to increase the number of pets licensed by providing pet owners with the ability to purchase license at their sites.

- Increase the level of understanding of Minneapolis residents of the requirements and benefits of pet licensing. Increase number of strays reunited with owner within 24 hours.

- Increase revenue generated from pet licensing fees. Within 24 months of implementation of online licensing, increase licensing revenue by $150,000.

- **Annual Elevator Inspection Program – New Unfunded Mandate**

Item	Positions	Revenue	Expense	Fund
Annual Elevator Inspection	3.0	$489,901	$489,901*	00100

** Includes cost allocations for vehicles, fleet, space, technology, etc.*

With the adoption of the Minnesota State Building Code in 2007, there is a new requirement for municipalities to ensure a level of public safety through an annual inspection program designed to ensure safe, continuing operation of elevators.

After performing a survey of twelve municipalities, it was determined that in order to implement an effective program for annual elevator inspections, it would be necessary to hire an additional three FTEs. One of the challenges of implementation of such a program is the unique certification requirements for elevator inspectors in the Minnesota State Building Code. These requirements make it impossible to rely on inspectors with other areas of expertise to perform any part of the annual elevator inspection requirement. Clerical needs will be provided by existing staff. Another option would be to contract out this service. Contractors would need to follow the requirements of the State law, with one position to manage the contract.

FINANCIAL ANALYSIS

EXPENDITURE

For 2009, the department's budget is $32.8 million, a 9.3% increase from the 2008 adopted budget. An additional four positions were added due to an increase in revenue from the Rental Licenses Inspection at Point of Conversion Program. The expense budget for Regulatory Services includes $8.7 million in federal, CDBG and other grant fund expenditures, up $1.7 million from 2008.

REVENUE

In 2009, the department anticipates $34.0 million in revenue with licenses and permits accounting for 68% of the total, or $22.7 million. Revenue from special assessments is budgeted to grow by 158.1% to $4.0 million over the 2008 adopted budget.

FUND ALLOCATION

In 2009, 73% of the department's budget is to be derived from the general fund ($24.2 million). The remaining budget comes from federal grants (15% or $5 million) and other grants (11% or $ 3.7 million).

MAYOR'S RECOMMENDED BUDGET

The Mayor's recommended budget includes a reduction to growth of $130,000 to this department. A green building position is funded within the department's budget.

The Mayor recommends that the Fire and Regulatory Services departments report to the Ways and Means/Budget Committee no later than October 6, 2008 that includes the following:

- Centralized oversight of inspection activities within Regulatory Services, and
- The feasibility of expanding City inspections to commercial properties performed by the Fire Department, including a fee structure that would fully recover the cost of these activities.

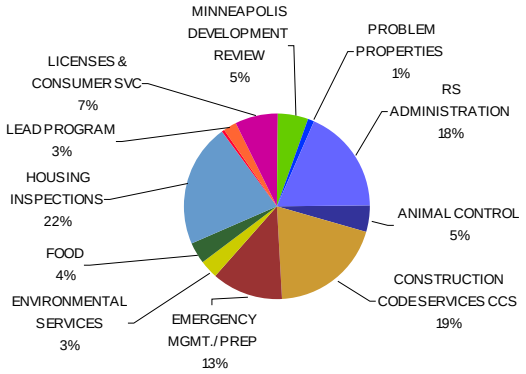
Standard operating procedures should be developed by Regulatory Services for all types of inspections.

REGULATORY SERVICES
EXPENSE AND REVENUE INFORMATION

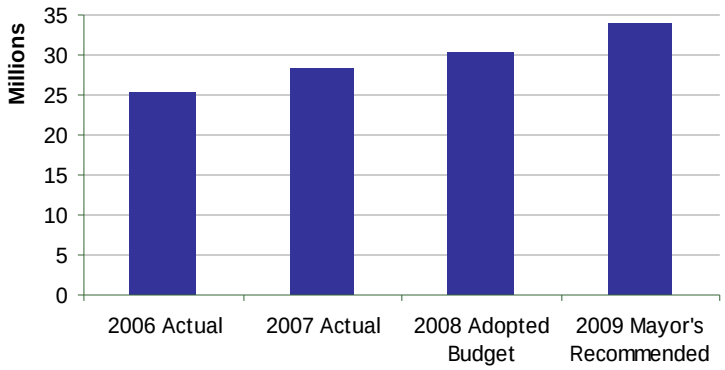
EXPENSE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Mayor's Recommended	Percent Change	Change
GENERAL						
Salaries and Wages	11,342,909	12,151,547	12,463,083	13,137,381	5.4%	674,298
Fringe Benefits	3,358,854	3,827,955	4,326,132	4,778,864	10.5%	452,732
Contractual Services	6,976,381	6,283,311	4,813,688	4,558,654	-5.3%	(255,034)
Operating Costs	832,157	1,282,112	1,179,362	1,418,285	20.3%	238,923
Capital	628,042	715,760	239,735	199,232	-16.9%	(40,503)
TOTAL GENERAL	**23,138,343**	**24,260,685**	**23,022,000**	**24,092,415**	**4.6%**	**1,070,415**
SPECIAL REVENUE						
Salaries and Wages	210,495	279,543	621,845	768,297	23.6%	146,452
Fringe Benefits	53,327	70,080	175,873	280,882	59.7%	105,009
Contractual Services	1,680,311	2,065,935	3,490,035	4,098,145	17.4%	608,110
Operating Costs	193,364	331,605	318,095	327,002	2.8%	8,907
Capital	4,834	57,520	2,380,192	3,221,837	35.4%	841,645
TOTAL SPECIAL REVENUE	**2,142,331**	**2,804,683**	**6,986,040**	**8,696,163**	**24.5%**	**1,710,123**
ENTERPRISE						
Operating Costs	123,425	0	0	0	0.0%	0
TOTAL ENTERPRISE	**123,425**	**0**	**0**	**0**	**0.0%**	**0**
TOTAL EXPENSE	**25,404,099**	**27,065,368**	**30,008,040**	**32,788,578**	**9.3%**	**2,780,538**

REVENUE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Mayor's Recommended	Percent Change	Change
GENERAL						
License and Permits	21,166,246	21,088,247	22,267,098	22,689,450	1.9%	422,352
Local Government	47,500	99,857	50,393	51,905	3.0%	1,512
Charges for Service	745,444	971,520	777,047	940,530	21.0%	163,483
Charges for Sales	284	2,340	200	225	12.5%	25
Fines and Forfeits	272,691	455,527	354,320	377,622	6.6%	23,302
Special Assessments	1,197,142	2,319,732	0	561,754	0.0%	561,754
Contributions	583	735	0	0	0.0%	0
Other Misc Revenues	69,861	86,453	75,235	67,606	-10.1%	(7,629)
TOTAL GENERAL	**23,499,750**	**25,024,411**	**23,524,293**	**24,689,092**	**5.0%**	**1,164,799**
SPECIAL REVENUE						
License and Permits	0	0	85,000	285,000	235.3%	200,000
Federal Government	1,731,764	3,063,715	5,161,127	4,997,163	-3.2%	(163,964)
State Government	23,683	12,065	0	0	0.0%	0
Local Government	0	15,188	0	0	0.0%	0
Charges for Service	0	1,215	0	0	0.0%	0
Special Assessments	0	0	1,540,000	3,974,400	158.1%	2,434,400
Contributions	0	21,103	0	21,000	0.0%	21,000
TOTAL SPECIAL REVENUE	**1,755,448**	**3,113,286**	**6,786,127**	**9,277,563**	**36.7%**	**2,491,436**
TOTAL REVENUE	**25,255,198**	**28,137,697**	**30,310,420**	**33,966,655**	**12.1%**	**3,656,235**

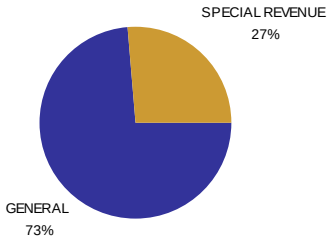
Expense by Division



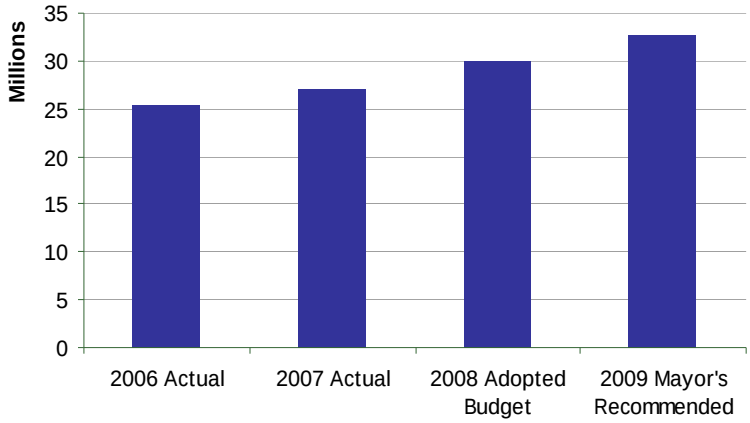
Revenue 2006 - 2009



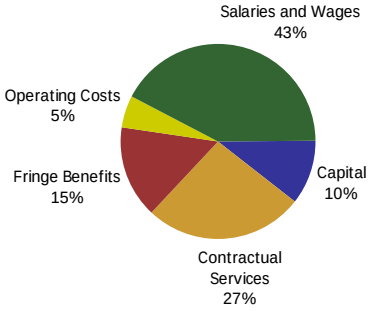
Expense by Fund



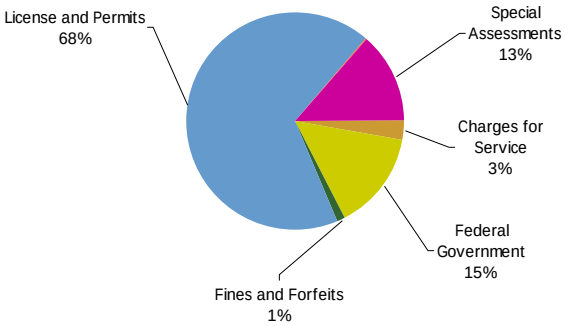
Expense 2006 - 2009



Expense by Category



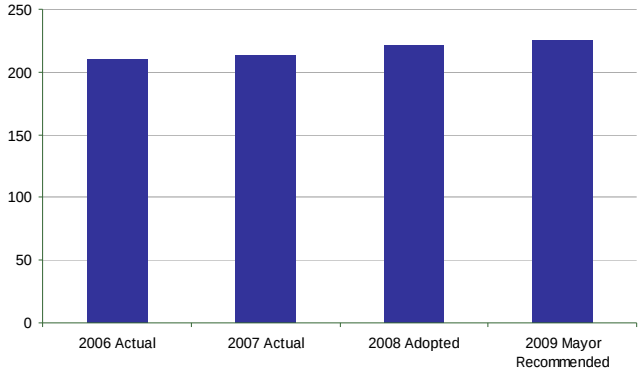
Direct Revenue by Type



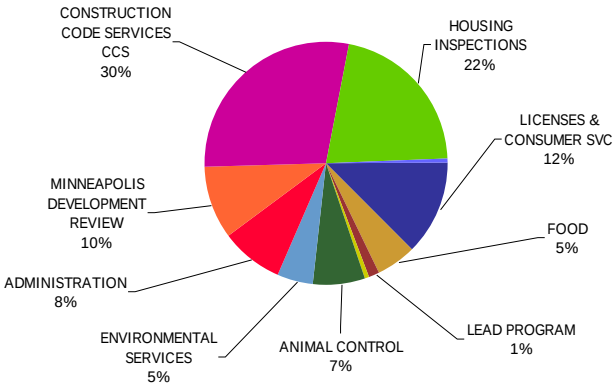
REGULATORY SERVICES
Staffing Information

	2006 Actual	2007 Actual	2008 Adopted	2009 Mayor Recommended	% Change	Change
LICENSES & CONSUMER SVC	21	24	27	28	3.7%	1
FOOD	17	11	11	12	9.1%	1
LEAD PROGRAM	3	6	7	3	-52.3%	(4)
LEAD CONTROL - HUD PROJECT				1		1
ANIMAL CONTROL	21	20	20	16	-20.0%	(4)
ENVIRONMENTAL SERVICES	9	10	10	10	1.6%	0
RS ADMINISTRATION	12	12	17	19	11.8%	2
MINNEAPOLIS DEVELOPMENT REVIEW	15	23	23	22	-4.3%	(1)
CONSTRUCTION CODE SERVICES CCS	75	64	63	65	2.4%	2
HOUSING INSPECTIONS	37	44	36	48	33.9%	12
PROBLEM PROPERTIES			7		-100.0%	(7)
EMERGENCY MGMT./PREP				1		1
TOTAL	**210**	**214**	**221**	**225**	**1.9%**	**4**

Positions 2006-2009



Positions by Division



CIVIL RIGHTS

MISSION

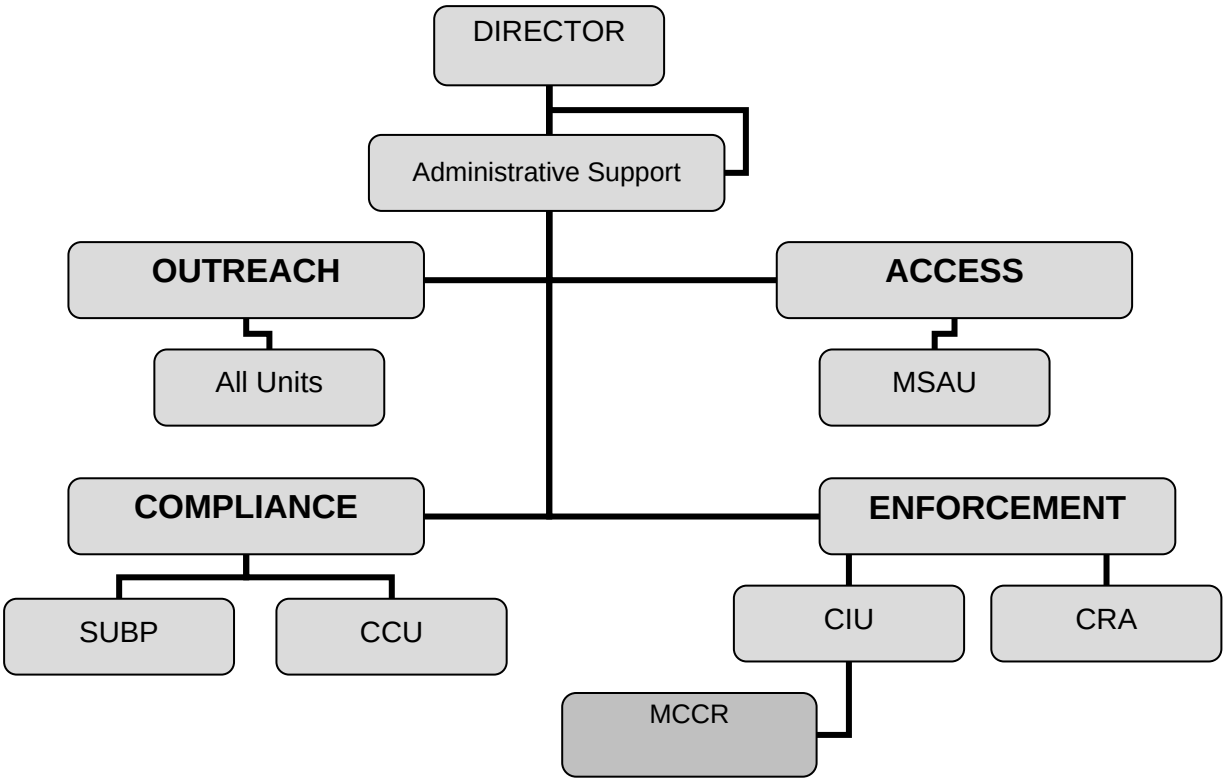
Through vigorous enforcement of the Federal, State and local civil rights laws, as well as education, mediation and conciliation, the Civil Rights strives to eliminate unlawful discriminatory practices, thus promoting the health, economic stability, access, welfare, peace, and safety of the community.

BUSINESS LINES

- ***Outreach***
  - **All Units** promote the services of the department to the residents and visitors of Minneapolis by facilitating public forums and presentations. Our purpose is to educate residents and visitors about civil rights, anti-discrimination laws, and police misconduct.
- ***Compliance***
  - The **Small and Underutilized Business Program (SUBP)** sets project goals for women and minority businesses in the awarding of City contracts in the areas of construction and development, provisions of goods and services; and requests for proposals; and
  - The **Contract Compliance Unit (CCU)** monitors, investigates, and reports construction employment and training participation, prevailing wage payments, affirmative action plans and violations of the City's equal benefits regulations.
- ***Enforcement***
  - The **Complaint Investigations Unit (CIU)** investigates, conciliates and adjudicates complaints of discrimination; and
  - The **Civilian Review Authority (CRA)** investigates, mediates and adjudicates allegations of police misconduct, independent of the Minneapolis Police Department.
  - The **Minneapolis Commission on Civil Rights (MCCR)**, while not an operational entity within the MDCR, plays a crucial part in its work by: (1) initiating/investigating discrimination complaints; (2) reviewing complainant appeals of Director's "No Probable Cause" determinations; and (3) advising the Director and elected officials with respect to matters relating to the Commission's purpose.

ORGANIZATION CHART

MINNEAPOLIS DEPARTMENT OF CIVIL RIGHTS
BUSINESS LINE ORGANIZATION



FIVE – YEAR DEPARTMENTAL GOALS AND OBJECTIVES

City Goal (1-6)	City Strategic Direction (A-Z)	Department Goal	Objective
1 – A Safe Place to Call Home 2 – One Minneapolis	1b. Crime reduction: community policing, accountability & partnerships 2c. Equitable City Services & Geographically Placed Amenities	Enforce the Minneapolis Civil Rights Ordinance prohibiting discriminatory practices	1. Thoroughly and objectively investigate allegations of discrimination in a timely manner 2. Eliminate backlog of CIU Complaints
1 – A Safe to Call Home 2 – One Minneapolis	1b. Crime reduction: community policing, accountability & partnerships 2a. Close race and class gaps	Investigations under Title 9, Chapter 172 of the Minneapolis Civilian Police Authority Ordinance	1. Thoroughly and objectively investigate allegations of police misconduct in a timely manner 2. Improving upon the CRA Process (decreasing investigation time, thus increasing the level of trust with the broader community and enhancing relationship with police department)

City Goal (1-6)	City Strategic Direction (A-Z)	Department Goal	Objective
1 – A Safe Place to Call Home 2 – One Minneapolis	1b. Crime reduction: community policing, accountability & partnerships 2a. Close race and class gaps	Insure equal and timely access to City Services, Decision-making Processes and Resource Opportunities for all residents and visitors.	1. Facilitate processes to better inform, engage and educate diverse communities relative to city services and decision making processes
2 – One Minneapolis	2a. Close race and class gaps	Proactively support workforce diversity in the City by establishing and monitoring employment hiring goals in cooperation with the Human Resources Department and all other City Departments	1. Correct historical underutilization of women and minority owned businesses and under-employment of protected classes within the City

***RESULTS MINNEAPOLIS* MEASURES, DATA AND TARGETS TABLE**

Measure Name	2004 Data	2005 Data	2006 Data	2007 Data	2008 Target	2011 Target
COMPLAINT INVESTIGATIONS UNIT						
# of new complaints filed with CIU (including files transferred from the EEOC)	116	181	226	231	157	157
% of CIU cases resolved thru mediation/conciliation	18.7%	12.8%	17.8%	23%	25%	25%
Average CIU investigation completion time (days).	747	786	696	634	585	240
CIVILIAN REVIEW AUTHORITY						
# of new complaints filed with the CRA	128	85	89	75	100	80
Average time for completion of CRA investigations	255	292	252	202	192	141
% of cases resolved thru mediation	10%	4%	17%	9%	20%	30%
% of excessive force complaints that resulted in sustained determinations	19%	14%	20%	0	N/A	N/A
CONTRACT COMPLIANCE UNIT						
% of women and minority employees participants on construction/building projects funded with City dollars	Pending	Pending	Female 4.3% Minority Skilled 8% Minority Unskilled 15%	Female 4.1% Minority Skilled 11% Minority Unskilled 10.6%	Female 4.1% Minority Skilled 11% Minority Unskilled 11%	Female 10% Minority Skilled 15% Minority Unskilled 15%
# of women, small & minority business certified to do business w/ the City	590	674	674	708	775	N/A

MULTICULTURAL SERVICES AND ACCESS UNIT						
Interpreting/Translating Services	3469	3987	3946	3043	2542	2000
Access to City Services	323	1018	1169	1438	1758	2000
Outreach for City Services and other tasks.	52	59	100	196	300	300
TOTAL	**3844**	**5064**	**5215**	**46774**	**4600**	**4300**
HOURS TOTAL	**-**	**-**	**2467**	**3017**	**-**	**-**

What key trends and challenges does your department face and how will they be addressed?

Challenge: Complainant Investigation Unit

There are several challenges that face this Unit. The most significant are: (1) backlog of old complaints; (2) time required to investigate complaints that are filed; and (3) stability of the staff of complaint investigators.

The backlog situation continues to be troubling. The Unit has performed a "triage" analysis of the existing cases and divided them into the following classifications: (1) cases that are sufficiently investigated and can be completed within a reasonable short amount of time; (2) cases that require additional investigative effort and will require a relatively long period of time for completion; and (3) cases, which for various reasons (weak basis for complaint, loss of witnesses, respondent and complainant no longer available) cannot be brought to closure. These cases will be dismissed.

The second challenge, relating to investigative timeframes, will be addressed by the application of a new intake and investigation methodology. This methodology is a result of the Business Process Improvement initiative. The new methodology was implemented on June 15, 2008. Additional improvements in effectiveness and efficiency will result in the implementation of the CAO's Practice Manager Database as the Unit's recordkeeping system. This system is tentatively planned to be implemented on August 1, 2008.

In regards to turn-over among the investigative staff, the department has implemented new hiring, management and training actions. Also, the more efficient methodology will improve staff morale and levels of job satisfaction.

Challenge: Evaluation of the Contract Compliance Unit's Responsibilities, Workloads and Outcomes

The MDCR commissioned an independent review of the Contract Compliance Unit's responsibilities, workloads and outcomes. The study was completed in May of 2007. As a result of the May 2007 analysis of the Contract Compliance Unit several new initiatives were implementing. These include: (1) hiring several new employees (replacing existing vacancies); (2) instituting new and modifying existing policies; and (3) improving work methodologies and support systems.

Another major result of this activity is the purchase and implementation of a new computer based contract compliance monitoring system. This system is planning on going live August 1, 2008. It will result in significant increases in the efficiency and effectiveness of the Unit.

Tend/Challenge: The number and size of contracts awarded to minority and women owned contractors remains small

In 2007, the construction contracts awarded to minority and women owned businesses were as follows:

1. Total Contracts awarded – MBE = 4,796,041
   WBE = 10,022,449
2. % of total City expenditures – = 13%

The low level of performance has been the norm for decades. One of the results of this trend has been an increased demand from both elected officials and community residents to increase the participation of women and minority owned businesses. It is our expectation that several of the budget initiatives (*e.g.* section 3 monitoring and reporting and proposed changes to M.C.O § 423) as well as the program initiatives that were initiated in 2008 (*e.g.* implementation of new contract compliance monitoring system; completion of a disparity study; cooperative, multi-jurisdictional M/WBE contractor capacity building within the City of St. Paul, Metropolitan Economic Development Association; institution of new City Department goals for purchasing of goods and services from minority and women owned businesses) will be successful in responding to the challenge.

Challenge: Compliance with Federal Monitoring and Participation Mandates

The City as a recipient of Community Development Block Grant Funds (CDBG), is required to administer a Section 3 program. The program requires that businesses and residents, located in the area of a project funded in whole or part by CDBG funds, have an ample opportunity to participate as businesses or employees in the economic opportunities generated by the project. The City does not have a consistent and effective system for meeting these requirements.

Not having a program places funding in jeopardy. Over the past couple of years, HUD has increasingly supported economic liability on recipients found in noncompliance. A new law was passed this year which would allow penalties up to ten (10) percent of the overall funding.

There has not been a Section 3 program administered by the City since the Heritage Park Project. It would appear that such a program and reporting requirement would fit best within the additional functions of Civil Rights. It would require that the department apply resources to develop a program which would certify, promote and monitor Section 3 employees and businesses. The department requests funding from CDBG or other resources to cover this need and fund one position ($60,000).

Challenge: Reducing the CRA process timeline

The length of time to complete CRA investigations is important to the citizens, police administration and officers. The CRA ordinance requires that investigations be completed within 60 days, unless there is a one-time 30-day extension. Currently, the CRA does not complete the majority of its investigations within this timeframe.

The CRA has two investigators who are responsible for investigating allegations that may arise from the actions of over 800 uniformed police officers. Based on the number of officers compared to the number of investigators, the CRA's investigative capacity is strained. This

strained capacity affects the timeliness of CRA investigations and thus is an additional contributor to the public's waning confidence in the CRA's ability to address misconduct issues in a meaningful manner. Additionally, officers have expressed concerns about the length of time of having open complaints against them. There are also implications for police administration in its own use of CRA findings to impose discipline on police officers.

Challenge: Community Outreach Activities

As the limited staff works to increase efficiency of CRA process, other aspects of the CRA ordinance are placed on hold. Specifically, this relates to the CRA outreach activities that are mandated by the City ordinance. The CRA is responsible for conducting a community outreach program, which has never been fully funded. This is a missed opportunity for the City to educate the community about policing and establishing additional community ties, which will ultimately assist with the public safety goal. As the City's only *independent* investigator of police misconduct allegations, the CRA has the ability to enter communities as a neutral observer and educator, which would allow the community to raise questions and receive answers regarding police actions.

Challenge: Cultural Awareness Training

The CRA is mandated to collaborate with the MPD on cultural awareness training. Through informal conversations with MPD personnel, past cultural awareness training has not produced measurable results in the officers. The MDCR and MPD management will conduct an analysis to determine the reasons for this lack of success and recommend follow-up actions that will achieve the desired results. The CRA should continue to discuss cultural awareness training with the MPD and develop a workable program modeled after other successful programs from departments across the country.

Challenge: Backlog of Probable Cause Complaints with the Commission

There is an increase in the number and complexity of probable cause cases transferred to the Commission for resolution. Currently, the Commission has 24 cases on its docket. A challenge in 2008 will be addressing the number of PC cases that are scheduled for a Public Hearing in 2008. There are nineteen (19) Probable Cause cases that will be scheduled for a Public Hearing. These hearings will stretch into 2009. This increase has resulted in concerns over resources. This concern raised by the lawyers on the commission, who must act as presiding officers on the three-member panels that hear the complaints. This is of particular concern because it affects the timeliness of the enforcement agency's administrative processes. The Department might explore the use of Administrative Law Judges to handle these cases, in addition to maximizing the attorney-commissioner positions with the Commission.

What changes to the ordinance are needed to improve services and/or reduce cost?

There are two areas were the ordinance changes must be recommended. The first relates to the SUBP ordinance. The changes would include: (1) requirement of "prompt payment" of minority and women owned businesses by the general contractors after completion of the work. The suggested payment period would be in 14 days; and (2) a fixed percentage of City expenditures, as identified by annual budget line items, would be dedicated to minority and women owned businesses. The percentage amount would be predicted upon the "availability of such businesses as identified by the results of the Disparately Study that will be completed in December 2008. The ordinance language would be mandated after Minn. Stat. Section 166.16.

The second potential ordinance change relates to the Civilian Police Review Authority (CRA). The City Attorney is currently seeking an opinion from the Minnesota Department of Administration (MDA) concerning data privacy issues, relative to the function of the CRA. The outcome the MDA decision may suggest a change to the ordinance. At this time, a more specific recommendation cannot be presented.

Another potential cause for a change in the CRA Ordinance is the pending lawsuit initiated by the Minneapolis Police Federation ("the Federation). A decision in favor of the Federation will create a potential situation where an entity other than the CRA Board can override a CRA panel's sustained complaint. If this scenario occurs an ordinance change will be required.

A final potential change would be to consider changing the current 90-day requirement for completion of a CRA investigation. Staff resources do not allow the unit to consistently meet this deadline.

FINANCIAL ANALYSIS

EXPENDITURE

Civil Right's 2009 budget of $2.8 million is a 0.5% decrease over 2008.
This reflects the movement of Multicultural Services to Neighborhood and Community Relations Department. The department used non personnel dollars to add one position.

REVENUE

The department's revenue from EEOC (Equal Opportunities Employment Commission) work share agreement is projected in 2009 at $54,000. This remains the same as 2008.

FUND ALLOCATION

The department is funded by the general fund (90%) and CDBG funds (10%).

MAYOR'S RECOMMENDED BUDGET

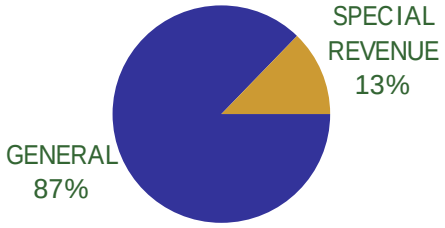
The Mayor recommends $150,000 in one time funding for a youth apprentice program, with a $150,000 match from CPED. The Mayor also recommends the transfer of Multi-cultural services to the Neighborhood and Community Relations Department. This includes a General Fund reduction of $275,000 and CDBG reduction of $117,000. The transfer will result in the move of 6 employees from Civil Rights to Neighborhood and Community Relations. The Mayor recommends $90,000 in CDBG funding for federal monitoring and compliance and a reduction of $10,000 to meet the financial direction.

CIVIL RIGHTS
EXPENSE AND REVENUE INFORMATION

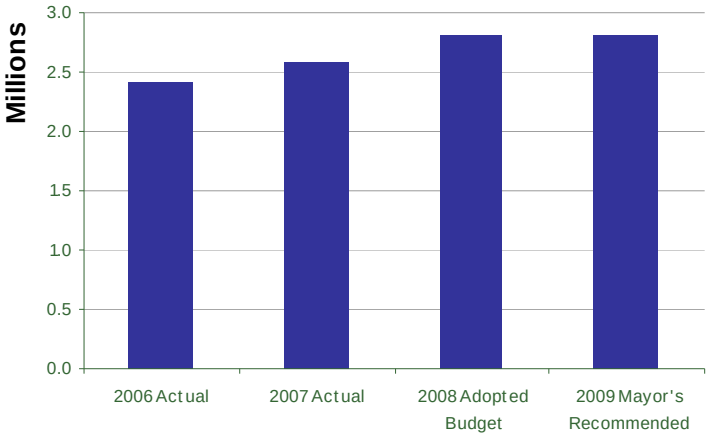
EXPENSE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Mayor's Recommended	Percent Change	Change
GENERAL						
Salaries and Wages	982,173	1,181,506	1,295,961	1,226,704	-5.3%	(69,257)
Fringe Benefits	236,916	310,161	423,680	444,272	4.9%	20,592
Contractual Services	673,983	584,969	532,635	497,744	-6.6%	(34,891)
Operating Costs	132,420	246,798	233,166	276,231	18.5%	43,065
Capital	0	0	6,558	6,742	2.8%	184
TOTAL GENERAL	**2,025,492**	**2,323,434**	**2,492,000**	**2,451,693**	**-1.6%**	**(40,307)**
SPECIAL REVENUE						
Salaries and Wages	271,842	173,553	178,216	27,617	-84.5%	(150,599)
Fringe Benefits	76,797	51,717	54,532	10,255	-81.2%	(44,277)
Contractual Services	47,585	34,231	88,682	310,318	249.9%	221,636
Operating Costs	711	0	8,570	8,810	2.8%	240
TOTAL SPECIAL REVENUE	**396,935**	**259,501**	**330,000**	**357,000**	**8.2%**	**27,000**
TOTAL EXPENSE	**2,422,427**	**2,582,935**	**2,822,000**	**2,808,693**	**-0.5%**	**(13,307)**

REVENUE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Mayor's Recommended	Percent Change	Change
GENERAL						
Charges for Service	40,100	57	0	0	0.0%	0
Charges for Sales	0	35	0	0	0.0%	0
Other Misc Revenues	(1,100)	0	0	0	0.0%	0
TOTAL GENERAL	**39,000**	**92**	**0**	**0**	**0.0%**	**0**
SPECIAL REVENUE						
Federal Government	1,200	46,440	54,000	54,000	0.0%	0
TOTAL SPECIAL REVENUE	**1,200**	**46,440**	**54,000**	**54,000**	**0.0%**	**0**
TOTAL REVENUE	**40,200**	**46,532**	**54,000**	**54,000**	**0.0%**	**0**

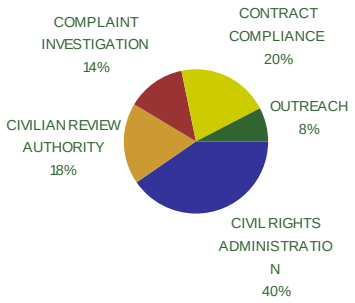
Expense by Fund



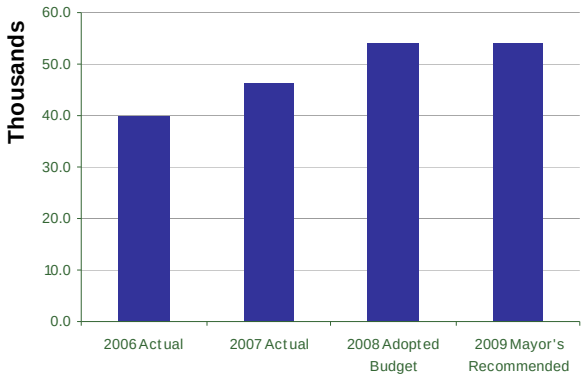
Expense 2006 - 2009



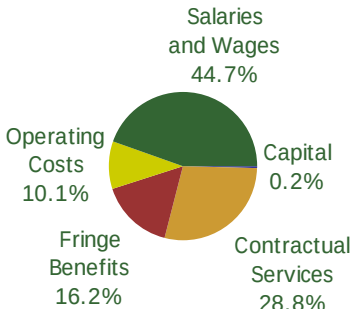
Expense by Division



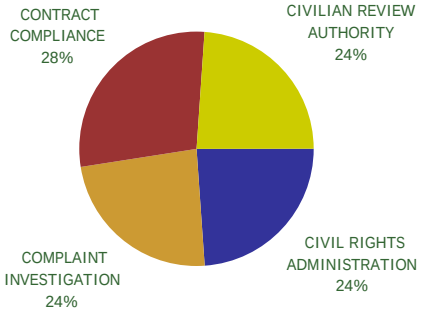
Revenue 2006 - 2009



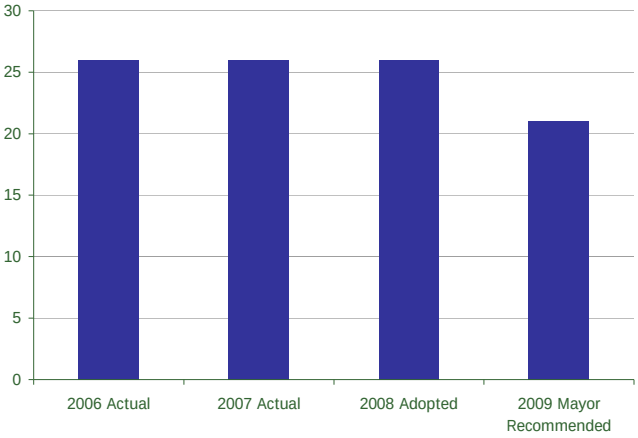
Expense by Category



Positions by Division



Positions 2006-2009



CIVIL RIGHTS
Staffing Information

	2006 Actual	2007 Actual	2008 Adopted	2009 Mayor Recommended	% Change	Change
CIVIL RIGHTS ADMINISTRATION	5.0	5.0	5.0	5.0	0.0	0.0
COMPLAINT INVESTIGATION	5.0	5.0	5.0	5.0	0.0	0.0
CONTRACT COMPLIANCE	6.0	6.0	6.0	6.0	0.0	0.0
CIVILIAN REVIEW AUTHORITY	4.0	4.0	4.0	5.0	0.3	1.0
OUTREACH	6.0	6.0	6.0	0.0	-1.0	-6.0
TOTAL	**26.0**	**26.0**	**26.0**	**21.0**	**-0.2**	**-5.0**

COMMUNITY PLANNING & ECONOMIC DEVELOPMENT

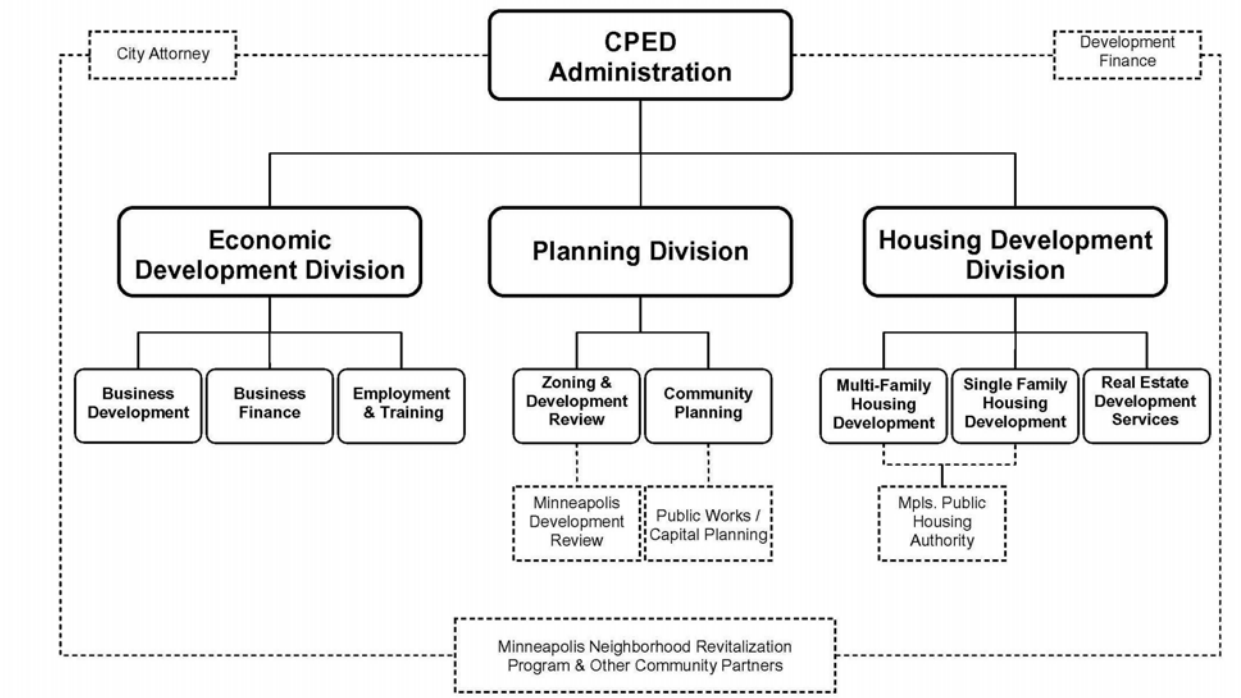
MISSION

CPED works to grow a sustainable City.

BUSINESS LINES

- **Community Planning** –prepares and integrates the implementation of the City's comprehensive plan and informs the City's development and infrastructure strategies.
- **Economic Policy & Development** –grows businesses and jobs throughout the City by providing financing, real estate assembly, and brownfield remediation.
- **Workforce Development** –manages a network that prepares Minneapolis residents for living-wage jobs and builds partnerships to improve career opportunities within the City.
- **Housing Policy & Development** –provides financing and administers programs for housing development, preservation and rehabilitation to advance a continuum of housing choices throughout the City.
- **Zoning and Development Review** –administers, interprets and enforces the zoning code, land subdivision regulations and heritage preservation regulations, and conducts environmental reviews as required by law.
- Other program and management-support activities include real-estate and related technical services, research, arts and cultural activities, as well as staffing the Minneapolis Empowerment Zone.

ORGANIZATION CHART



Dotted lines indicate special relationships with other departments and partner organizations

FIVE –YEAR DEPARTMENT GOALS AND OBJECTIVES

City Goals	Department Goals	Objectives
A Safe Place to Call Home: *"Get Fit" and make healthy choices* ***Connected Communities:*** *Walkable, Bikable, Swimmable!* *Streets & Avenues*	Plan and develop a vibrant, sustainable community	The City's parks, open space, riverfront and recreational opportunities will be maintained and enhanced as part of overall planning and development activities of the department The City's historic street grid is maintained and re-established per City policy
		CPED will focus development efforts around priority neighborhood nodes, corridors, activity and growth centers in the City CPED is actively involved in long-term catalytic redevelopment projects Continue to pursue Corridor Housing and Market Building strategies
Enriched Environment: *Arts – Large & Small – Abound and Surround* *Upper Mississippi Planned and Proceeding* *Fully Implement the City's Cultural & Sustainable Work Plans*		CPED is an active partner in coordinating various arts and culture programs and activities: CPED is lead for City's Public Art program
		Assist with implementation of the relevant adopted plans, including Above the Falls, Industrial Land Use Plans, etc.
		Continue as key partner in implementing the recently adopted Arts & Culture Plan & contributor to the Sustainability Plan
One Minneapolis: *Middle Class: Keep it, Grow it* *Equitable City Services & Geographically Placed Amenities*	Promote private sector growth to build a healthy economy	CPED will focus development efforts around priority neighborhood nodes, corridors, activity and growth centers in the City
		The housing stock is well designed and maintained
		The City's use of public development resources and other tools will be used to leverage maximum private sector investment and public benefit
		CPED is actively involved in long-term catalytic redevelopment projects

Lifelong Learning Second to None: *Economic Engine: Generating Ideas, Inventions and Innovations* *Embrace the U's outreach and Land-grant Expertise* *CPED is actively engaged with the University in its research, service, teaching, and development activities*		The downtown will continue to offer diverse recreational and entertainment attractions and continue to thrive economically
A Premier Destination: *Retain & Grow Business in Life Sciences & the Creative Economy* *Cleaner, Greener, Safer Downtown* *Jobs: Be a Talent Mecca* *Leverage Our Entertainment Edge …Heck, Be Edgy!*		The downtown will continue to offer diverse recreational and entertainment attractions and continue to thrive economically The City will maintain its unique cultural, architectural, historical, and entertainment assets.
A Safe Place to Call Home: *Youth: Valued, Challenged & Engaged* ***One Minneapolis:*** *Close Race & Class Gaps: Housing, Educational Attainment, Health* ***Lifelong Learning Second to None:*** *21st Century Skills for All 21 Year-Olds* *Deconcentrate Poverty*	Promote economic self-sufficiency for individuals and families	Residents have jobs skills and are provided opportunities to get on the path of economic self-sufficiency. Through the Minneapolis Promise education initiative; close the gaps in: -Unemployment rate -High School graduation rate -College attendance rate
		Increase % of minority/low-income homeownership
		Affordable housing options are available in all parts of the city and the region
		Reduce # of households below median income paying >30% of income for housing
A Safe Place to Call Home: *Lifecycle Housing Throughout the City.*	Develop and preserve life-cycle housing throughout the city	The housing stock is well designed and maintained Partner with the Regulatory Services department to remove blight Planning – Preservation and Design Team
		Capture Minneapolis' share of projected regional growth, subject to increased regional investments

		Support different housing options for seniors
		Address tear downs/"big foot" replacements Prevent home mortgage foreclosures
One Minneapolis: *Middle Class: Keep it, Grow it*		CPED will focus development efforts around priority neighborhood nodes, corridors, activity & growth centers in the City
		Improve single family home ownership rate
One Minneapolis: *Eliminate Homelessness* *Deconcentrate Poverty*		Continue to partner with Hennepin County other entities in implementing the Homelessness Commission recommendations
		Strengthen home values for existing & new homeowners
		Affordable housing options are available in all parts of the city and the region
		Reduce # of households below median income paying >30% of income for housing
Connected Communities: *Integrated, Multi-Modal Transportation Choices Border-to-Border* *Northstar Completed; Central Corridor underway; SW Corridor Fully Designed* ***A Premier Destination:*** *Reposition City in Minds of Region, State, Nation and World*	Partner effectively to promote regional growth and investment	People & business throughout the City are well served by CPED's active involvement in regional transportation and infrastructure planning Support Central Corridor preliminary engineering and Southwest alternatives analysis Benefit from public investments is maximized thru partnerships
		The city's housing production will support projected job and population growth

RESULTS MINNEAPOLIS MEASURES

Planning
The Planning Division has prepared the required update to the City's comprehensive plan known as the *Minneapolis Plan for Sustainable Growth* The Plan has been informed by Results Minneapolis and announces the

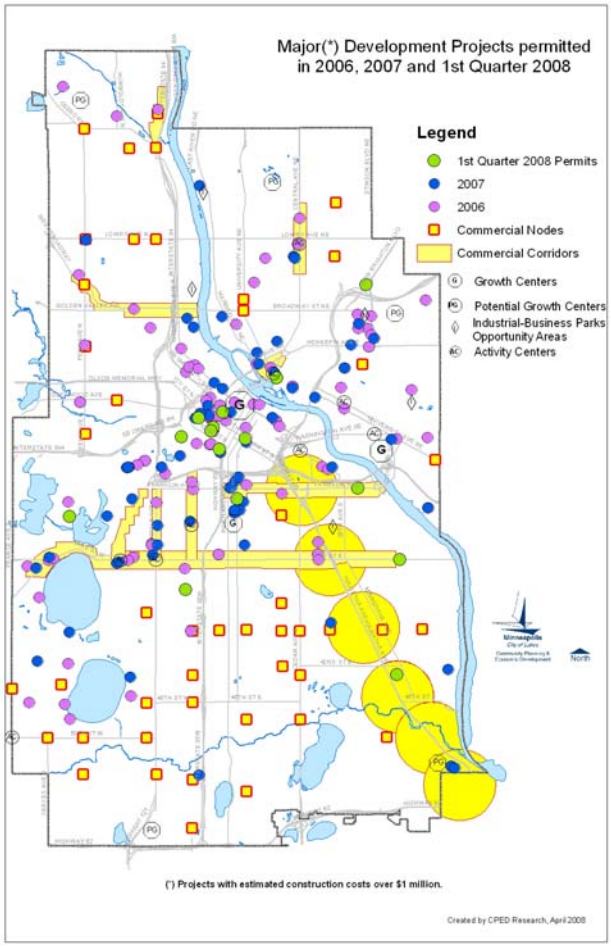
City's 10-year plan for sustainable growth. Public processes to vet this plan included:

- During late 2007- early 2008, the division held five major public input meetings and gave more than 20 additional presentations about the plan to outside groups
- Over 450 people attended the input meetings, and hundreds of pages of comments were compiled either at these meetings or via other avenues such as the website.

The plan was submitted to the Metropolitan Council in July for review. The Metropolitan Council has 120 days to complete its review, although it has the option to extend the review period if needed. Once the review is completed, the City Council will be asked to adopt this document as the official comprehensive plan for the City. During the remainder of 2008 and in 2009, the division will work on refining the strategy for plan implementation, which provides guidance for programs, investments, and policy throughout the entire City enterprise. This strategy will become the basis of the CPED business plan for 2010.

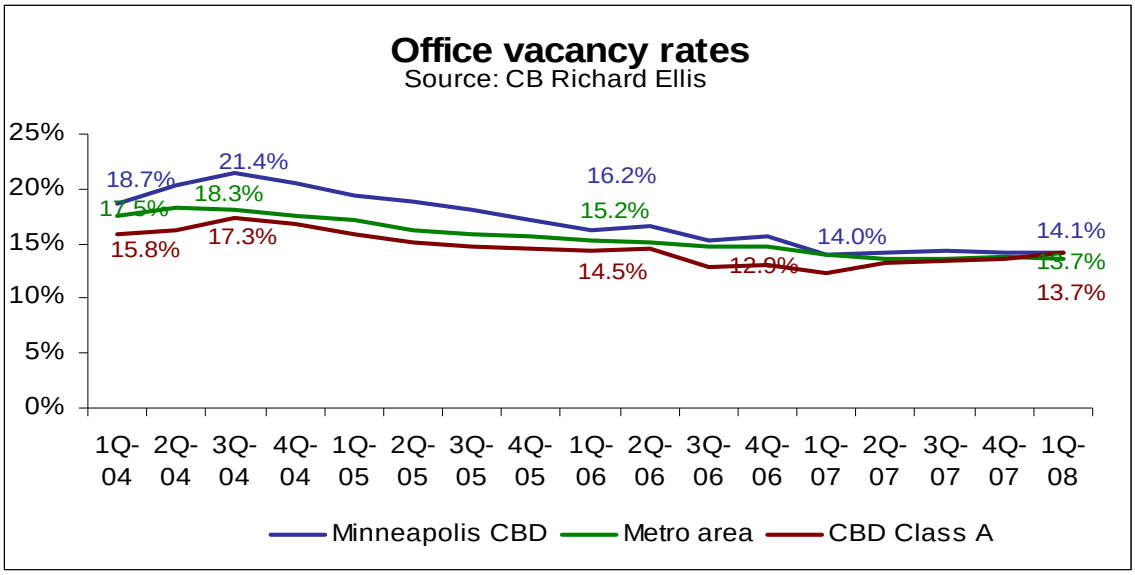
Economic Development

CPED closely monitors economic trends and reports out a variety of metrics in both *Results Minneapolis* and in its quarterly *Minneapolis Trends* reports. Highlights of Results indicators appear below:

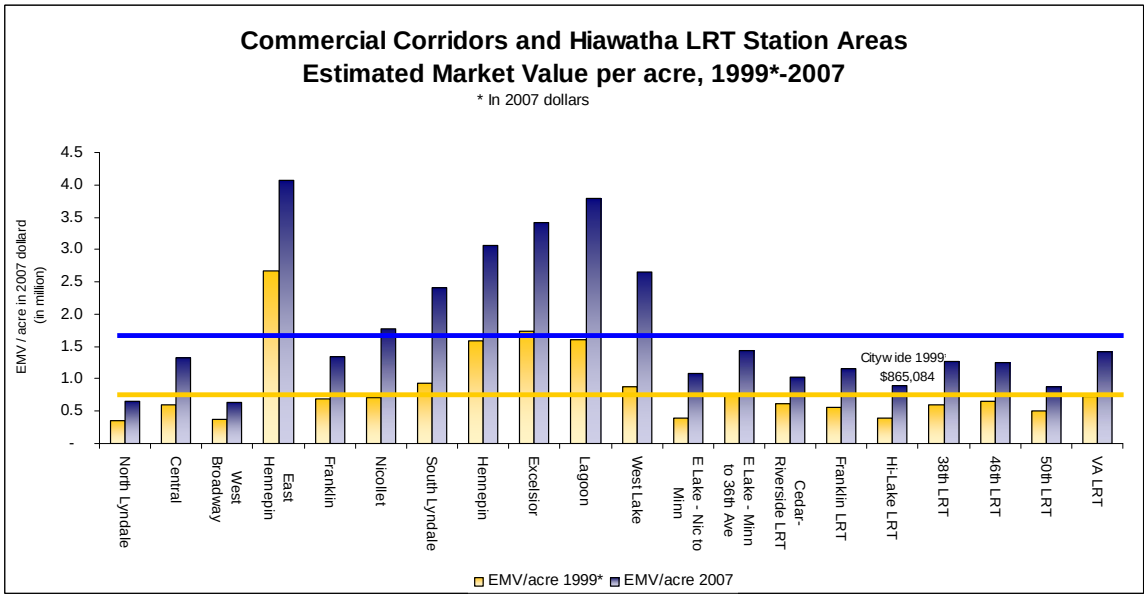


Major Projects Under Construction or with Completed Planning Applications as of April 1, 2008					
	1st quarter 2007	2nd quarter 2007	3rd quarter 2007	4th quarter 2007	1st quarter 2008
Total projects	177	150	144	152	142
Total estimated construction cost	$1.2B	$910M	$968M	$1.1B	$1.1B
Residential units	7,013	6,161	5,838	6,267	5,996
Hotel rooms			992	1,068	1,228

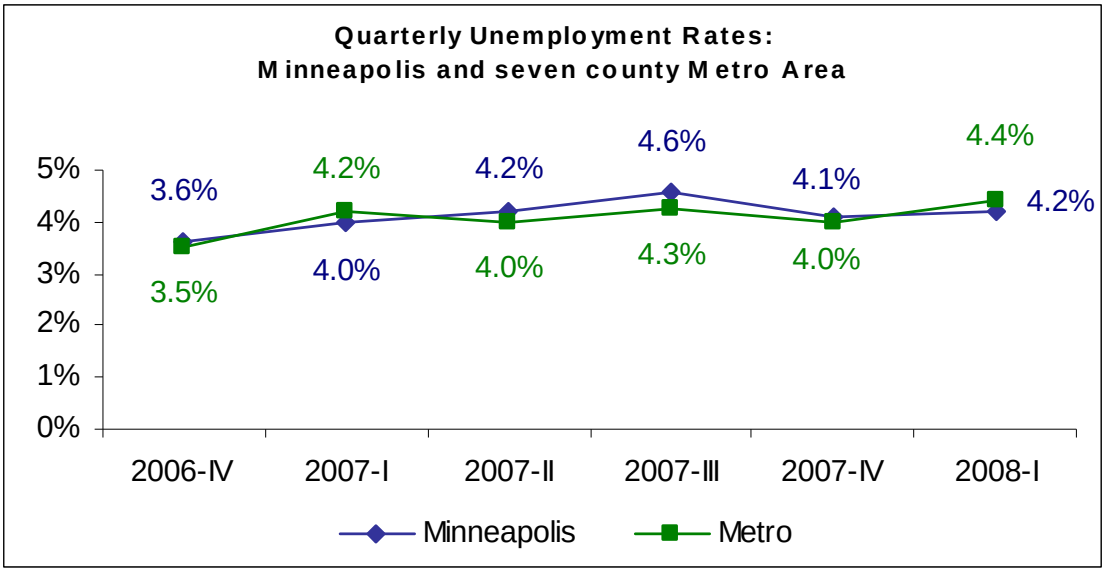
Note: Quarters are not additive as many projects take several quarters to complete.



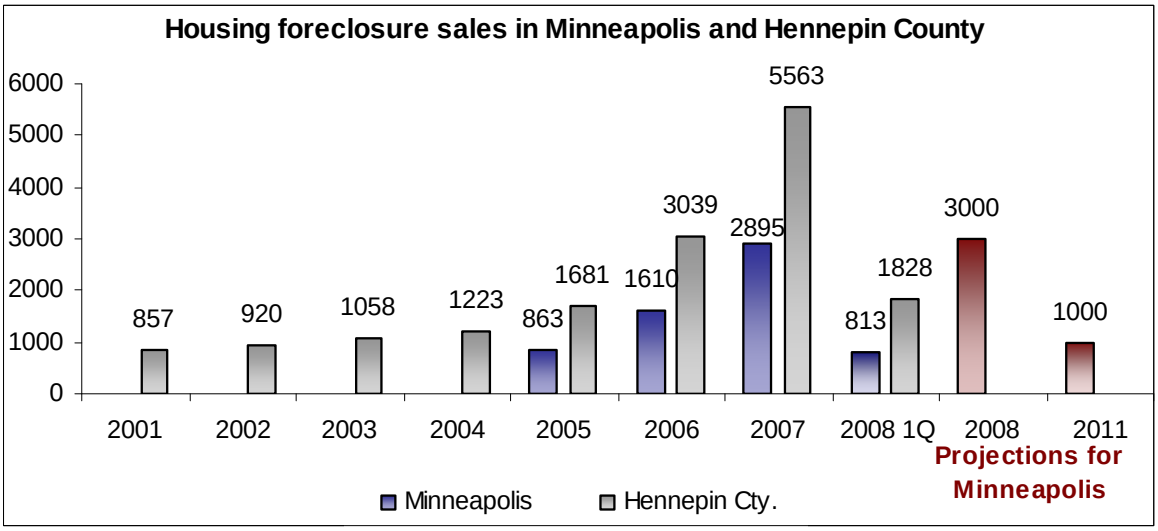
CPED's business finance and neighborhood commercial programs have contributed to increases in market value in key corridors, a key measure of economic health:



CPED's workforce development efforts have succeeded in the City's closing the unemployment rate gap between the City and metro-wide rates:



Housing



CPED has increased its support of a variety of foreclosure prevention efforts, including funding for the MN Homeownership Center, which recently reported the following results:

6

What key trends and challenges does the department face and how will each be addressed?

Foreclosures: The high volume of foreclosures continues to pose challenges for affected communities, for the City, and for CPED. (See the City's foreclosure web site: http://www.ci.minneapolis.mn.us/foreclosure/MortgageForeclosureMaps.asp for current trends.) Based on interventions described below the department believe this market failure will recede in 2009. The department's response to this continuing crisis is multi-pronged, from immediate localized responses, to longer term market building strategies. The many City-initiated activities regarding foreclosures are described in the Five Point Strategy:

- **Prevent Foreclosure**: The City has aggressively moved to make foreclosure prevention its highest priority through stepped up support of the Home Ownership Center, 3-1-1, *(Don't Borrow Trouble)* Campaign, in partnership with neighborhood groups hosting housing fairs, and preparing and mailing out a foreclosure prevention insert in the June utility bill.

- **Prevent Properties from Becoming Boarded & Vacant** - CPED in partnership with the Family Housing Fund, Housing Minnesota and local lenders has formed the Strategic Acquisition Fund and Home Prosperity Fund and has risen over $19 million to acquire and rehabilitate properties. Partner Greater Metropolitan Housing Corporation has acquired over 56 homes, primarily in North Minneapolis.

- **Rehabilitate or Remove Boarded & Vacant Buildings** - The City is moving aggressively to acquire and rehab properties. In addition, working closely with Regulatory Services, CPED is identifying and demolishing vacant and boarded buildings. This activity will be ongoing and presents a funding challenge for CPED.

- **Promote Reinvestment & Environmental Sustainability** - CPED continues to work in its six designated clusters on the Northside and promote investment in and around the clusters. In 2008 the Pohlad Family Foundation announced a multi-million dollar commitment for the Cottage Park cluster.

- **Attract & Retain a Healthy Housing Mix of Stable Residents:**
  - **Home Ownership Works Program** provides City rehabbed homes to first time home buyers.
  - **Minneapolis Advantage** is a $10,000 down payment assistance program targeted to 18 neighborhoods most affected by foreclosures. All 50 loans budgeted in this pilot will be closed by fall of 2008, and the department is requesting funds to continue this pilot in 2009. (http://www.ci.minneapolis.mn.us/cped/minneapolisadvantage_home.asp)
  - **CityLiving** (www.cityliving.org), a joint program with the city of St. Paul, offers mortgage loans and two types of home improvement loans to qualified buyers and owners.
  - **American Dream Down payment Initiative,** a program created to assist low-income first-time homebuyers in purchasing single-family homes by providing funds for down payment, closing costs, and rehabilitation carried out in conjunction with the assisted home purchase. (http://www.ci.minneapolis.mn.us/cped/city_living.asp)
  - **Home Help** is a State program that can be used in conjunction with other City programs (http://www.mnhousing.gov/consumers/home-buyers/loans/MHFA_003407.aspx)
  - **University of Minnesota and City Alliance** has proposed a $750,000 five-point intervention to address the uniquely non-homesteaded market footprint in the five neighborhoods surrounding the University of Minnesota.
  - **Phillips Partnership Housing** is a plan under development now that would fortify housing east of Children's and Abbott Northwestern Hospital campuses. The model includes exterior improvements and a proposed *Minneapolis Advantage* – type match by employers.

CPED will continue to produce appropriate rental housing to support residents vacating foreclosed homes. Increasingly, CPED is pursuing partnerships that provide flexible financing for house seekers who are credit qualified. Some of these initiatives include: contract for deed, community land trust, and rent-to-own.

Economic Slow Down: The slowing of the national economy has affected Minneapolis residents, businesses, and communities; nationally and locally, the labor force and the ranks of the employed have declined. The DEED Labor Market Information website

(http://deed.state.mn.us/lmi/Home.htm) has the latest statewide information, and Minneapolis Trends (http://www.ci.minneapolis.mn.us/cped/trends_reports_home.asp) has local information. CPED is responding with aggressive short- and long-term strategies.

- **Great Streets and Business Finance Programs:** The department can spur economic development and strengthen businesses and business districts through creative use of the City's business financing tools and through provision of resources and technical assistance to community-based organizations. The department is working actively with business and community groups to promote awareness of available resources.

- **Dislocated Worker Program:** The Minneapolis Employment and Training Program (METP) administer Dislocated Worker programs for the City with state and federal funds granted through the Minnesota Job Skills Partnership Board. Due to a recent increase in metropolitan area layoffs, METP expects to request additional funds during the next year, which would enable approximately 600 residents to obtain new skills and living wage jobs.

- **Brownfields:** In 2007, the City earned a record-setting $5.72 million in grants from the State, the Metropolitan Council and Hennepin County to clean up 17 brownfield sites covering 56 acres. The planned development projects for these 17 remediated sites will generate an estimated $130 million in new construction activity, 1,100 new or retained jobs, 896 new housing units (475 affordable units), and significant commercial and industrial space. Through continued aggressive work, the department expects similar success in garnering resources for City redevelopment projects in 2008 and 2009.

- **Plan Implementation:** Planning staff will focus on providing high quality planning services to private and public development partners through strategic consultation, and adoption of responsive and predictable standards and processes that will support development and investment in this economic climate while furthering adopted City plans and policies. One example is the proposed zoning code text amendment that addresses stalled residential development projects, allowing developers additional time to secure financing in exchange for interim property improvements. Planning staff will facilitate cross-function teams charged with developing and implementing strategic project development plans.

- **Vacant commercial properties:** The department support the establishment of a Vacant and Boarded Commercial Building Task Force, comprised of the Fire Chief, Assistant City Coordinator for Regulatory Services, CPED Director and their staff, to develop recommendations associated with required registration, inspections, and funding for redevelopment.

- **Marketing:** CPED is completing the development of a marketing plan to retain and attract businesses to Minneapolis. The plan entails an aggressive business calling plan, focused on 6-8 key business sectors, and established protocols to retain and support the growth of existing businesses. The department will work to attract businesses in sectors offering good growth potential for Minneapolis, such as bioscience and green manufacturing, through outreach and recruitment.

- **The Sustainable Core:** Minneapolis has witnessed major corporations struggle with the decision to keep office functions downtown. To enable these companies to choose to stay, grow, or locate in downtown, the department are developing a set of benefits that reflect Minneapolis' value as a premier location within the region for attracting a skilled, educated

workforce, through access to affordable housing, transit, proximity of work to home, and continuing education that will become available to the employees of companies who choose to participate in this new program.

- **The Minneapolis Promise:** The Minneapolis Promise is preparing the next generation of Minnesota's well-educated and highly skilled workforce. This innovative approach, bringing together the City, Achieve Minneapolis, the Minneapolis Community and Technical College, and the University of Minnesota, offers Minneapolis youth a clear pathway to summer employment opportunities, career and college counseling, and access to higher education through the Power of YOU and the Founders Free Tuition Program. The Minneapolis Promise challenges youth to be motivated to create a bright future for themselves. As such it is a long-term investment in the future economic health of the City's younger residents. The 2008 Minnesota Legislature appropriated $600,000 to fund the Power of YOU program.

- **Healthforce Minnesota:** In late 2007, CPED established a partnership with Healthforce Minnesota, one of four MNSCU Centers for Excellence. CPED pursued this partnership because health care is the City's largest industry and provides a variety of entry level and career laddering opportunities for city residents. The goals of the partnership are to better define the healthcare workforce needs in Minneapolis, and to develop strategies to prepare the workforce for current and future healthcare industry workforce needs.

Infrastructure Coordination: Concerns about infrastructure are at an all-time high. Maintenance projects compete with expansion projects over the same limited resources. Better coordination and planning can advance City objectives for routine infrastructure maintenance as well as support development of new infrastructure required to encourage new private investments on a timetable that works for the marketplace, normally months rather than years.

Sustainability

- The Planning Director is serving as chair of the *City's Environmental Coordination Team (ECT)*. ECT's primary agenda is to implement the City's Sustainability Work Plan, including making progress on the 24 sustainability indicators, as well as developing a new Green Purchasing Policy.

- The *Minneapolis Plan for Sustainable Growth* is a deliberate title for this update to the 2000 comprehensive plan. The title indicates that Minneapolis will grow and that growth will be achieved in a manner that sustains our natural environment, while creating conditions for economic opportunity for current and future generations. The concept of sustainability is woven throughout the comprehensive plan.

- CPED has the opportunity to impact "green" development and jobs. Other jurisdictions are requiring LEED certification based on development type, size and funding. The market is driving sustainable development, especially with rising energy costs. LEED, as well as other "green" standards are now being sought by developers and owners, due to future increased market values. Even so, there are real and perceived market barriers to green development, especially in the current economy.

- CPED has made strides in green policy requirements for new multi-family construction. CPED's challenge is expanding these requirements to its other business lines.

- To provide a sustainable development environment for 2009, and beyond, CPED is working on a tiered approach: 1) provide education and links to available resources 2) require the appropriate green standard for City-assisted projects, 3) require performance metrics and reporting, and 4) create financial incentives by working with our numerous partners.

- Green jobs, whether components for sustainable energy such as wind power or green building elements, are increasingly a growth industry. Minneapolis has a reputation for being at the forefront of environmentalism. The City is home to a major research institution, and the department has a concentration of high-skilled workers and training programs that are assets for developing a concentration of green jobs. The department will aggressively market our workforce and financing products, and building relationships with researchers and manufacturers.

FINANCIAL ANALYSIS

EXPENDITURE

The total 2009 expenditure budget of $125.4 million is a 19.5% decrease from the 2008 adopted budget of $155.7 million. These reductions are in all expenditure categories except fringe benefits, although the majority of the decrease is due to reduced transfers of $13.7 million from pre-1979 tax increment districts for debt service (these districts decertify by law in 2009), and a reduction in anticipated 2009 new capital expenditures, a project driven number that fluctuates dependent on the number, timing and degree of certainty of project activity.

Two positions which are part of the Empowerment Zone (EZ) budget are eliminated in 2009. This was anticipated as part of the close of this program. The two remaining EZ positions are shifted from Economic Policy and Development to the Executive Division.

REVENUE

Excluding internal fund transfers, the department's projected revenue budget decreased by $15.0 million (11.8%) compared to 2008. This primarily due to the reduction of tax increment receipts which is, in turn, due largely to the decertification of the pre-1979 districts. These are partially offset by one-time increases in state grant funding and project related revenues. The decreased revenue from pre-1979 districts has been anticipated and debt service obligations are accounted for in planned debt service reserves.

MAYOR'S RECOMMENDED BUDGET

- *Housing Advocacy Program ($60,000)*: The housing advocacy program moves to CPED from Health and Family Support with $60,000 in one-time funding as a bridge to long-term funding for the two positions which are moving along with the program.
- *Reductions to meet Five-Year Financial Direction ($20,000):* The Mayor's recommended budget includes $20,000 in reductions, which CPED may manage by accessing preliminary planning funds.
- *Preparation for 2010 Census ($100,000):* The Mayor recommends one-time funding for the 2010 Census for recruiting and launching "Complete Count" committee, as well as laying the ground work for various outreach and public education efforts.
- *Green Manufacturing Initiative ($100,000):* The Making It Green Report, Phase I findings demonstrate encouraging prospects for the Cities of Minneapolis and St. Paul to participate actively in emerging green industries by building on the region's and our City's existing, substantial manufacturing job skills and business base. To jump-start Minneapolis' efforts to

actively participate in green manufacturing opportunities, the Mayor recommends one-time funding to engage a consultant to:

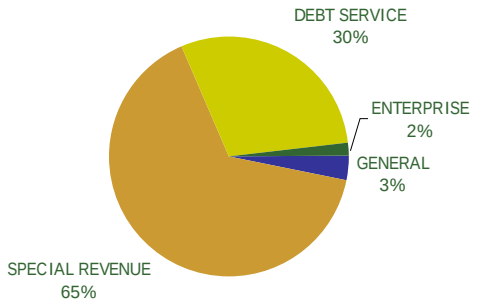
- coordinate research into best opportunities for converting existing skills and assets into green manufacturing opportunities;
- map a strategy to engage private business, investors, and other partners in a coordinated implementation plan; and
- begin plan implementation.

CPED
EXPENSE AND REVENUE INFORMATION

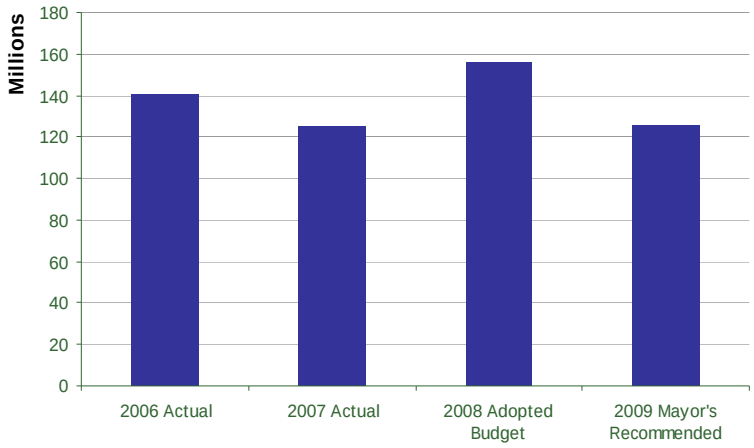
EXPENSE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Mayor's Recommended	Percent Change	Change
GENERAL						
Salaries and Wages	1,898,867	2,134,962	2,075,857	2,192,648	5.6%	116,791
Fringe Benefits	473,093	596,469	716,352	716,301	-0.0%	(51)
Contractual Services	1,011,687	829,488	554,836	954,476	72.0%	399,640
Operating Costs	146,243	147,473	127,055	182,611	43.7%	55,556
TOTAL GENERAL	**3,529,890**	**3,708,392**	**3,474,100**	**4,046,036**	**16.5%**	**571,936**
SPECIAL REVENUE						
Salaries and Wages	6,610,126	6,388,750	7,047,801	6,596,810	-6.4%	(450,991)
Fringe Benefits	1,601,722	1,739,590	1,919,101	2,085,189	8.7%	166,088
Contractual Services	25,380,161	28,917,970	24,158,199	21,437,923	-11.3%	(2,720,276)
Operating Costs	992,819	1,942,443	2,213,108	2,217,706	0.2%	4,598
Capital	48,659,642	36,242,383	33,059,938	19,340,643	-41.5%	(13,719,295)
Debt Service	0	0	0	112,805	0.0%	112,805
Transfers	0	0	45,172,447	30,111,044	-33.3%	(15,061,403)
TOTAL SPECIAL REVENUE	**83,244,470**	**75,231,136**	**113,570,594**	**81,902,120**	**-27.9%**	**(31,668,474)**
CAPITAL PROJECT						
Salaries and Wages	62,574	9,132	0	0	0.0%	0
Fringe Benefits	13,319	2,984	0	0	0.0%	0
Contractual Services	21,615	28,723	0	0	0.0%	0
Operating Costs	202,546	60,292	0	0	0.0%	0
Capital	(7,475)	35,467	0	0	0.0%	0
TOTAL CAPITAL PROJECT	**292,579**	**136,598**	**0**	**0**	**0.0%**	**0**
DEBT SERVICE						
Contractual Services	264,150	87,554	0	0	0.0%	0
Debt Service	49,139,549	42,663,058	35,940,000	37,254,261	3.7%	1,314,261
TOTAL DEBT SERVICE	**49,403,699**	**42,750,612**	**35,940,000**	**37,254,261**	**3.7%**	**1,314,261**
ENTERPRISE						
Salaries and Wages	143,750	120,682	143,687	123,853	-13.8%	(19,834)
Fringe Benefits	39,783	30,388	42,529	37,085	-12.8%	(5,444)
Contractual Services	2,953,478	2,269,465	721,313	356,028	-50.6%	(365,285)
Operating Costs	464,188	323,671	1,658,700	1,418,000	-14.5%	(240,700)
Capital	232,850	410	10,411	230,000	2,109.2%	219,589
Debt Service	88,034	56,697	125,000	0	-100.0%	(125,000)
TOTAL ENTERPRISE	**3,922,083**	**2,801,313**	**2,701,640**	**2,164,966**	**-19.9%**	**(536,674)**
TOTAL EXPENSE	**140,392,721**	**124,628,051**	**155,686,334**	**125,367,383**	**-19.5%**	**(30,318,951)**

REVENUE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Mayor's Recommended	Percent Change	Change
GENERAL						
License and Permits	652,588	618,804	1,000,000	1,046,000	4.6%	46,000
Charges for Service	498,916	400,151	543,000	543,000	0.0%	0
Other Misc Revenues	99	0	0	0	0.0%	0
TOTAL GENERAL	**1,151,603**	**1,018,955**	**1,543,000**	**1,589,000**	**3.0%**	**46,000**
SPECIAL REVENUE						
Property Taxes	71,161,367	77,334,414	83,035,437	63,114,310	-24.0%	(19,921,127)
Sales and Other Taxes	237	266	0	0	0.0%	0
Federal Government	6,452,515	5,339,368	6,938,878	7,446,000	7.3%	507,122
State Government	12,648,477	11,294,358	3,500,181	9,700,000	177.1%	6,199,819
Local Government	808,931	543,255	0	0	0.0%	0
Charges for Service	7,062,289	8,683,297	2,332,189	6,222,016	166.8%	3,889,827
Charges for Sales	2,609,866	1,574,924	10,221,650	9,345,000	-8.6%	(876,650)
Interest	7,560,213	8,627,063	86,659	144,390	66.6%	57,731
Gains	164,715	418,755	0	0	0.0%	0
Rents	4,150,271	4,564,549	5,141,176	6,285,309	22.3%	1,144,133
Contributions	60,133	211,896	0	50,000	0.0%	50,000
Other Misc Revenues	5,426,610	6,887,195	5,949,999	8,475,000	42.4%	2,525,001
Transfers In	0	15,714,287	0	2,776,337	0.0%	2,776,337
TOTAL SPECIAL REVENUE	**118,105,624**	**141,193,627**	**117,206,169**	**113,558,362**	**-3.1%**	**(3,647,807)**
CAPITAL PROJECT						
Transfers In	0	177,000	0	0	0.0%	0
Long Term Liabilities Proceeds	0	0	350,000	0	-100.0%	(350,000)
TOTAL CAPITAL PROJECT	**0**	**177,000**	**350,000**	**0**	**-100.0%**	**(350,000)**
DEBT SERVICE						
Interest	169,664	153,172	230,000	230,000	0.0%	0
Transfers In	0	41,562,970	0	23,785,521	0.0%	23,785,521
Long Term Liabilities Proceeds	10,545,000	1,750,000	0	0	0.0%	0
TOTAL DEBT SERVICE	**10,714,664**	**43,466,142**	**230,000**	**24,015,521**	**10,341.5%**	**23,785,521**
ENTERPRISE						
Charges for Service	2,268,015	3,766,870	2,300,000	225,000	-90.2%	(2,075,000)
Charges for Sales	0	513,816	1,000,000	0	-100.0%	(1,000,000)
Interest	345,872	341,625	416,000	0	-100.0%	(416,000)
Gains	6,314	18,791	0	0	0.0%	0
Rents	1,800,083	1,870,284	3,623,000	1,800,000	-50.3%	(1,823,000)
Other Misc Revenues	328,699	500	1,050,000	1,550,000	47.6%	500,000
TOTAL ENTERPRISE	**4,748,983**	**6,511,886**	**8,389,000**	**3,575,000**	**-57.4%**	**(4,814,000)**
TOTAL REVENUE	**134,720,874**	**192,367,610**	**127,718,169**	**142,737,883**	**11.8%**	**15,019,714**

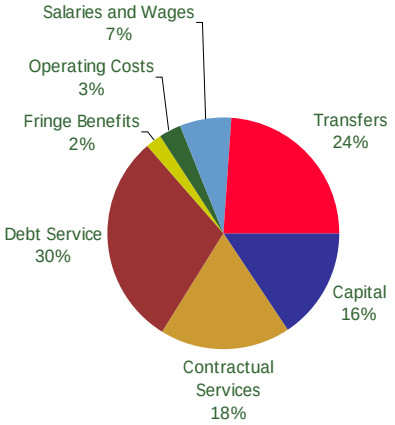
Expense by Fund



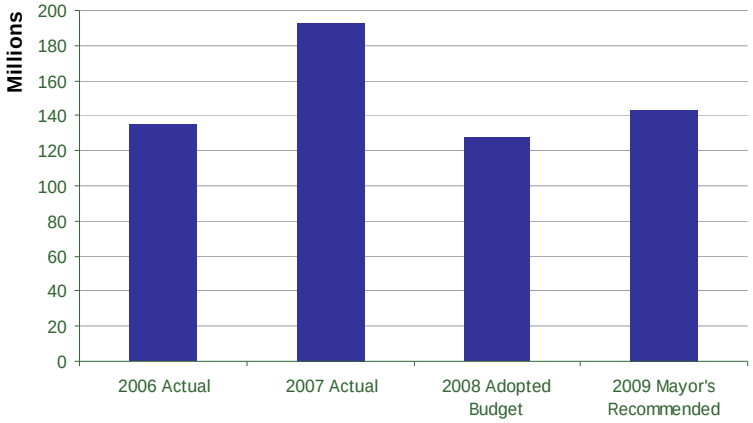
Expense 2006 - 2009



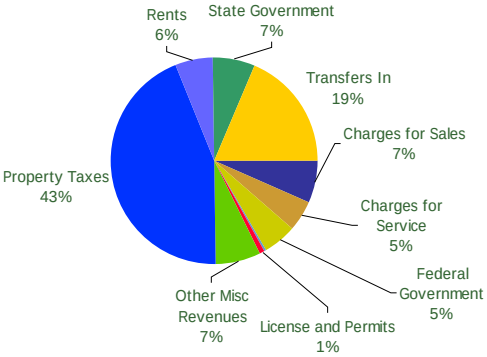
Expense by Category



Revenue 2006 - 2009



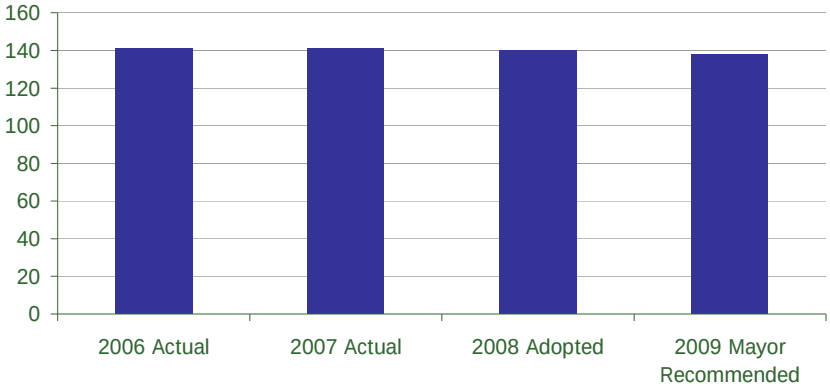
Direct Revenue by Type



CPED
Staffing Information

	2006 Actual	2007 Actual	2008 Adopted	2009 Mayor Recommended	% Change	Change
TOTAL	**141**	**141**	**140**	**138**	**-0.7%**	**(1)**

Positions 2006-2009



FIRE

MISSION

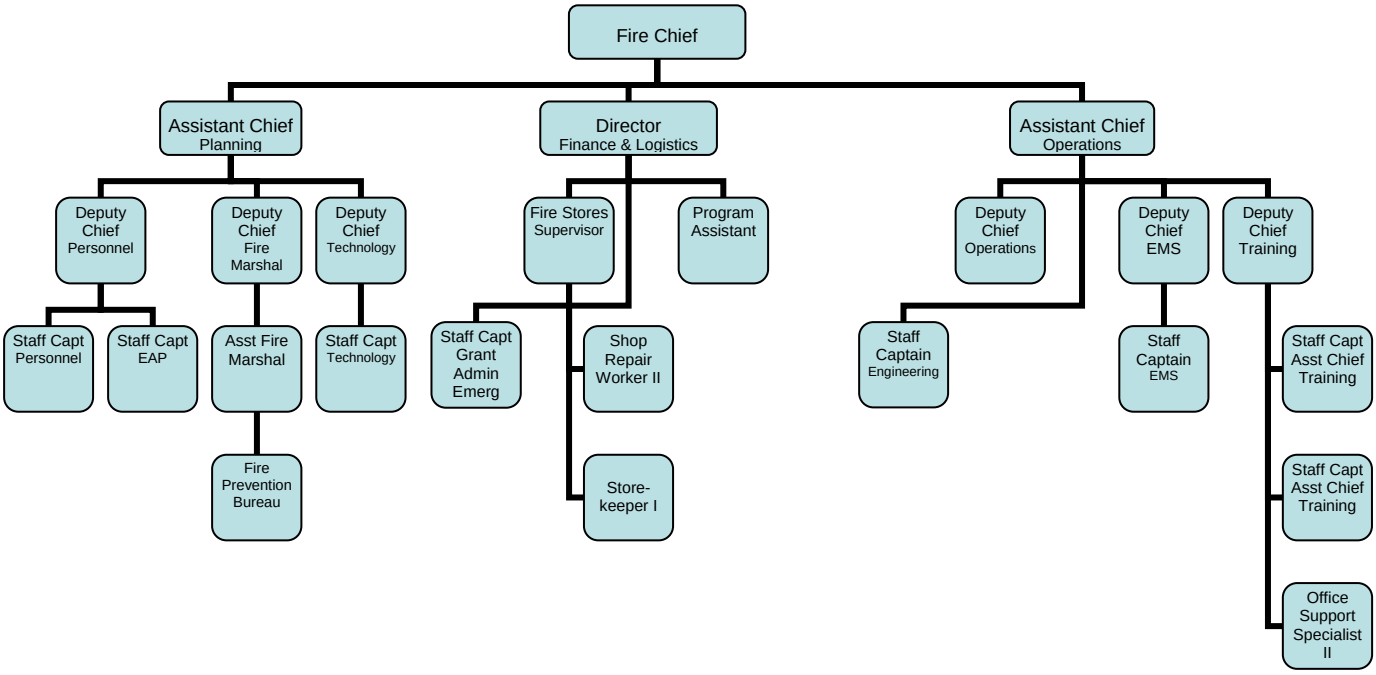
To provide professional emergency services that ensure the public safety of our community and the region we support.

BUSINESS LINES

- **Response Business Line**: Safely minimize the loss of life and property due to emergency events.
  - Emergency Medical Services (EMS) – providing emergency medical services
  - Fire Response – providing effective response to fires
  - Haz-Mat and Specialized Rescue – providing other emergency response services such as Haz-Mat and specialized rescue services

- **Prevention Business Line:** Anticipate, prepare for and prevent future emergency events.
  - Emergency Preparedness – preparing the City for major emergency events, including nuclear, biological and chemical weapons of mass destruction
  - Fire Inspections and Enforcement – providing fire prevention inspections and enforcing the Fire Code
  - Fire Education – providing fire/EMS education programs and safety information to the public

ORGANIZATION CHART



FIVE –YEAR DEPARTMENTAL GOALS AND OBJECTIVES

City Goal	Department Goal	Objectives
A safe place to call home: C. Lifecycle housing **One Minneapolis:** C. Equitable City services	Provide effective customer service	Meet the standard of cover.
		Increase customer satisfaction with the Fire Department
A safe place to call home: C. Lifecycle housing D. Make healthy choices	Reduce risk in the community	Reduce public illness, injury and death
		Deliver life safety information to the public
		Keep structures safe
One Minneapolis: C. Equitable City services **Lifelong learning:** E. Education: stronger partnerships	Strengthen the workforce	Recruit and retain a diverse workforce
		Improve employer employee relationships
		Capture revenue from sources outside the General Fund
One Minneapolis: C. Equitable City services	Provide good value to the taxpayers	Measure budget against benchmark cities

***RESULTS MINNEAPOLIS* MEASURES, DATA AND TARGETS TABLE**

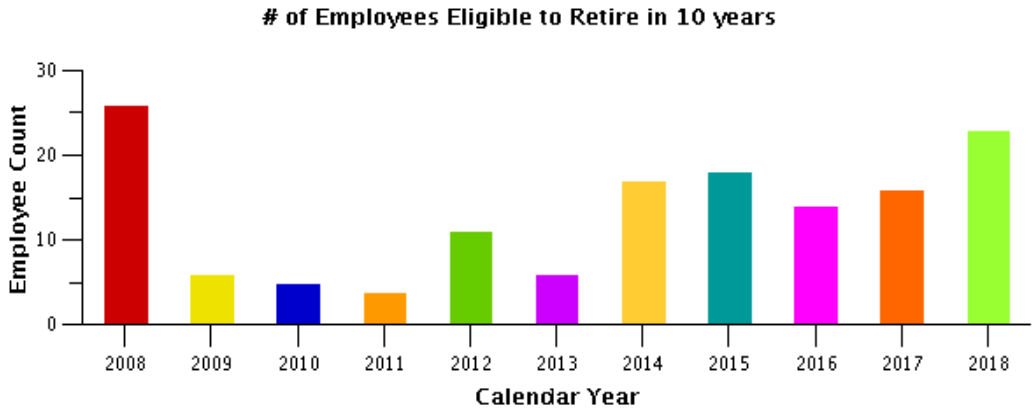
Measure Name	2004 Data	2005 Data	2006 Data	2007 Data	2008 Target	2011 Target
Percent of time that response to emergency events is five minutes or less	88.1%	85.8%	84.8%	83.2%	86.0%	90%
Percent of time 14 firefighters are on the scene at structure fires in eight minutes or less	90.5%	91%	85%	88%	90%	90%
Number of lives lost due to fire	6	5	2	2	1	0
Number of civilian injuries due to fire	37	31	29	21	24	20
Number of firefighter injuries	244	259	234	267	200	200
Total number of fires	2068	1775	1808	1859	1700	1500

What key trends and challenges does the department face and how will each be addressed?

- **Staffing Levels.** Adequate staffing levels continue to be the most significant challenge for the Fire department. To assist with staffing levels, a cadet class of 23 graduated in May

2008. The addition of the 23 new firefighters temporarily brought total staffing levels above the authorized levels. The addition of the firefighters will help the department attempt to meet National Fire Protection Association (NFPA) standard 1710 and will provide timely coverage during the busy summer months. Long term, the new firefighters will help address the expected attrition rates.

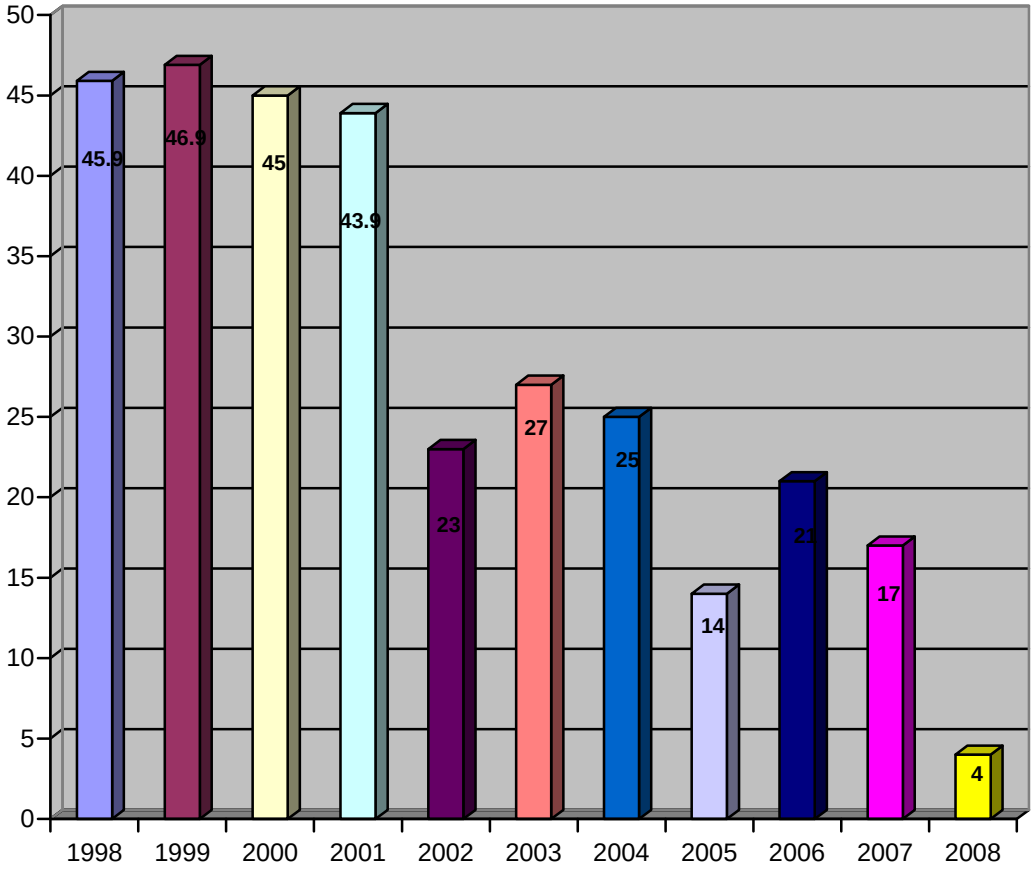
Traditionally, the department has experienced approximately 28 separations per year. However, over the next decade, a projected 147 employees will be eligible for retirement - peaking at 26 in 2008 and declining for several years until the year 2018, when it climbs to 23. To counter balance this potential loss of employees, future cadet classes will have to be considered. The stability of the budget will play a key role in determining the feasibility of new hires.



- **Departmental Attrition**. Over the last ten years, the Fire department has averaged 28 employment separations per year. The department continuously operates within a few positions above or below authorized staffing level depending on the timing of retirements and resignations throughout the year. For 2008, the retirements were significantly lower than expected. In 2008, 27 employees were eligible for retirement. As of June 1, only four employees had separated from service.

  The department believes the recent negotiations over the possible merger of the Minneapolis Fire Relief Association into PERA Police and Fire has caused several retirees to delay their decision on retirement, awaiting an outcome on possible benefit increases. This development has resulted in the department operating above authorized levels. The goal of the department is to always keep the maximum number of firefighters available for emergency response within the limits of our approved expense budget, but the decrease in separations has caused staffing to plateau.

Minneapolis Fire Department Attrition Rates



As previously mentioned, a stable budget forecast allowed the department to hire a cadet class in January of 2008. Ideally, the department would have also hired a class of 15 in January of 2007, providing close to 40 new firefighters. Because the 2007 class was deferred, the department's staffing plan needs to be re-examined and a determination made as to whether a cadet class for 2009 is feasible and affordable. Again, the decrease in the number of employees retiring has caused staffing levels to rise above authorized levels. Considerable staff turnover looms on the horizon. The department faces a balancing act between having cadets available to restore staff levels should the retirement rates again climb.

- **Personal Protective Equipment.** The condition of personal protective gear (turnout gear) has severely deteriorated over the last five years. Of approximately 500 sets of turnouts, 129 are over 15 years old and 200 sets are between 6-10 years old. Many of these turnouts have been repaired more than once and are showing wear anticipated in a department that responds to over 30,000 calls per year. The current cadre of turnout gear fails to meet several mandated National Fire Protection Association standards: lack of a safety drag rescue device, to assist in rescuing a downed firefighter; the older turnout gear does not meet the level of thermal protection required; and, many sets exceed the 10-year life span recommendation. Each of these is a safety concern in itself, but combined pose an even greater risk for the safety of firefighters.

New turnout gear would also increase the efficiency of operation. The new turnouts are lighter and much easier to work in, meaning firefighters will be able to better perform their duties on the fire ground. The new turnouts will lead to less fatigue which has the potential to increase fire ground efficiency as well. Another efficiency of operation created by the purchase of new turnouts is some of the less worn, older gear could be used to create a replacement pool of turnouts. These turnouts would be loaned out when a set needs repair or maintenance. This would assure regular maintenance of the new turnouts prolonging their usefulness.

The department has taken several measures to gradually improve the condition of turnout gear, but most have been stop-gap measures that only address a small portion of the gear. The department has been applying private donations to the purchase of new gear, but again, this only allows for the infusion of a small number of sets. To generate a larger and much more immediate impact, the department has applied for a 2008 FEMA Assistance to Firefighters Grant to purchase 329 sets of turnout gear and bring the entire stock up-to-date and in compliance.

- **Apparatus Replacement.** Over the past three years, the department has fallen behind on its apparatus replacement schedule. There was either no budget accommodation provided, or the apparatus scheduled for delivery was delayed in an effort to address budget concerns. As a result, in the beginning of 2008 the department had four engines that were seven years past their life span; five engines that were four years past their life span, which included two primary front line apparatus. In addition to the engines, one aerial device (ladder truck) is three years past its average life span. Delayed apparatus replacement has resulted in an aging fleet out of service for repairs. Consequently an upward trend in vehicle repair and parts costs has occurred. In an effort to put the department's apparatus replacement schedule back onto a 13-year replacement schedule, the department has scheduled the delivery of three new engines in 2008.

- **Response Times.** With the current combination of projected staffing levels and apparatus deployment, the department is not able to meet response time requirement to arrive at the scene of 90% of emergency calls for service within 5 minutes or less. For 2007, response performance citywide was 83.2%, with outstanding performance in the core of the city making up for areas of the city performing much worse than adopted response standards.

  Last year, the department revisited the entire Citywide response and deployment plan with the goal of identifying opportunities to increase emergency response performance within current personnel and equipment resources. **Using *Results Minneapolis* data, the department identified an issue of response depth around Station 21 in South Minneapolis.** Response performance in this area of the city ranged from 40-70%. This area had also seen a 20% increase in call volume since 2003. Also the area experienced to response delays caused by light rail train traffic. In January of 2008, the department implemented a new coverage plan with the assignment of a new truck at Station 21. Preliminary data indicates these changes have resulted in marked improvements in response times.

- **Training Facility/Emergency Operations Center (EOC).** Another key challenge for the Fire department will be costs associated with the new training facility/emergency operations center. While the new facility will primarily be used on a day-to-day basis by the Fire department, a majority of the operational costs are driven by the technology needs of the

EOC. Federal grant dollars will be used to purchase and implement the technology, but there is no cost-sharing plan to address ongoing operational costs for technology.

- **Internal Service Charges.** The department's increasing internal service charges continue to be of concern. The growing fuel costs, anticipated to be 30% higher in 2009, will cause major budget implications. As the annual fuel expenditure rises to over $500,000, reallocation within other budget areas will have to be made.

  The department has taken steps to implement fuel efficient vehicles by voluntarily converting all staff vehicles to E-85 beginning in 2004. The department is noted for having the highest percentage of E-85 utilization among city vehicles of that type. The department is also deploying hybrids into the vehicle replacement schedule and Fire was the first department to move toward apparatus powered by bio-diesel fuel.

- **Equipment Replacement Costs.** The City has been the beneficiary of millions of dollars worth of grant-funded equipment over the past five years. As all of this equipment reaches the end of its useful life, it will need to be replaced. None of the grants included maintenance or replacement funding. This issue will have to be addressed in the next five to ten years.

New Initiatives

- **Commercial Buildings.** The Fire department is working with Regulatory Services to explore options regarding the efficiencies of inspections divisions and the utilization of common tools for code compliance. One new area currently under discussion is the issuance of permits for commercial buildings. While Regulatory Services has the authority to permit a commercial building, the Fire department has the authority for inspection and enforcement of the fire codes. The implementation of a commercial permit or registration program would generate sufficient revenue that would be designated for the hiring of additional positions to create a cost recovery program that promotes safety throughout the city.

- **Video Conferencing.** The department has an opportunity to utilize the upcoming technology from the new Training Facility/EOC for video conferencing. Equipping all 19 fire stations with this upgrade would allow for on-site training and eliminate the need to travel away from stations, increasing response times.

- **Gas Line Damage.** Under state law, fire departments have the authority to charge for gas line hits in an attempt to recover costs associated with responding to these incidents. Minneapolis Fire has not executed this authority, but would like to investigate the cost efficiencies of initiating a plan to charge for services rendered.

- **Update of Fees.** Upon review of the fee increase mentioned above, the fire prevention services division identified several other fees and inspection opportunities that need to be re-examined and updated. For instance, our current fee for a hazardous materials permit has not been updated since it was enacted in 2001. The permit fees for 2007 generated $157,000 which covers the cost of one hazardous materials coordinator. An increase in the fee would allow the department to pursue an additional FTE to assist with permitting additional businesses and provide for much needed follow-up on non-compliant permit holders. The inclusion of consumer price indexing.

The Fire Marshall is requesting an increase to the fees charged for fire safety systems plan review and inspections of new systems. The increased fees would cover the cost of an additional fire prevention plan reviewer – one new FTE. The additional plan reviewer will reduce the turn around time for reviewing plans to two weeks from the current six week average. The fire sprinkler industry is in support of this initiative.

FINANCIAL ANALYSIS

EXPENDITURE

The Fire Department's 2009 expense budget for all funds of $53.1 million represents a 4.5% increase over the 2008 adopted budget. Personnel expenses make up $44.1 million or 83% of the total budget. Salaries are 60% and benefits are 23%.

Non-personnel expenses make up $9.0 million or 17% of the total budget. Contractual services are 11% and operating costs are 4%. There is a small expense budget for capital purchase but immaterial compared to the others mentioned.

In 2008, the Fire Department requested and council approved change to ordinance related to increasing the fees for fire safety systems plan review and inspections of new systems. The new fee is effective January 1, 2009. The change adds an additional fire prevention plan reviewer – 1.00 new FTE. The increased fees cover the cost of the new FTE.

REVENUE

The Department anticipates $3.9 million in revenue compared to $4.4 million in 2008. The decrease is due to fewer licenses and permits, specifically the decline in rental housing licenses, plan examination fees, and fire suppression system permits. Federal Government revenue dramatically reduced to $60,000. The Fire Department is no longer the fiscal recipient of state homeland security grants. The Department also receives $1.9 million state government funds accounted for in the general fund that is allocated to offset most of the pension costs for active firefighters since 1980.

FUND ALLOCATION

The Fire Department expense budget of $53 million or 99.9% of total budget is funded through the general fund. The other $70,000 or 0.1% is funded through the special revenue funds, primarily federal government, state and other local grants and donations.

MAYOR'S RECOMMENDED BUDGET

The Mayor recommends an addition of $300,000 for turnout gear on a one-time basis. The recommended reduction of $280,000 in 2009 to reflect the five-year financial direction, resulting in a total of $600,000 in one-time resources in 2009.

The Mayor recommends that the Fire and Regulatory Services departments report to the Ways and Means/Budget Committee no later than October 6, 2008 that includes the following:

- Centralized oversight of inspection activities within Regulatory Services, and
- The feasibility of expanding City inspections to commercial properties performed by the Fire Department, including a fee structure that would fully recover the cost of these activities.

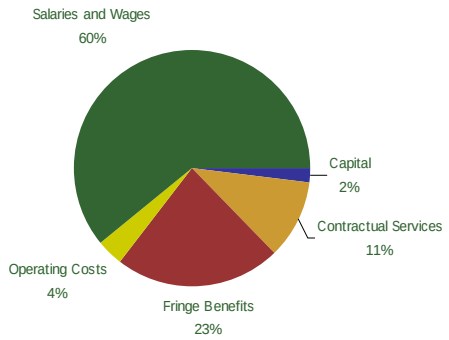
Standard operating procedures should be developed by Regulatory Services for all types of inspections.

FIRE
EXPENSE AND REVENUE INFORMATION

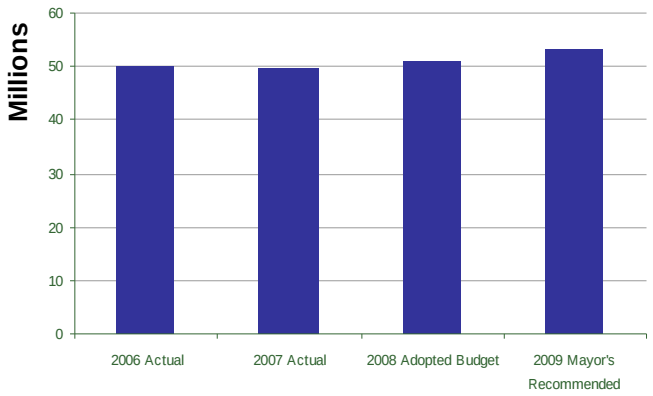
EXPENSE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Mayor's Recommended	Percent Change	Change
GENERAL						
Salaries and Wages	29,070,604	29,398,898	31,232,909	32,257,254	3.3%	1,024,345
Fringe Benefits	9,235,797	10,118,653	10,948,562	12,083,756	10.4%	1,135,194
Contractual Services	6,506,339	6,262,058	5,766,474	5,617,375	-2.6%	(149,099)
Operating Costs	2,799,791	2,533,047	2,258,130	2,037,143	-9.8%	(220,987)
Capital	50,490	158,640	142,458	1,046,447	634.6%	903,989
TOTAL GENERAL	**47,663,021**	**48,471,296**	**50,348,533**	**53,041,975**	**5.3%**	**2,693,442**
SPECIAL REVENUE						
Salaries and Wages	65,419	285,993	0	0	0.0%	0
Fringe Benefits	0	18,110	0	0	0.0%	0
Contractual Services	1,331,038	174,180	255,493	67,000	-73.8%	(188,493)
Operating Costs	635,441	511,620	200,000	0	-100.0%	(200,000)
Capital	376,038	268,680	15,029	3,000	-80.0%	(12,029)
TOTAL SPECIAL REVENUE	**2,407,936**	**1,258,583**	**470,522**	**70,000**	**-85.1%**	**(400,522)**
TOTAL EXPENSE	**50,070,957**	**49,729,879**	**50,819,055**	**53,111,975**	**4.5%**	**2,292,920**

REVENUE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Mayor's Recommended	Percent Change	Change
GENERAL						
License and Permits	1,514,585	1,425,528	1,521,100	1,469,062	-3.4%	(52,038)
State Government	2,014,000	1,822,357	2,000,000	1,863,000	-6.9%	(137,000)
Charges for Service	206,802	166,531	174,600	174,600	0.0%	0
Charges for Sales	1,257	436	370	400	8.1%	30
Other Misc Revenues	308,813	299,904	280,000	290,000	3.6%	10,000
TOTAL GENERAL	**4,045,458**	**3,714,755**	**3,976,070**	**3,797,062**	**-4.5%**	**(179,008)**
SPECIAL REVENUE						
Federal Government	5,358,970	2,716,019	450,508	60,000	-86.7%	(390,508)
State Government	38,493	81,339	0	0	0.0%	0
Local Government	5,451	0	0	0	0.0%	0
Contributions	3,912	17,163	20,014	10,000	-50.0%	(10,014)
TOTAL SPECIAL REVENUE	**5,406,827**	**2,814,520**	**470,522**	**70,000**	**-85.1%**	**(400,522)**
TOTAL REVENUE	**9,452,285**	**6,529,276**	**4,446,592**	**3,867,062**	**-13.0%**	**(579,530)**

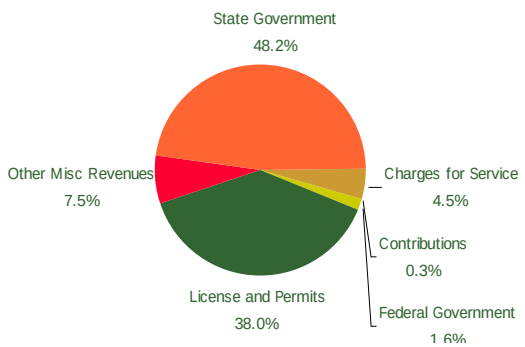
Expense by Category



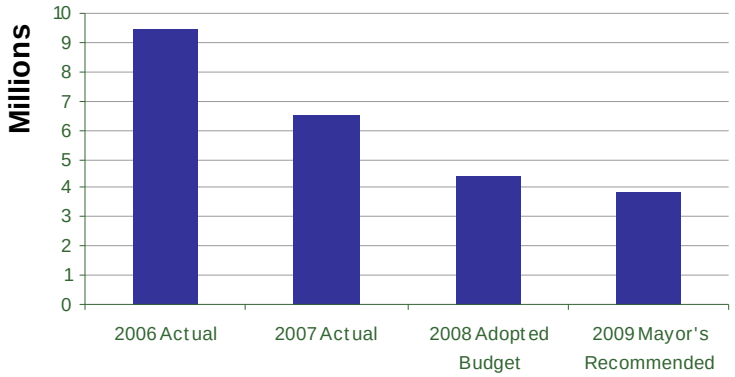
Expense 2006 - 2009



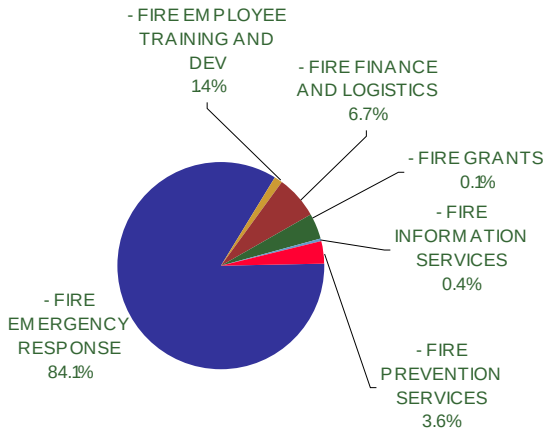
Direct Revenue by Type,



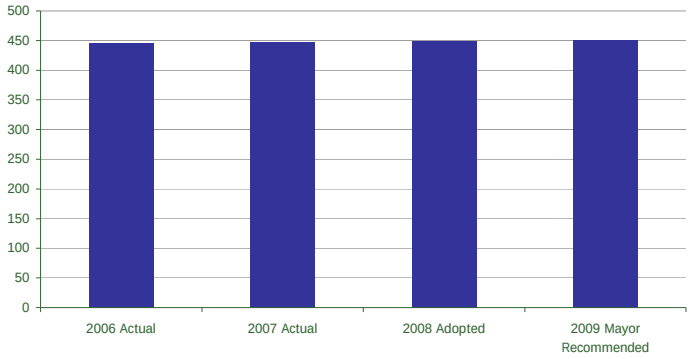
Revenue 2006 - 2009



Expense by Division



Positions 2006-2009



FIRE
Staffing Information

	2006 Actual	2007 Actual	2008 Adopted	2009 Mayor Recommended	% Change	Change
FIRE EMERGENCY RESPONSE	405.0	403.0	405.0	410.0	0.0	5.0
FIRE EMPLOYEE TRAINING AND DEV	0.0	0.0	0.0	6.0		6.0
FIRE FINANCE AND LOGISTICS	0.0	0.0	0.0	5.0		5.0
FIRE HEADQUARTERS	21.0	22.0	22.0	9.0	-0.6	-13.0
FIRE INFORMATION SERVICES	0.0	0.0	0.0	2.0		2.0
FIRE PREVENTION SERVICES	19.0	22.0	22.0	18.0	-0.2	-4.0
TOTAL	**445.0**	**447.0**	**449.0**	**450.0**	**0.0**	**1.0**

HEALTH AND FAMILY SUPPORT

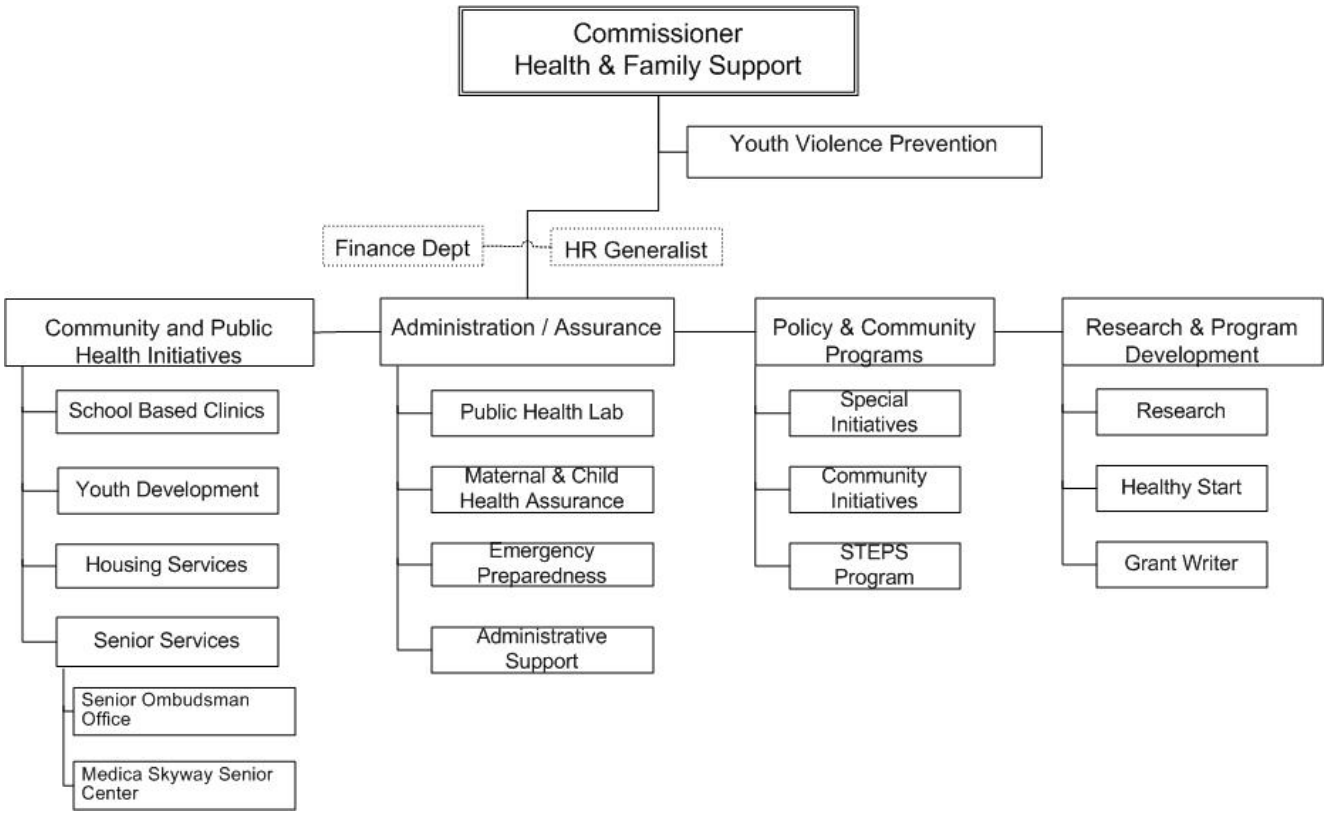
MISSION

To provide leadership in meeting the unique needs of our urban population and eliminating disparities by engaging partners in promoting individual and community health.

BUSINESS LINES

- Promote health: healthy residents, communities, and environments.
- Address factors affecting health: social conditions and physical environment.
- Protect the Public's health: disease prevention and control and emergency preparedness.

ORGANIZATION CHART



FIVE –YEAR DEPARTMENTAL GOALS, OBJECTIVES

City Goals & Strategies	Department Goal	Objective
One Minneapolis: A. Close race & class gaps **Lifelong learning:** A. Kids ready-to-read by kindergarten	Improve infant & child health	• Improved care coordination for pregnant women and young families to decrease infant mortality • Increased proportion of children between the ages of 3 and 5 who have received preschool screening by age 3 • Decreased exposure of children to lead.
A safe place to call home: E. Youth: valued, challenged & engaged	Youth development and violence prevention	• Community agreement on priority investment in youth violence prevention • Engagement of disaffiliated youth in productive activities • Increased state and national funding for youth development
One Minneapolis: A. Close race & class gaps	Improve teen & young adult sexual health	• Decreased rate of sexually-transmitted diseases (STDs) among adolescents and young adults • Increased access to health services and contraception for adolescents • Increased healthy parenting of adolescents
A safe place to call home: D. Make healthy choices **Connected communities:** B. Walkable, bikable, swimmable!	Increase exercise & healthy nutrition	• Implementation and maintenance of community strategies to increase physical activity • Increased community awareness and institutionalization of healthy diets and behaviors and increase access to healthy foods
One Minneapolis: A. Close race & class gaps	Assure maintenance of healthcare safety net for underserved populations	• Maintenance of community clinics and public heath nursing to provide services for the uninsured • Increased support for service providers who address unmet needs of underserved and/or new populations
A safe place to call home: A. Close race & class gaps **One Minneapolis:** C. Equitable City services	Assure preparedness for public health emergencies – today and into the future	• Formalized relationships with community partners to address vulnerable population needs • Formalized regional relationships to streamline coordination and planning • An updated plan • A strong network of community agencies with developed and developed plans

***RESULTS MINNEAPOLIS* MEASURES, DATA AND TARGETS TABLE**

Measure Name	2004 Data	2005 Data	2006 Data	2007 Data	2008 Target	2009 Target	2011 Target
Teen pregnancy rate defined as number of teen pregnancies per 1000 population aged 15-17 years.	49.9	45.1	53.3.	NA	48.0	47.0	46.0 by 2010[2]
STI rate defined as Gonorrhea rate per 100,000 people	264	313.9	312.6	NA	225	180	161 by 2010[3]
Percentage of population at healthy weight as defined by Body Mass Index among adults age 18 years and older	46.8% (2002 data)	46.8% (2002 data)	48.6% (2006)	NA	50.0%	51.0%	52.1% by 2010[4]

Measure Name	2004 Data	2005 Data	2006 Data	2007 Data	2008 Target	2009 Target	2011 Target
Infant mortality defined as number of deaths in the first year of life per 1000 live births[1]	6.2 (2002-2004)	6.0 (2003-2005)	6.5 (2004-2006)	NA	5.5	5.0	4.54[5]
For whites (non-Hispanic)	3.4	3.7	4.5	NA	3.8	3.6	3.4
For Blacks (non-Hispanic)	9.8	10.1	10.0	NA	9.0	7.5	5.4
For American Indians	9.2	13.2	12.9	NA	10.0	7.2	5.4
For Asian/Pacific Islanders	2.9	2.3	3.0	NA	3.0	3.0	5.4
For Hispanics	7.5	5.2	5.6	NA	5.6	5.5	5.4
Number of 3-year-olds screened by Minneapolis Public Schools	601	647	740	835	900	950	1,000
Percentage of children 9-36 months old screened for lead poisoning	66%	64.8%	68.9%	NA	90%	95%	100% by 2010[6]
Number of children 0-5 screening positive	384	374	351	NA	265	180	150
Number of homicide deaths among individuals aged 15-24 years	21	13	19	NA	16	12	10

KEY TRENDS AND CHALLENGES

The department is completing the Community Health Assessment and Action Five -Year Plan, a planning process required by the Minnesota Department of Health every 5 years. The plan will leave in place current department priorities as reflected in the City 5 year goals. Additional efforts in the areas of teen pregnancy prevention, health literacy and youth violence are included in the plan. The Public Health Advisory Committee has encouraged the department to pay special attention to the influence of chemical use and mental health in relation to violence prevention and teen pregnancy.

The department receives funding from a number of sources. During the 2008 Minnesota Legislative Session, the Local Public Health fund was cut by 1.8%. This cut began in July 2008 and means $26,700 less funding in 2008 and $53,400 less in 2009. A new fund was also created by the Legislature in 2008 to support efforts to address obesity and tobacco use. A competitive process will be used to disperse the funds beginning in July 2009. DHFS will apply for these funds.

Federal funding decisions will also be affecting the department adversely. Funding for Pandemic Influenza planning will end in August of 2008. One Emergency Preparedness position will be eliminated as a result. No state or local funds come to the department to specifically support Emergency Preparedness. As the Federal Government continues to whittle its appropriation, this will affect the department's ongoing ability to maintain a level of preparedness to respond to public health and other emergencies.

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[1] Infant mortality is reported as 3-year average rates because of low incidence. [2] (Source: Healthy People 2010), [3](Source: Minneapolis Sustainability Indicators), [4] (City of Minneapolis Sustainability Indicators), [5](Source: Healthy People 2010), [6] (Source: MDH Guidelines & City of Minneapolis Sustainability Indicators)

Several major competitive grants are expected to end in 2009: Steps, Seen on da Streets and Healthy Start. Efforts are underway to apply for grants in related areas so that intensive activities to address obesity, STIs and infant mortality can continue.

Core Department staff is finding it increasingly difficult to respond to even basic requests because their time is committed to grant funded activities. The ability of the department to respond in a timely way to emerging needs and priorities is compromised.

The public health laboratory, which has historically had a business model that allowed it to recoup up to 90% of its funding through the revenue it generates, is experiencing financial challenges. This is partially due to a decrease in the number of refugees coming to the community who need laboratory screening tests. Another contributing factor is the change in business model of Regulatory Services which has resulted in fewer food sample tests. If this trend continues additional cost cutting efforts will be initiated including eliminating a staff position as early as fall of 2008.

The *Blueprint for Action: Preventing Youth Violence* was completed in January 2008. A coordinator was hired in April. The department is in the process of writing several grant proposals to implement *Blueprint* recommendations. Beyond these grants which address specific issues like gang violence, mentoring and healthy relationships, there is a need for increased and ongoing support for youth development activities targeted at youth who are disconnected and/or exhibiting high risk behavior.

City support for mentoring and outreach would help jumpstart these efforts and would provide the foundational underpinnings for grant funded efforts. A number of mentoring organizations have been mobilized to focus on serving young people living in the neighborhoods targeted in the *Blueprint for Action*. Additional resources are needed to recruit and train new mentors. The department proposed $300,000 to assist mentoring recruitment, training and support in the four target neighborhoods.

A portion of Empowerment Zone funds ($50,000) will be used in 2008 to pilot the door-to-door outreach strategy recommended in the *Blueprint for Action* in one targeted neighborhood. Additional resources will be needed to implement this strategy in each of the four remaining target neighborhoods. The department requested $200,000 to implement door-to door outreach in remaining target communities in 2009 ($50,000 for each of 4 communities). The Mayor does not recommend this funding.

In order to fully realize the impact of the recommendations of the *Blueprint for Action,: preventing youth violence* the department proposed and the Mayor recommends funding for **a second year for Coordinator** to coordinate implementation of the plan and to actively pursue outside funding to support both community-based and government sponsored efforts.

FINANCIAL ANALYSIS

EXPENDITURE

For 2009 the department's total budget is approximately $13.3 million, a 2.7% decrease from the 2008 adopted budget. Based on the State requirements, the City needs to maintain a minimum of $2.2 million as local match to qualify for the available local public health grants. One position in the lab will be eliminated to align expenses with anticipated revenue.

REVENUE

There is an overall 4.3 % revenue decrease. In 2009, the largest revenue source, federal grant fund availability, decreases by $218,000 or 5.2% from the 2008 level, primarily due to decreases in federal grants. The second largest revenue source, charges for laboratory services, decreases by $125,000 or 18.3% over the prior year. Because of this decrease the Lab will also decrease its expenses by eliminating one position.

FUND ALLOCATION

The department's expense budget for the year 2009 is derived from the general fund (30%), federal grants (30%), CDBG (14%), and state and other local grants (26%).

MAYOR'S RECOMMENDED BUDGET

In 2009 the Mayor recommends that the department receive $100,000 in one-time funding to assist domestic violence efforts, $75,000 in one time funding for youth violence prevention activities and recommends the department internally fund identified related administrative needs, and $150,000 in one time funding for the Youth are Here buses ($100,000 from the general fund and $50,000 from CDBG). The Mayor also recommends moving the housing advocacy program to CPED from Health and Family Support. The Mayor does not recommend any additional reductions for this department.

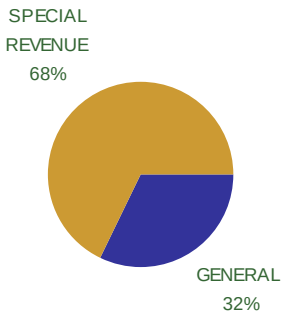
HEALTH AND FAMILY SUPPORT

EXPENSE AND REVENUE INFORMATION

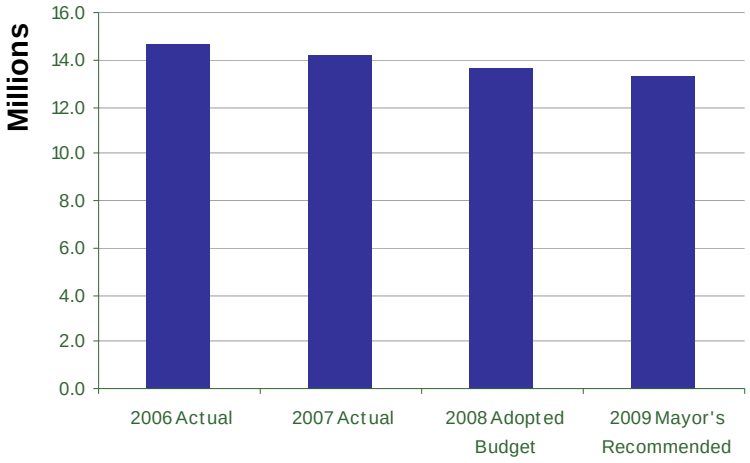
EXPENSE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Mayor's Recommended	Percent Change	Change
GENERAL						
Salaries and Wages	956,856	978,703	911,337	1,014,183	11.3%	102,846
Fringe Benefits	279,490	308,655	318,245	361,865	13.7%	43,620
Contractual Services	2,297,923	2,543,567	2,529,674	2,574,510	1.8%	44,836
Operating Costs	159,024	242,768	321,744	331,783	3.1%	10,039
TOTAL GENERAL	**3,693,293**	**4,073,693**	**4,081,000**	**4,282,342**	**4.9%**	**201,342**
SPECIAL REVENUE						
Salaries and Wages	2,543,314	2,665,580	3,242,149	3,110,004	-4.1%	(132,145)
Fringe Benefits	755,480	789,240	1,013,713	1,092,551	7.8%	78,838
Contractual Services	7,244,052	6,334,014	5,197,548	4,712,155	-9.3%	(485,393)
Operating Costs	377,296	356,690	105,170	80,796	-23.2%	(24,374)
TOTAL SPECIAL REVENUE	**10,920,142**	**10,145,524**	**9,558,580**	**8,995,506**	**-5.9%**	**(563,074)**
TOTAL EXPENSE	**14,613,435**	**14,219,217**	**13,639,580**	**13,277,848**	**-2.7%**	**(361,732)**

REVENUE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Mayor's Recommended	Percent Change	Change
GENERAL						
Charges for Service	711,305	658,790	680,000	555,300	-18.3%	(124,700)
Contributions	1,160	700	0	0	0.0%	0
TOTAL GENERAL	**712,465**	**659,490**	**680,000**	**555,300**	**-18.3%**	**(124,700)**
SPECIAL REVENUE						
Sales and Other Taxes	11,000	46,916	50,000	26,000	-48.0%	(24,000)
Federal Government	4,557,391	4,214,030	4,211,382	3,993,759	-5.2%	(217,623)
State Government	3,411,957	3,584,895	2,969,503	2,912,344	-1.9%	(57,159)
Local Government	519,931	389,651	120,000	147,000	22.5%	27,000
Charges for Service	188,540	264,179	240,000	245,000	2.1%	5,000
Contributions	213,657	232,999	125,000	160,000	28.0%	35,000
Other Misc Revenues	8,269	203,575	8,000	5,000	-37.5%	(3,000)
TOTAL SPECIAL REVENUE	**8,910,745**	**8,936,244**	**7,723,885**	**7,489,103**	**-3.0%**	**(234,782)**
TOTAL REVENUE	**9,623,210**	**9,595,735**	**8,403,885**	**8,044,403**	**-4.3%**	**(359,482)**

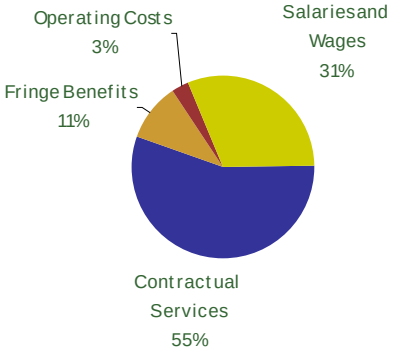
Expense by Fund



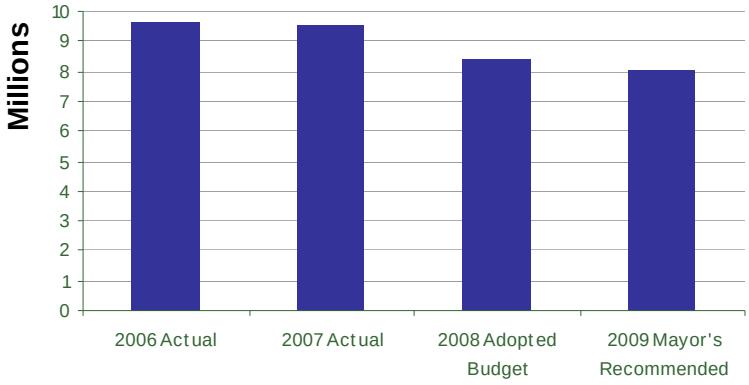
Expense 2006 - 2009



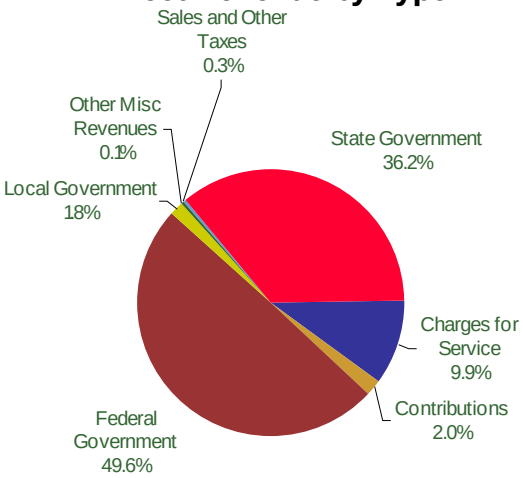
Expense by Category



Revenue 2006 - 2009



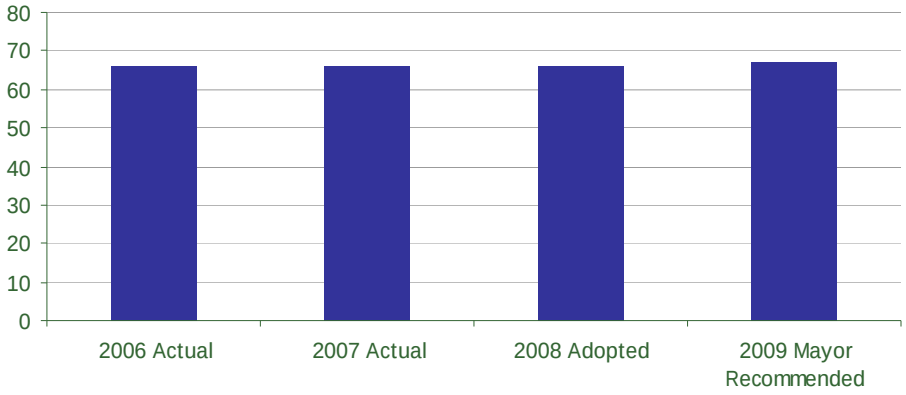
Direct Revenue by Type



Health and Family Support
Staffing Information

	2006 Actual	2007 Actual	2008 Adopted	2009 Mayor Recommended	% Change	Change
COMMUNITY SERVICES	66.0	66.0	66.0	67.0	0.0	1.0
TOTAL	**66.0**	**66.0**	**66.0**	**67.0**	**0.0**	**1.0**

Positions 2006-2009



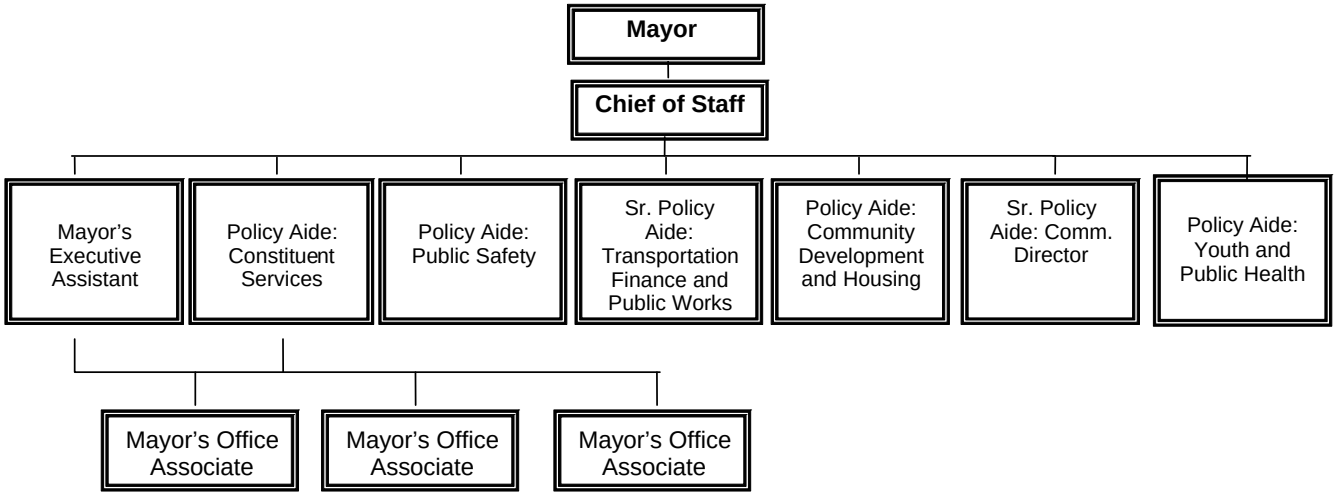
MAYOR

MISSION

Dedicated to making Minneapolis a vibrant, safe city that offers opportunity for all.

BUSINESS LINES

- **Policy Development**
  - Lead and support policy development that reflects the City's five-year goals.
  - Partner with the City Council to develop and lead the strategic direction for the City.
  - Develop responsible fiscal policies and an annual budget that reflects City's five-year goals.
  - Support the work of the City to provide better, more coordinated and responsive services.
  - Ensure that the community is actively engaged as an active partner in City work.
- **Policy & Program Promotion**
  - Champion the innovations and successes of Minneapolis as a premier destination, a growing economic and cultural leader.
  - Promote education excellence as the lynchpin to a successful city.
- **Policy & Program Implementation**
  - Nominate and support strong City department heads.
  - Oversee the performance and accountability of the Police and Civil Rights departments.
  - Through Results Minneapolis as well as department head evaluations, ensure that the City enterprise is accountable for results.



FINANCIAL ANALYSIS

EXPENDITURE

The Mayor's 2009 budget of $1.4 million will increase 3.2% over the 2008 adopted budget. The expenditures are in line with the five-year financial direction.

REVENUE

The Mayor's office does not generate revenue.

FUND ALLOCATION
One hundred percent of the Mayor's budget is funded from the General Fund.

MAYOR'S RECOMMENDED BUDGET
The Mayor recommends a reduction to growth of $10,000 to meet the financial direction.

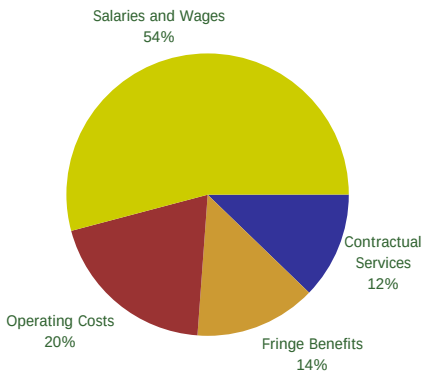
MAYOR

EXPENSE AND REVENUE INFORMATION

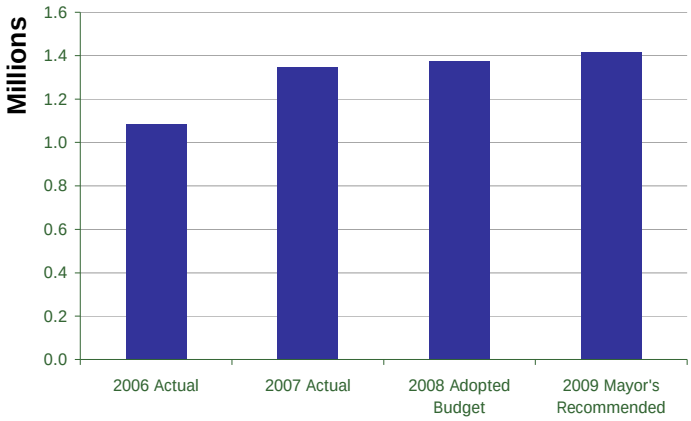
EXPENSE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Mayor's Recommended	Percent Change	Change
GENERAL						
Salaries and Wages	644,736	708,225	749,731	768,877	2.6%	19,146
Fringe Benefits	172,775	160,349	207,125	197,685	-4.6%	(9,440)
Contractual Services	158,926	159,988	185,023	174,238	-5.8%	(10,785)
Operating Costs	104,983	272,425	232,121	277,200	19.4%	45,079
TOTAL GENERAL	**1,081,420**	**1,300,987**	**1,374,000**	**1,418,000**	**3.2%**	**44,000**
SPECIAL REVENUE						
Salaries and Wages	2,948	39,288	0	0	0.0%	0
Fringe Benefits	226	6,074	0	0	0.0%	0
Contractual Services	0	1,100	0	0	0.0%	0
Operating Costs	0	310	0	0	0.0%	0
TOTAL SPECIAL REVENUE	**3,174**	**46,772**	**0**	**0**	**0.0%**	**0**
TOTAL EXPENSE	**1,084,594**	**1,347,759**	**1,374,000**	**1,418,000**	**3.2%**	**44,000**

REVENUE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Mayor's Recommended	Percent Change	Change
GENERAL						
Charges for Service	0	41	0	0	0.0%	0
Other Misc Revenues	0	100	0	0	0.0%	0
TOTAL GENERAL	**0**	**141**	**0**	**0**	**0.0%**	**0**
SPECIAL REVENUE						
Contributions	3,174	46,774	0	0	0.0%	0
TOTAL SPECIAL REVENUE	**3,174**	**46,774**	**0**	**0**	**0.0%**	**0**
TOTAL REVENUE	**3,174**	**46,914**	**0**	**0**	**0.0%**	**0**

Expense by Category



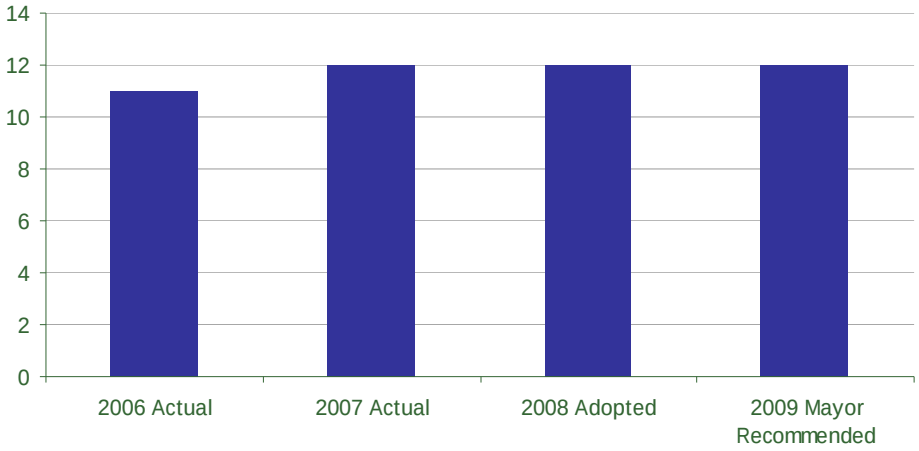
Expense 2006 - 2009



MAYOR
Staffing Information

	2006 Actual	2007 Actual	2008 Adopted	2009 Mayor Recommended	% Change	Change
MAYOR - ADMINISTRATION	11.0	12.0	12.0	12.0	0.0	0.0
TOTAL	**11.0**	**12.0**	**12.0**	**12.0**	**0.0**	**0.0**

Positions 2006-2009



POLICE

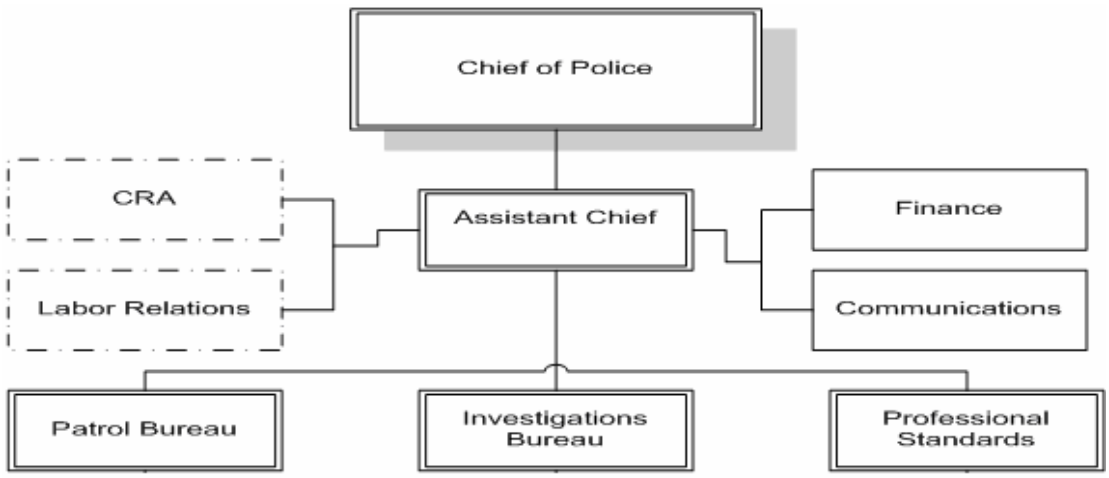
MISSION

To prevent crime and improve community satisfaction.

BUSINESS LINES

- **Patrol Bureau Business Line**
  - *Precincts* – Patrol (911 Responses, Directed Patrol), Investigations, Community Response Teams (CRT) SAFE/Crime Prevention Specialists
  - *Special Operations Division* – Strategic Operations Patrol, Traffic, SWAT, K9, Public Housing, Traffic Control Agents, Bomb/Arson, Police Reserves (volunteers), Homeland Security, Special Events and ISAC (Intelligence Sharing and Analysis Center)
  - *SAFE Central* – Crime Prevention Management, McGruff Houses, National Night Out, Graphics and support
- **Investigations Bureau Business Line**
  - *Criminal Investigations Bureau* - Homicide, Organized Crime, Juvenile, Juvenile Criminal Apprehension Team (JCAT), Robbery, Assault/VCAT, Sex Crimes, License and Forgery Fraud, Narcotics/Weapons, Family Violence (Domestic Assault, Child Abuse)
  - *Crime Lab* – Field Operations, Firearms/Toolmark, Forensic Garage, Photo Lab, MAFIN
  - *Support Services Division* – Criminal History, Records, Property and Evidence, Transcription
- **Professional Standards Bureau Business Line**
  - *Training* – Pre-Service, In-Service
  - *Internal Affairs*
  - *Mediation Compliance*
  - *Administrative Services Division* – Research/Policy, Business Technology and Support (Employee Assistance, Stores, Court Liaison)

ORGANIZATION CHART



FIVE-YEAR DEPARTMENT GOALS AND OBJECTIVES		
City Goals & Strategies	**Department Goal**	**Objective**
A safe place to call home: A. Guns, gangs, graffiti B. Crime reduction C. Lifecycle housing **One Minneapolis:** C. Equitable City services **Lifelong learning:** E. Education: stronger partnerships **Connected communities:** B. Walkable, bikable, swimmable **A premier destination:** B. Reposition & grow businesses C. Cleaner, greener, safer downtown E. Leverage our entertainment edge	Prevent and reduce all crime	Prevent loitering and street crime in high crime or high density areas
		Serious and violent crime offenders will be arrested and charged
		Increase cooperative strategies between department, businesses and community
		Prevent juvenile crime and gang activity
A safe place to call home: A. Guns, gangs, graffiti gone B. Crime reduction C. Lifecycle housing **One Minneapolis:** C. Equitable City services **Lifelong learning:** B. Economic engine E. Education: stronger partnerships **Connected communities:** B. Walkable, bikable, swimmable C. Development services E. Streets & avenues	Increase community satisfaction	Manage expectations regarding deployment, response times and calls for service
		Increase community satisfaction
		Proceed with federal mediation agreement
		Continue coordination with Civilian Review Authority (CRA)
A safe place to call home: A. Guns, gangs, graffiti gone B. Crime reduction **One Minneapolis:** A. Close race & class gaps B. Middle class: keep it, grow it C. Equitable City services **Lifelong learning:** B. Economic engine C. Skills for all 21-year-olds **A premier destination:** A. Retain & grow businesses C. Cleaner, greener, safer downtown	Contribute to effective prosecutions	Increase case management
		Improve arrests and quality of reports
		Enhance chronic offender prosecutions
		Increase number of prosecutions for investigations
	Promote department culture that values employee satisfaction, professionalism, and professional growth	Increase employee satisfaction
		Maintain professionalism of the department
		Provide opportunities for professional growth

RESULTS MINNEAPOLIS MEASURES, DATA AND TARGETS TABLE						
Measure Name	**2005 Data**	**2006 Data**	**2007 Data**	**2008* Data**	**2009 Target**	**2012 Target**
Part I crimes	28,318	29,474	28,485	4,951	-5%	
Part II crimes	36,672	40,323	38,184	7,943		
Violent Crimes	5,571	6,483	5,660	1,044	-5%	
-Agg. Assault	2,471	2,870	2,579	453	-5%	
-Homicide	48	57	47	8	-5%	
-Rape	429	475	475	99	-5%	
-Robbery	2,623	3,081	2,559	480	-5%	
Juveniles involved in violent crime arrestees	294	282	293	54	-5%	
-Agg. Assault	99	116	116	21	-5%	
-Homicide	14	0	10	3	-5%	
-Rape	20	7	7	3	-10%	
-Robbery	161	159	160	40	-5%	
Juveniles involved in violent crime suspects	1,723	2,263	950	143	-50%	
Guns seized	1,032	1,458**	1,087	219	1,000	
Part I &II arrests	26,224	30,270	30,327	8,123	+5%	
-Adults	19,735	22,285	22,323	6,618		
-Juveniles	6,489	7,985	8,004	1,595		
Incidents closed by arrest/complaint	29,447	35,978	29,936	7,522		
Response time for priority one calls-citywide average	8.51	9.13	9.49	8.19	8.00	
Response time for priority two calls	25.16	26.12	25.15	21.16	25.00	
Response time for priority three calls	30.23	31.37	33.09	27.25	N/A	
Externally generated internal affairs complaints	127	154	23	11	+5%	
Curfew incidents	999	1,853	1,487	286	+5%	
Curfew arrests	1,790	3,534	1,903	294	+5%	

Source: Minneapolis Uniform Crime Reports (UCR).
**First Quarter 2008 results.*
***In 2006, the department participated in a gun turn-in program.*

What key trends and challenges does the department face and how will each be addressed?

The department recognizes that there may be challenges to providing outstanding police services to the City over the next 5 years. The challenges and responses include:

- **Maintain decreases in violent crime**
  The department has had success in the last two years focusing on violent and Part 1 crimes. The decrease in violent crimes is one of the best measures of the City's safety according to the FBI's Uniform Crime Reports (UCR). The majority of the MPD's resources are committed to the prevention and deterrence of crime.

- **Increased demand for police services**
  Increased calls for service – with the growing population, ease of access through cell phones and decreases in other agency programs, the MPD is called upon to respond to a growing number of service calls. With community cooperation and law enforcement technology, the MPD can assure that the population receives the level of police service expected.

  Homeland Security concerns – the collapse of 35 W bridge showed how important it is for department to plan cooperatively for such events. The primary duty of Homeland Security is infrastructure protection.

Expansion of the First Precinct - Since the First Precinct opened, it has had a 69% increase in staff with an anticipation of reaching 122 this summer. This increase has been done to accommodate the challenges of downtown as a neighborhood with a growing resident population and an entertainment center which will soon include a new ball park. This expansion will provide larger locker rooms to accommodate all staff offices for the Community Response Team (CRT), License Compliance Unit and a supervisor. The increased cost to the department will be $285,000 per year.

- **Managing perceptions of crime**
  Often the perception of crime is not reflective of the reality of an area's safety. After a single incident, the perception of any area as unsafe can increase disproportionately. Public information can help dispel the incorrect assumptions. For example, to provide people with the correct information about their safety, the First Precinct has worked with their partners and the department's Public Information Officers to tell the true story about crime downtown. The MPD will continue to publish actual crime statistics and information that will give the citizens a true picture. The Crime Prevention Specialists also conduct meetings and are available for questions and discussions on specific real and perceived problems.

- **Growing non-English speaking communities**
  The MPD is reaching out to non-English speaking communities through bi-lingual liaisons and providing law enforcement information translated into numerous languages. Internally, the department provides training to all officers in various language, customs and cultures. The department is continuing its commitment to hire a diverse work force so that the department reflects the variety of cultures of the people who live in the city.

- **Recruitment of diversified workforce**
  The MPD has increased its outreach to recruiting new hires. Currently, nineteen officers are on the Multicultural Recruitment Team. The department is continuing the Community Service Officer (CSO) program – where a new hire joins the department while completing their law enforcement education and skill requirements as part of the job. The CSO class of 2008 is 50% culturally diverse and 6.7% female. For the first quarter of 2008, 18.43% of the officers in the MPD were culturally diverse.

- **Meeting demands for technology**
  The MPD actively worked with the City's Business Information Systems department to develop a technology plan. Full funding for this plan, particularly for the components that need to be upgraded will remain an issue. Some essential pieces of equipment such as Mobile Data Computers (MDCs) can no longer handle the additional technology that needs to be added to them. If the MDCs were upgraded, they could integrate other technologies such as safety cameras and gun shot detection systems thus providing enhanced ability for officers to respond quickly in real time. Unfortunately, upgrading all the MDCs will be very costly. The department continues to look at best practices and outside funding for tools that will serve Minneapolis in the future.

  Strategic Information Center -The Strategic Information Center (SIC) will centralize the monitoring, routing, storage and retrieval of video images from the city wide safety cameras and gun shot detection systems. In addition it is anticipated that these images would also stream from cameras along the city's Mississippi River as part of the system funded by Port Security Grant. As the number of these surveillance devices (safety cameras and gun shot detections systems) increases, so does the challenge of effectively extracting useful information for rapid decision making and proactive police work.

The SIC would allow these devices to be monitored in one location so that real time situations could be dealt with rapidly. In addition, a central location provides more efficient capturing and storage of the data for easy retrieval. It is hoped such equipment and activities could be included in the Emergency Operations and Training Center (EOTC). If that were the case, the estimated cost for the SIC at this point would be $2 M with $500,000 of ongoing annual costs. The one-time costs are included in the CLIC proposal for the EOTC.

With the expansion of the First Precinct, the department has an opportunity to use some of this space for an SIC. This space would house the camera monitoring equipment and staff as well as the Intelligence Sharing and Analysis Center (ISAC). Placing these two functions in close proximity would mean that activity observed on cameras could very quickly be used by ISAC to provide proactive data to police precincts. This opportunity for literally up-to-the-minute information should not be missed. Retired officers could be hired to monitor the cameras. The average cost for a civilian in the department is calculated at $66,000 (base and fringe). If the department were to hire 10 people to work 24/7 this would total $660,000 per year in salaries.

Upgrades of the Mobile Data Computers - As mentioned previously, the department's current mobile data computers (MDC) replaced the Mobile Data Terminals (MDT) in 2003. The MDC provides near instant access to criminal histories, drivers license, vehicle records and information from other law enforcement agencies. These functions have reduced the costs associated with booking and otherwise manual procedures. With the addition of digital squad cameras, gun shot detection systems and safety cameras; the capability of the current MDCs to handle the technology has been exceeded. New MDCs would also provide more efficient use of the digital cameras that are planned for each squad car. Because the department are replacing technology rather than purchasing new, is difficult to obtain grant funding for these purchases. The department plan to upgrade 1/3 of the current units a year. The cost to develop the support platform and convert the initial 1/3 would be about $2M.

- **Improving community satisfaction with internal (IAU) investigations**
  The department's Internal Affairs Unit (IAU) is developing an Early Intervention System to address potential issues before they arise. Throughout the next couple years, IAU will be monitoring cases for timely and thorough investigations. Looking toward any improvements that can be made in our current process, the Police Executive Research Foundation (PERF) is conducting an audit of internal affairs functions.

FINANCIAL ANALYSIS

EXPENDITURE

The Police budget is $134.0 million, a 5.1% increase over the 2008 budget. Personnel expenses make up about 80% of the total budget. There is a 6.3% increase in personnel expenses from 2008. A $3 million market rate adjustment was made for personnel costs to reflect settlements by other cities in the metro area.

Non-personnel expenses make up about 20% of the total budget. Expenses for self-insurance, parking, building rent, fleet rent/repair, phones, and radio communications are paid to the City's internal service funds and make up the majority of non-personnel expense. The remainder of the expenses covers uniform allowance, translator fees, training, supplies, and jail fees.

REVENUE

The department's revenue for 2009 is about $21.7 million, a 1.1% increase from the prior year due primarily to increased revenue estimates for state revenues and charges for service. There are reductions to fine and forfeitures revenue ($500,000) to reflect anticipated collections and federal grants ($250,000). Fines are the largest revenue source for the department. The revenue estimate for fines for 2009 is $10.9 million.

The second largest revenue sources for the department are federal and state government aid. The department's general fund revenue budget receives about $4.4 million in state aid to offset PERA pension costs. The department has also received $3.5 million in federal grants from the U.S. Department of Justice. These current grants are for equipment, overtime, and technology enhancements. The 2009 current service level was increased by 2 state grant positions.

The department's special revenue fund revenue makes up about 29% of the total revenue budget. It accounts for forfeitures, gambling tax, the Automated Pawn System, Workforce Director, and reimbursable services such as the detox van and public housing patrol services.

FUND ALLOCATION

The majority (95%) of the department's expenditure budget comes out of the general fund, and the rest comes out of the police special revenue fund, state, federal and other grants.

MAYOR'S RECOMMENDED BUDGET

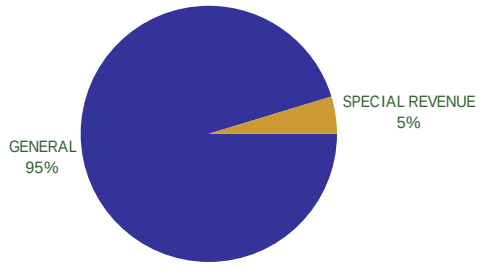
The Mayor's recommended budget includes a reduction to growth of $680,000 to the department to meet the five-year financial direction.

POLICE
EXPENSE AND REVENUE INFORMATION

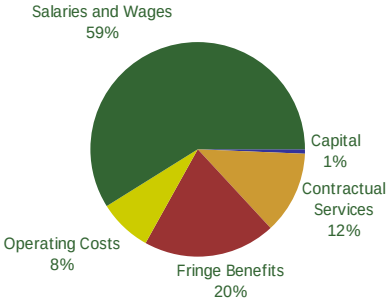
EXPENSE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Mayor's Recommended	Percent Change	Change
GENERAL						
Salaries and Wages	68,427,363	69,683,318	74,257,826	76,684,312	3.3%	2,426,486
Fringe Benefits	19,098,787	21,370,351	23,144,510	26,294,164	13.6%	3,149,654
Contractual Services	16,885,601	17,693,114	15,355,399	15,040,513	-2.1%	(314,886)
Operating Costs	8,048,113	7,472,474	8,198,837	9,408,564	14.8%	1,209,727
Capital	151,506	48,408	290,967	299,114	2.8%	8,147
TOTAL GENERAL	**112,611,370**	**116,267,665**	**121,247,539**	**127,726,667**	**5.3%**	**6,479,128**
SPECIAL REVENUE						
Salaries and Wages	2,730,484	4,136,978	1,787,695	2,090,324	16.9%	302,629
Fringe Benefits	500,548	651,908	171,871	510,528	197.0%	338,657
Contractual Services	1,806,894	1,823,609	1,693,244	1,613,799	-4.7%	(79,445)
Operating Costs	980,458	730,744	1,053,177	1,499,498	42.4%	446,321
Capital	59,028	152,946	1,583,834	607,464	-61.6%	(976,370)
TOTAL SPECIAL REVENUE	**6,077,412**	**7,496,185**	**6,289,821**	**6,321,614**	**0.5%**	**31,793**
TOTAL EXPENSE	**118,688,782**	**123,763,850**	**127,537,360**	**134,048,281**	**5.1%**	**6,510,921**

REVENUE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Mayor's Recommended	Percent Change	Change
GENERAL						
License and Permits	0	0	400	400	0.0%	0
State Government	5,095,190	4,421,584	4,380,000	4,380,000	0.0%	0
Charges for Service	179,280	185,497	167,643	167,643	0.0%	0
Charges for Sales	75,017	0	0	0	0.0%	0
Fines and Forfeits	8,270,473	7,958,470	11,003,877	10,503,877	-4.5%	(500,000)
Contributions	75	0	0	0	0.0%	0
Other Misc Revenues	1,878	3,154	3,340	3,340	0.0%	0
TOTAL GENERAL	**13,621,912**	**12,568,705**	**15,555,260**	**15,055,260**	**-3.2%**	**(500,000)**
SPECIAL REVENUE						
Sales and Other Taxes	165,775	148,213	121,626	121,626	0.0%	0
License and Permits	634,333	917,781	492,751	571,985	16.1%	79,234
Federal Government	1,665,115	1,479,796	3,783,883	3,534,025	-6.6%	(249,858)
State Government	2,103,862	1,387,019	840,244	1,444,106	71.9%	603,862
Charges for Service	852,844	586,098	359,714	610,384	69.7%	250,670
Charges for Sales	3,060	250	0	0	0.0%	0
Fines and Forfeits	511,454	503,394	263,353	370,456	40.7%	107,103
Special Assessments	17,170	0	0	0	0.0%	0
Interest	13,992	11,753	0	0	0.0%	0
Contributions	117,913	143,969	74,966	28,000	-62.6%	(46,966)
Other Misc Revenues	3,025	3,111	0	0	0.0%	0
TOTAL SPECIAL REVENUE	**6,088,542**	**5,181,384**	**5,936,537**	**6,680,582**	**12.5%**	**744,045**
TOTAL REVENUE	**19,710,454**	**17,750,089**	**21,491,797**	**21,735,842**	**1.1%**	**244,045**

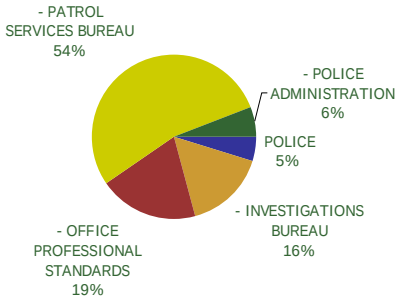
Expense by Fund



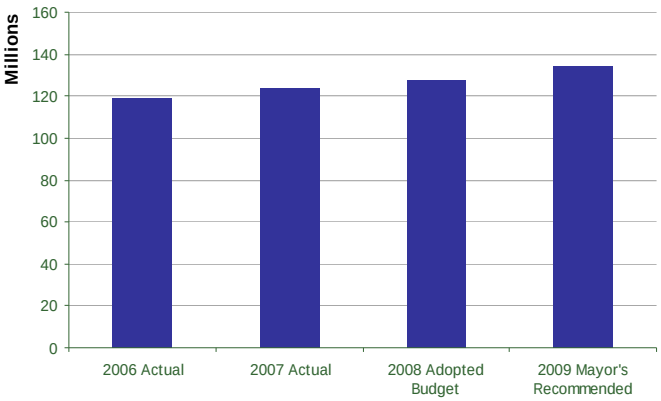
Expense by Category



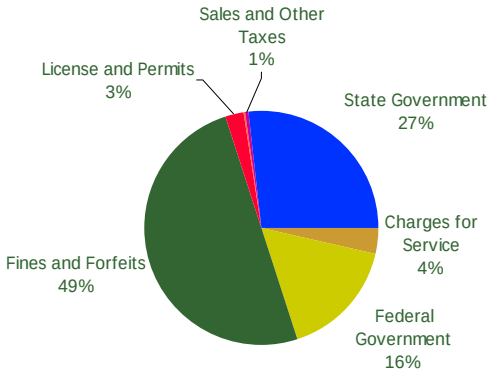
Expense by Division



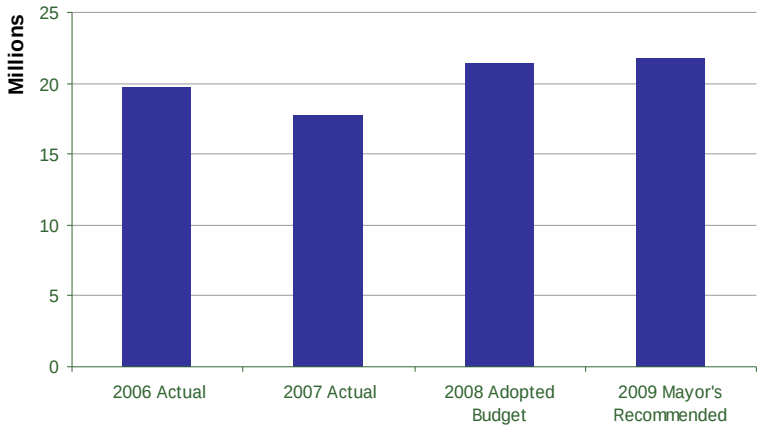
Expense 2006 - 2009



Direct Revenue by Type



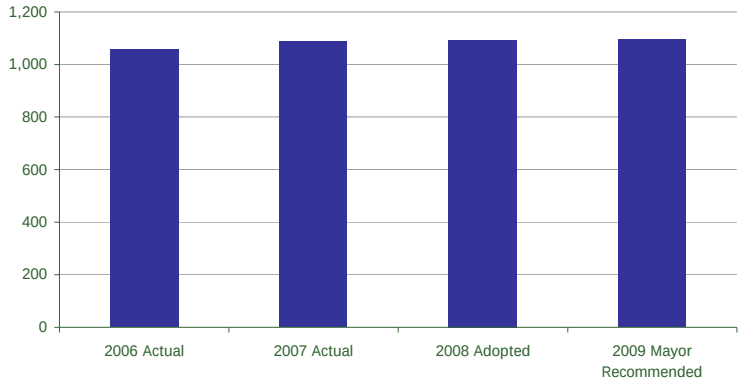
Revenue 2006 - 2009



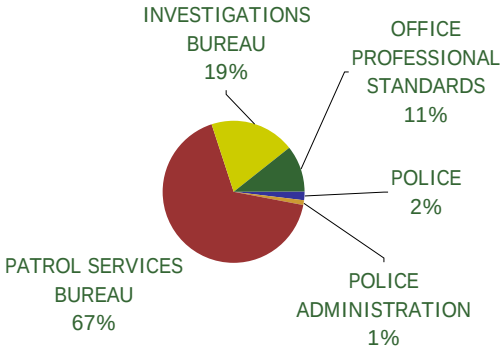
POLICE
Staffing Information

	2006 Actual	2007 Actual	2008 Adopted	2009 Mayor Recommended	% Change	Change
INVESTIGATIONS BUREAU	150	143	143	213	48.6%	70
OFFICE PROFESSIONAL STANDARDS	141	154	154	116	-24.6%	(38)
PATROL SERVICES BUREAU	756	780	785	733	-6.6%	(52)
POLICE ADMINISTRATION	11	11	11	13	18.2%	2
POLICE				21		20
TOTAL	**1,058**	**1,088**	**1,093**	**1,095**	**0.2%**	**2**

Positions 2006-2009



Positions by Division



PUBLIC WORKS

MISSION

To be effective stewards of the public infrastructure, and provide valued city services that contributes to public safety, economic vitality and neighborhood livability in Minneapolis.

BUSINESS LINES

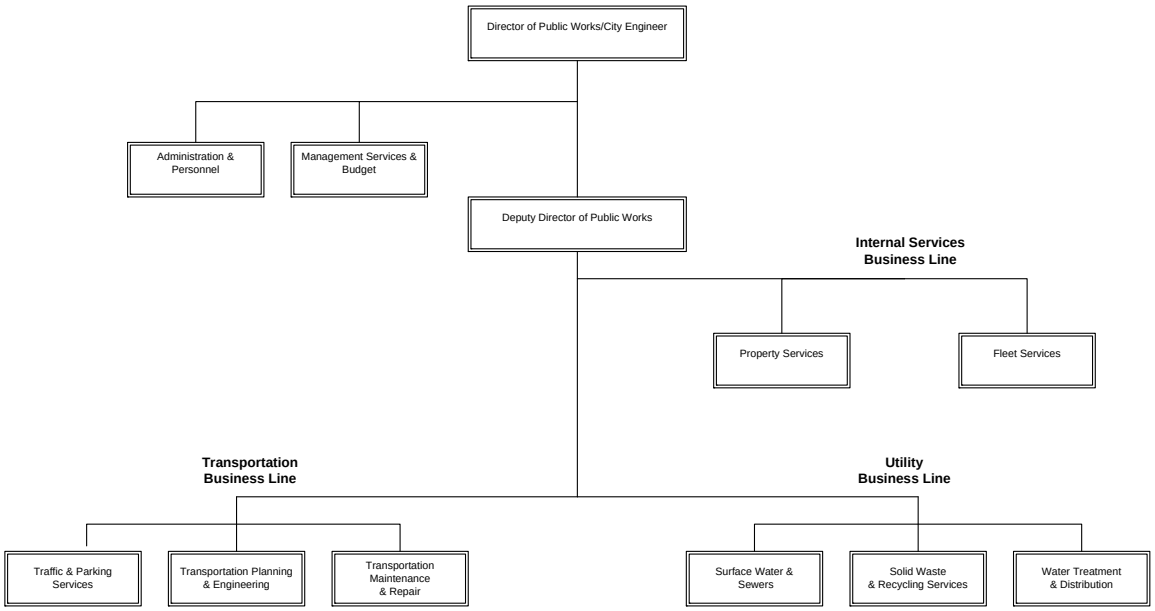
Internal Services – The Internal Services business line is comprised of services that are provided primarily to internal City departments (Property Services and Fleet Services).

Utilities – This business line provides services that promote the health and safety of people and property by providing potable water, managing non-potable water, and maintaining a clean city through the collection and disposal of solid waste, recyclables, problem materials, yard waste, and coordination of Clean City activities (Surface Water & Sewers, Water Treatment & Distribution, and Solid Waste & Recycling Services).

Transportation – The Transportation Business Line offers people a variety of safe, convenient options for moving throughout the City and within the region. Transportation options enhance the aesthetics of the environment, improving livability, while contributing to economic vitality through the safe, efficient movement of people and goods (Traffic & Parking Services, Transportation Planning & Engineering, and Transportation Maintenance & Repair).

ORGANIZATION CHART

Public Works Department



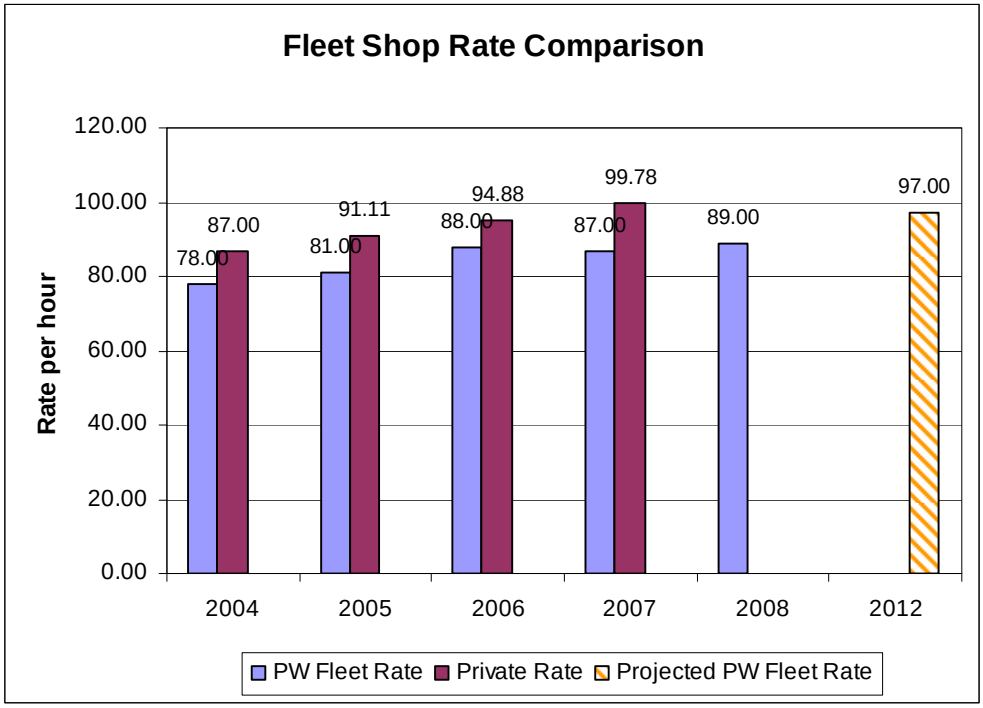
City Goals & Strategies	Department Goal	Objective
A safe place to call home: E. Youth: valued, challenged & engaged **One Minneapolis:** C. Equitable City services **Lifelong learning:** D. Embrace the U's expertise E. Education: stronger partnerships **Connected communities:** C. Development services **A premier destination:** B. Reposition City C. Cleaner, greener, safer downtown D. Jobs	Strong partnerships and collaboration *This includes* *Community* *Other local governments* *Related departments* *Private companies/ corporations* *Educational institutions*	Develop partnerships with Federal, State, and County government and other municipalities
		Pursue City/private partnerships
		Collaborate with other City departments, agencies, and boards to achieve City-wide goals
		Collaborate with City neighborhoods
One Minneapolis: C. Equitable City services **Connected communities:** A. Integrated, multimodal transportation .	Maximize the value of every dollar spent	Evaluate activities for efficiency and effectiveness improvements as well as cost savings
		Leverage county, state, federal and private funding on City projects
		Maximize the value of City assets.
		Ensure accurate, timely financial reporting that is essential to business management
A safe place to call home: A. Guns, gangs, graffiti gone B. Crime reduction **One Minneapolis:** C. Equitable City services **Lifelong learning:** E. Education: stronger partnerships **Connected communities:** A. Integrated, multimodal transportation C. Development services	Customer service is a top priority!	Public works is fully coordinated with the customer relationship management (CRM) system and 311
		Public works is fully coordinated with development review with customer friendly process in place
		Effective community engagement
		Establish a high level of customer satisfaction for all services
		Manage clean city initiative

City Goals & Strategies	Department Goal	Objective
A safe place to call home: A. Guns, gangs, graffiti gone **Connected communities:** A. Integrated, multimodal transportation B. Walkable, bikable, swimmable D. Northstar, Central Corridor, SW Corridor **Enriched environment:** A. Renewable & alternative energy B. Restore urban forest E. City's cultural & sustainable work plans **A premier destination:** B. Reposition City	Improve the infrastructure and environment	Reduce energy consumption, reduce emissions, and increase the use of renewable energy and alternate fuels for municipal operations
		Focus on delivery of high quality basic services
		Design, construct, and operate City buildings that are sustainable.
		Manage, maintain, replace infrastructure for maximum value at established quality levels
		Improve surface water quality and quantity management
		Improve source water quality and quantity management
		Support a balanced, linked and sustainable multimodal transportation system that meets the needs of the traveling public
		Maximize opportunities to improve air quality resulting from transportation sources
A safe place to call home **One Minneapolis:** A. Close race & class gaps B. Middle class: keep it, grow it **Lifelong learning:** B. Economic engine **A premier destination:** B. Reposition City D. Jobs	Focus on people	Provide a safe workplace
		Promote employee participation
		Support professional development
		Retain, promote and recruit a quality workforce

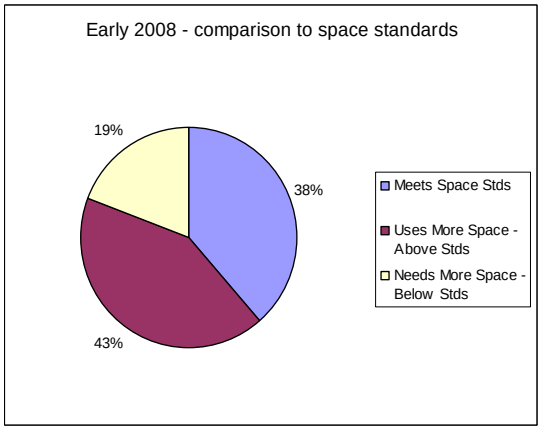
***RESULTS MINNEAPOLIS* MEASURES, DATA AND TARGETS TABLE**

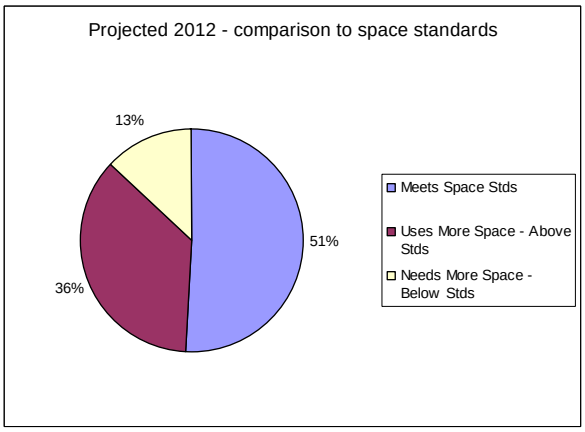
Measure Name	2004 Data	2005 Data	2006 Data	2007 Data	2008 Target	2012 Target
Percent of alternative fuel usage compared to total fuel usage	8.0%	8.0%	8.0%	10.9%	11.2%	15.0%
Electricity usage (kWh)	15.6	15.6	N/A	N/A	15.2	14.4
PW Vehicle Accidents	157	162	140	164	106	96
Lost days due to work injuries	472	665	807	316	300	TBD

INTERNAL SERVICES MEASURES:



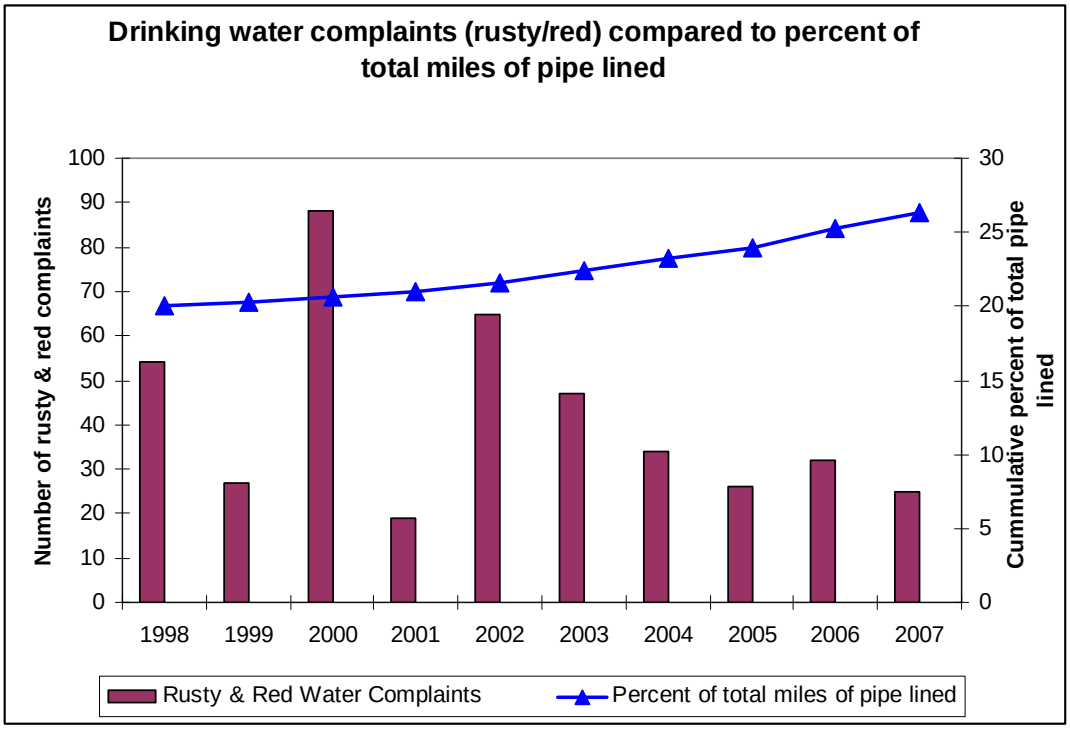
This measure indicates that the hourly rate charged for maintenance and repair services by Fleet Services is cheaper than the average comparable private repair shop rate. This is one measure used to evaluate the cost effectiveness of fleet maintenance and repair activities.



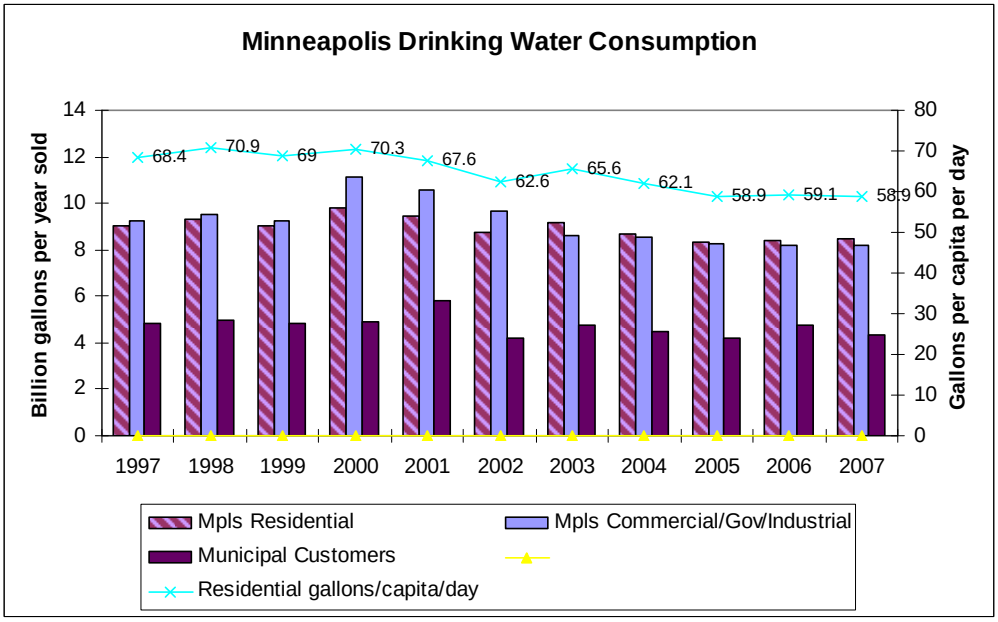


This measure indicates the City's progress toward compliance with city space standards, which are in place to ensure adequate space is provided to deliver city services while minimizing the cost of holding onto unnecessary space. Currently planned investment in facilities will be necessary to achieve the projected compliance, which will result in annual cost savings.

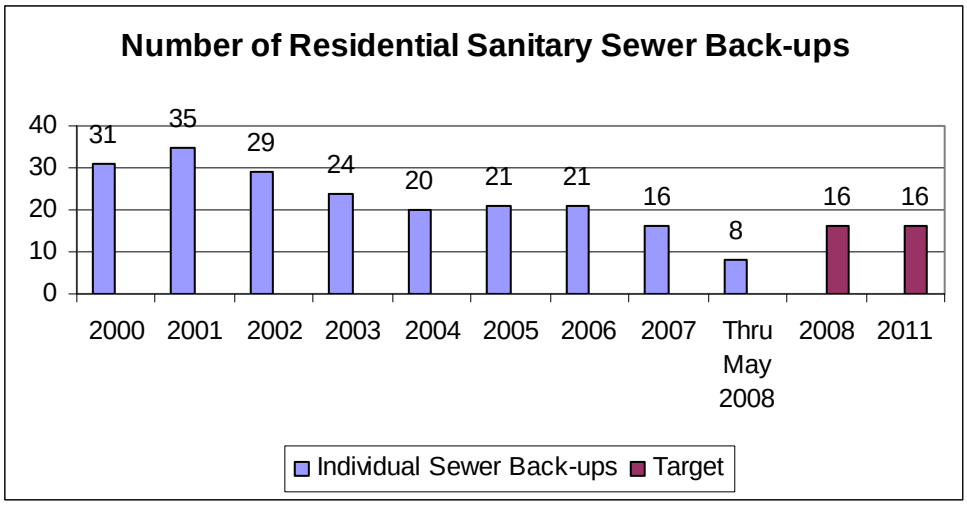
UTILITIES MEASURES:



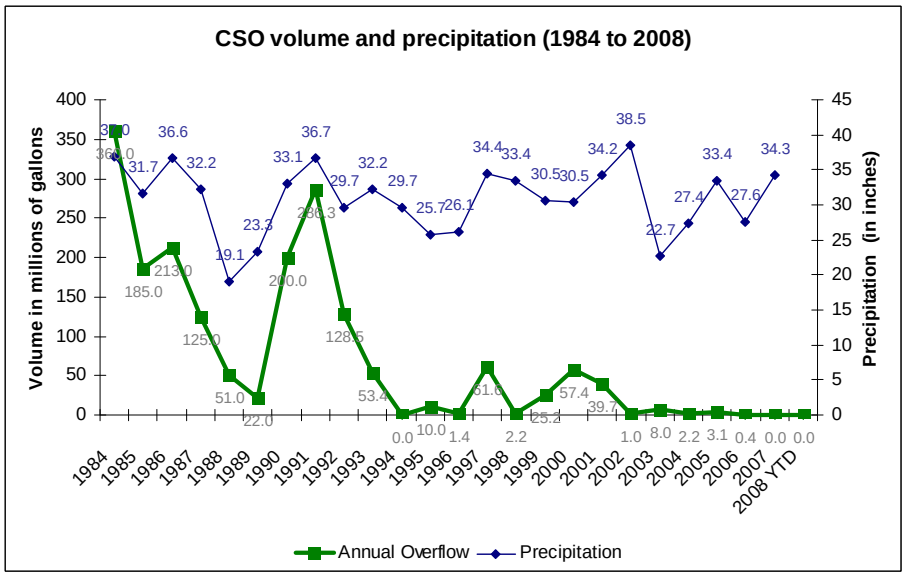
The number of complaints received about rusty/red water is one factor that is considered in determining where watermain cleaning and lining should be completed, and how much should be invested in this program. Complaints are tracked by location. The current capital program funds the cleaning and lining of approximately 1% of watermains per year.



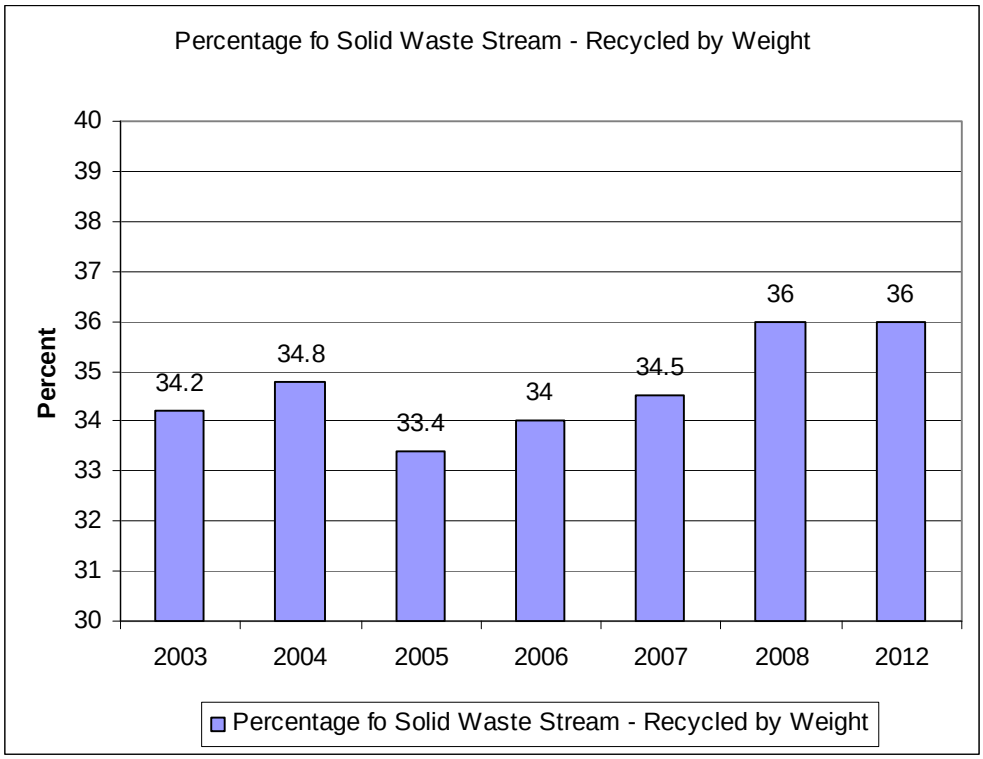
Projecting water consumption is important to managing water rates. As consumption levels off, rates need to adjust to produce revenue to cover the costs of water production and distribution as well as debt service on the water capital program. If the department is successful in expanding the customer base, it will have a positive effect on future rates.

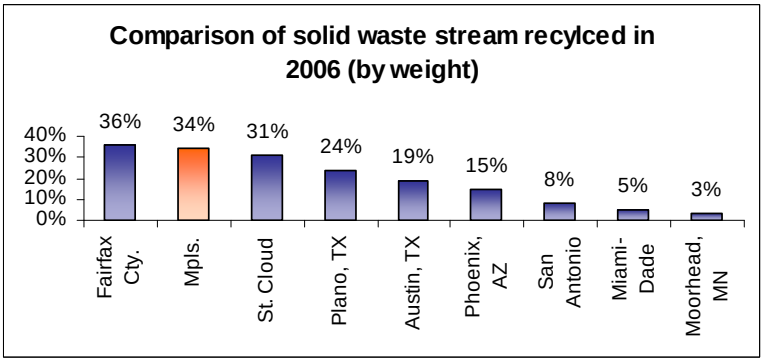


This measure indicates the number of residents experiencing a backup of the city sanitary sewer system. The rate of backups is below the national average.



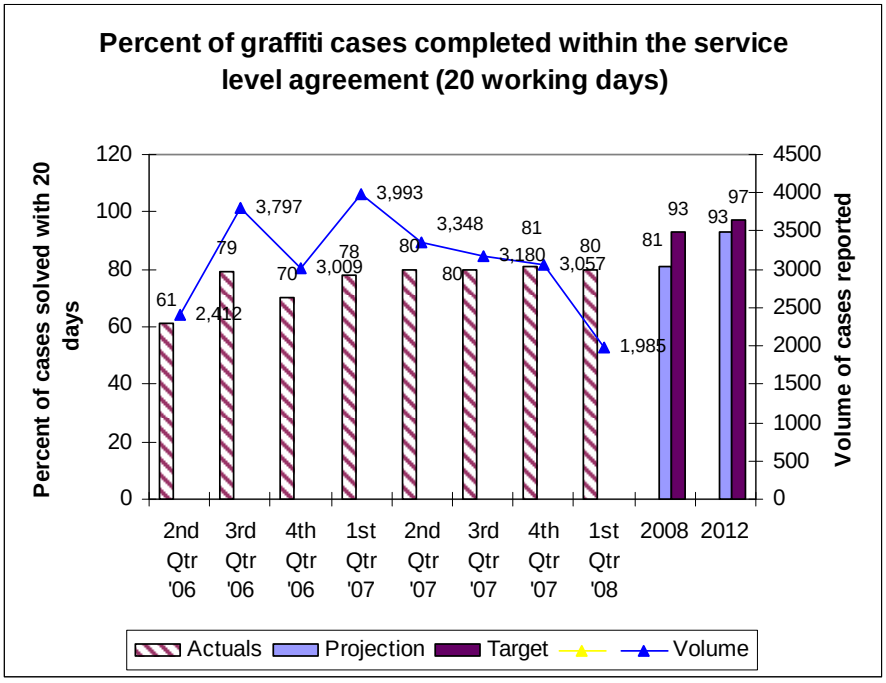
This measure illustrates that the city's investment in reducing inflow and infiltration into the sanitary sewer system has been effective as reducing combined sewer overflows (CSOs). Although the department has achieved no CSOs in recent years, a wet year could result in CSOs. Continued analysis is necessary to determine how much is reasonable for the City to invest to minimize the likelihood of a CSO event.





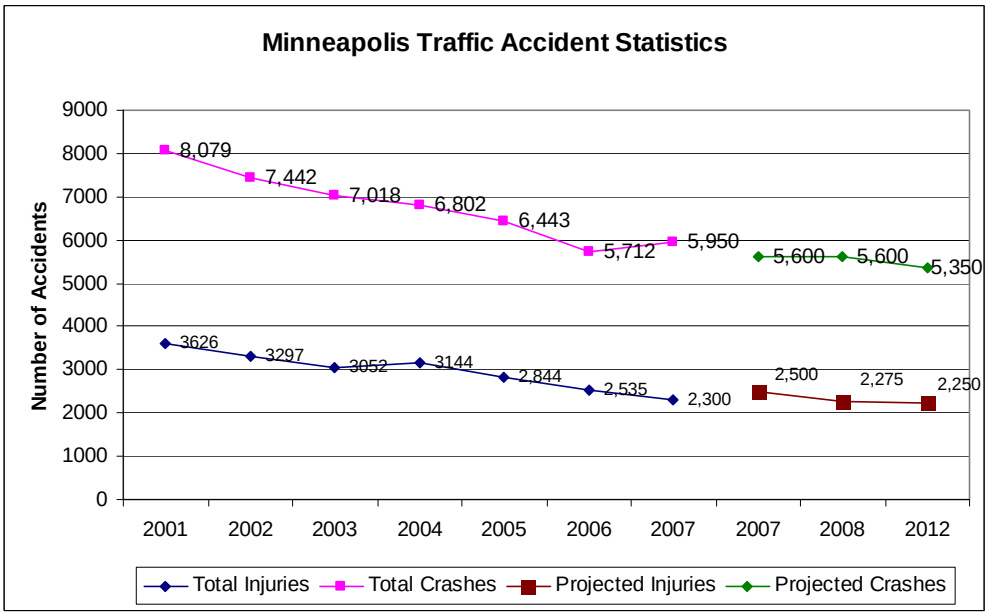
At 36%, the City has a high recycling rate when compared with other cities. Over 96% of residential customers recycle, which suggests there is minimal benefit to increasing efforts toward increasing the number of residential customers who recycle. Since the department does not know the percentage of the commercial waste stream that is recycled, the department is unable to determine the opportunity to increase recycling in this area. A significant investment of staff resources would be necessary to estimate the tonnage of the commercial waste stream that is recycled.

In 2008 a pilot program will begin for organics composting. Organics composting has the potential to significantly reduce the tonnage of solid waste being sent to the Hennepin Energy Recovery Center (HERC).

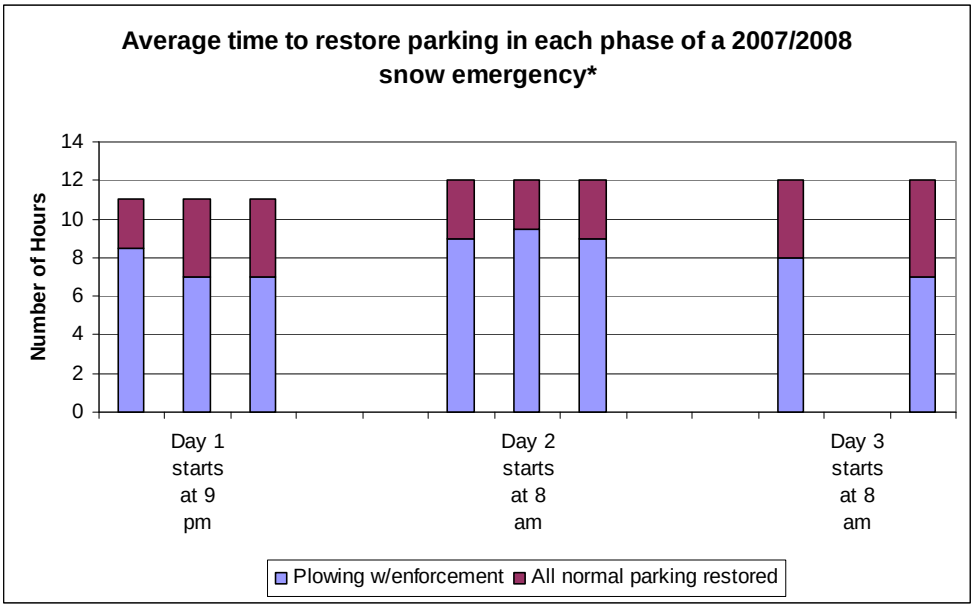


Only 80% of graffiti cases are closed within the service level agreement is that when entities other than the city abate graffiti (US Post Office, Xcel, Railroads, and MnDOT). The abatement is not usually reported to the city and therefore not recorded in the reporting system. In 2008, a new gang graffiti abatement program was initiated with the objective of decreasing the amount of time gang graffiti remains in place. Micro-grants for graffiti reduction were also provided to neighborhoods. Data on the effectiveness of these programs is not available at the time of budget submittal. However, Public Works will compile data from both program changes as it becomes available to evaluate their effectiveness.

TRANSPORTATION MEASURES:



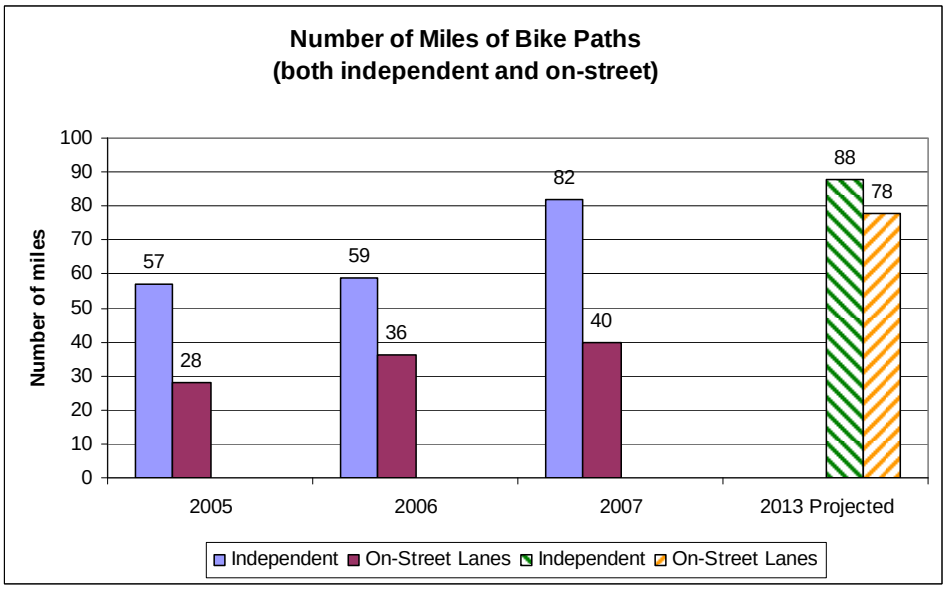
Public Works influences traffic safety through engineering, which is only one factor influencing traffic accident statistics. By focusing on the most problematic intersections, the department strives to reduce the number and severity of accidents in the City. The trend is downward despite increasing traffic volumes.



***** There have been 3 snow emergencies in the winter of 2007/2008 starting on the following days:

- Saturday, December 1st – 1st column of each day Snow fall = 6.4 inches
- Monday, December 24th – 2nd column of each day Snow fall = 4.0 inches
- Thursday, December 27th – 3rd column of each day Snow fall = 4.7 inches

This measure indicates how quickly parking is restored on City streets on each day of a snow emergency. Collection of this data will help Public Works determine the effectiveness of its snow emergency operations, which is particularly useful in assessing the service level impact of staffing changes.



It is presumed that increasing the mileage of bicycle trails and lanes will contribute toward a higher percentage of travel by bicycle. By combining this measure with future measurement of mode share, the department can begin to evaluate how effective the addition of bicycle paths is toward increasing the bicycle mode share.

What key trends and challenges does the department face and how will each be addressed?

- **Water revenue increases not sufficient for increasing costs:** Water treatment commodity costs are increasing faster than the current service level adjustments. Examples of these commodities are chemicals and lime used to treat and soften drinking water and fuel used as part of hauling away sludge generated by the water processes. Combined with this is the fact that revenues are not keeping pace with the commodity costs and fixed costs in the operating budget. Public Works is analyzing the situation and developing an action plan that includes marketing water to other agencies, prioritizing major activities, and possible rate adjustments.

- **Water resources and sustainability:** In 2006, Metropolitan Council Environmental Services (MCES) introduced an Inflow & Infiltration (I&I) Surcharge Program that established a mitigation fee of $350,000 per million gallons per day (MGD) of excess flow in the sanitary sewer system to the MCES treatment plant. Excess flow is non-sewage wastewater, or "clear water" (most commonly stormwater). The MCES plant capacity is limited, so during a heavy rain event, if there is a considerable amount of excess flow, some of the combined sewage and clear water can bypass the treatment plant and discharge to the Mississippi River untreated. The Met Council has calculated that Minneapolis must eliminate all 112.7 MGD of clear water that enters the sanitary sewer system.

  To achieve this goal the City needs to identify and eliminate all the sources of inflow (stormwater directly connected to the sanitary sewer, streets, roof drains, foundation drains) and infiltration (groundwater leaks through joints and cracks, tree roots). To date, the City has identified 60 percent of the sources of clear water, and has removed 40 percent. There will come a point at which it will be far more expensive to try to track down and resolve the remaining last few percent of the inflow and infiltration problem than to pay what in effect would be a demand charge to MCES. The department will continue to update elected officials on this progress and any anticipated decisions.

- **The challenge of graffiti abatement:** In 2007, the City centralized graffiti abatement services in Public Works. This consolidation has allowed a full understanding of the magnitude of the graffiti challenge and associated costs. The current program is funded from the Solid Waste & Recycling Fund balance, at a cost of more than $1 million per year. A broader funding source is more appropriate to spread the cost to all property owners, rather than only Solid Waste & Recycling customers (single family to four-plex residential).

FINANCIAL ANALYSIS

The department's 2009 budget is $295.3 million, a 5.8% increase from 2008. The department is funded by the general fund, the capital projects fund, four internal service funds, and five enterprise funds. The overall change in personnel was a reduction of 3 positions for a total of 1200.

MAYOR'S RECOMMENDED BUDGET

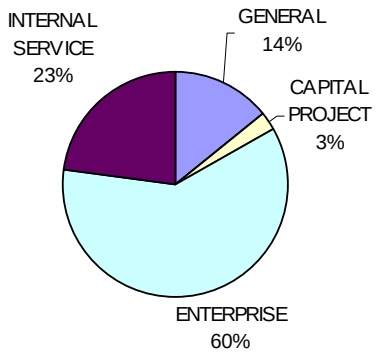
The Mayor's recommended budget includes a reduction of $220,000 to non-street and lighting repair areas of the department's budget.

PUBLIC WORKS
EXPENSE AND REVENUE INFORMATION

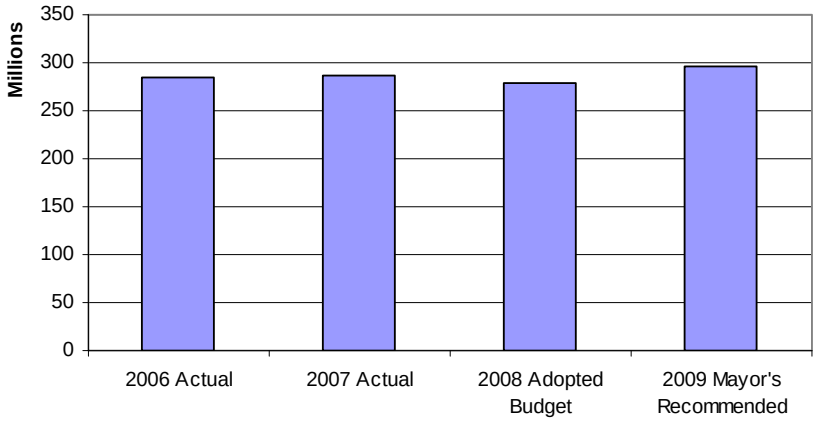
EXPENSE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Mayor's Recommended	Percent Change	Change
GENERAL						
Salaries and Wages	11,307,873	11,534,513	11,259,473	11,997,169	6.6%	737,696
Fringe Benefits	4,656,954	4,814,704	5,154,445	5,012,154	-2.8%	(142,291)
Contractual Services	17,837,896	18,878,168	18,393,101	18,557,182	0.9%	164,081
Operating Costs	4,782,359	5,445,334	5,102,688	5,770,508	13.1%	667,820
Capital	148,897	195,339	270,342	277,912	2.8%	7,570
TOTAL GENERAL	**38,733,979**	**40,868,058**	**40,180,049**	**41,614,925**	**3.6%**	**1,434,876**
SPECIAL REVENUE						
Contractual Services	77,681	315,487	90,000	84,000	-6.7%	(6,000)
TOTAL SPECIAL REVENUE	**77,681**	**315,487**	**90,000**	**84,000**	**-6.7%**	**(6,000)**
CAPITAL PROJECT						
Salaries and Wages	2,856,168	2,785,089	3,662,084	3,880,804	6.0%	218,720
Fringe Benefits	799,933	867,876	1,284,106	1,427,712	11.2%	143,606
Contractual Services	1,594,171	1,652,356	2,861,951	2,999,556	4.8%	137,605
Operating Costs	192,666	155,013	154,684	190,725	23.3%	36,041
Capital	(3,464,328)	(3,481,566)	80,448	82,701	2.8%	2,253
TOTAL CAPITAL PROJECT	**1,978,610**	**1,978,768**	**8,043,273**	**8,581,498**	**6.7%**	**538,225**
ENTERPRISE						
Salaries and Wages	28,322,608	30,281,039	30,476,766	32,200,317	6.3%	1,723,551
Fringe Benefits	11,275,091	11,875,955	12,911,534	14,280,631	20.2%	1,369,097
Contractual Services	88,970,712	83,981,677	86,338,294	84,898,602	1.1%	(1,439,692)
Operating Costs	59,163,554	59,944,893	41,386,611	43,695,837	-27.1%	2,309,226
Capital	0	0	2,289,291	2,348,745	0.0%	59,454
Debt Service	500,001	0	0	0	0.0%	0
TOTAL ENTERPRISE	**188,231,966**	**186,083,564**	**173,402,496**	**177,424,132**	**-4.7%**	**4,021,636**
INTERNAL SERVICE						
Salaries and Wages	16,655,976	18,224,046	19,569,673	20,481,938	4.7%	912,265
Fringe Benefits	6,998,543	7,242,964	8,605,517	8,757,146	1.8%	151,629
Contractual Services	12,819,633	12,042,601	16,796,754	17,873,672	6.4%	1,076,918
Operating Costs	18,259,809	18,891,239	11,820,883	12,353,646	4.5%	532,763
Capital	21,297	4,301	720,360	8,140,530	1,030.1%	7,420,170
TOTAL INTERNAL SERVICE	**54,755,258**	**56,405,151**	**57,513,187**	**67,606,933**	**17.6%**	**10,093,746**
TOTAL EXPENSE	**283,777,494**	**285,651,028**	**279,229,005**	**295,311,487**	**5.8%**	**16,082,482**

REVENUE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Mayor's Recommended	Percent Change	Change
GENERAL						
Franchise Fees	134,881	152,631	110,000	110,000	0.0%	0
License and Permits	1,600,710	2,066,735	1,659,000	1,634,000	-1.5%	(25,000)
State Government	3,692,624	3,323,021	3,625,160	3,452,531	-4.8%	(172,630)
Local Government	901,955	583,237	605,401	664,918	9.8%	59,517
Charges for Service	6,609,331	5,769,603	5,190,610	5,078,500	-2.2%	(112,110)
Charges for Sales	73,741	23,509	33,500	28,500	-14.9%	(5,000)
Special Assessments	1,788,624	2,044,763	1,752,926	1,752,926	0.0%	0
Rents	0	0	2,400	2,400	0.0%	0
Contributions	50	0	0	0	0.0%	0
Other Misc Revenues	851,289	457,948	651,242	651,242	0.0%	0
TOTAL GENERAL	**15,653,204**	**14,421,447**	**13,630,239**	**13,375,017**	**-1.9%**	**(255,222)**
CAPITAL PROJECT						
License and Permits	213,396	287,423	263,159	263,159	0.0%	0
State Government	1,036,766	71,857	550,000	761,000	38.4%	211,000
Charges for Service	248,076	30,771	1,652,924	2,122,924	28.4%	470,000
Charges for Sales	1,620	410	0	0	0.0%	0
Special Assessments	24,179	19,485	16,072	16,072	0.0%	0
TOTAL CAPITAL PROJECT	**1,524,037**	**409,946**	**2,482,155**	**3,163,155**	**27.4%**	**681,000**
ENTERPRISE						
License and Permits	252,957	241,344	219,000	219,000	0.0%	0
Federal Government	36,036	0	0	0	0.0%	0
State Government	671,526	831,691	746,775	749,469	0.4%	2,694
Local Government	1,008,557	1,114,294	1,132,921	1,073,403	-5.3%	(59,518)
Charges for Service	213,209,583	221,976,961	220,838,263	226,454,461	2.5%	5,616,198
Charges for Sales	5,315,504	10,271,738	4,566,400	4,073,400	-10.8%	(493,000)
Fines and Forfeits	0	41,789	45,000	45,000	0.0%	0
Special Assessments	12,614,773	266,096	115,000	115,000	0.0%	0
Gains	0	25,274,650	0	0	0.0%	0
Rents	214,075	21,060	3,000	3,000	0.0%	0
Other Misc Revenues	142,518	109,342	210,941	194,181	-7.9%	(16,760)
TOTAL ENTERPRISE	**233,465,528**	**260,148,963**	**227,877,300**	**232,926,914**	**2.2%**	**5,049,614**
INTERNAL SERVICE						
Charges for Service	14,546,777	15,520,724	17,163,000	17,871,400	4.1%	708,400
Charges for Sales	12,875,990	13,406,859	14,900,500	15,173,700	1.8%	273,200
Gains	81,471	(416,265)	200,000	200,000	0.0%	0
Rents	27,860,225	27,412,216	35,438,500	35,690,185	0.7%	251,685
Other Misc Revenues	161,002	824,939	13,000	13,000	0.0%	0
TOTAL INTERNAL SERVICE	**55,525,464**	**56,748,474**	**67,715,000**	**68,948,285**	**1.8%**	**1,233,285**
TOTAL REVENUE	**306,168,233**	**331,728,830**	**311,704,694**	**318,413,371**	**2.2%**	**6,708,677**

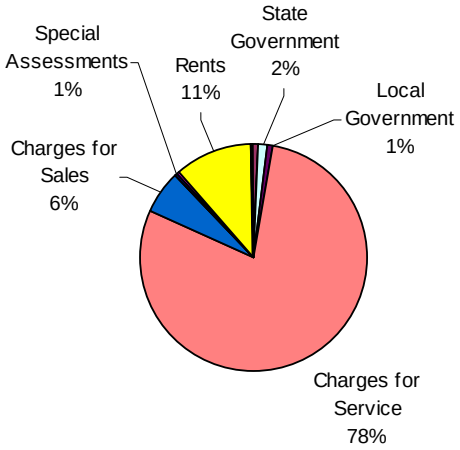
Expense by Fund



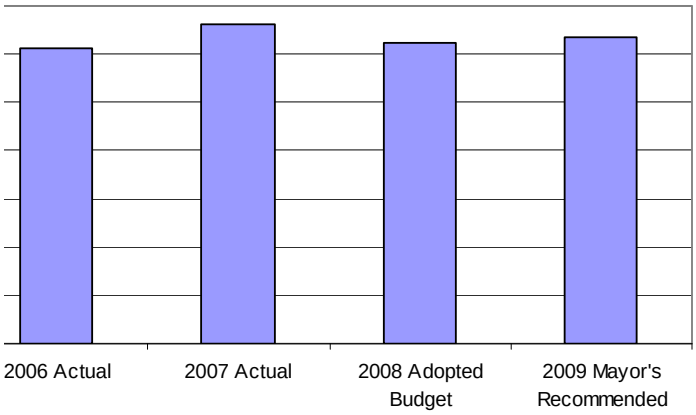
Expenditures 2006-2009



Revenue by Type



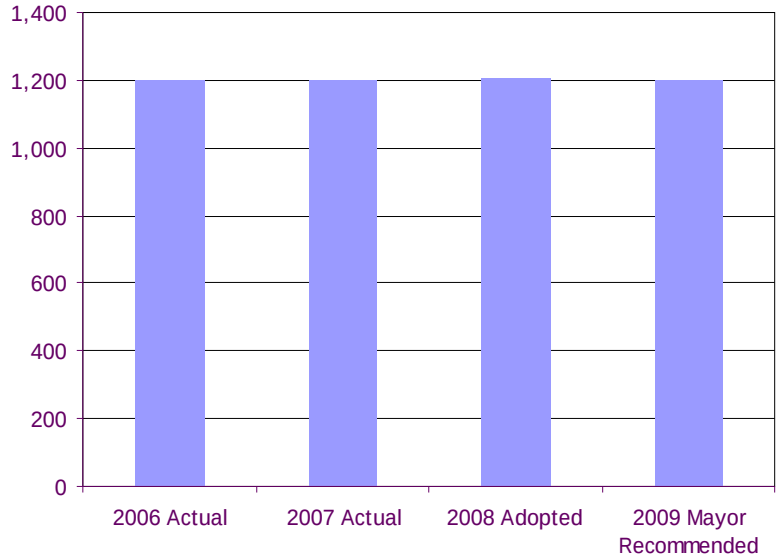
Revenues 2006-2009



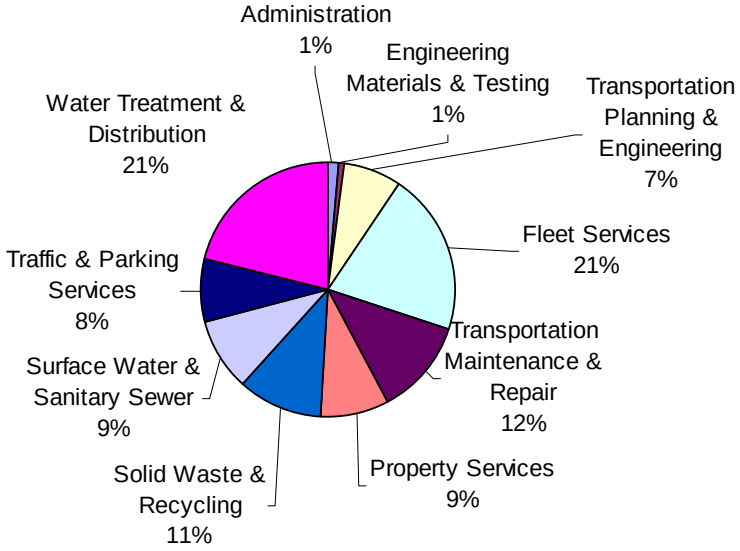
Public Works
Staffing Information

	2006 Actual	2007 Actual	2008 Adopted	2009 Mayor Recommended	% Change	Change
Administration	16	16	17	17	0.0%	0
Engineering Materials & Testing	21	20	20	7	-65.0%	(13)
Transportation Planning & Engineering	74	69	66	88	33.3%	22
Fleet Services	248	248	247	247	-0.2%	(0)
Transportation Maintenance & Repair	151	149	151	147	-2.8%	(4)
Property Services	104	105	106	105	-0.6%	(1)
Solid Waste & Recycling	128	129	128	129	0.8%	1
Surface Water & Sanitary Sewer	103	109	117	110	-6.1%	(7)
Traffic & Parking Services	100	99	98	98	-0.4%	(0)
Water Treatment & Distribution	253	253	253	253	-0.1%	(0)
TOTAL	**1,198**	**1,197**	**1,203**	**1,200**	-0.3%	(3)

Positions 2006-2009



Staffing by Division



ADMINISTRATIVE SERVICES

EXPENDITURE
The 2009 administrative services budget is $2.8 million, a 3.7% or $108,000 decrease from the 2008 adopted budget. The decrease is a result of allocating the BIS charges throughout Public Works.

REVENUE
Revenue of $2.3 million in administrative services results from overhead charged to other public works functions and also permit and plan review fees.

FUND ALLOCATION
The Administrative Services division operates within the General Fund.

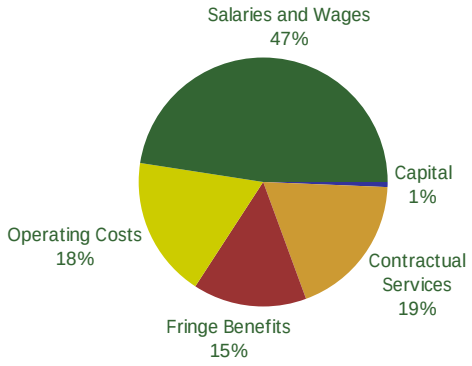
MAYOR'S RECOMMENDED BUDGET
The Mayor recommends no changes to the Administration division.

PUBLIC WORKS - ADMINISTRATIVE SERVICES EXPENSE AND REVENUE INFORMATION

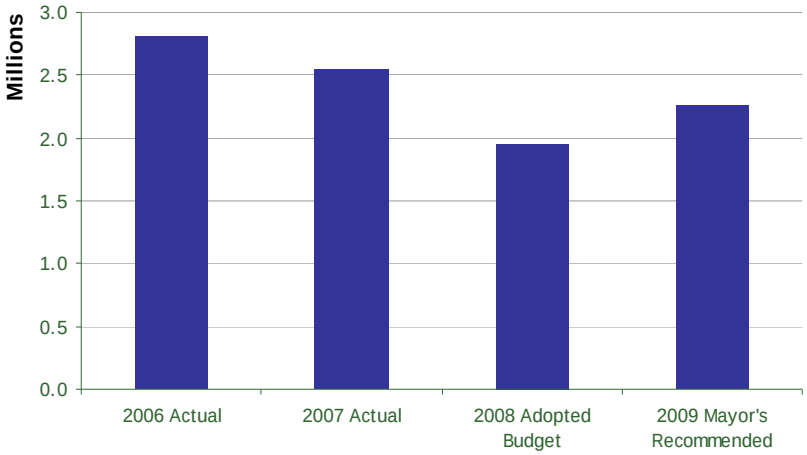
EXPENSE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Mayor's Recommended	Percent Change	Change
GENERAL						
Salaries and Wages	1,099,455	1,039,454	1,291,663	1,327,855	2.8%	36,192
Fringe Benefits	319,772	295,990	425,206	415,162	-2.4%	(10,044)
Contractual Services	1,274,057	980,261	719,670	525,119	-27.0%	(194,551)
Operating Costs	137,945	398,401	447,727	507,412	13.3%	59,685
Capital	1,430	1,662	17,288	17,772	2.8%	484
TOTAL GENERAL	**2,832,659**	**2,715,768**	**2,901,554**	**2,793,320**	**-3.7%**	**(108,234)**
TOTAL EXPENSE	**2,832,659**	**2,715,768**	**2,901,554**	**2,793,320**	**-3.7%**	**(108,234)**

REVENUE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Mayor's Recommended	Percent Change	Change
GENERAL						
License and Permits	0	335,897	360,000	335,000	-6.9%	(25,000)
Local Government	220,000	90,000	0	0	0.0%	0
Charges for Service	2,226,354	2,113,113	1,601,000	1,926,000	20.3%	325,000
Charges for Sales	0	24	0	0	0.0%	0
Other Misc Revenues	356,636	63	0	0	0.0%	0
TOTAL GENERAL	**2,802,990**	**2,539,098**	**1,961,000**	**2,261,000**	**15.3%**	**300,000**
TOTAL REVENUE	**2,802,990**	**2,539,098**	**1,961,000**	**2,261,000**	**15.3%**	**300,000**

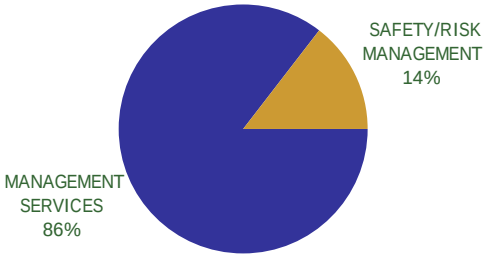
Expense by Category



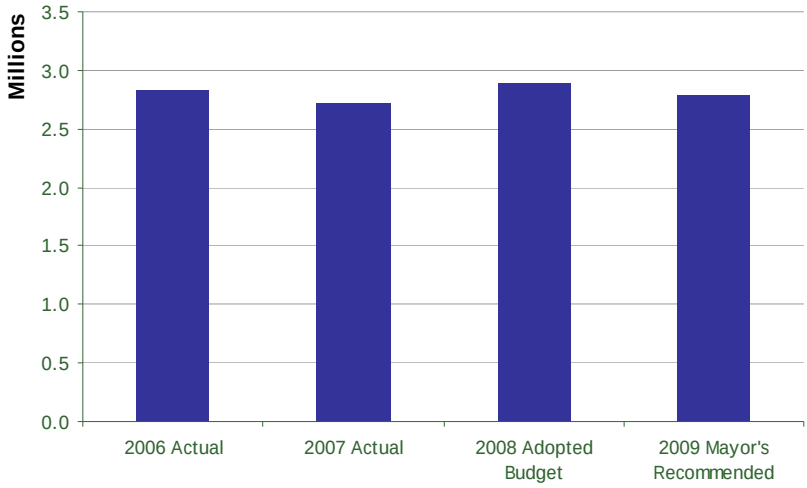
Revenue 2006 - 2009



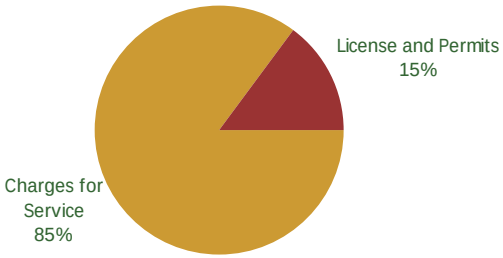
Expense by Division



Expense 2006 - 2009



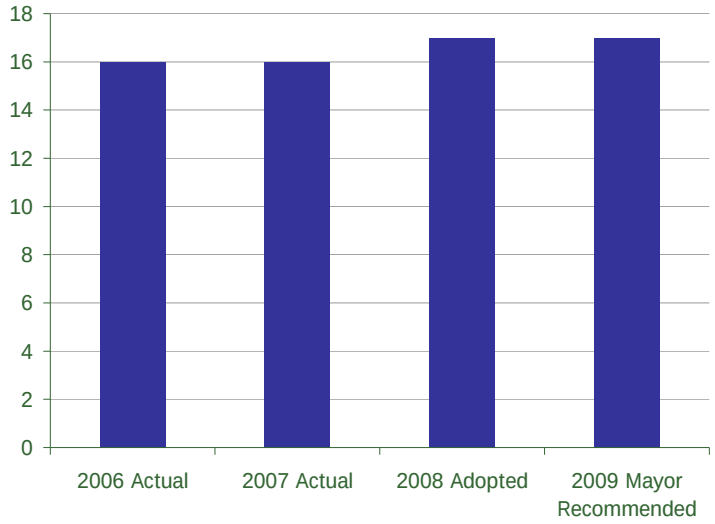
Direct Revenue by Type



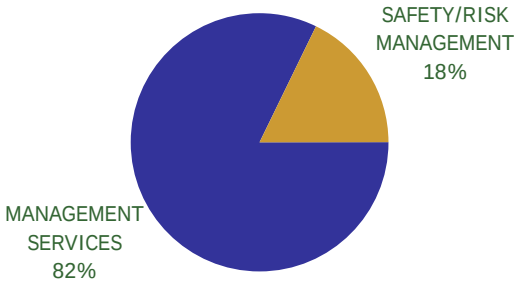
Administrative Services
Staffing Information

	2006 Actual	2007 Actual	2008 Adopted	2009 Mayor Recommended	% Change	Change
MANAGEMENT SERVICES	13	13	14	14	0.0%	
SAFETY/RISK MANAGEMENT	3	3	3	3	0.0%	
TOTAL	**16**	**16**	**17**	**17**	**0.0%**	

Positions 2006-2009



Positions by Division



CENTRAL STORES

Central Stores is responsible for the centralized procurement, receiving, warehousing, and distribution of stocked inventory merchandise along with the purchase of special non-inventory materials and services. Since 1980, Central Stores has provided office supplies and non-specialty items to all City agencies. Together, Public Works and Finance completed a study in 1998, whereby, the recommended redesign included a revised overhead structure and directives for utilization of the stores fund for non-inventory purchases.

EXPENDITURE

Central Stores was previously one of few divisions of the Engineering Materials and Testing division. Due to reorganization in the beginning of 2008, Central Stores is now the only division accounted for in the Engineering Materials and Testing fund, hence the significant decline between 2008 and 2009. Central Stores has a 2009 budget of $1.7 million, a 4.3% increase from the 2008 adopted budget.

REVENUE

The division anticipates revenues of $1.7 million, the same as the 2008 adopted budget.

FUND ALLOCATION

The division is funded by the Engineering Materials and Testing internal service fund.

For more information on the Engineering Material and Testing fund, please see the financial plans section of this document.

MAYOR'S RECOMMENDED BUDGET

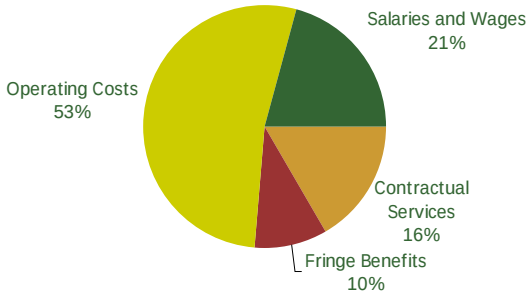
The Mayor recommends no changes to the Central Stores division.

PUBLIC WORKS - CENTRAL STORES
EXPENSE AND REVENUE INFORMATION

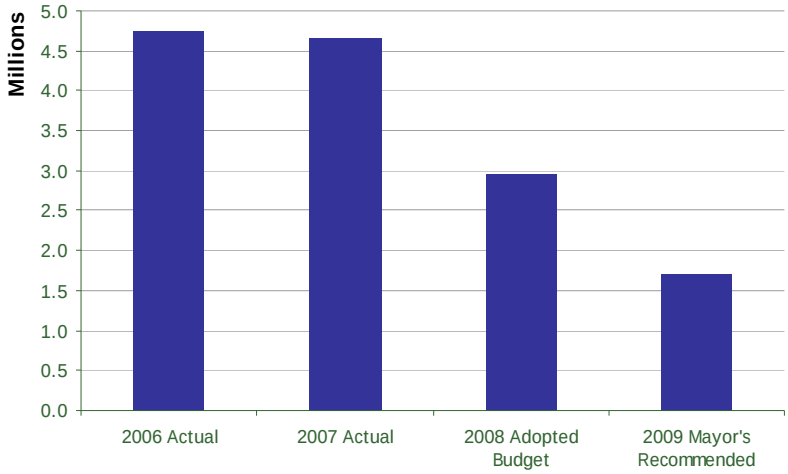
EXPENSE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Mayor's Recommended	Percent Change	Change
INTERNAL SERVICE						
Salaries and Wages	396,967	420,494	398,843	352,606	-11.6%	(46,237)
Fringe Benefits	173,426	217,038	219,501	170,044	-22.5%	(49,457)
Contractual Services	398,981	428,768	524,058	279,309	-46.7%	(244,749)
Operating Costs	3,778,528	3,604,849	1,802,022	898,752	-50.1%	(903,270)
Capital	0	0	2,259	2,322	2.8%	63
TOTAL INTERNAL SERVICE	**4,747,902**	**4,671,149**	**2,946,683**	**1,703,033**	**-42.2%**	**(1,243,650)**
TOTAL EXPENSE	**4,747,902**	**4,671,149**	**2,946,683**	**1,703,033**	**-42.2%**	**(1,243,650)**

REVENUE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Mayor's Recommended	Percent Change	Change
INTERNAL SERVICE						
Charges for Service	477,601	452,701	350,000	350,000	0.0%	0
Charges for Sales	4,209,066	4,100,930	1,379,500	1,379,500	0.0%	0
TOTAL INTERNAL SERVICE	**4,686,667**	**4,553,631**	**1,729,500**	**1,729,500**	**0.0%**	**0**
TOTAL REVENUE	**4,686,667**	**4,553,631**	**1,729,500**	**1,729,500**	**0.0%**	**0**

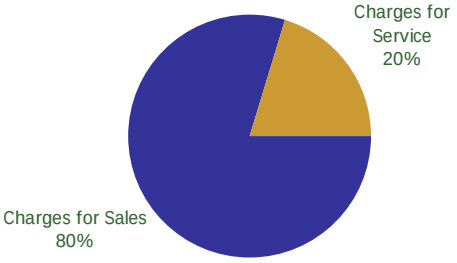
Expense by Category



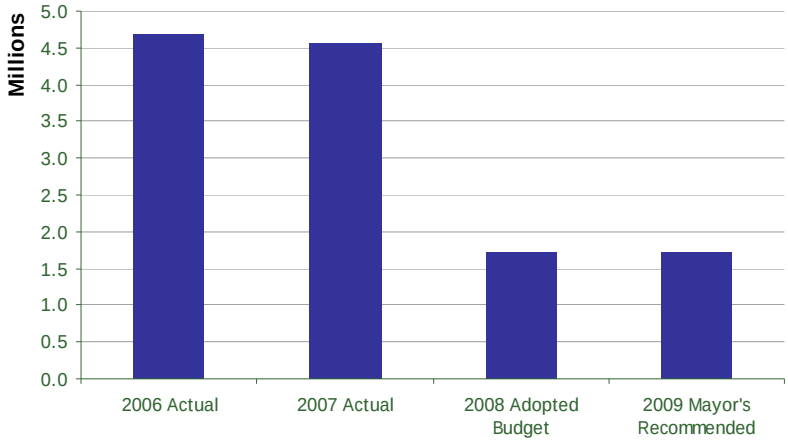
Expense 2006 - 2009



Direct Revenue by Type



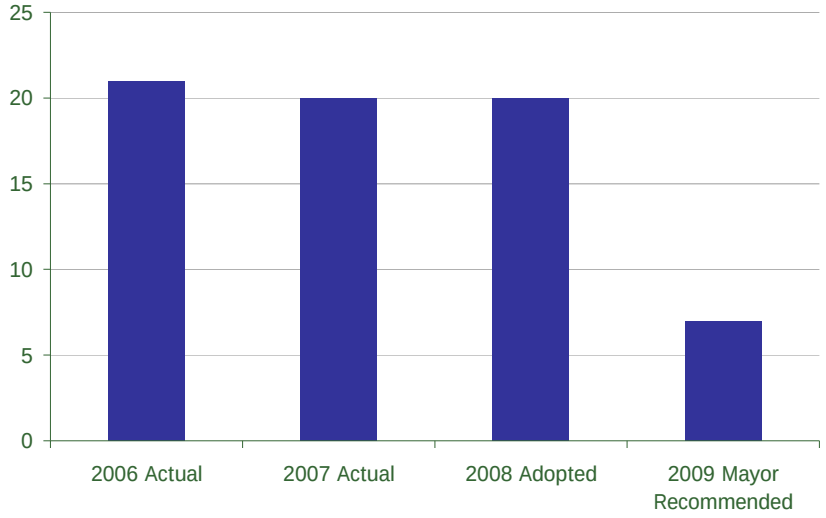
Revenue 2006 - 2009



Central Stores
Staffing Information

	2006 Actual	2007 Actual	2008 Adopted	2009 Mayor Recommended	% Change	Change
PW - ENG. MATERIALS & TESTING	13	12	12		-100.0%	(12)
CENTRAL STORES	7	7	7	7	0.0%	
ASPHALT DISTRIBUTION & PROCURE	1	1	1		-100.0%	(1)
TOTAL	**21**	**20**	**20**	**7**	**-65.0%**	**(13)**

Positions 2006-2009



FLEET SERVICES

EXPENDITURE

The total expense budget for Fleet Services is $42.6 million, an increase of 28.3% from the 2008 adopted budget of $33.2 million. This increase is primarily due to capital expense being directly included in the fleet budget. Other causes for the increase include increases to personnel costs and contractual services as well as General Fund overhead.

The internal service funds received a larger increase in General Fund overhead in 2009 due to historically receiving lower payments to assist with long-term financial plans. Operating costs increased by 20.3% primarily due to the increase in cost of fuel. A current service level adjustment moved 1 Police equipment specialist position from Fleet Services to Police.

REVENUE

The 2009 revenue budget of $42.9 million is the equal to the budget for 2008. The fund receives a transfer from the general fund of $4.2 million in accordance with the adopted long-term financial plan.

FUND ALLOCATION

The transactions of this division are recorded in the Fleet Services Internal Service Fund.

For more information, see the Fleet Services Fund within the financial plans section of this document

MAYOR'S RECOMMENDED BUDGET

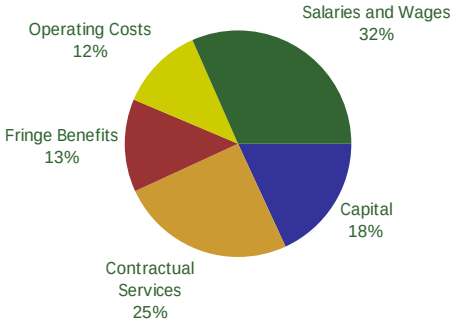
The Mayor recommends a one-time increase of $500,000 as a fuel reserve for department budgets to deal with increases in fuel rates.

PUBLIC WORKS - FLEET SERVICES
EXPENSE AND REVENUE INFORMATION

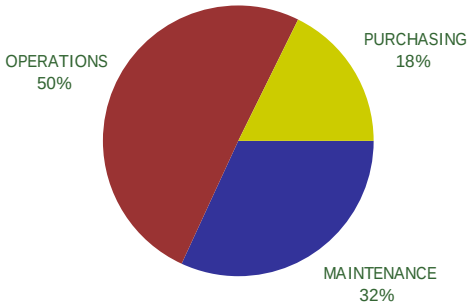
EXPENSE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Mayor's Recommended	Percent Change	Change
INTERNAL SERVICE						
Salaries and Wages	10,170,213	11,293,544	12,770,764	13,279,256	4.0%	508,492
Fringe Benefits	4,507,447	4,387,093	5,568,115	5,623,186	1.0%	55,071
Contractual Services	5,750,428	5,077,671	10,050,651	10,545,444	4.9%	494,793
Operating Costs	9,364,861	9,673,131	4,618,579	5,554,372	20.3%	935,793
Capital	2,439	0	186,373	7,591,591	3,973.3%	7,405,218
TOTAL INTERNAL SERVICE	**29,795,388**	**30,431,439**	**33,194,482**	**42,593,850**	**28.3%**	**9,399,368**
TOTAL EXPENSE	**29,795,388**	**30,431,439**	**33,194,482**	**42,593,850**	**28.3%**	**9,399,368**

REVENUE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Mayor's Recommended	Percent Change	Change
INTERNAL SERVICE						
Charges for Service	5,454,721	6,486,789	7,860,500	7,860,500	0.0%	0
Charges for Sales	5,212,835	5,655,182	7,800,000	7,800,000	0.0%	0
Gains	81,471	191,605	200,000	200,000	0.0%	0
Rents	20,829,793	20,262,893	27,004,000	27,004,000	0.0%	0
Other Misc Revenues	160,825	187,136	10,000	10,000	0.0%	0
TOTAL INTERNAL SERVICE	**31,739,644**	**32,783,605**	**42,874,500**	**42,874,500**	**0.0%**	**0**
TOTAL REVENUE	**31,739,644**	**32,783,605**	**42,874,500**	**42,874,500**	**0.0%**	**0**

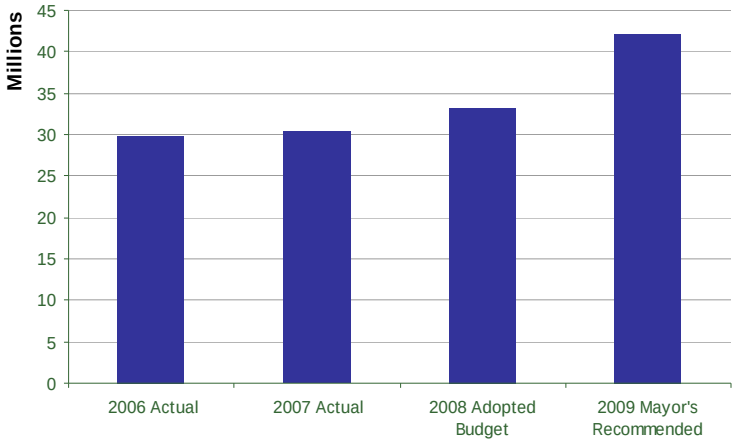
Expense by Category



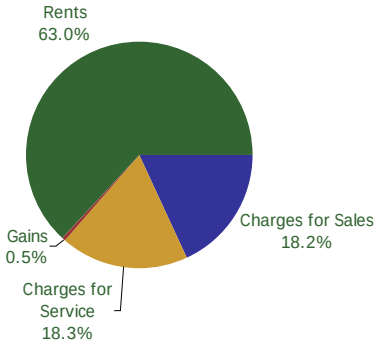
Expense by Division



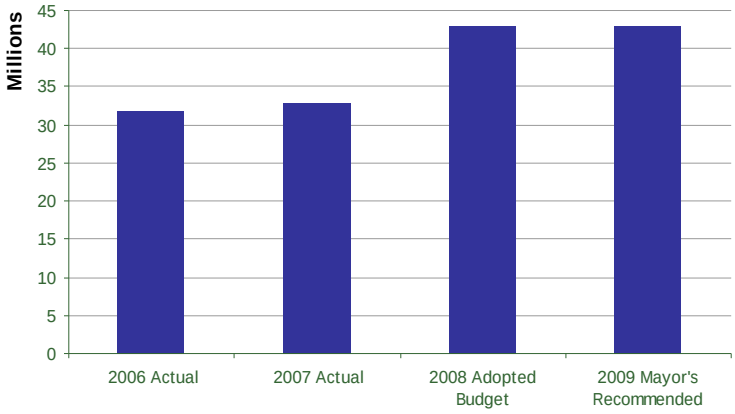
Expense 2006 - 2009



Direct Revenue by Type



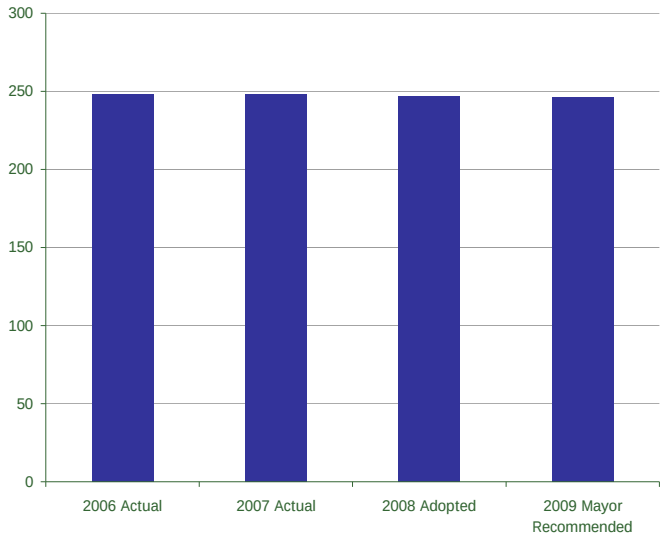
Revenue 2006 - 2009



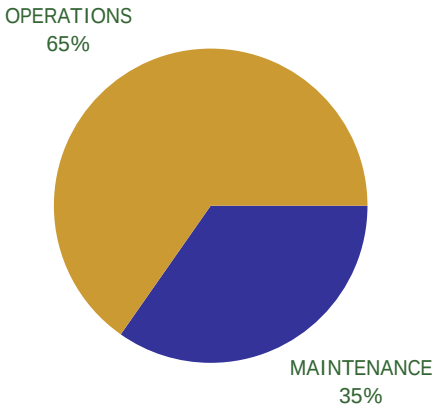
Fleet Services
Staffing Information

	2006 Actual	2007 Actual	2008 Adopted	2009 Mayor Recommended	% Change	Change
MAINTENANCE	87	87	86	86	-0.5%	(0)
OPERATIONS	161	161	161	160	0.0%	
TOTAL	**248**	**248**	**247**	**246**	**-0.4%**	**(1)**

Positions 2006-2009



Positions by Division



PROPERTY SERVICES

EXPENDITURE
The 2009 expense budget for Property Services is $17.4 million, a 6.1% increase in expenditures over the 2008 budget. The increase is primarily due to the increase in personnel and a substantial increase in General Fund overhead due to historically low charges.

REVENUE
The division's revenue budget of $17.8 million is an increase of 6.1% over the 2008 adopted budget of $16.8 million. This increase is the result of an increase in revenue from rents and an increase in charges for services.

FUND ALLOCATION
The transactions of this division are recorded in the Property Services Internal Service Fund.

For more information, please see the Property Services fund in the financial plans section of this document.

MAYOR'S RECOMMENDED BUDGET
The Mayor recommends that the Finance and Public Works Departments are directed to propose and implement a City-wide rate for rent that will encompass all funding sources and would include all City Hall tenants.

The proposal will include various options as compared to the current system of rent charges:
1. Average cost per square foot
2. Average cost per square foot with additional space charges
3. Fully-burdened costs

The proposal will also include various methods of billing including:
1. Increasing Property Services budget accordingly, thereby decreasing budgets of tenant departments
2. Having Property Services bill monthly/quarterly/annually for rent charges

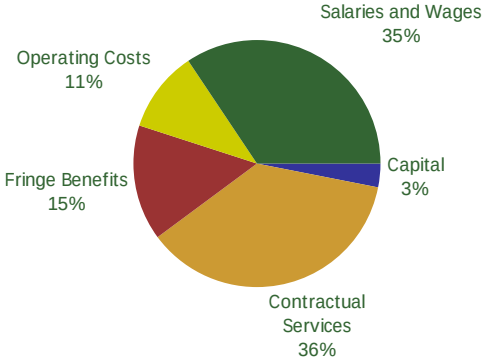
The Finance and Public Works Departments will report back to Ways & Means/Budget Committee by October 6, 2008.

PUBLIC WORKS - PROPERTY SERVICES
EXPENSE AND REVENUE INFORMATION

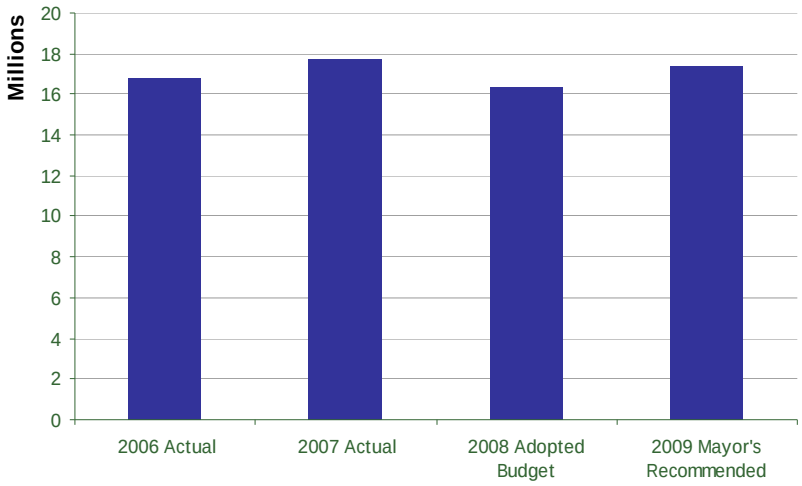
EXPENSE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Mayor's Recommended	Percent Change	Change
GENERAL						
Contractual Services	0	0	25,000	0	-100.0%	(25,000)
TOTAL GENERAL	**0**	**0**	**25,000**	**0**	**-100.0%**	**(25,000)**
INTERNAL SERVICE						
Salaries and Wages	5,458,475	5,846,880	5,654,827	5,999,616	6.1%	344,789
Fringe Benefits	2,116,994	2,417,668	2,530,278	2,606,376	3.0%	76,098
Contractual Services	6,386,058	6,273,414	5,859,279	6,384,747	9.0%	525,468
Operating Costs	2,818,721	3,142,476	1,773,938	1,831,953	3.3%	58,015
Capital	17,993	4,301	513,939	528,329	2.8%	14,390
TOTAL INTERNAL SERVICE	**16,798,241**	**17,684,739**	**16,332,261**	**17,351,020**	**6.2%**	**1,018,759**
TOTAL EXPENSE	**16,798,241**	**17,684,739**	**16,357,261**	**17,351,020**	**6.1%**	**993,759**

REVENUE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Mayor's Recommended	Percent Change	Change
INTERNAL SERVICE						
Charges for Service	7,646,654	7,663,181	7,902,500	8,579,500	8.6%	677,000
Charges for Sales	702,724	690,078	430,000	530,000	23.3%	100,000
Gains	0		0	0	0.0%	0
Rents	7,030,432	7,149,323	8,434,500	8,686,185	3.0%	251,685
Other Misc Revenues	177	637,803	3,000	3,000	0.0%	0
TOTAL INTERNAL SERVICE	**15,379,987**	**15,532,516**	**16,770,000**	**17,798,685**	**6.1%**	**1,028,685**
TOTAL REVENUE	**15,379,987**	**15,532,516**	**16,770,000**	**17,798,685**	**6.1%**	**1,028,685**

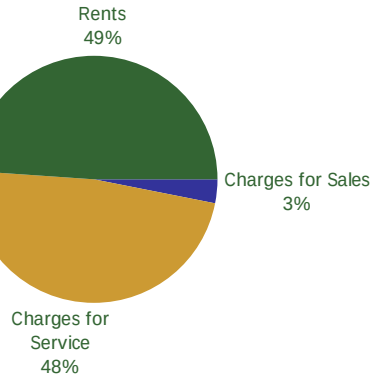
Expense by Category



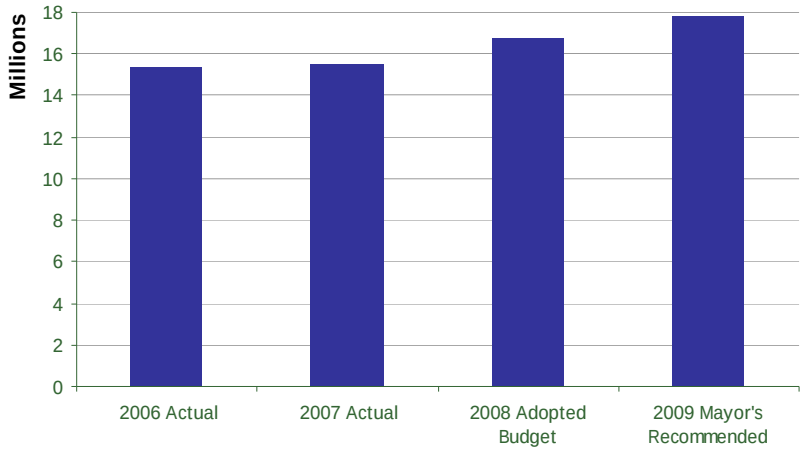
Expense 2006 - 2009



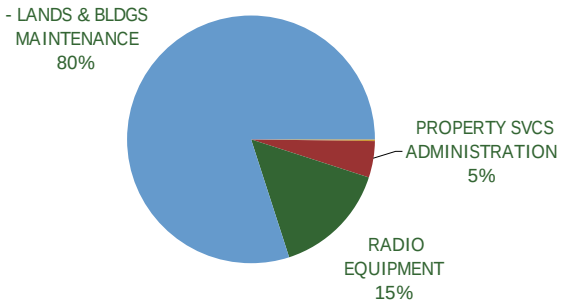
Direct Revenue by Type



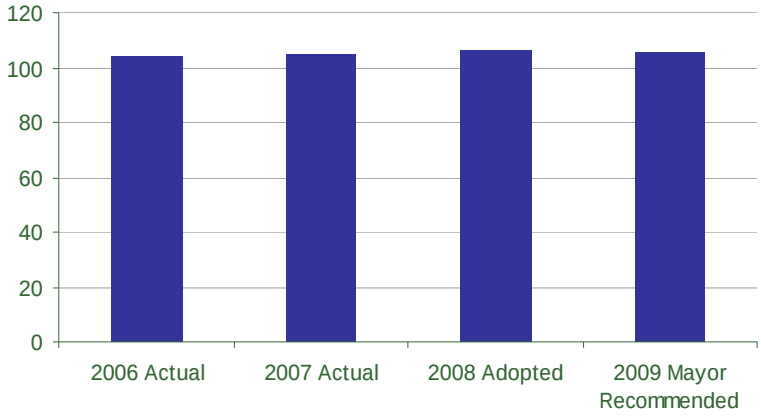
Revenue 2006 - 2009



Expense by Division



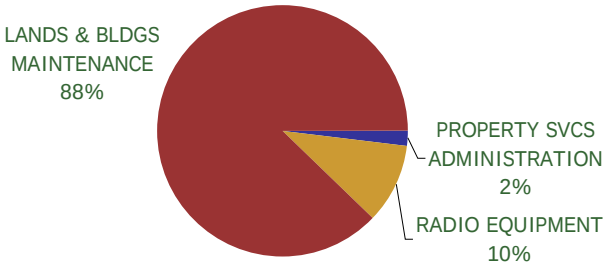
Positions 2006-2009



Property Services
Staffing Information

	2006 Actual	2007 Actual	2008 Adopted	2009 Mayor Recommended	% Change	Change
LANDS & BLDGS MAINTENANCE				92		92
PROPERTY SVCS ADMINISTRATION	93	94	95	2	-97.9%	(93)
RADIO EQUIPMENT	11	11	11	11	0.0%	
TOTAL	**104**	**105**	**106**	**105**	**-0.6%**	**(1)**

Positions by Division



SOLID WASTE & RECYCLING SERVICES

EXPENDITURE
The total 2009 expense budget is $32.5 million compared to $31.3 million for 2008. This is a 3.8% or $1.2 million increase over prior-year budget.

REVENUE
With an increase in rate by $1.00, from $23 to $24.00 for 2009, total anticipated revenues are $30.1 million compared to $31.5 million for 2008.

FUND ALLOCATION
The division is funded by the Solid Waste enterprise fund.

Please see the Solid Waste financial plan in the financial plans section of this book for more information.

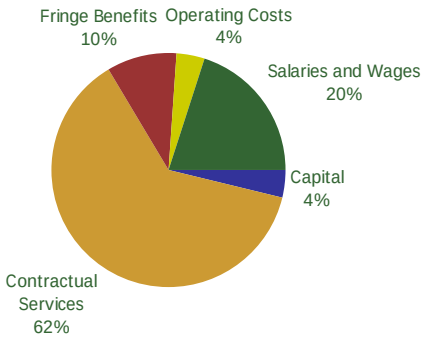
MAYOR'S RECOMMENDED BUDGET
The Mayor recommends an increase in solid waste rates of $1 above 2008 rates. Graffiti strategies are funded at $1.2 million from the division's fund balance. The Mayor also recommends $75,000 from the General Fund for graffiti microgrants.

PUBLIC WORKS - SOLID WASTE
EXPENSE AND REVENUE INFORMATION

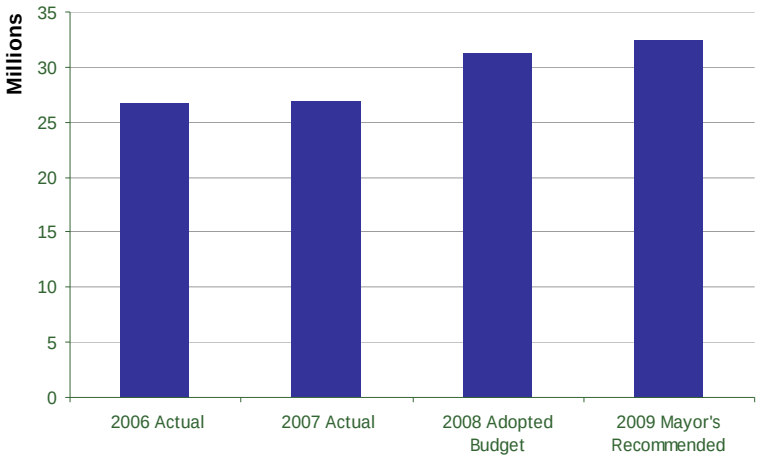
EXPENSE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Mayor's Recommended	Percent Change	Change
GENERAL						
Contractual Services	0	0	150,000	75,000	-50.0%	(75,000)
TOTAL GENERAL	**0**	**0**	**150,000**	**75,000**	**-50.0%**	**(75,000)**
INTERNAL SERVICE						
Fringe Benefits	0	11,315	0	0	0.0%	0
TOTAL INTERNAL SERVICE	**0**	**11,315**	**0**	**0**	**0.0%**	**0**
ENTERPRISE						
Salaries and Wages	5,826,385	6,403,033	6,242,052	6,524,495	4.5%	282,443
Fringe Benefits	2,684,197	2,779,499	2,876,853	3,168,178	10.1%	291,325
Contractual Services	16,325,060	15,820,939	19,869,163	20,253,778	1.9%	384,615
Operating Costs	1,962,526	1,847,304	940,404	1,227,480	30.5%	287,076
Capital	0	0	1,224,979	1,259,278	2.8%	34,299
TOTAL ENTERPRISE	**26,798,168**	**26,850,775**	**31,153,451**	**32,433,210**	**4.1%**	**1,279,759**
TOTAL EXPENSE	**26,798,168**	**26,862,090**	**31,303,451**	**32,508,210**	**3.8%**	**1,204,759**

REVENUE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Mayor's Recommended	Percent Change	Change
ENTERPRISE						
Local Government	802,623	783,762	800,000	800,000	0.0%	0
Charges for Service	26,301,457	26,712,042	28,989,310	28,079,000	-3.1%	(910,310)
Charges for Sales	1,497,204	1,875,838	1,699,400	1,699,400	0.0%	0
Special Assessments	0	119,614	0	0	0.0%	0
Gains	0	13,807	0	0	0.0%	0
Rents	0	806	0	0	0.0%	0
Other Misc Revenues	14,868	17,363	0	0	0.0%	0
TOTAL ENTERPRISE	**28,616,151**	**29,523,232**	**31,488,710**	**30,578,400**	**-2.9%**	**(910,310)**
TOTAL REVENUE	**28,616,151**	**29,523,232**	**31,488,710**	**30,578,400**	**-2.9%**	**(910,310)**

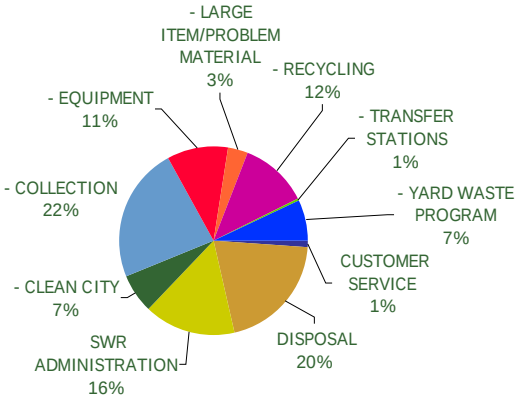
Expense by Category



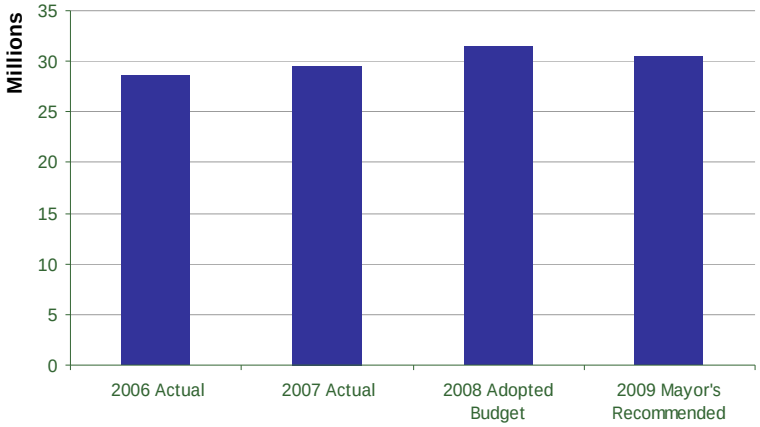
Expense 2006 - 2009



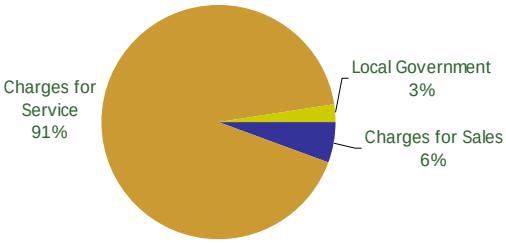
Expense by Division



Revenue 2006 - 2009



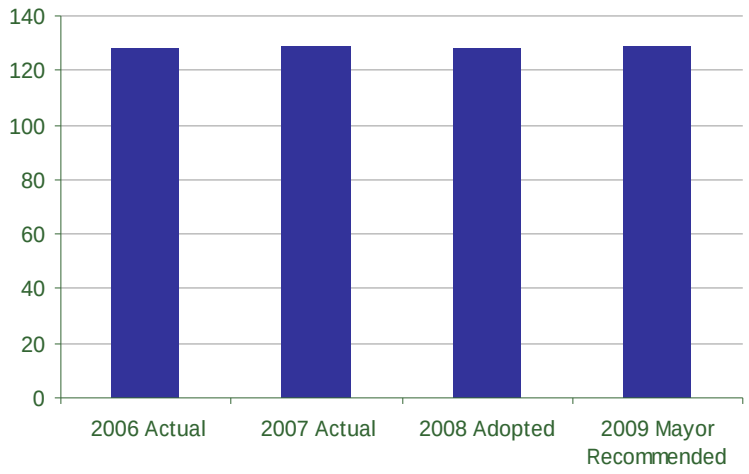
Direct Revenue by Type



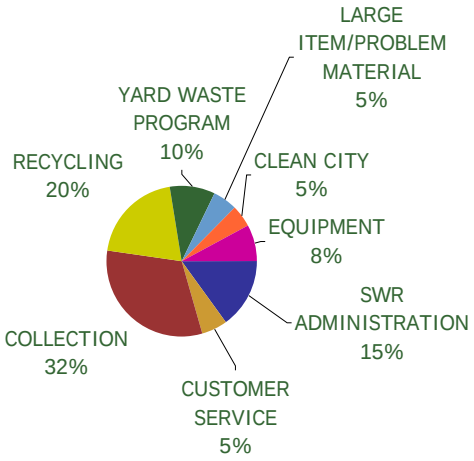
Solid Waste & Recycling
Staffing Information

	2006 Actual	2007 Actual	2008 Adopted	2009 Mayor Recommended	% Change	Change
CLEAN CITY	18	15	5	6	20.0%	1
COLLECTION	38	41	44	41	-6.8%	(3)
EQUIPMENT	10	10	10	10	0.0%	
LARGE ITEM/PROBLEM MATERIAL	10	11	4	7	75.0%	3
RECYCLING	18	20	26	26	0.0%	
TRANSFER STATIONS	1	1				
YARD WASTE PROGRAM	9	9	13	13	-3.8%	(1)
SWR ADMINISTRATION	17	14	19	20	2.6%	1
CUSTOMER SERVICE	7	8	7	7	0.0%	
TOTAL	**128**	**129**	**128**	**129**	**0.8%**	**1**

Positions 2006-2009



Positions by Division



SURFACE WATER AND SANITARY SEWER

EXPENDITURE

The 2009 expense budget is $55.6 million compared to $53.9 million for 2008, an increase of $1.7 million over the 2008 adopted budget. Over $600,000 of the increase can be attributed to increased MCES charges estimated for 2009. The remaining portion is due to inflation. Sanitary sewer expenses account for 76% of total budget with 24% as surface water's share.

The reduction in positions is due to Utility which is not accounted for in the Surface Water and Sanitary Sewer fund in 2009.

REVENUE

The projected revenue is $79.3 million compared to $76.7 million for 2008. Revenue estimates are based on 2007 actual consumption and preset rates for years 2009 through 2013.

FUND ALLOCATION

The Sanitary Sewer fund accounts for 76% of the division's budget with the Stormwater fund accounting for 24%.

Please see the Stormwater fund and Sanitary Sewer fund financial plans in the financial plan section of this book for more information.

MAYOR RECOMMENDED BUDGET

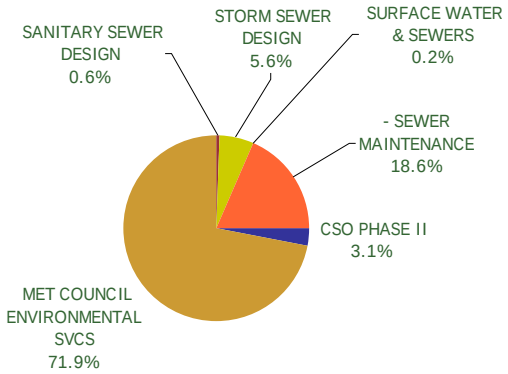
The Mayor recommends an increase of $0.16 in per unit sewer rates.

PUBLIC WORKS - SURFACE WATER & SANITARY SEWER
EXPENSE AND REVENUE INFORMATION

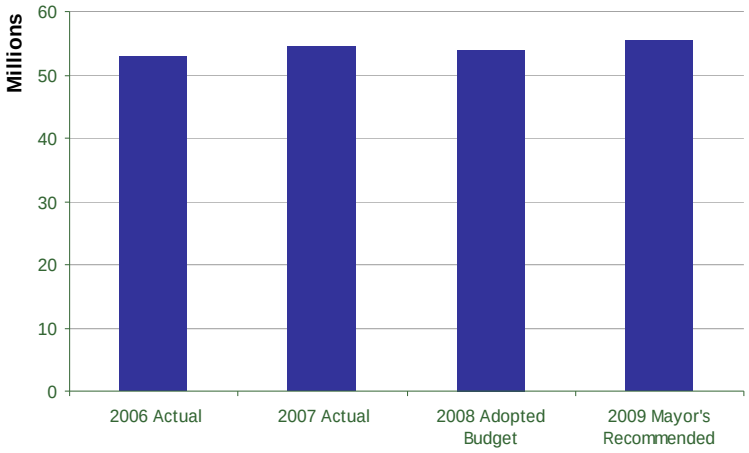
EXPENSE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Mayor's Recommended	Percent Change	Change
GENERAL						
Salaries and Wages	0	0	344,078	0	-100.0%	(344,078)
Fringe Benefits	0	0	140,344	0	-100.0%	(140,344)
Contractual Services	0	0	57,920	0	-100.0%	(57,920)
Operating Costs	0	0	25,707	0	-100.0%	(25,707)
Capital	0	0	1,200	0	-100.0%	(1,200)
TOTAL GENERAL	**0**	**0**	**569,249**	**0**	**-100.0%**	**(569,249)**
ENTERPRISE						
Salaries and Wages	5,256,961	5,295,682	5,599,444	6,174,224	10.3%	574,780
Fringe Benefits	2,131,742	2,099,812	2,456,827	2,539,318	3.4%	82,491
Contractual Services	13,292,236	12,575,829	13,861,979	13,798,190	-0.5%	(63,789)
Operating Costs	32,338,906	34,372,706	31,128,966	32,785,673	5.3%	1,656,707
Capital	0	0	257,081	264,279	2.8%	7,198
TOTAL ENTERPRISE	**53,019,845**	**54,344,029**	**53,304,297**	**55,561,684**	**4.2%**	**2,257,387**
TOTAL EXPENSE	**53,019,845**	**54,344,029**	**53,873,546**	**55,561,684**	**3.1%**	**1,688,138**

REVENUE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Mayor's Recommended	Percent Change	Change
ENTERPRISE						
State Government	85,484	129,675	185,275	62,872	-66.1%	(122,403)
Local Government	111,767	85,028	85,642	37,442	-56.3%	(48,200)
Charges for Service	68,007,407	71,815,535	76,315,937	79,123,401	3.7%	2,807,464
Charges for Sales	550	0	0	0	0.0%	0
Fines and Forfeits	0	41,789	45,000	45,000	0.0%	0
Other Misc Revenues	34,082	83,473	50,841	53,841	5.9%	3,000
TOTAL ENTERPRISE	**68,239,291**	**72,155,499**	**76,682,695**	**79,322,556**	**3.4%**	**2,639,861**
TOTAL REVENUE	**68,239,291**	**72,155,499**	**76,682,695**	**79,322,556**	**3.4%**	**2,639,861**

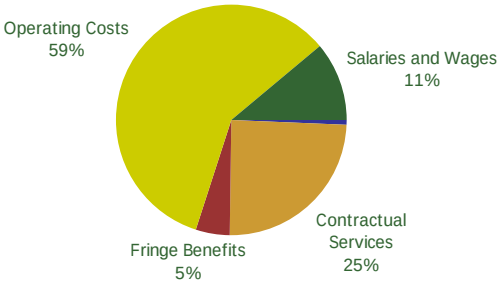
Expense by Division



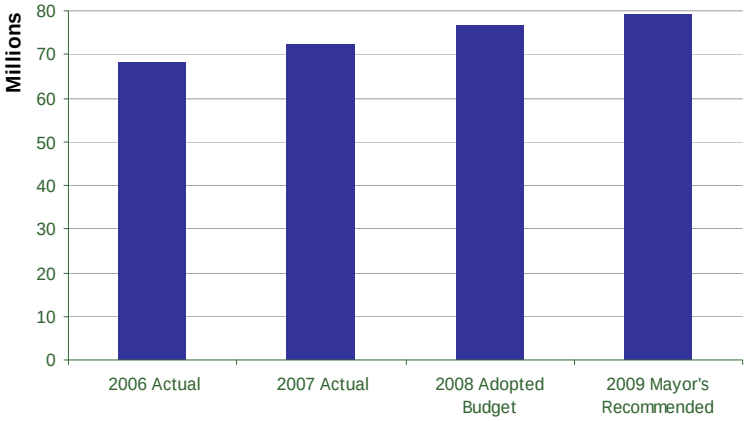
Expense 2006 - 2009



Expense by Category



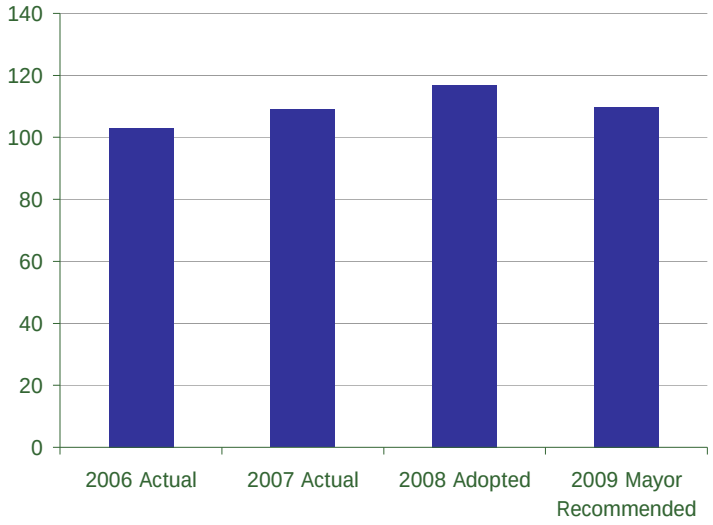
Revenue 2006 - 2009



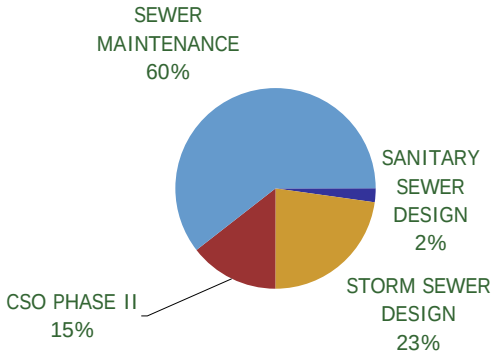
Surface Water & Sanitary Sewer Staffing Information

	2006 Actual	2007 Actual	2008 Adopted	2009 Mayor Recommended	% Change	Change
SEWER MAINTENANCE	64	64	66	66	0.6%	0
SANITARY SEWER DESIGN	3	3	4	3	-37.5%	(2)
STORM SEWER DESIGN				25		25
CSO PHASE II	20	26	25	16	-36.0%	(9)
UTILITY CONNECTIONS			7		-100.0%	(7)
WORK FOR OTHERS	16	16	15		-100.0%	(15)
TOTAL	**103**	**109**	**117**	**110**	**-6.1%**	**(7)**

Positions 2006-2009



Positions by Division



TRAFFIC & PARKING SERVICES

EXPENDITURE

The 2009 budget for Traffic and Parking Services totals $50.1 million compared to $50.8 million for 2008. This is a decrease of $0.8 million or 1.5% less than 2008.

The division had a reduction in expenditures of $0.4 million due to the sale of a ramp in 2008. The increase is due to an increase in BIS charges of $131,380 and other vendor cost increases. The budget includes $1.6 million in General Fund overhead charges.

REVENUE

Projected revenue of $57.7 million is less than the 2008 figure of $57.9 million by 0.4%. The 2009 budget has decreased due to the sale of a parking ramp during 2008 and a decrease in Municipal State Aid funding of $184,000.

FUND ALLOCATION

This division is funded by the Municipal Parking Fund (89% of total budget), the General Fund (7%), and the Public Works Stores Fund (4%).

Please see the Parking fund financial plans in the financial plan section of this book for more information.

MAYOR RECOMMENDED BUDGET

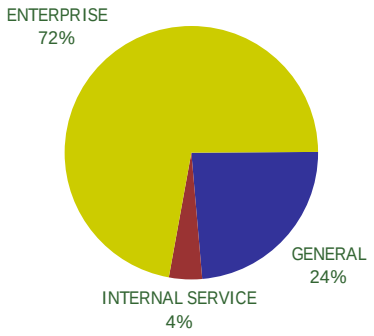
The Mayor recommends $40,000 in one-time funds for the bike rack program. Additionally, the department is required to allocate, within existing resources, the City's portion of the assessment for a downtown improvement district (up to $200,000). This amount represents the assessment for City parking facilities in the zone.

PUBLIC WORKS - TRAFFIC AND PARKING
EXPENSE AND REVENUE INFORMATION

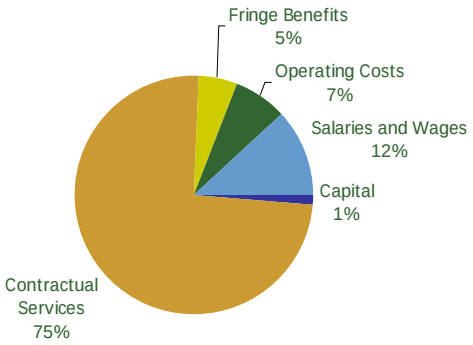
EXPENSE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Mayor's Recommended	Percent Change	Change
GENERAL						
Salaries and Wages	2,702,865	2,810,952	2,625,820	2,779,848	5.9%	154,028
Fringe Benefits	1,211,202	1,240,932	1,168,302	1,178,756	0.9%	10,454
Contractual Services	6,559,670	6,240,451	6,310,342	6,615,100	4.8%	304,758
Operating Costs	1,119,221	1,205,167	1,322,483	1,197,303	-9.5%	(125,180)
Capital	0	0	71,676	73,683	2.8%	2,007
TOTAL GENERAL	**11,592,958**	**11,497,502**	**11,498,623**	**11,844,690**	**3.0%**	**346,067**
SPECIAL REVENUE						
Contractual Services	0	50,925	0	0	0.0%	0
TOTAL SPECIAL REVENUE	**0**	**50,925**	**0**	**0**	**0.0%**	**0**
INTERNAL SERVICE						
Salaries and Wages	148,259	151,726	108,234	118,227	9.2%	9,993
Fringe Benefits	52,949	63,172	70,314	75,821	7.8%	5,507
Contractual Services	122,773	93,295	78,307	98,547	25.8%	20,240
Operating Costs	2,268,305	2,438,832	2,485,757	1,695,718	-31.8%	(790,039)
Capital	865	0	17,789	18,287	2.8%	498
TOTAL INTERNAL SERVICE	**2,593,151**	**2,747,025**	**2,760,401**	**2,006,600**	**-27.3%**	**(753,801)**
ENTERPRISE						
Salaries and Wages	2,464,698	2,918,679	2,886,153	3,085,469	6.9%	199,316
Fringe Benefits	760,189	963,123	1,184,442	1,424,018	20.2%	239,576
Contractual Services	35,706,960	34,549,326	31,162,458	30,353,301	-2.6%	(809,157)
Operating Costs	7,553,718	7,691,731	746,173	736,135	-1.3%	(10,038)
Capital	0	0	592,686	604,635	2.0%	11,949
Debt Service	500,001	0	0	0	0.0%	0
TOTAL ENTERPRISE	**46,985,566**	**46,122,859**	**36,571,912**	**36,203,558**	**-1.0%**	**(368,354)**
TOTAL EXPENSE	**61,171,675**	**60,418,311**	**50,830,936**	**50,054,848**	**-1.5%**	**(776,088)**

REVENUE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Mayor's Recommended	Percent Change	Change
GENERAL						
Franchise Fees	134,881	152,631	110,000	110,000	0.0%	0
License and Permits	1,581,826	1,716,158	1,284,000	1,284,000	0.0%	0
State Government	1,249,890	1,167,669	1,420,702	1,236,395	-13.0%	(184,307)
Local Government	475,361	399,557	483,045	489,489	1.3%	6,444
Charges for Service	93,689	105,949	202,500	202,500	0.0%	0
Charges for Sales	56,605	17,555	18,500	18,500	0.0%	0
Special Assessments	87,730	110,150	65,000	65,000	0.0%	0
Contributions	50	0	0	0	0.0%	0
Other Misc Revenues	491,728	450,536	622,492	622,492	0.0%	0
TOTAL GENERAL	**4,171,759**	**4,120,205**	**4,206,239**	**4,028,376**	**-4.2%**	**(177,863)**
INTERNAL SERVICE						
Charges for Service	139,766	71,931	50,000	51,400	2.8%	1,400
Charges for Sales	2,751,365	2,960,669	1,910,000	1,963,200	2.8%	53,200
TOTAL INTERNAL SERVICE	**2,891,131**	**3,032,600**	**1,960,000**	**2,014,600**	**2.8%**	**54,600**
ENTERPRISE						
License and Permits	252,229	240,571	218,000	218,000	0.0%	0
Charges for Service	55,480,912	58,027,399	49,819,085	49,720,825	-0.2%	(98,260)
Charges for Sales	2,105,218	7,472,577	1,551,000	1,551,000	0.0%	0
Special Assessments	12,500,005	34,424	0	0	0.0%	0
Gains	0	25,260,842	0	0	0.0%	0
Rents	214,075	20,254	3,000	3,000	0.0%	0
Other Misc Revenues	65,650	8,159	138,000	138,000	0.0%	0
TOTAL ENTERPRISE	**70,618,089**	**91,064,227**	**51,729,085**	**51,630,825**	**-0.2%**	**(98,260)**
TOTAL REVENUE	**77,680,979**	**98,217,031**	**57,895,324**	**57,673,801**	**-0.4%**	**(221,523)**

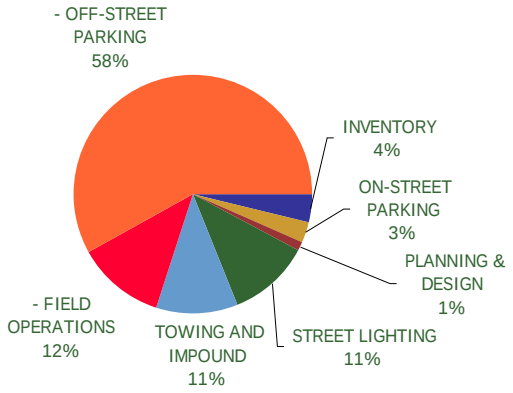
Expense by Fund



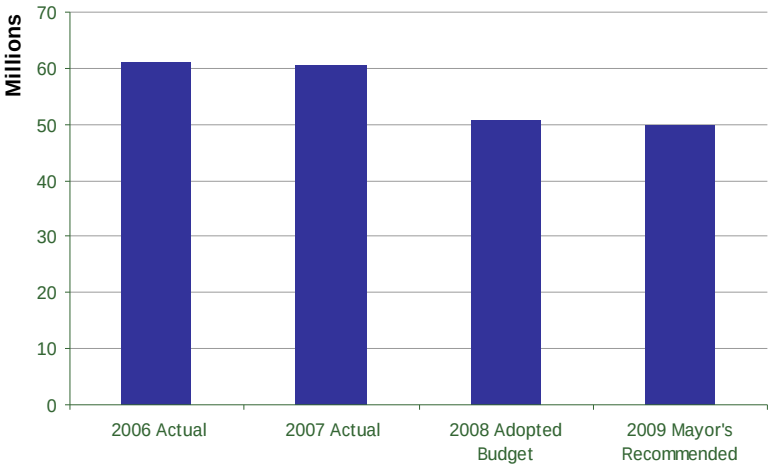
Expense by Category



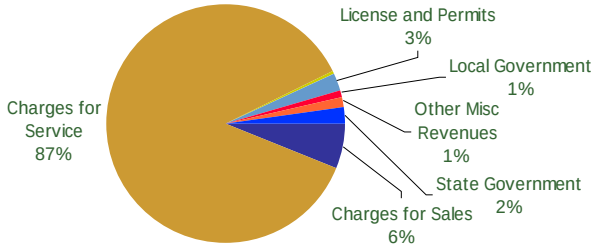
Expense by Division



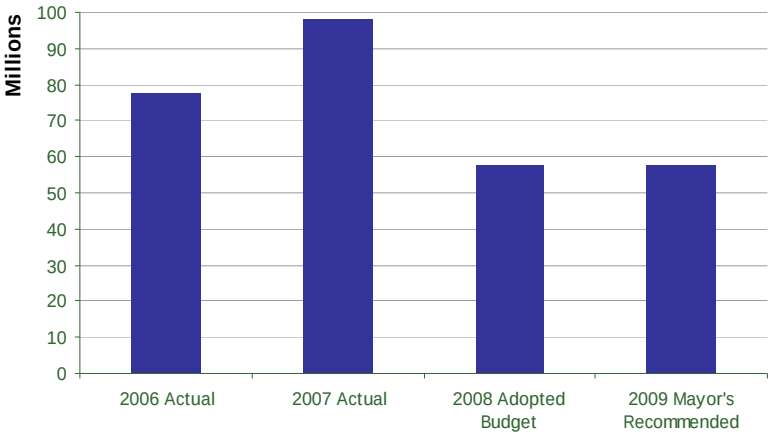
Expense 2006 - 2009



Direct Revenue by Type



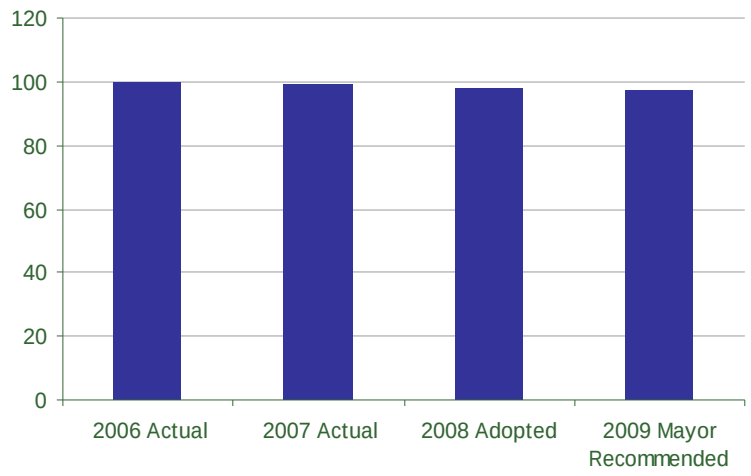
Revenue 2006 - 2009



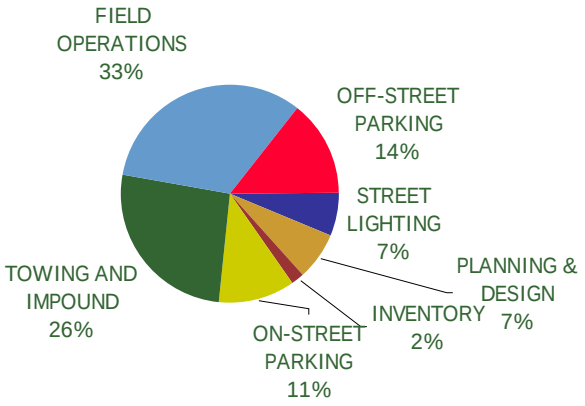
Traffic & Parking Services
Staffing Information

	2006 Actual	2007 Actual	2008 Adopted	2009 Mayor Recommended	% Change	Change
FIELD OPERATIONS	32	32	32	32	0.8%	0
OFF-STREET PARKING	13	13	14	14	-0.7%	(0)
STREET LIGHTING	6	6	6	6	5.8%	0
PLANNING & DESIGN	9	8	7	7	-5.0%	(0)
INVENTORY	2	2	2	2	0.0%	
ON-STREET PARKING	13	12	11	11	-1.5%	(0)
TOWING AND IMPOUND	25	26	26	26	-1.5%	(0)
TOTAL	**100**	**99**	**98**	**98**	**-0.4%**	**(0)**

Positions 2006-2009



Positions by Division



TRANSPORTATION MAINTENANCE & REPAIR

EXPENDITURE

Transportation Maintenance and Repair's expense budget of $32.5 million reflects a 3.9% increase over the 2008 adopted budget. The current service level is increased by $300,000 to reflect experience with special pay expenses.

REVENUE

The division's revenue budget is $8.0 million, which is an overall 5.8% or $488,000 decrease from 2008 adopted due to a $500,000 reduction in utility cut revenue.

FUND ALLOCATION

The division is funded by the General Fund, CDBG fund, Permanent Improvement fund, and the Surface Water and Sanitary Sewer fund. The General Fund budget (bridge, street repair, snow and ice, malls and plazas) increased by 4.9% from $24.0 million in 2008 to $25.1 million in 2009. The capital fund (sidewalk) budget increased slightly (.01%) and the surface water & sewer fund increased by 14% due primarily to an increase in equipment rental contractual services charges.

Three positions were transferred from division to the Transportation Planning and Engineering division following the 2008 budget adoption to best align the support function for both capital programming and maintenance planning in Public Works. Also, the position of Director of Transportation Maintenance and Repair has been increased by the capital allocation of 30% to 100%.

To satisfy long-term funding for the $50,000 one-time funding received in 2008 for an additional position for special service district administration, a vacant maintenance crew leader was transferred from Street Maintenance to Administration.

MAYOR'S RECOMMENDED BUDGET

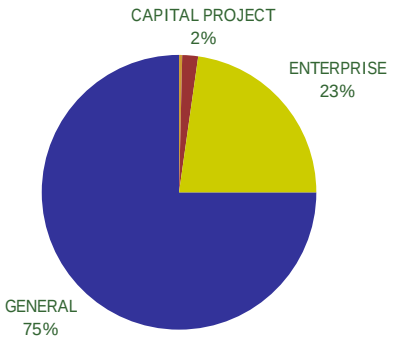
The department's budget is increased to reflect the City's portion of the assessment for a downtown improvement district ($150,000). This amount represents the assessment for City buildings in the zone.

PUBLIC WORKS - TRANSPORTATION MAINTENANCE AND REPAIR
EXPENSE AND REVENUE INFORMATION

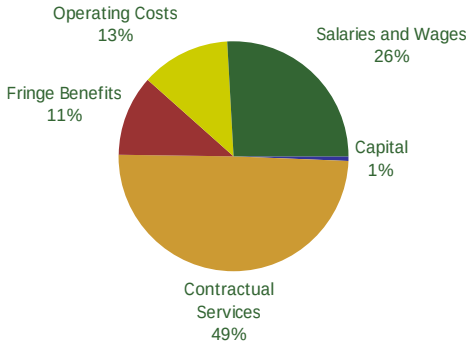
EXPENSE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Mayor's Recommended	Percent Change	Change
GENERAL						
Salaries and Wages	6,783,841	6,922,679	6,422,091	6,780,086	5.6%	357,995
Fringe Benefits	2,883,868	3,009,627	3,204,720	3,009,654	-6.1%	(195,066)
Contractual Services	9,834,778	11,435,452	10,855,755	11,348,112	4.5%	492,357
Operating Costs	3,496,060	3,825,371	3,298,607	3,813,048	15.6%	514,441
Capital	147,467	193,677	174,649	179,539	2.8%	4,890
TOTAL GENERAL	**23,146,014**	**25,386,806**	**23,955,822**	**25,130,439**	**4.9%**	**1,174,617**
SPECIAL REVENUE						
Contractual Services	77,681	264,562	90,000	84,000	-6.7%	(6,000)
TOTAL SPECIAL REVENUE	**77,681**	**264,562**	**90,000**	**84,000**	**-6.7%**	**(6,000)**
CAPITAL PROJECT						
Salaries and Wages	289,234	306,190	310,807	307,676	-1.0%	(3,131)
Fringe Benefits	83,305	97,721	106,953	119,647	11.9%	12,694
Contractual Services	132,562	151,404	154,610	196,819	27.3%	42,209
Operating Costs	25,253	12,279	6,881	7,978	15.9%	1,097
TOTAL CAPITAL PROJECT	**530,354**	**567,594**	**579,251**	**632,120**	**9.1%**	**52,869**
ENTERPRISE						
Salaries and Wages	1,310,671	1,157,338	1,474,897	1,529,125	3.7%	54,228
Fringe Benefits	568,494	427,104	555,503	615,255	10.8%	59,752
Contractual Services	4,872,063	4,783,022	5,141,368	5,073,497	-1.3%	(67,871)
Operating Costs	462,669	394,158	443,191	426,418	-3.8%	(16,773)
TOTAL ENTERPRISE	**7,213,897**	**6,761,622**	**7,614,959**	**7,644,295**	**0.4%**	**29,336**
TOTAL EXPENSE	**30,967,946**	**32,980,584**	**32,240,032**	**33,490,853**	**3.9%**	**1,250,821**

REVENUE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Mayor's Recommended	Percent Change	Change
GENERAL						
State Government	2,442,735	2,155,352	2,204,458	2,216,135	0.5%	11,677
Local Government	206,594	93,679	122,356	175,429	43.4%	53,073
Charges for Service	3,852,317	3,144,108	2,937,110	2,500,000	-14.9%	(437,110)
Charges for Sales	17,136	5,930	15,000	10,000	-33.3%	(5,000)
Special Assessments	1,700,894	1,934,613	1,687,926	1,687,926	0.0%	0
Rents	0	0	2,400	2,400	0.0%	0
Other Misc Revenues	2,926	6,928	28,750	28,750	0.0%	0
TOTAL GENERAL	**8,222,601**	**7,340,610**	**6,998,000**	**6,620,640**	**-5.4%**	**(377,360)**
CAPITAL PROJECT						
License and Permits	213,396	287,423	263,159	263,159	0.0%	0
Charges for Service	238	0	39,924	39,924	0.0%	0
Special Assessments	24,179	19,485	16,072	16,072	0.0%	0
TOTAL CAPITAL PROJECT	**237,813**	**306,908**	**319,155**	**319,155**	**0.0%**	**0**
ENTERPRISE						
State Government	586,041	702,015	561,500	686,597	22.3%	125,097
Local Government	94,167	245,504	247,279	235,961	-4.6%	(11,318)
Charges for Service	65,167	240,881	225,000	1,000	-99.6%	(224,000)
Charges for Sales	9,957	2,873	1,000	1,000	0.0%	0
Special Assessments	114,768	112,057	115,000	115,000	0.0%	0
Other Misc Revenues	0	0	2,000	2,000	0.0%	0
TOTAL ENTERPRISE	**870,101**	**1,303,331**	**1,151,779**	**1,041,558**	**-9.6%**	**(110,221)**
TOTAL REVENUE	**9,330,515**	**8,950,850**	**8,468,934**	**7,981,353**	**-5.8%**	**(487,581)**

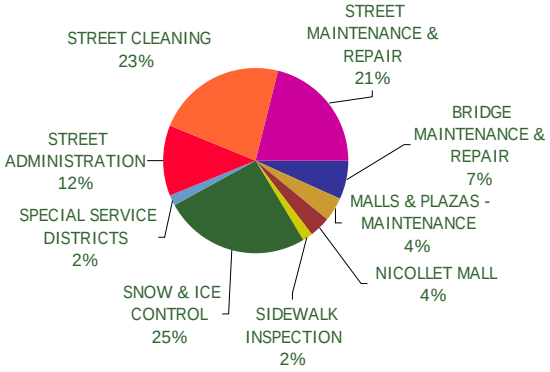
Expense by Fund



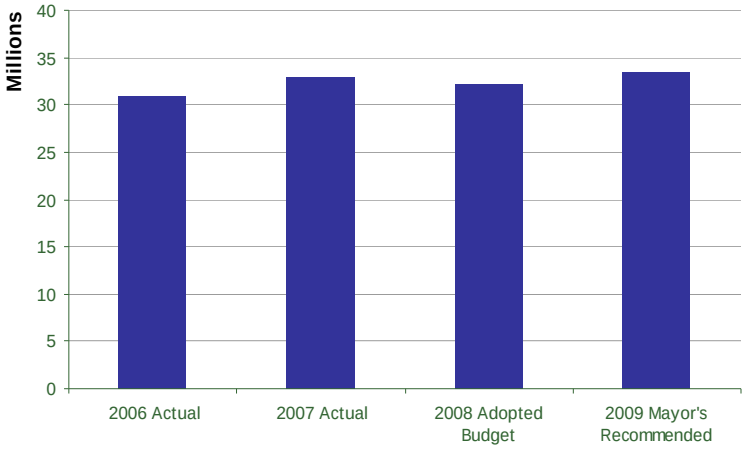
Expense by Category



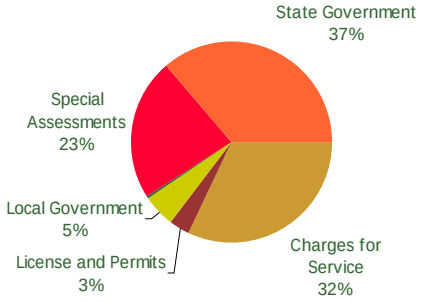
Expense by Division



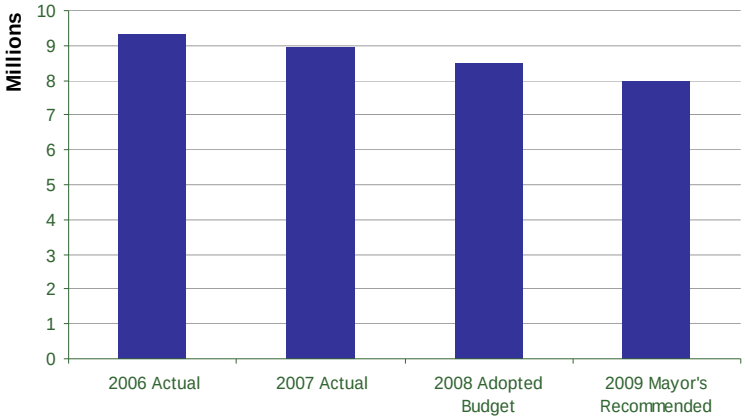
Expense 2006 - 2009



Direct Revenue by Type, 2009 Mayor's Recommended



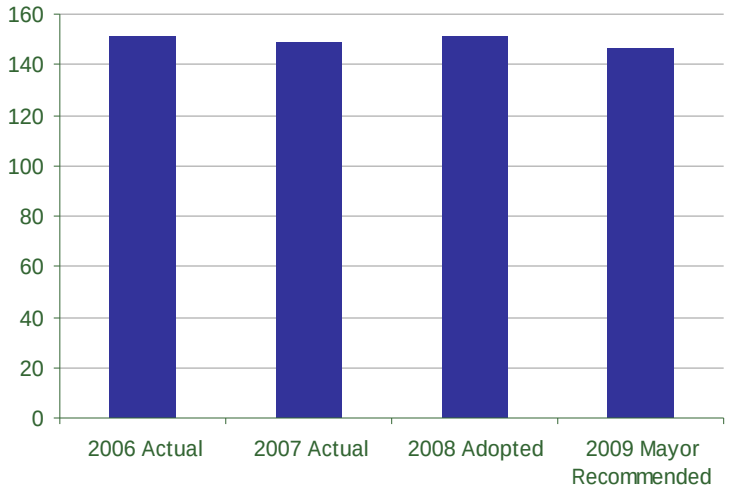
Revenue 2006 - 2009



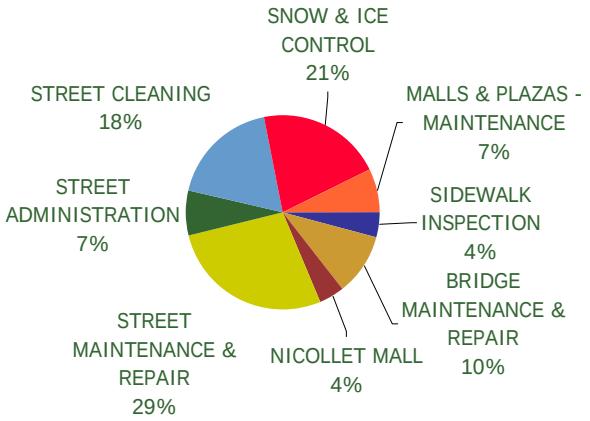
Transportation Maintenance & Repair
Staffing Information

	2006 Actual	2007 Actual	2008 Adopted	2009 Mayor Recommended	% Change	Change
SIDEWALK INSPECTION	6	6	6	6	0.0%	
BRIDGE MAINTENANCE & REPAIR	15	14	14	15	7.1%	1
NICOLLET MALL	6	6	6	6	1.7%	0
STREET MAINTENANCE & REPAIR	48	47	47	41	-13.8%	(7)
STREET ADMINISTRATION	11	10	11	11	0.0%	
STREET CLEANING	26	26	27	27	-0.7%	(0)
SNOW & ICE CONTROL	28	31	31	31	-0.3%	(0)
MALLS & PLAZAS - MAINTENANCE	11	9	9	10	15.6%	1
TOTAL	**151**	**149**	**151**	**147**	**-2.8%**	**(4)**

Positions 2006-2009



Positions by Division



TRANSPORTATION PLANNING & ENGINEERING

EXPENDITURE

During 2008, Transportation Planning & Engineering was expanded to include the Engineering Lab, Asphalt and Concrete Plants. Utility Connections was transferred back to the division from Surface Water & Sewers in addition to 3 positions that were transferred in from Pavement Management to the General Fund. The total budget for 2009 is $14.2 million, a 31.4% increase from 2008 due to the reorganization.

REVENUE

Total revenues for 2009 are budgeted at $7.8 million, or $830,000 increase from 2008.

FUND ALLOCATION

The Transportation Planning & Engineering division is now funded by the General Fund, the Permanent Improvement fund and the Engineering Materials and Testing internal service fund.

The General Fund consists of the right of way management, special assessments, pavement management and the utilities connections areas. There was an increase of 0.4 positions in the Permanent Improvement Fund that was previously shared with the Surface Water & Sewers division.

The Engineering Materials and Testing fund is used to account for the City's purchase of bituminous mixes and ready-mix concrete for placement by various agencies within Public Works for construction and maintenance requirements. Also recorded within this fund are the transactions of the Engineering Laboratory, which provides inspection and testing services for these materials and environmental and soil testing services. The Council took action in December 2003, to suspend the production of bituminous mixes indefinitely at the City's asphalt plant.

MAYOR'S RECOMMENDED BUDGET

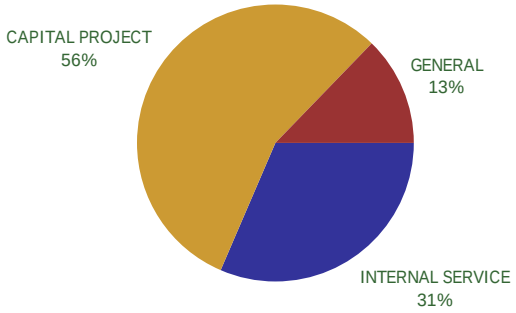
The Mayor recommends no changes to the Transportation Planning & Engineering division.

PUBLIC WORKS - TRANSPORTATION PLANNING AND ENGINEERING
EXPENSE AND REVENUE INFORMATION

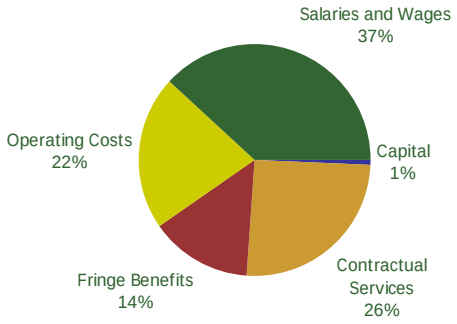
EXPENSE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Mayor's Recommended	Percent Change	Change
GENERAL						
Salaries and Wages	721,712	761,428	575,821	1,109,380	92.7%	533,559
Fringe Benefits	242,112	268,155	215,873	408,583	89.3%	192,710
Contractual Services	169,391	222,004	274,414	258,850	-5.7%	(15,564)
Operating Costs	29,133	16,395	8,164	32,746	301.1%	24,582
Capital	0	0	5,529	6,917	25.1%	1,388
TOTAL GENERAL	**1,162,348**	**1,267,982**	**1,079,801**	**1,816,476**	**68.2%**	**736,675**
CAPITAL PROJECT						
Salaries and Wages	2,566,934	2,478,899	3,351,277	3,573,128	6.6%	221,851
Fringe Benefits	716,628	770,155	1,177,153	1,308,065	11.1%	130,912
Contractual Services	1,461,609	1,500,952	2,707,341	2,802,737	3.5%	95,396
Operating Costs	167,413	142,734	147,803	182,747	23.6%	34,944
Capital	(3,464,328)	(3,481,566)	80,448	82,701	2.8%	2,253
TOTAL CAPITAL PROJECT	**1,448,256**	**1,411,174**	**7,464,022**	**7,949,378**	**6.5%**	**485,356**
INTERNAL SERVICE						
Salaries and Wages	482,062	511,402	637,005	732,233	14.9%	95,228
Fringe Benefits	147,727	146,678	217,309	281,718	29.6%	64,409
Contractual Services	161,393	169,453	284,459	565,626	98.8%	281,167
Operating Costs	29,394	31,951	1,140,587	2,872,852	151.9%	1,732,265
TOTAL INTERNAL SERVICE	**820,576**	**859,484**	**2,279,360**	**4,452,429**	**95.3%**	**2,173,069**
TOTAL EXPENSE	**3,431,180**	**3,538,640**	**10,823,183**	**14,218,283**	**31.4%**	**3,395,100**

REVENUE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Mayor's Recommended	Percent Change	Change
GENERAL						
License and Permits	18,884	14,680	15,000	15,000	0.0%	0
Charges for Service	436,971	406,433	450,000	450,000	0.0%	0
Other Misc Revenues	0	421	0	0	0.0%	0
TOTAL GENERAL	**455,854**	**421,534**	**465,000**	**465,000**	**0.0%**	**0**
CAPITAL PROJECT						
State Government	1,036,766	71,857	550,000	761,000	38.4%	211,000
Charges for Service	247,838	30,771	1,613,000	2,083,000	29.1%	470,000
Charges for Sales	1,620	410	0	0	0.0%	0
TOTAL CAPITAL PROJECT	**1,286,224**	**103,038**	**2,163,000**	**2,844,000**	**31.5%**	**681,000**
INTERNAL SERVICE						
Charges for Service	828,035	846,122	1,000,000	1,030,000	3.0%	30,000
Charges for Sales	0	0	3,381,000	3,501,000	3.5%	120,000
TOTAL INTERNAL SERVICE	**828,035**	**846,122**	**4,381,000**	**4,531,000**	**3.4%**	**150,000**
TOTAL REVENUE	**2,570,113**	**1,370,694**	**7,009,000**	**7,840,000**	**11.9%**	**831,000**

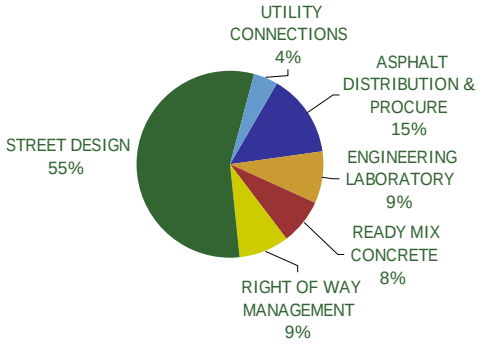
Expense by Fund



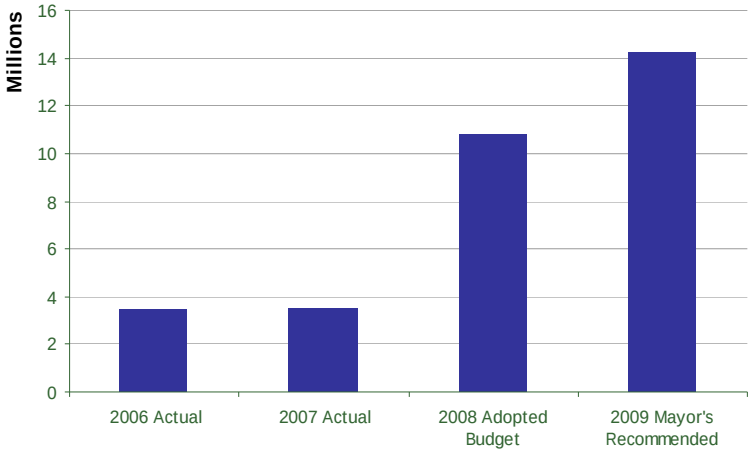
Expense by Category



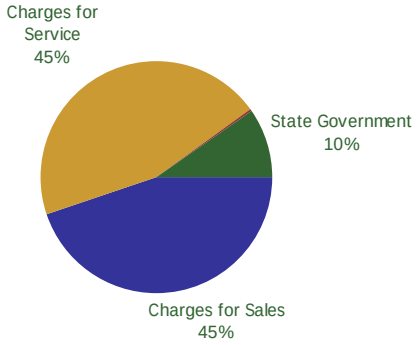
Expense by Division



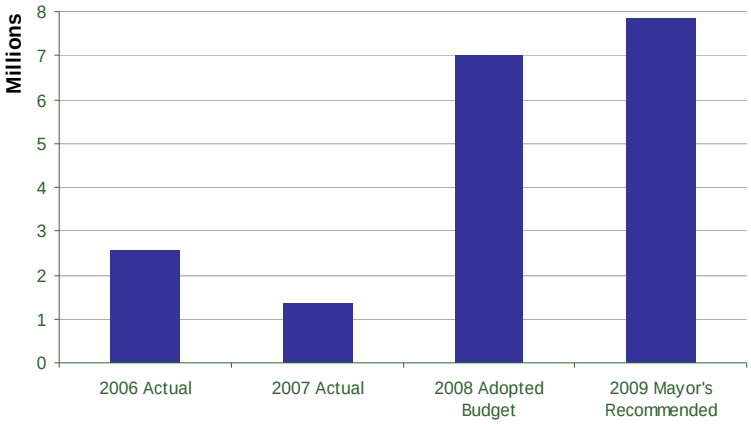
Expense 2006 - 2009



Direct Revenue by Type



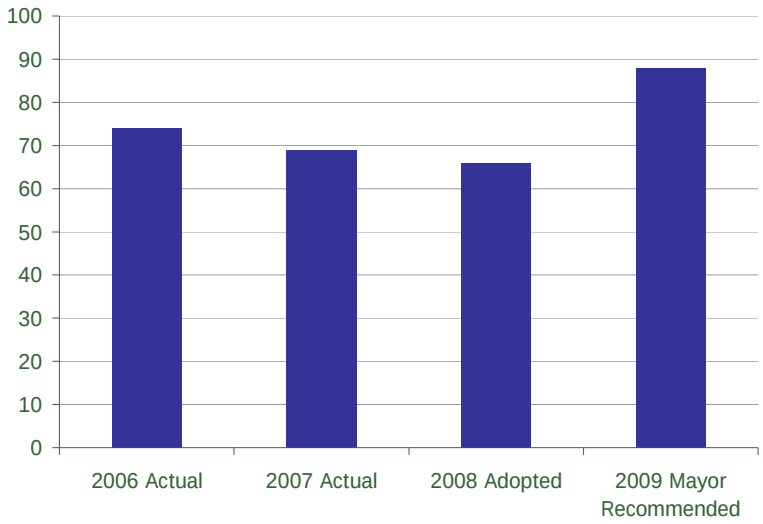
Revenue 2006 - 2009



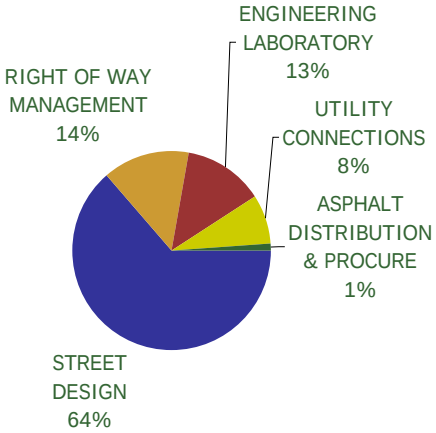
Transportation Planning & Engineering
Staffing Information

	2006 Actual	2007 Actual	2008 Adopted	2009 Mayor Recommended	% Change	Change
STREET DESIGN	59	54	56	56	0.0%	
RIGHT OF WAY MANAGEMENT	3	3	3	13	316.7%	10
ENGINEERING LABORATORY				12		12
UTILITY CONNECTIONS	12	12	7	7	0.0%	
ASPHALT DISTRIBUTION & PROCURE				1		1
TOTAL	**74**	**69**	**66**	**88**	**33.3%**	**22**

Positions 2006-2009



Positions by Division



WATER TREATMENT & DISTRIBUTION SERVICES

EXPENDITURE
The 2009 expense budget increases from $44.8 million in 2008 to $46.8 million in 2009, an increase of 4.5%.

REVENUE
The 2009 revenue is projected to increase by approximately $3.9 million to $70.7 million, based on a 5.8% increase.

FUND ALLOCATION
The division is fund completely by the Water enterprise fund.

Please see the Water fund financial plan in the finance plan section of this book for more information.

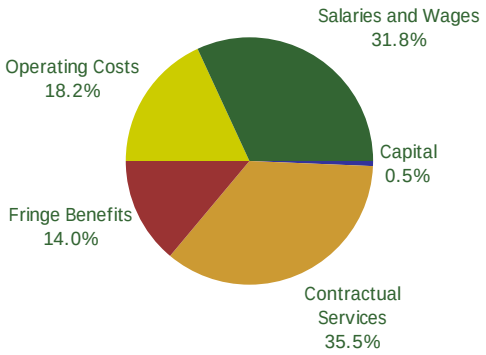
MAYOR'S RECOMMENDED BUDGET
The Mayor recommends a $0.16 increase in per unit water rates. The Mayor also recommends the department use its resources to fund up to $50,000 in drinking fountain maintenance.

PUBLIC WORKS - WATER TREATMENT & DISTR.
EXPENSE AND REVENUE INFORMATION

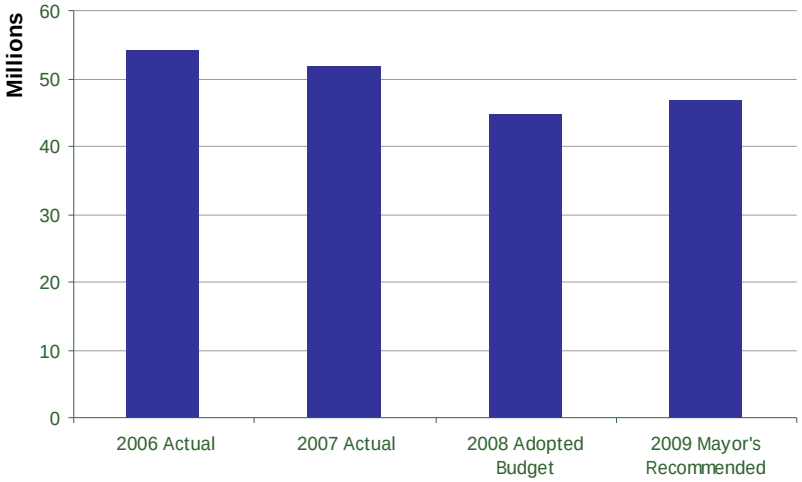
EXPENSE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Mayor's Recommended	Percent Change	Change
ENTERPRISE						
Salaries and Wages	13,463,893	14,506,307	14,274,220	14,887,004	4.3%	612,784
Fringe Benefits	5,130,469	5,606,417	5,837,909	6,533,862	11.9%	695,953
Contractual Services	18,774,393	16,252,561	16,303,326	16,619,836	1.9%	316,510
Operating Costs	16,845,735	15,638,994	8,127,877	8,520,131	4.8%	392,254
Capital	0	0	214,545	220,552	2.8%	6,007
TOTAL ENTERPRISE	**54,214,490**	**52,004,279**	**44,757,877**	**46,781,386**	**4.5%**	**2,023,509**
TOTAL EXPENSE	**54,214,490**	**52,004,279**	**44,757,877**	**46,781,386**	**4.5%**	**2,023,509**

REVENUE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Mayor's Recommended	Percent Change	Change
ENTERPRISE						
License and Permits	728	773	1,000	1,000	0.0%	0
Federal Government	36,036	0	0	0	0.0%	0
Charges for Service	63,354,640	65,181,104	65,488,931	69,898,816	6.7%	4,409,885
Charges for Sales	1,702,574	920,450	1,315,000	822,000	-37.5%	(493,000)
Other Misc Revenues	27,918	346	20,100	340	-98.3%	(19,760)
TOTAL ENTERPRISE	**65,121,896**	**66,102,673**	**66,825,031**	**70,722,156**	**5.8%**	**3,897,125**
TOTAL REVENUE	**65,121,896**	**66,102,673**	**66,825,031**	**70,722,156**	**5.8%**	**3,897,125**

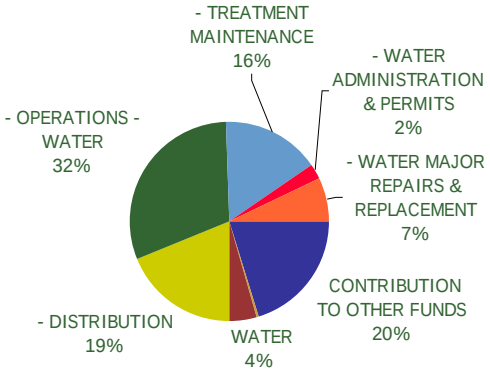
Expense by Category



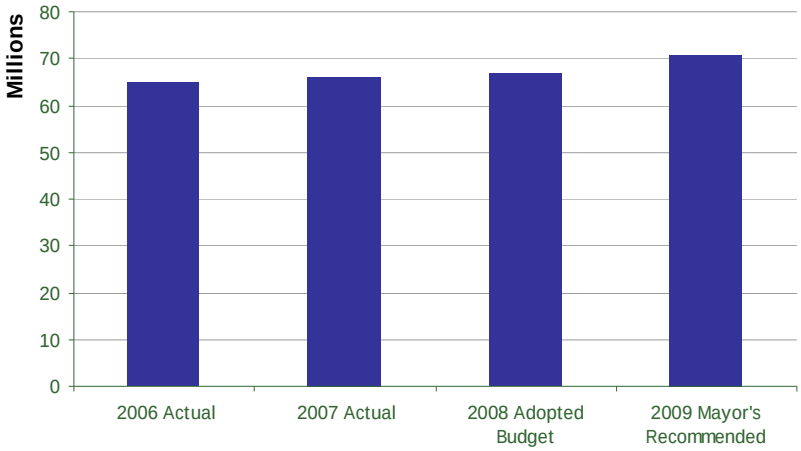
Expense 2006 - 2009



Expense by Division



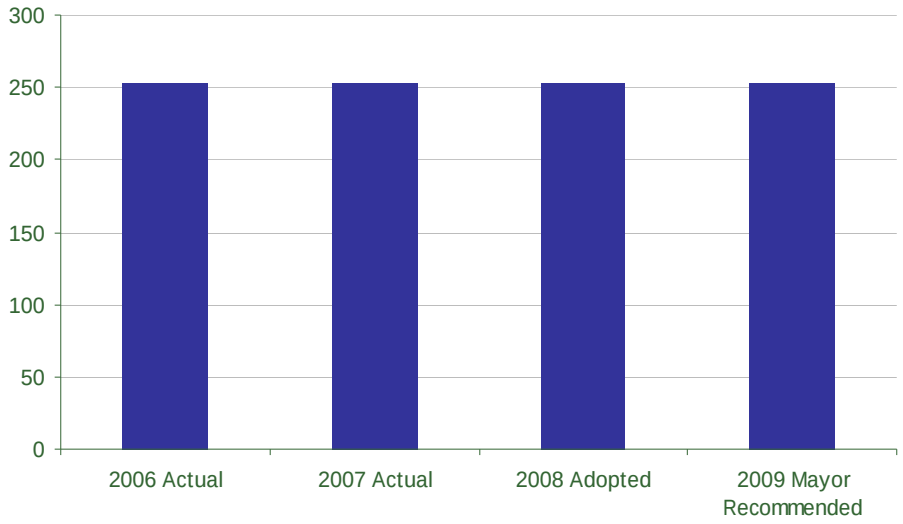
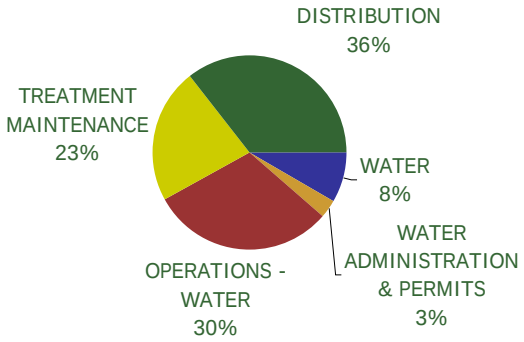
Revenue 2006 - 2009



Water Treatment & Distribution
Staffing Information

	2006 Actual	2007 Actual	2008 Adopted	2009 Mayor Recommended	% Change	Change
DISTRIBUTION	92	94	91	90	-1.1%	(1)
OPERATIONS - WATER	80	77	82	77	-6.4%	(5)
TREATMENT MAINTENANCE	61	62	59	57	-3.4%	(2)
WATER ADMINISTRATION & PERMITS	7	7	8	8	0.0%	
6900300 - WATER	13	13	13	21	61.5%	8
TOTAL	**253**	**253**	**253**	**253**	**-0.1%**	**(0)**

Positions 2006-2009



Positions by Division