

**City of Minneapolis
2016 Budget**

Table of Contents

Strategic Planning	Pages 65-72
City Vision and Values	66
City Goals and Strategic Directions	67
Annual Budget Process	68
Integrating Key Processes for Budget	71
Results Minneapolis	71



Minneapolis strategic policy

Vision

Minneapolis is a growing and vibrant world-class city with a flourishing economy and a pristine environment, where *all* people are safe, healthy and have equitable opportunities for success and happiness.

Values

WE WILL BE A CITY OF

Equity

Fair and just opportunities and outcomes for all people.

Safety

People feel safe and are safe.

Health

We are focused on the well-being of people and our environment.

Vitality

Minneapolis is a world class city, proud of its diversity and full of life with amenities and activities.

Connectedness

People are connected with their communities, are connected to all parts of the city and can influence government.

Growth

While preserving the city's character, more people and businesses lead to a growing and thriving economy.

WE WORK BY

Innovating and being creative

New ideas drive continuous improvement.

Getting results

Our efficient, effective work meets measurable goals for today and tomorrow.

Engaging the community

All have a voice and are heard.

Valuing employees

Valued and supported employees take pride in public service.

Building public trust

All have access to services and information.
We work in an open, ethical and transparent manner.

Collaborating

We work better together as one team.
We value our partners, and they value us.

Goals and Strategic Directions

Living well

Minneapolis is safe and livable and has an active and connected way of life

- All neighborhoods are safe, healthy and uniquely inviting.
- High-quality, affordable housing choices exist for all ages, incomes and circumstances.
- Neighborhoods have amenities to meet daily needs and live a healthy life.
- High-quality and convenient transportation options connect every corner of the city.
- Residents and visitors have ample arts, cultural, entertainment and recreational opportunities.
- The city grows with density done well.

One Minneapolis

Disparities are eliminated so all Minneapolis residents can participate and prosper

- Racial inequities (including in housing, education, income and health) are addressed and eliminated.
- All people, regardless of circumstance, have opportunities for success at every stage of life.
- Equitable systems and policies lead to a high quality of life for all.
- All people have access to quality essentials, such as housing, education, food, child care and transportation.
- Residents are informed, see themselves represented in City government and have the opportunity to influence decision-making.

A hub of economic activity and innovation

Businesses – big and small – start, move, stay and grow here

- Regulations, policies and programs are efficient and reliable while protecting the public's interests.
- The workforce is diverse, well-educated and equipped with in-demand skills.
- We support entrepreneurship while building on sector (such as arts, green, tourism, health, education and high-tech) strengths.
- We focus on areas of greatest need and seize promising opportunities.
- Infrastructure, public services and community assets support businesses and commerce.
- Strategies with our City and regional partners are aligned, leading to economic success.

Great places

Natural and built spaces work together and our environment is protected

- All Minneapolis residents, visitors and employees have a safe and healthy environment.
- We sustain resources for future generations by reducing consumption, minimizing waste and using less energy.
- The City restores and protects land, water, air and other natural resources.
- We manage and improve the city's infrastructure for current and future needs.
- Iconic, inviting streets, spaces and buildings create a sense of place.
- We welcome our growing and diversifying population with thoughtful planning and design.

A City that works

City government runs well and connects to the community it serves

- Decisions bring City values to life and put City goals into action.
- Engaged and talented employees reflect our community, have the resources they need to succeed and are empowered to improve our efficiency and effectiveness.
- Departments work seamlessly and strategically with each other and with the community.
- City operations are efficient, effective, results driven and customer focused.
- Transparency, accountability and ethics establish public trust.
- Responsible tax policy and sound financial management provide short-term stability and long-term fiscal health.

**City of Minneapolis
2016 Budget
Strategic Planning
Annual Budget Process**

The City of Minneapolis annual budget process integrates information from the City's strategic and business planning processes, capital long-range improvement committee process and the departmental performance measurement review process (*Results Minneapolis*) to establish annual resource allocations.

January-early April

Department-level assessment of prior year and planning for current year

Analysis of what a department accomplished over the past year leads it to assess its business plan and make appropriate changes to the plan for the next year. Featured elements are reported and the reports made public. This analysis and reporting is the Department Results Minneapolis program.

Additionally, the City engages in citywide strategic planning every four years to develop strategic policy guidance. The vision, values, city goals and strategic directions serve as guideposts for each department as it develops its business plan.

March

Preliminary prior year-end budget status report

Finance presents a year-end budget status report for the previous year to the Ways and Means/Budget Committee. This is a preliminary report because the audited Comprehensive Annual Financial Report (CAFR) is not available until the second quarter of the year.

March–April

Capital improvement budget development

The City has a five-year capital improvement plan. The departments prepare and modify capital improvement proposals on an annual basis. Finance and Property Services, Community Planning and Economic Development (CPED), and the Capital Long-Range Improvements Committee (CLIC) review capital improvement proposals of the departments. CLIC is the resident advisory committee to the Mayor and the City Council on capital programming.

April–June

Operating budget development

Departments work in coordination with Finance and Property Services to prepare operating budgets based on programs. In addition to preparing operating budgets for programs, departments prepare proposals that describe policy and organizational changes with financial implications. The program proposals form the basis for the Mayor's budget meetings with departments held in June and July.

Capital Asset Request System (CARS) plan and budget development

Departments work in coordination with Finance and Property Services to prepare five-year plans for the replacement of smaller capital assets and operating capital. The plans are based upon the need for replacements and the addition of capital assets for operational effectiveness. Each request requires a justification and an estimate of the impact on operating budgets, as well as identification of funding sources.

June–August

Mayor's Recommended Budget

The 2016 Mayor's Recommended Budget will be based on program proposals submitted by departments. These program proposals are reviewed and discussed by the submitting department, the Mayor's Office, and staff from the Coordinator's Office and Finance and Property Services for priority-setting. In addition to reviewing

operating budgets, the Mayor meets with representatives from CLIC before finalizing the capital budget recommendation. By City Charter, the Mayor must make recommendations to the City Council on the budget no later than August 15 of each year.

September

Maximum proposed property tax levy

As a requirement of State law, the maximum proposed property tax levy increase is authorized by September 30, by the Board of Estimate and Taxation (BET). The BET sets the maximum levies for the City, the Municipal Building Commission, the Public Housing Authority and Minneapolis Parks and Recreation Board.

September–November

City Council budget review and development

The City Council budget review and development process begins with a series of public hearings on the budget. Departments present their Mayor's Recommended Budget to the Ways and Means and Budget Sub-committee which is comprised of all Councilmembers. Following departmental budget hearings, the Ways and Means and Budget Subcommittee amends and moves forward final budget recommendations to the full City Council. The Committee-recommended budget includes any and all changes that are recommended by the Committee to the Mayor's Recommended Budget.

Truth in Taxation

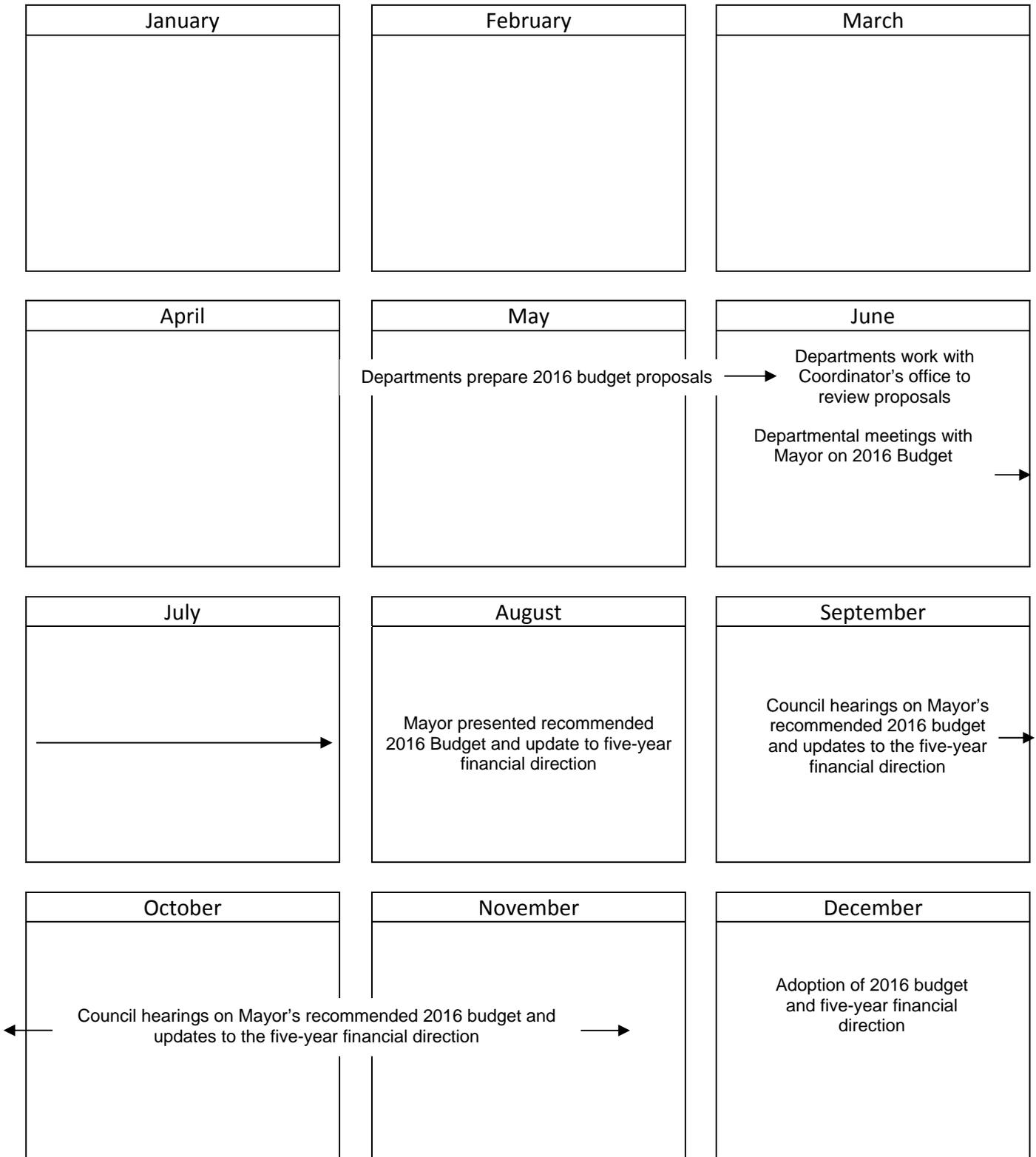
Truth in Taxation (TNT) property tax statements are mailed by Hennepin County to property owners indicating the maximum amount of property taxes that the owner will be required to pay based upon the preliminary levies approved in September. These statements also indicate the dates when public hearings will be held to provide opportunities for public input. State law was changed in the 2009 legislative session to eliminate a separate TNT hearing in lieu of a mandate to allow public comments at the meeting at which the final budget adoption occurs. The City Council has maintained a separate hearing however as part of the regularly scheduled budget meetings. According to State law, the meeting at which the budget is adopted must be held after 6:00 p.m., on a date after November 24.

December

City Council budget adoption

The City Council adopts a final budget that reflects any and all changes made by the full Council to the Mayor's Recommended Budget. Once the final budget resolutions are adopted, requests from departments for additional funds or positions made throughout the year are to be brought as amendments to the original budget resolutions before the Ways and Means/Budget Committee and the City Council for approval. The independent boards and commissions adopt their own operating budgets.

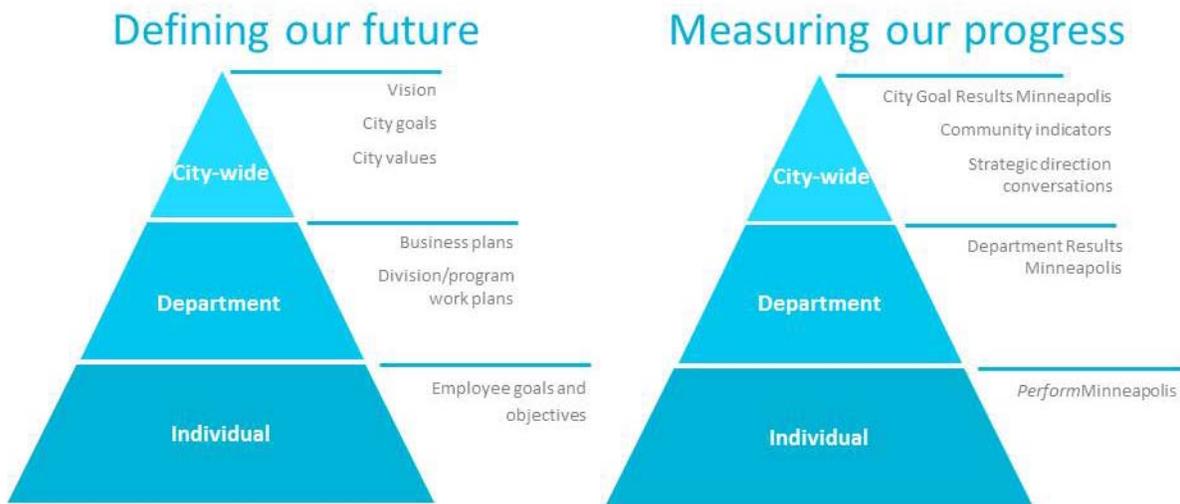
Financial/Business Decisions 2016 Budget Calendar



**City of Minneapolis
2016 Budget
Integrating Key City Processes**

Setting priorities for the City is one of the most important responsibilities for Minneapolis' elected officials. These priorities are articulated and discussed through a number of different means: citywide strategic planning, department business planning, the annual budget process and performance monitoring.

The diagram below illustrates the linkages among these key City processes. By aligning strategic planning, business planning, budgeting and performance monitoring, Minneapolis is able to plan for the future and ensure its efforts and resources are pointed in the same direction.



Citywide Strategic Planning

Strategic planning is a process in which an organization sets its long-term future direction. It is a tool for assessing its current and future environment and for ensuring the organization's energies are focused toward achieving strategic goals.

In March 2014, the Mayor and City Council adopted a new set of City Vision, Goals and Strategic Directions. This work builds on previous City goals and a resolution establishing commitment to business planning and the five-year financial direction. This strategic policy direction serves as a guide by which all other policy decisions should be assessed. As elected officials and departments make decisions throughout the year, they should be asking "does this support the City's strategic goals?"

City Goal Results Minneapolis

The City Goal Results Minneapolis program helps the City understand how its work is impacting its city goals. The program connects City work and community priorities, as measured by community indicators, by blending a variety of data sources and analysis from City departments and community stakeholders. The results of the analysis are compiled into powerful, insights-based reports and presented at a roundtable to inform City decision making. The reports are also made public.

Department Business plans

The development of the citywide strategic vision, goals and strategic directions is intended to provide clear direction for departments' business planning efforts. Through the planning and budgeting processes, departments are given direction as to City priorities and their projected level of resources over the next several years, and now have the opportunity to structure their work accordingly. A department's business plan will articulate the alignment of its services with the adopted citywide strategic planning policy.

Business planning is a process that provides both strategic and tactical direction to City departments. A business plan is a mid-range plan (Minneapolis uses a four-year planning horizon) that aligns department services with City strategic goals. A business plan addresses what the department does, what it is trying to achieve, how to achieve it, what resources to use, and how it will know when it has been successful.

Department Results Minneapolis

The Department Results Minneapolis program uses data to assess a department's progress on its business plan. This information is then used to adapt the following year's work. Departments complete the analysis and updating in the first quarter of the year and report on featured elements. The reports are made public.

The Annual Budget Process

Minneapolis' annual budget process is the process in which the Mayor and City Council articulate their priorities for the upcoming year by allocating City financial resources accordingly. Through the further integration of the City's planning, budgeting and performance measurement processes, it is expected that the decisions surrounding the budget process will be better informed as these planning efforts come to fruition. The business plans provide greater clarity of the intended future direction of departments, and performance measurement helps assess whether current strategies are yielding those expected results.

As stated above, during the planning and budgeting process, departments are given the projected level of financial resources to expect over the next several years and plans are adjusted accordingly.