

CITY OF MINNEAPOLIS

FINANCE DEPARTMENT

2007-2011 BUSINESS PLAN

SEPTEMBER 2006

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WHO ARE WE?

MISSION

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

VALUES

The ideal Finance Department culture is best expressed by knowledgeable employees displaying the values of innovation, professionalism and respect.

BUSINESS LINE DESCRIPTION

The Finance Department has two primary business lines:

1) Financial Operations – Providing accurate, timely financial information

This business line includes collecting and receiving revenue, managing receivables, paying employees, vendors and other third parties and managing and preserving assets.

2) Decision Support – Supporting informed financial and business-related decisions

This business line includes supporting elected officials in making decisions regarding source and allocation of financial resources, and supporting departments in making decisions regarding management of financial resources.

DEPARTMENT ORGANIZATION CHART

CHIEF FINANCIAL OFFICER

Controller	Management & Budget	Procurement	Risk Management & Claims	Treasury	Development Finance
<ul style="list-style-type: none"> • Managerial Accounting • Financial System Support • Central Payroll • Financial Reporting 	<ul style="list-style-type: none"> • Budget • Enterprise Financial Analysis • Capital & Debt Management 	<ul style="list-style-type: none"> • Contract Management • Disaster Planning • Purchasing 	<ul style="list-style-type: none"> • Workers' Compensation • Tort Claims • Insurance • Loss Prevention 	<ul style="list-style-type: none"> • Revenue Collection • Cash Management • Investments 	<ul style="list-style-type: none"> • Development Planning & Analysis • Development Loans & Contracts • CPED Budgeting

WHAT DO WE WANT TO ACHIEVE?

VISION

Enterprise leaders, with respected services and solutions.

DEPARTMENT GOALS, OBJECTIVES AND MEASURES (ALIGNED WITH CITY GOALS)-

City Goal (1-6)	City Strategic Direction (A-Z)	Department Goal	Objective	Measures
1-6	All	Ensure the City's financial stability through informed decision making, aligning with the City priorities.	<p>Provide financial information to managers and policy makers in making sound, informed decisions about:</p> <ul style="list-style-type: none"> • Economic development initiatives • City services and operations • Capital investment in physical infrastructure • Resource allocation and performance measurement 	<p>Credit ratings</p> <p>General fund balance (% of expenses)</p> <p>Funded ratio of closed pension plans (MERF, MPRA, MFRA)</p> <p>% elected officials agree/strongly agrees that adequate Financial information was provided to them to align the City budget with the City priorities and goals.</p> <p>% elected officials agree/strongly agree financial decisions are well informed</p> <p>% department heads agree/strongly agree Finance is a strategic advisor</p> <p>% of Finance's resources spent on decision support</p>

City Goal (1-6)	City Strategic Direction (A-Z)	Department Goal	Objective	Measures
			Establish internal and external fees for specified services to fully recover costs	Revenues as % of expenses – Development / Regulatory services Revenue as % of expenses (Water, Sewer, Parking, Storm Water, Solid Waste) % of departments that were advised of and understand the cost basis for their rate models.
			Coach and support the implementation of Loss Prevention (LP) tactics in every department.	Work Comp claims per department Liability claims per department % of departments implementing LP tactics
1-6	All	Improve efficiency and effectiveness of Finance department by improving the business processes and the workforce.	Simplify and improve business processes through implementation of a new financial system.	% of business processes improved % of side-systems eliminated % of business units that have reformed Chart of Accounts % of Finance's resources spent on operations % total revenues included in City's annual CEI (Collections Effectiveness Indicator) measure. % CEI (by revenue type as) versus benchmark .

City Goal (1-6)	City Strategic Direction (A-Z)	Department Goal	Objective	Measures
				<p>% increase in vendors on EFT (Electronic Funds Transfer)</p> <p>% vendor discounts, that provide a return to City greater than its cost of capital taken (measure is not available at this time, but will be, with the implementation of the new system)</p>
			<p>Maintain a positive work environment for employees by strengthening and improving methods of workforce accountability and feed back.</p>	<p>% employees with performance reviews in past year</p> <p>% change in survey responses related to communication</p> <p>% employees agree/strongly agree they are satisfied with their job</p> <p>% employee turnover</p>
			<p>Develop a competent and versatile workforce.</p>	<p>% of staff annually participating in training plans as defined within their performance reviews.</p> <p>% women – total % person of color – total.</p> <p>% women – management / supervisor</p> <p>% persons of color – management / supervisor</p>

City Goal (1-6)	City Strategic Direction (A-Z)	Department Goal	Objective	Measures
			Invest City cash reserves to preserve capital, meet City liquidity needs and maximize returns.	Return on investments as % of benchmark Average cash balance in days of operating expenses

HOW ARE WE GOING TO GET THERE?

TACTICS AND DEPARTMENT INITIATIVES (ALIGNED WITH DEPARTMENT GOALS AND OBJECTIVES)

Department Goal	Objective	Tactics
Ensure the City's financial stability through informed decision making, aligning with the City priorities.	<p>Provide financial information to managers and policy makers in making sound, informed decisions about:</p> <ul style="list-style-type: none"> • Economic development initiatives • City services and operations • Capital investment in physical infrastructure 	<p>Review and update Development policies that require the use of Development resources.</p> <p>Examine, improve and simplify business processes.</p> <p>Train staff on new processes and systems.</p> <p>Develop ongoing development plan to transition skills.</p> <p>Identify financial information needs.</p> <p>Reform Chart of Accounts to meet current financial information needs.</p> <p>Improve ongoing communications between CLIC and departments.</p> <p>Produce Capital budget within the core Financial system.</p>

Department Goal	Objective	Tactics
	<ul style="list-style-type: none"> Resource allocation and performance measurement 	<p>Accelerate development of 5 year Utility rates to better inform the Capital budget process.</p> <p>Implement new Financial system.</p> <p>Identify long term challenges to our financial health and seek resolutions promptly within available resources.</p>
	<p>Maintain and improve the established internal and external fees to provide the efficient delivery of services and to fully recover costs.</p>	<p>Educate customers on how to use information provided in the rate models in discussion with the providers.</p> <p>Get models approved by State and Federal grantors.</p> <p>Benchmark costs.</p>
	<p>Coach and support the implementation of loss prevention tactics in every department.</p>	<p>Train supervisors – enterprise wide - to complete accident reports.</p> <p>Analyze accident reports, refine policies and procedures per department.</p> <p>Develop Finance’s policies and procedures during emergency operations.</p> <p>Develop loss prevention tactics through the department work group.</p>
<p>Improve efficiency and effectiveness of Finance department by improving the business processes and the workforce.</p>	<p>Simplify and improve business processes through implementation of a new financial system.</p>	<p>Establish business process “to be”</p> <p>Train users.</p> <p>Develop reports.</p> <p>Use fit gap process to improve business process and reduce “side systems”.</p> <p>Initiatives that move customers toward electronic payment forms and away from paper checks</p> <p>Centralize and automate revenue collection processes</p> <p>Communication campaigns and other initiatives that increase vendors on EFT (Electronic Funds Transfer) and allow for better payables management.</p>

Department Goal	Objective	Tactics
	Maintain a positive work environment for employees by strengthening and improving methods of workforce accountability and feed back.	<p>Train managers and employees to conduct annual performance reviews.</p> <p>Conduct annual employee performance reviews.</p> <p>Conduct regular meetings of work teams to communicate department news and events.</p> <p>Communicate with employees in various ways in addition to meetings to ensure consistent communication.</p>
	Develop a competent and versatile workforce.	Cross training of employees and positions.
	Invest City cash reserves to preserve capital, meet City liquidity needs and maximize returns.	<p>Analyze the City's forecast of liquidity needs and economic conditions to determine the most appropriate investment strategy for the City.</p> <p>Determine most appropriate allocation of assets managed externally to maximize net returns to the City.</p> <p>Monitor investment performance quarterly against appropriate benchmarks.</p>

KEY ENTERPRISE INITIATIVES (COMMUNITY ENGAGEMENT, SUSTAINABILITY PLAN, LIMITED ENGLISH PROFICIENCY & ENTERPRISE INFORMATION MANAGEMENT)

COMMUNITY ENGAGEMENT

Community engagement, as defined by the City's Community Engagement Process-Model Guidebook, relates to involving the public in an impending decision to create, remove or improve a City service, activity or program. The Finance Department has two primary business lines, both of which relate to supporting enterprise decision-making and the decisions made by other operating departments. Therefore, most of the activities of the Finance Department do not fall within the City's definition of an activity that should apply the City's Community Engagement Process. Rather, any community engagement process will be designed and implemented by the operating department to which the Finance Department is providing support.

The major exception to this is the City's annual budget process. The budget process is an enterprise-wide activity initiated by the Mayor based on submissions by every department and coordinated by the Finance Department. The budget process has a long-established community engagement process. This process includes public hearings, input from the biannual resident satisfaction survey, 3-1-1 response (new this year), e-mail notices through the Mayor's ListServ, the posting of all budget documents on the City's Web site, community newspaper columns prepared for City Council Members and cable television coverage of all budget meetings. The centerpiece for community engagement in the process is the Capital Long-Range Improvement Committee, a 33-member citizen advisory committee that prepares a five-year capital improvements program recommendation to the Mayor and City Council.

The Finance Department will continue all of these budget-related community engagement initiatives in 2007. As part of the 2007 budget process, Finance Department staff will evaluate participation in the public hearings and determine if there are opportunities to increase participation in the 2008 hearings. As with any process, there are always opportunities for refinement and improvement; therefore, the Finance Department will, in consultation with the Community Engagement Coordinator, provide recommendations for such changes as part of the 2008 budget process.

Finance Department staff also will work with the Communications Department on a new initiative to produce a "budget in brief" document in 2007. This document is intended to assist the community in understanding the budget and, therefore, increase the community's ability to engage in the budget deliberations.

There are other Finance Department activities for which department staff is the primary interface with the public (such as utility billing). These activities also present opportunities for community engagement. The Finance Department will work with the Community Engagement Coordinator to determine what process might be used to engage the community in improving these services.

The chart on the following pages details the Finance Department's community engagement efforts.

FINANCE DEPARTMENT COMMUNITY ENGAGEMENT ACTIONS					
AREA	2006	2007	2008	2009	STATUS (to be filled in June '07, '08, '09, '10 & '11)
APPLICATION OF THE CE PROCESS MODEL	Facilitate community engagement in the budget process	Facilitate community engagement in the budget process	Facilitate community engagement in the budget process	Facilitate community engagement in the budget process	
	Promote the use of the CE Process Model or its integration to enhance similar existing processes in the Finance department.	Promote the use of the CE Process Model or its integration to enhance similar existing processes in the Finance department. Request CE consultation as needed			
TRAINING	Two Finance Department employees involved in the budget process completed the CE Process Model training in 2006. At least one other Finance Department staff person will participate in the training.				
	Request customized CE training for the Finance Department as needed				
BUSINESS PLAN	Designated a Finance Department CE representative (Robert Cooper)	Continue to incorporate community engagement in the Finance Department's Business Plan			
	Met with the Community Engagement Coordinator to assist with addressing this initiative in the Finance Department's business plan.	Participate in future interdepartmental work groups and projects as needed			
		Prepare an inventory of current community engagement activities in the Finance Department. Work with the Community Engagement Coordinator to refine and improve these activities.			
EVALUATION		Review/evaluation of participation in the budget process and other community engagement activities.	Review/evaluation of participation in the budget process and other community engagement activities.	Review/evaluation of participation in the budget process and other community engagement activities.	
CE WEB SYSTEM Internal communication and public participation tool (under consideration)		Participate in the development of the Web System as needed	Send staff to training session on the use of the Web System. Departments start using the web system	Use the web system in your CE projects.	

SUSTAINABILITY PLAN

The Finance department supports making informed financial and related business decisions by elected officials and managers that support City goals meeting sustainability outcomes. Finance also supports City policies for procurement of sustainable goods and services and living wage requirements. The Purchasing division of Finance works with the ECT (Environmental Coordinating Team) and with City departments to encourage the procurement of environmentally preferable products. Finally, Finance plays a leadership role in preventing employee injuries and other claims by others.

First New Activity:

Affected Sustainability Indicator(s): Air Quality and Asthma Morbidity

Description of Activity: Work with Public Works and other departments to test, identify and put in place contracts for green clean products.

How will you evaluate success?

Success can be measured by evaluating the increase in environmentally safe green clean purchases and products available.

Second New Activity:

Affected Sustainability Indicator(s): Air Quality, Carbon Dioxide Emissions.

Description of Activity: Encourage employees to reduce energy consumption by turning off lights, computers and other electrical appliances when not in use and at the end of the day. Encourage employees to reduce paper consumption by using the double-sided printing capability of the printers whenever possible, review current equipment capabilities and replace old and energy in-efficient equipments, eliminate the practice of hard copy filing where it is not needed and use available advanced technology – for example, scanning, storing and electronic transmission of documents. Provide additional training if needed, for using the reporting functionalities of the new and/or existing financial system.

How will you evaluate success?

Success will be evaluated on the basis of compliance by employees, reduction in archiving space requirements and in the reduction of paper purchases for the department.

Third New Activity:

Affected Sustainability Indicator(s): Air Quality and Carbon Dioxide Emissions

Description of Activity: Encourage employees to take advantage of commute trip reduction programs - incentives for car pooling (reduced parking rates at participating ramps), and public transit (Metro Pass).

How will you evaluate success?

Success can be measured by the total number of employees participating in the commute trip-reduction programs.

LIMITED ENGLISH PROFICIENCY (LEP)

- o In October 2004, the Minneapolis City Council approved a plan to ensure equal access for those who speak limited English and requested departments build on this enterprise wide plan and develop their individual departmental plans in phases.

Budgetary note:

In 2005, Minneapolis Multicultural Services (Department of Civil Rights) has some dollars available to assist with translation projects.
 In 2006, all departments are expected to budget for: telephonic interpreting (\$1.12 or \$2.85/hour); face to face interpreting for public meetings and investigations (\$50.00/hour) and translation (\$.27-\$.40 per word or approximately \$110.00 per page, depending on language, jargon and layout)

Strategies, Objectives and Tactics>>>> Enterprise level

Mission: Ensure equal access to City services for people with limited English proficiency

Strategies	Objectives	Tactics	2006-2007 Department Tactics and Status Updates	2007-2011
Integrate practices of language access into operations of every City department with particular emphasis on MPLS 3-1-1 and Utility Billing.	Build awareness about legal mandates of language access services in each department	<ul style="list-style-type: none"> Designate LEP liaisons in department Define liaison responsibilities Establish and support on-going departmental LEP workgroup(s) (Workgroups usually meet once per month for 2 hours) 	<ul style="list-style-type: none"> Assistant Manager of Utility Billing serves on City-wide LEP team 	LEP liaison will attend quarterly meetings
Define protocols and service activities for language access compliance in each department	Provide notice to limited English speakers of their right to free service	<ul style="list-style-type: none"> Utilize multiple communication channels(signage, language blocks, website, bulletins, etc.) to disseminate information about how to obtain and use language services 	<ul style="list-style-type: none"> Bills have City's language numbers featured Portions of website FAQ's translated Language Blocks are inserted on mass mailings 	<p>Bills will be formatted and changed as language and technology needs arise</p> <p>Finance will continue to update translations as needed</p> <p>Languages blocks will continue to be used</p>
	Identify the LEP persons living in Minneapolis and the City services they use	<ul style="list-style-type: none"> Assess level (low/medium/high) of frequency and intensity of LEP interaction in department to determine service gaps Develop mechanisms to track services provided to LEP individuals 	<ul style="list-style-type: none"> Utility Billing has frequent and intense contact with LEP customers(657 hours in 05-06) Other units who fulfill internal functions have limited contact 	Finance will continue to track interactions
	Offer free, timely spoken language interpretation services for LEP individuals	<ul style="list-style-type: none"> Establish decision tree for determining whether to use internal or external interpreters Set up telephonic interpreting account Use work tools and guides for working with 	<ul style="list-style-type: none"> Finance staff has some multilingual capability Utility Billing is exploring use 	Finance will continue to insure prompt access to interpreters

		interpreters	<ul style="list-style-type: none"> ▪ of multilingual IVR features ▪ Utility Billing utilizes City interpreters for telephonic and face to face interactions ▪ Finance has established a 24/7 telephonic account for staff to use ▪ Utility Billing will explore dedicating a phone in lobby for interpreting 	
	Provide free written language translations of vital documents	<ul style="list-style-type: none"> ▪ Select which documents are vital and will be translated ▪ Use checklists for preparing documents for translation 	<ul style="list-style-type: none"> ▪ Portions of documents used by Utility Billing and Loss Prevention are translated now ▪ Placards regarding shut-on and shutoffs etc. have been translated 	Finance will update translations on an as-needed basis
	Hiring to meet multilingual needs	<ul style="list-style-type: none"> ▪ Work with HR to have multilingual capability a consideration or qualification in job announcements 	<ul style="list-style-type: none"> ▪ In 2006, Utility Billing worked with HR to update CSA and CSR job duties to reflect workflow –this will have a positive impact on selection and hiring of a diverse workforce ▪ As turnover happens in certain areas, Finance will work with HR to ensure that bilingual skills be included as a highly desirable qualification 	We will continue to consider language capability in conjunction with other aspects of workforce diversity
	Train to ensure that City staff is familiar with legal mandates and best practices for serving LEP individuals	<ul style="list-style-type: none"> ▪ Identify and utilize training opportunities to promote an increased understanding and awareness of improved communications through language access. 	<ul style="list-style-type: none"> ▪ Utility Billing holds periodic trainings on using interpreters and cross-cultural topics ▪ Utility Billing has worked with Multicultural Services and Communications to create 1) an insert about Utility Bills and 2) a video segment about Utility Bills for Access Minneapolis, a multilingual, cable access program 	Will continue with training on an on-going basis

ENTERPRISE INFORMATION MANAGEMENT (EIM)

FINANCE DEPARTMENT ACTIONS				STATUS (TO BE FILLED IN JUNE '07, '08, '09, '10 AND '11)
ACTION AREA	2006	2007	2008-2011	
GOVERNANCE, STRUCTURE AND STAFFING	<ul style="list-style-type: none"> • EIM Representative: D. Saenger/E. Velasco-Thompson • EIM standards development workgroups: C. Elliot, H. Johnston, J. Kryst, G. Warnberg, L. Stagg, R. Morales 		<ul style="list-style-type: none"> • Update Finance department on the decisions of EIM Policy Board • Define what is possible, to implement business process associated with EIM • Apply EIM standards to all new initiatives and projects 	
BUSINESS PLAN	<ul style="list-style-type: none"> • Qtly agenda item at Directors' Staff meeting to develop EIM Action Plan 	<ul style="list-style-type: none"> • EIM section has been included in the Finance dept. business plan • Align with Resource Plans • EIM commitment will be led by each of the Divisional Directors 		
PROJECT PLANNING	<ul style="list-style-type: none"> • Assess and define EIM requirements analysis on current and newly initiated system development projects with retention schedule details. Implementation of these requirements will be part of the project deliverables. 			
TRAINING	<ul style="list-style-type: none"> • Provide training (2007& 2008) as needed for all staff assigned on EIM roles and responsibilities in the department. 			
COMPLIANCE (ASSESSMENT, INTEGRATION, EVALUATION)	<ul style="list-style-type: none"> • In 2007, determine compliance priorities for the Dept. Assign staff in 2008 to participate in information audits, readiness assessments, cataloging of information assets, etc., as scheduled. 		2009 Implementation of: <ul style="list-style-type: none"> • Complete Department Risk Assessment/Gap Analysis • Develop plan for EIM Compliance • Complete EIM progress reports • Complete audits 	

EIM Project Inventory – Finance Department

Project #	Project Name/Description	Budget	Key Contacts	Due Date	Current Status
880F4603	MUPS/enQuesta Upgrade: Improvements in the utility billing system; adding storm drain, additional access by PW & Reg. Services and web-connect for Residents	\$300K+	Ray Morales, Sponsor Dave Roth (Unisys), PM	1st qtr 2007	Project Status: ¾ completed, web-connect is the final focus for access through 311 EIM Impact: TBD
880F6207	Distributed Accounts Receivable Processing: 1-collect receivables from 7 designated depts., 2-complete business process modeling, improvements 3-system req. for new financial system	\$30K	Ray Morales & Judy Greenwald, Sponsor John McLain PM & Marjorie Landis	1 st qtr 2007 for Phase 1 & 2	Project Status: 2008 EIM Impact: 3 rd qtr. 2008
880F5171	New Finance System Upgrade: implementation, training, and testing of system	TBD	Chuck Elliot, Sponsor John McLain, PM	4 th qtr 2008	Project Status: PeopleSoft 8.9 selected Implementer will be selected in 4Q, 2006 Implementation will occur during all of 2007 EIM Impact: TBD
880F5287	E-Pay Enterprise Development: Continued development on the enterprise electronic processing, policies and procedures payment gateway, Financial system integration and potential reconciliation automation. Credit Card Processing Compliance PCI Compliance Qtly network scans for credit cards	\$50K \$50K \$20K/yr \$20K	LeaAnn Stagg, Sponsor Wayne Olhoft, PM Paul Cameron, Tech Lead	1 st qtr 07 4 th qtr 06 4 th qtr 07 4 th qtr 07	Project Status: Project container for the 2006 BPE and technology deliverables around enterprise electronic payment (E-Pay) program. Related Projects: New e-payment processing implementation for Truth in Sale of Housing (Reg. Services). Potential to replace Verisign with E-Pay for Kiva e-Permitting. EIM Impact: Information management of policy and procedure documentation. Disposition of electronic records on transaction activity. Work TBD.

WHAT RESOURCES ARE WE GOING TO USE? (FINANCE PLAN, WORKFORCE PLAN, TECHNOLOGY PLAN AND EQUIPMENT AND SPACE PLAN)

FINANCE PLAN

INTRODUCTION

The 2007 budget for the Finance Department is \$20.5 million, 73 percent of which is for personnel costs. The department’s budget is funded primarily from the General Fund with a significant portion reimbursed by a General Fund overhead charge to the various City funds and component units. The GF overhead charge allocates Finance’s cost to internal services funds, enterprise funds, special revenue funds, and capital project funds, according to the level of financial services provided. Finance also directly bills certain expenditures for grant funds and self-insurance funds.

STRATEGY TABLE

FINANCIAL STRATEGIES	WHICH PERFORMANCE MEASURES WILL CHANGE AND HOW?	SHORT-TERM ACTIONS (ONE YEAR)	LONG-TERM ACTIONS (TWO TO FIVE YEARS)
Financial strategies coming from lessons learned from historical financial data and prior financial plans			
Reduce spending on financial operations business line.	Change in focus from transactional to analytical	Analyze business processes related to financial operations business line	Implement business process changes in financial operations that reduce the transactional need
Financial strategies produced from creative reallocation exercise			
Increase spending on Decision Support business line	Increased focus on decision support and analytical capabilities of department	Whenever possible, reallocate spending from Financial Operations business line to Decision Support	Continued investment in new financial system, training staff on analytical capabilities
Streamline and simplify business processes and Chart of Accounts	Emphasis on business process reengineering and reduction of Chart of Accounts coupled with increased satisfaction of customer departments	During the financial system implementation in 2007, many business processes will be reengineered. Additionally a lot of effort will be expended to simplify and reform the COA	Ongoing improvements to business process primarily centered within the new financial system
Financial strategies to meet the financial direction			
Reduce Spending in operations business line	Goal of reducing spending on operations by 1-3%	Reduce, simplify or consolidate operations business	Increased utilization of functionality within new financial system in order to reduce

FINANCIAL STRATEGIES	WHICH PERFORMANCE MEASURES WILL CHANGE AND HOW?	SHORT-TERM ACTIONS (ONE YEAR)	LONG-TERM ACTIONS (TWO TO FIVE YEARS)
<p>Implement new financial system</p> <p>Achieve expected efficiencies from One Call</p>	<p>annually (primarily Controller & Treasury)</p> <p>Achieve "Go live" date of 1-1-08</p> <p>Measurable reduction in spending related to activities supported by One Call</p>	<p>processes</p> <p>Fulfill 18-month project implementation plan</p> <p>Continue working with One Call staff to improve and expand quality of service</p>	<p>transactional cost</p> <p>Continued utilization of system functionality to achieve cost savings</p> <p>Identify service areas within Utility Billing and elsewhere that can be shifted to One Call to further use the service and reduce costs</p>
Financial strategies related to loss prevention			
<p>I. Integrate the philosophy and practices of loss prevention into daily operations</p>		<p>Division Managers conduct bi-annual meetings with their employees (Department Head will attend meetings).</p> <p>Develop Safety Committee w/members from all Divisions of Finance.</p> <p>Create e-mail "mail box" for employees to report concerns.</p> <p>Develop intranet site and populate same with health, safety, loss prevention topics of general interest and also various policies, procedures affecting Finance employees.</p> <p>Distribute annual "Perception Survey" to all Finance employees.</p>	<p>Management attend Supervisors Development program, sponsored by HR – specifically, loss prevention component.</p>
<p>II. Workplace Survey/Hazard Analysis Systematically identify potential loss</p>		<p>Develop workgroup to identify loss exposures throughout the department.</p>	<p>Ongoing</p>

FINANCIAL STRATEGIES	WHICH PERFORMANCE MEASURES WILL CHANGE AND HOW?	SHORT-TERM ACTIONS (ONE YEAR)	LONG-TERM ACTIONS (TWO TO FIVE YEARS)
exposures and means to control same.			
III. Accident and Data Analysis Identify loss exposures based upon claims history		Review various documents/records to gain historical perspective of where losses have occurred.	Ongoing Conduct thorough accident investigations. Review OSHA 300 log and Quarterly Loss Reports with employees at bi-annual meetings.
IV. Hazard Prevention and Control Implement prevention measures to control hazards.		Identify viable means to control the loss exposures identified during accident/data analysis and workplace survey/hazard analysis.	Ongoing Management/employees attend various loss prevention education/training as needed to control loss exposures. Develop policy/procedures to control loss exposures. Loss Prevention Coordinator tracks all hazard abatement. Management actively observes employees' work practices.
V. Emergency Preparedness Prepare for perils and preserve City assets		Management will ensure employees throughout department are personally and professionally prepared to respond to all perils affecting their business line(s)	Ongoing

FINANCE PLAN TABLE

City of Minneapolis
Finance
Financial Plan (in thousands of dollars)

	2004 Actual	2005 Actual	2006 Budget	2006 Projected	2007 Budget	% Chg from 2006 Budget	2008 Forecast	2009 Forecast	2010 Forecast	2011 Forecast
Revenues:										
Charges for Service	10,094	279	348		2,059	491.7%	2,059	2,059	2,059	2,059
Interest/Gains	1,321	3,007			-	n/a	-	-	-	-
Miscellaneous Revenues		22	46			-100.0%	-	-	-	-
Grants	15	15	57		87	52.6%	87	87	87	87
5-year direction strategy			-				-	-	-	-
Total	11,430	3,323	451	-	2,146	375.8%	2,146	2,146	2,146	2,146
General Fund Expenditures:										
Salaries/Wages	6965	9,235	10,280		10,376	0.9%	10,715	10,993	11,313	11,704
Benefits	1757	2,596	3,177		3,445	8.4%	3,559	3,651	3,757	3,887
Contractual Services	1051	5,126	4,063		3,662	-9.9%	3,781	3,879	3,993	4,130
Operating Costs	152	438	327		599	83.2%	620	636	654	677
Equipment	6	14	150		44	-70.7%	45	46	47	49
Total General Fund	9,931	17,409	17,997	-	18,126	0.7%	18,720	19,205	19,765	20,448
5-year direction strategy							(200)	(200)	(150)	(150)
Total	9,931	17,409	17,997	-	18,126	0.7%	18,520	19,005	19,615	20,298
Special Revenue Funds										
Salaries/Wages	256	284	280		209	-25.4%	216	224	232	240
Benefits	63	78	78		76	-2.6%	79	81	84	87
Contractual Services	19	1			4	n/a	4	4	4	5
Operating Costs	303	4	-		-	n/a	-	-	-	-
Total Special Revenue Funds	641	367	358	-	289	-19.3%	299	310	320	332
Internal Service Fund										
Salaries/Wages	456	433	563		557	-1.1%	576	597	618	639
Benefits	105	105	161		164	1.9%	170	176	182	188
Contractual Services	651	891	750		776	3.5%	803	831	860	890
Operating Costs	1,206	46	533		551	n/a	570	590	611	632
Equipment			5		6		6	6	7	7
Total Internal Service Fund	2,418	1,475	2,012	-	2,054	2.1%	2,126	2,200	2,277	2,357
Total	12,990	19,251	20,367	-	20,469	0.5%	20,945	21,515	22,212	22,987
Difference	(1,560)	(15,928)	(19,916)	-	(18,323)		(18,799)	(19,369)	(20,066)	(20,841)

Allocation of Budget among Business Lines and Service Activities

Business Line/Service Activities:	Mgmt and Budget	Controller	Dev. Finance	Treasury	Procurement	Risk Mngt.	Total
Financial Operations							
Accounts Rec/Cash Receipts	0%	26%	0%	70%	0%	22%	32%
Accts Pay/Payroll/Cash Disb.	0%	28%	0%	5%	19%	33%	16%
Asset Management	0%	8%	27%	10%	41%	22%	12%
Total % Financial Operations	0%	62%	27%	85%	60%	77%	60%
Decision Support							
Support of Elected Officials	50%	25%	32%	0%	0%		18%
Support of City Departments	50%	13%	41%	15%	40%	23%	22%
Total % Decision Support	100%	38%	73%	15%	40%	23%	40%

The above table provides an estimate of Finance’s resource allocation by its service activities and by business lines. Based on this estimate, Finance currently allocates approximately 60 percent of its resources to the Financial Operations business line and about 40 percent to Decision Support. This current allocation indicates support of the Finance Department initiative to allocate additional resources to Decision Support (up from 30%) and less to Financial Operations (down from 70%).

WHAT HAVE YOU LEARNED ABOUT YOUR BUSINESS AS A RESULT OF PRIOR FINANCE PLANS?

The departments’ main goal, in financial terms, is to change the proportion of spending between its two business lines. The department intends to reduce the level of spending on its financial operations business line and use that reduction as a means for meeting the 5-year financial direction; or reallocate the savings to its decision support business line. The reduction in staff as a result of the LGA cuts in 2003 severely hampered the departments’ ability to provide enterprise-level financial analysis and departmental budget support.

The Finance Department has a variety of initiatives planned or already in place to address this issue. The financial system procurement is a good example of this. Although the main reason for replacing the system is the current systems’ obsolescence, the expectation is the new system will provide much greater functionality in terms of reporting and performance measurement and will also ease the transactional burden on departmental staff. All of these expected results feed into the department’s main goal stated above.

CONTINGENCY PLANS

<p>Scenario A – 25% reduction in revenue</p>	<p>The department would reduce its mission to performing only core processes: Payables, Receivables, Statutory Requirements, Vendors, Utility Bills, Budget, Employees, Work for Others, CAFR, 3d Parties, Cash Receipt, and Worker’s Compensation.</p>
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<p>Scenario B- Financial Direction remains the same</p>	<ul style="list-style-type: none"> • Reduce spending in financial operations business line • Use salary savings to fund financial system replacement which will bring about permanent savings in the future • Expected One-Call support efficiencies
<p>Scenario C – CDBG Elimination</p>	<p>Reduce accounting and development finance services to the extent they support CDBG activities.</p>
<p>Scenario D - Enterprise fund reductions</p>	<p>Not Applicable</p>
<p>Scenario E – Your own worst nightmare! What isn't even on the table and should be!</p>	<p>The department's worst nightmare would be a catastrophe such as a pandemic or an unplanned shut-down of its workspace. The department would respond in a manner that is similar to scenario A with the additional challenge of loss of facility, staff or both. The department would utilize work from home, VPN or alternate sites to accomplish its mission. If the department was without 40% of its staff for an extended period, as in the pandemic scenario, it is very likely that departmental tasks would be prioritized and assigned to remaining staff based on skill-level.</p>
<p>Scenario F – Internal service fund choices</p>	<p>The department is not an I.S. fund but does provide services for other departments. The General Fund Overhead Model, which Finance is a part of, allows the department to discuss its service levels and costs with its internal customers. Finance will continue refining its service delivery model with its customers in order to minimize costs, comply with future financial direction and improve service delivery. As a customer of Internal Service Funds, the department will have the same sort of discussions with its service providers using rate models as a means for framing the discussion.</p>

WORKFORCE PLAN

The nature of the Finance Department's *work* is changing from a process-driven business operations focus to an information-driven focus. This shift requires accurate, reliable data to support decision making in the enterprise. Our dedicated and valued *workforce*, nearly half of whom are eligible to retire in the next ten years, will need support and training in order to make this transition. We need to ensure that our workforce is well trained and competent.

In a *work environment* that is increasingly dependent on technology, the apparent ease of accessing information at times makes us forgetful of the importance of active communication with our employees to ensure that news affecting the department is conveyed. The 2004 employee survey group recommended that the department create communication opportunities to increase employee input and feedback on city functions and operations. Our department must communicate information to our employees directly and frequently. We also need to develop the training opportunities needed to equip our workforce for the future.

The following table outlines the Finance Department strategies in performance management, employee survey response, diversity and other key workforce issues in our department. The Human Resources Department will be a key partner in helping us set and reach these goals.

Key Workforce Objective:	Measurement:	Short-Term Actions (< One Year):	Status: To be completed 2007, 2008, 2009, 2010, 2011	Long-Term Actions (1-5 Years):
Performance Management, including professional development plans	% Performance reviews conducted % Managers trained in conducting performance appraisals % Employees agreeing with statement "poor employee performance is not tolerated in my department" in employee survey	<ul style="list-style-type: none"> Communicate tools available to supervisors/managers to assist them with employee development and conducting effective performance reviews 	<ul style="list-style-type: none"> Training provided at Supervisor/Manager meeting on September 21, 2006 	<ul style="list-style-type: none"> Schedule on a rotating basis time for supervisors to review performance reviews with the HRG to identify any performance trends Identification of career progressions, including possible gaps in specific position grades
Employee Survey Response	% improvement in response to employee survey areas for	<ul style="list-style-type: none"> Conduct annual department meetings Update contact information 	<ul style="list-style-type: none"> First department meeting scheduled for 4th 	<ul style="list-style-type: none"> Develop and/or update procedural manuals for high-turnover

Key Workforce Objective:	Measurement:	Short-Term Actions (< One Year):	Status: To be completed 2007, 2008, 2009, 2010, 2011	Long-Term Actions (1-5 Years):
	improvement % Employees agreeing with statement "department management informs me about how decisions are made and how they affect me" in employee survey	and place organization charts on website (1 st page of website, rather than common drive) <ul style="list-style-type: none"> • Conduct regular meetings of work teams to communicate department news and events (monthly meetings are encouraged) • Communicate with employees in various ways in addition to meetings to ensure consistent communication 	quarter, 2006 <ul style="list-style-type: none"> • Annually, 4th quarter • 3rd quarter 2006 	positions <ul style="list-style-type: none"> • Develop a system for information sharing of key strategies for developing employees
Diversity Strategy	% women – total \$ women – management/supervisor % persons of color – total % persons of color – management/supervisor	<ul style="list-style-type: none"> • Develop recruitment strategies to identify targeted groups • Educate managers/supervisors on the availability of diverse populations within the City • Identify current employees with language skills in HRIS 	<ul style="list-style-type: none"> • 2nd quarter 2007 • 1st quarter 2007 • 4th quarter 2006 	<ul style="list-style-type: none"> • Set diversity goals for the department
Key Workforce Issue # 1: Process improvement prior to new financial system upgrade	% employees identified as business operations v. decision support	<ul style="list-style-type: none"> • Document new process with the new financial system • Identification of missed processes that have been mapped for the upgrade • Analysis of processes to determine how they can be 	<ul style="list-style-type: none"> • 4th quarter 2006 • 4th quarter 2006 • 2nd quarter 2007 	<ul style="list-style-type: none"> • Train employees on new, simplified processes • Communicate new processes to customer departments and employees, as applicable

Key Workforce Objective:	Measurement:	Short-Term Actions (< One Year):	Status: To be completed 2007, 2008, 2009, 2010, 2011	Long-Term Actions (1-5 Years):
		simplified		
Key Workforce Issue # 2: 24% of Finance Department workforce is eligible to retire within the next five years (42% within ten years)	Turnover savings as % of budget	<ul style="list-style-type: none"> Identify department succession and replacement strategy, including an analysis of job functions 	<ul style="list-style-type: none"> 2nd quarter 2007 	<ul style="list-style-type: none"> Develop and/or update position manuals for high-turnover positions
Key Workforce Issue # 3: Need to develop skills and set clear expectations for supervisors and managers		<ul style="list-style-type: none"> Conduct quarterly meetings with supervisors/managers to disseminate information, set clear expectations of managers, and provide training 	<ul style="list-style-type: none"> First meeting was held on September 26, 2006 Quarterly 	<ul style="list-style-type: none"> Identify specific training that needs to be provided to employees in order to transition skills from business operations to decision support Cross training for employees and positions

The following charts detail the demographics of the Finance Department's workforce. These charts indicate the percentage of employees of color and/or female employees in each employment category. These statistics help the department track its progress on our diversity strategy and aid in the development of a competent and versatile workforce.

Demographics by EEO-4 Category

Group:	Total Active Ees:		Female:	EEs of Color:		
Category:	#	% of Total:	#	%	#	%
Officials & Administrators	14	7.4%	5	35.7%	1	7.1%
Professionals	74	38.9%	42	56.8%	17	23.0%
Technicians	0	0.0%	0	N/A	0	N/A
Protective Service	0	0.0%	0	N/A	0	N/A
Paraprofessionals	0	0.0%	0	N/A	0	N/A
Administrative Support	102	53.7%	77	75.5%	34	33.3%
Skilled Craft	0	0.0%	0	N/A	0	N/A
Service Maintenance	0	0.0%	0	N/A	0	N/A
Total	190	100.0%	124	65.3%	52	27.4%

Data Source: HRIS - Workforce Diversity Summary August 16, 2006

Department Demographics (Active Employees):

Sex	#	%
Male	64	33.7%
Female	126	66.3%
Total	190	100.0%
Ethnicity:	#	%
White	138	72.6%
Black	27	14.2%
Hispanic	7	3.7%
Asian	14	7.4%
American Indian	4	2.1%
Total	190	100.0%

Data Source: HRIS - Workforce Diversity Summary August 15, 2006

Although not all employees retire on their eligible date, the following chart shows people who are eligible to retire in the noted years. The department will need to examine these classifications to determine the areas in which their business is most vulnerable to employee turnover.

Retirement Projections As of August 1, 2006 (2006 to 2015):

Job Classification :	(Incumbents):	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	Total
Accounting Clerk I (4)	5	0	0	1	0	0	0	0	1	1	0	3
Accounting Clerk II (5)	55	4	2	2	1	4	2	1	2	1	1	20
Account Maintenance Reps (4)	6	0	0	0	0	0	1	0	0	1	0	2
Account Maintenance Reps Super (6)	1	0	0	0	0	0	0	0	1	0	0	1
Accountant I (8)	13	2	0	0	1	0	1	1	0	0	0	5
Accountant II (9)	17	1	0	1	0	0	0	0	0	0	1	3
Administrative Analyst I (7)	2	0	0	0	1	0	0	0	0	0	0	1
Assistant Director Purchasing (10)	1	0	0	0	0	0	1	0	0	0	0	1
Business Application Manager (10)	2	0	0	0	0	0	0	0	1	0	1	2
Cash Manager (9)	1	1	0	0	0	0	0	0	0	0	0	1
Customer Service Rep 1 (5)	25	2	0	1	0	0	1	0	1	0	1	6
Customer Service Supervisor (7)	3	0	0	0	0	0	0	1	1	1	0	3
Development Finance Specialist (11)	1	0	0	0	0	0	0	0	0	0	1	1
Development Process Specialist (9)	2	1	0	0	0	0	0	0	0	0	0	1
Director Purchasing (13)	1	0	0	0	0	0	0	0	0	1	0	1
Director Development Finance (12)	1	0	0	1	0	0	0	0	0	0	0	1
Loan Administrator (6)	2	0	1	0	0	0	0	0	1	0	0	2
Manager Accounting (10)	8	1	0	0	0	0	1	0	0	0	0	2
Manager Utilities Billing (11)	1	1	0	0	0	0	0	0	0	0	0	1
Office Support Specialist I (4)	4	1	0	0	1	0	1	0	0	0	0	3
Office Support Specialist II (5)	2	1	0	0	0	0	0	0	0	0	1	2
Program Assistant (7)	5	1	0	0	0	0	0	0	0	0	0	1
Resident Finance Coord (11)	1	1	0	0	0	0	0	0	0	0	0	1
Sr. Contract Management Sp(11)	1	0	0	0	1	0	0	0	0	0	0	1
Supv Accounts Payable/Payroll (8)	2	2	0	0	0	0	0	0	0	0	0	2
Supv Treasury Division (7)	1	0	0	0	0	0	0	0	0	1	0	1
Totals	163	19	3	6	5	4	8	3	8	6	6	68
% of Authorized Workforce		9.5%	1.5%	3.0%	2.5%	2.0%	4.0%	1.5%	4.0%	3.0%	3.0%	33.8%

Data Source: HRIS - Retirement Projections Report (Note: Information for job classifications where no incumbents are eligible to retire is not listed above)

TECHNOLOGY PLAN

Continued use and additional investment in information technology are vital to the success of Finance in achieving its stated mission and goals. The development of the five-year Technology Plan begins with a listing of department current technology asset initiatives followed by discussion of enterprise project initiatives and priorities along with future information access and reporting changes. A table with funding plans that address both capital and ongoing operational costs is provided. Personnel resources required and a survey of customer requirements are not specifically addressed. These would be addressed through the establishment of a Finance Technology Steering Committee using this plan as an outline, in conjunction with the proposed implementation schedules.

1. Which department business applications will be improved, upgraded to new Versions, or replaced over the next 5 years?

- A. What new business applications will be needed?
- B. What are the anticipated implementations and annual support costs (licenses, etc.)

Current Finance Department Technology Assets

Finance currently uses a number of transactional and planning software applications to support the departmental operations of the City. Major departmental business area categories of the software applications include; Finance Special Purpose Software Applications, Utility Billing Software Applications, Risk Management Databases on Servers, Finance (FISCOL) Admin Tools, and General Purpose Desktop and PDI Software Applications.

As a result of the impending replacement of the City's financial information system (FISCOL), many of departmental business applications will have to be re-interfaced, integrated, replaced, upgraded or discontinued. The department business application replacement process is entirely dependant on the new Enterprise Resource Planning (ERP) System that is selected.

- During 2006, the Finance Department issued an RFP for a financial system replacement. After reviewing proposals, product demonstrations and site visits an internal evaluation team selected the PeopleSoft product. During the remainder of 2006, the Finance Department will select an implementation vendor through another competitive process. The selected implementation vendor will support and provide the City with the following implementation services and plans:
 - Provide a detailed Project Plan that is acceptable to the City
 - Conduct a business process Fit-Gap analysis
 - Provide a detailed Change Management Plan that is acceptable to the City
 - Create and conduct quality assurance test scripts and provide an acceptable Test Plan
 - Analyze and re-design existing interfaces and identify and create new interface opportunities
 - Provide Conversion program writing, conversion testing services, and data integrity auditing
 - Create and conduct system training modules/materials and provide an acceptable Training Plan

- Additionally, Finance and Human Resources will work with Business Information Services to identify business needs and conduct a cost-benefit analysis to determine if an Application Services Provider (ASP) is a viable option for supporting PeopleSoft HR & Financials applications. Currently this service is being performed internally with City staff and resources.
- Implement the enQuesta Web-connect module which will allow customers greater self service access to account information and allow for more cost effective customer support with on-line bill presentment and on-line service requests; Upgrade the IVR and IWR functionality with integration into the City's e-Payment supported payment processor
- Research options for a general AR application and implement most effective solution in order to both improve and speed up the City's collection of receivables.
- Self Service Initiatives including "travel card implementation" with possible expansion to a procurement/payment card to reduce the number of financial system transactions, "E-Government initiatives" with EDI, on-line payments, document transmittal, scanning and storage and the "study of existing payroll entry systems" to determine the feasibility of developing one enterprise-wide time-keeping platform.
- "Customer Relationship Management" initiative to establish a central repository for customer receivable management, including utility billing, storm water fees, and street light fees.
- e-Payment Back Office Infrastructure initiative to standardize the use of City's selected payment processor for credit card transactions, convert existing terminals to "desktop based point of sale" virtual terminals and "configure and replace current hardware" environment to support additional on-line transaction volumes.
- Complete the SAS/ABM Activity Based Management initiative by using SAS/ABM as a reporting tool for departments that will allow them to re-characterize their line-item budgets into activity-based budgets, utilizing SAS/ABM's performance measurement capabilities and by creating cost allocation and pricing models in all Internal Service Funds, Regulatory Services and other areas that have cost allocation pools and external charges.

2. What improvements / changes to enterprise business applications does your department need?

Current Enterprise Technology Assets

The PeopleSoft 8.9 application will have all of the core functionality of the current system but additionally will offer far greater delivered functionality in many areas including those noted below:

- Web-based functionality allows users to access the system through the Internet and Intranet. The web-based functionality provides "drill-down" capabilities which allows users to access and report on data far more quickly than today.
- Full integration with the Human Resources Information System will provide a seamless data exchange between the HR and Financial system and will allow users to toggle

between the two systems. This functionality will provide a tremendous amount of automation, primarily in budgeting and cost accounting.

- A fully delivered, robust data warehouse that will contain Financial and potentially Human Resources data. This will replace the out-of-date, high-maintenance/high cost data repository the City is currently using.
- Time & Labor module that potentially will be implemented in conjunction with the Financials implementation. At a minimum, the Finance Department expects the T&L module will replace the current PEIRS timekeeping system.
- Query and reporting tools that are far superior to the ones the City currently uses. Enhanced reporting capabilities will enable the Finance Department to provide higher quality and more timely decision support to its customer departments.

Partnerships

Given the diverse nature of enterprise transactions and enterprise financial reporting required by Finance and its customers, it is increasingly important that the myriad of software and systems are as fully integrated as possible to deliver a comprehensive financial solution to all users and organizations.. To that end, Finance will continue to challenge its vendors and third party relationships to deliver robust and open solutions that meet City needs.

Of equal importance is the role that BIS plays in assisting Finance to achieve a fully integrated financial solution. For general hardware and software in place Citywide, the Finance Department follows the platforms and standards established by Business Information Services (BIS). Finance will rely heavily on BIS for technology advice and evaluations of current systems and software. Finance, as the owner of the financial planning and transaction processing, will continue to drive toward greater efficiencies in its data processing through the continued investment and use of technology. Where current manual workarounds exist, these will be replaced or eliminated by enhancements in vendor solutions, and process changes. In addition, Finance and BIS reached a successful conclusion during the software selection phase of the FISCOL replacement. During 2007 and 2008 the Finance Department will continue to partner with BIS during the implementation and post-implementation phases by using BIS provided project management.

3. Are there needs for customer and employee access to information or transactions?

A. How will your department address these needs?

Accessing and processing information is at the very heart of the Finance Department's mission. The next few years will be exciting and unique as the Finance Department undergoes a major transformation. As we examine our business processes, it is anticipated that many of them will change. Change Management will be critical to a successful implementation of the new financial management system. Importantly, the business process change will extend beyond Finance. All City departments will need to utilize PeopleSoft in some manner – whether that be to access data critical to day-to-day department operational decisions or simply to approve an invoice.

4. What enterprise and/or business application training do your employees, customers, or other users need?

The Finance Department will have significant training needs in 2007. The majority of this training will be related to the PeopleSoft implementation and is expected to be one-time in nature. On-going PeopleSoft training needs after 2007, will be addressed through the PeopleSoft User Productivity Kit (UPK) and through the creation of a new position of which departmental training will be a primary responsibility.

The implementation costs for this training will be included for all system users and the cost for this training is included on the "Technology Plan Action Table" in the "One Time Costs" column.

5. What are the key department data and reporting improvements that will be addressed?

over the next five years?

A. What key enterprise data and reporting needs will be addressed by your Department?

As a result of the impending replacement of the City's financial information system, the potential replacement of the budgeting system, the replacement of the data warehouse, and access to new query tools, departmental data will be more accessible and reporting improvements will be realized.

6. What major technology equipment does your department plan to acquire?

As a result of the PeopleSoft implementation, the department will have to acquire new servers to accommodate the environment in which it will operate. Every effort will be made to achieve economies of scale by using the same hardware that HR is using to support its' PeopleSoft application.

The major technology equipment purchase costs for the enterprise system replacement(s) is included on the "Technology Plan Action Table" in the "One Time Costs" column.

TECHNOLOGY ACTION PLAN TABLE

Business Technology Need	Desired outcome/result	When	One-time costs	Ongoing Costs	Source of Funding
Upgrade or replace enterprise Financial system, budgeting system, data warehouse and timekeeping systems	Supportable, supported software that helps ensure City's financial health	2007	\$8 million	\$400,000 per year	Operating budget savings will pay for upfront costs Some small portion CLIC Operating budget
Upgrade or replace Finance Special Purpose business application software					
ASP or Hosting options for enterprise financial system	Enhanced application support, similar cost of ownership	2008	\$.3 million	\$1 million annually	Operating budget

Business Technology Need	Desired outcome/result	When	One-time costs	Ongoing Costs	Source of Funding
enQuesta Webconnect	Improve on-line customer self service for Utility Billing	1 st or 2 nd Qtrs 2007	Estimate max of \$250,000d		
Self Service Initiatives					
Customer Relationship Management Initiative					
AR application	Improve and speed up the City's collection on receivables	2007	Unknown at this time		
e-Payment Back Office Infrastructure Initiative		2007			
Upgrade Remittance Processing hardware (Treasury OCR machine)	Enhance City's ability to process payments and reduce processing costs	2009	Unknown		

SPACE AND EQUIPMENT PLAN

Strategic Space and Facilities Plan

Planned Changes and Improvements to Existing Spaces 2007 - 2011				
Division	Current Location	Planned Location	Planned Action 2007-2011	Planned Action 2012-2017
Development Finance	Crown Roller Mill - 5th Floor	Business Center		Note 1
Controller	Crown Roller Mill - 7th Floor	Business Center		Note 1
Finance Department	City Hall - 2nd Floor	City Hall	Note 2	
Finance Department	City Hall - 3rd Floor Mezz	City Hall		Note 3
Financial Accounting	City Hall - 3rd Floor	City Hall		Note 3
Procurement	Towle Building - 5th Floor		Note 5	
Risk Management	Towle Building - 5th Floor		Note 5	
State Auditor	City Hall - 2nd Floor Mezz			
State Auditor	Crown Roller Mill - 7th Floor	Business Center		Note 1
Treasury	City Hall - 3rd Floor Mezz			
Treasury	Leamington Ramp - 1st Floor			
Utility Billing	Public Service Center - 2nd Floor	Business Center		Note 4

General Notes:
1) CRM Lease expires in 2016 - relocation at that time
2) In 2010, Rooms 213, 219 will be renovated as part of the staged renovation of the City Hall Building. Finance Staff will be moved to temporary offices during construction.
3) In 2012, Rooms 330, 330M will be renovated as part of the staged renovation of the City Hall Building. Finance Staff will be moved to temporary offices during construction.
4) Utility Billing will be relocated to new business center
5) Towle Building lease expires in 2010

Allocation and approximate Cost of Current Space 2007		
Location	Allocation (Sq Ft)	2007 Costs
Crown Roller Mill	7004	1,458
City Hall	21452	4,464
Towle Building	6187	124,000
Leamington Ramp	1858	387

Strategic Equipment Plan				
Equipment	Purpose	Remaining Life	Planned Action 2007-2011	Planned Action 2012-2017
2 Currency Counters	Processing cash deposits & change orders	3 years	2009 replacement	
3 Currency Counters	Processing cash deposits & change orders	1 year	2007 replacement	
Coin Sorter	Processing meter coin	3 years	2009 replacement	
2 Coin Wrappers	Processing meter coin	1 to 3 years	2009 replacement	
2 NCR 7780's and Network	Process incoming payments	6 to 9 years	Note 1	
1 Shredder (Industrial size)	Document Destruction	8 years		2014
1 Envelope Opener	Open in coming payments	4 to 9 years		2015
1 Letter Stuffer	Stuff Payroll/claims checks and W2's	9 to 14 years		2020
Document Jogger	Process incoming payments	4 to 9 years		2015

1) In 2009, the Treasury Division will be upgrading the OCR network moving from NT to XP. This will insure the expected life time of the 2 NCR 7780's and network equipment.