

COUNCIL ADOPTED BUDGET 2007



DECEMBER 11, 2006

**City of Minneapolis
2007 COUNCIL ADOPTED BUDGET**

December 11, 2006



January 2007

LETTER OF TRANSMITTAL

Dear Citizens of the City of Minneapolis:

We are pleased to present the 2007 Adopted Budget of the City of Minneapolis.

The 2007 Adopted Budget builds on many of the significant organizational and financial changes that have occurred in recent years and continues the City's commitment to long-term financial and business planning. The adopted budget is structurally balanced over the next five years, as indicated in the published five-year financial direction.

This balanced budget reflects a continued willingness to make the difficult decisions needed to address the City's financial challenges. In addition to the responsible allocation of one-time funds, including \$3 million to reduce the issuance of property-tax supported pension debt, the budget sets the City on a path to address estimated losses of local government aid projected with the decertification of some of the City's tax increment districts in 2009.

The 2007 budget increases resources for public safety, including the addition of 43 police officers. The budget also includes \$1 million for technology enhancements related to public safety, including development of a long-term technology plan.

Reflecting a broader view of public safety, the budget allocates additional resources in more areas than the Police Department. This budget moves toward a national standard of coverage for our Fire Department and provides additional resources in the City Attorney's Office. With this budget, the City's Computer Aided Dispatch program will become operational, including resources for training our 911 operators on the use of this valuable tool.

With this budget, environmental and homelessness outreach functions will be consolidated in the City Coordinator's department. Additional one-time resources for enhanced efforts available in both of these areas are available in this budget. The ability to track the effectiveness of these and other City efforts will be enhanced with the addition of an analyst in the Coordinator's office dedicated to improving performance measurement in the City enterprise through the Results Minneapolis efforts.

Development review services continue to be streamlined through the addition of four positions in the Regulatory Services Department. The department is also expected to continue its focus on nuisance properties with the addition of resources focused on enhanced enforcement of code violations.

This budget includes \$1.2 million in one-time additional resources for the Library Board to provide a bridge for the Library Board to explore options that may assist them in securing their long-term funding needs. Alternatives will be discussed this spring as the Library Board continues these efforts.

The Financial Overview, which follows this Letter of Transmittal, provides details on the City's continued fiscal discipline and financial planning efforts. Project detail on the City's \$475 million five-year program can be found in the "Capital Program" section of this document.

Respectfully Submitted,



R.T. Rybak
Mayor



Barbara Johnson
Council President



Paul Ostrow
Chair, Ways and Means/Budget

**City of Minneapolis
FY 2007 Budget**

Elected and Public Officials

Mayor

R.T. Rybak

City Council

Barbara Johnson, President	4 th Ward
Robert Lilligren, Vice President	6 th Ward
Paul Ostrow	1 st Ward
Cam Gordon	2 nd Ward
Diane Hofstede	3 rd Ward
Don Samuels	5 th Ward
Lisa Goodman	7 th Ward
Elizabeth Glidden	8 th Ward
Gary Schiff	9 th Ward
Ralph Remington	10 th Ward
Scott Benson	11 th Ward
Sandra Colvin Roy	12 th Ward
Betsy Hodges	13 th Ward

Board of Estimate and Taxation

R.T. Rybak	Mayor
Barbara Johnson	President, City Council
Paul Ostrow	Chair, City Council Ways & Means/Budget Committee
Robert Fine	President (Elected), Park Board Representative
Carol Becker	Vice President (Elected)
Jill Schwimmer	Board Member
Sheldon Mains	Library Board Representative

Minneapolis Park and Recreation Board

Jon Olson	President, Commissioner District 2
Mary Merrill Anderson	Commissioner at Large
Tom Nordyke	Commissioner at Large
M. Annie Young	Commissioner at Large
Walt Dziedzic	Commissioner District 1
Scott Vreeland	Commissioner District 3
Tracy Nordstrom	Commissioner District 4
Carol Kummer	Commissioner District 5
Robert B. Fine	Commissioner District 6

Minneapolis Library Board

Anita Duckor	President of the Board
Laurie Savran	Secretary
Allen Hooker	Elected at Large
Hussein Samatar	Appointed by Mayor
Laura Waterman Wittstock	Elected at Large
Sheldon Mains	Elected at Large
Rod Krueger	Elected at Large
Gary Thaden	City Council Appointee

Charter Department Heads / Assistant City *Coordinators*

Patrick P. Born	Chief Finance Officer
Karl Kaiser	Chief Information Officer
Patrick Todd	City Assessor
Jay Heffern	City Attorney
Merry Keefe	City Clerk
Steven Bosacker	City Coordinator
Michael Browne (Interim)	Civil Rights Director
Gail Plewacki	Communications Director
Lee Sheehy	Community Planning and Economic Development Director
Jerry Gallagher	Convention Center, Director
James Clack (Interim)	Fire Chief
Gretchen Musicant	Health Commissioner
Pamela French	Human Resources Director
Gene Ranieri	Intergovernmental Relations Director
John Dejung	911/311 Director
Rocco Forte	Operations / Regulatory Services Director
Timothy Dolan	Police Chief
Steve Kotke	Public Works Director

Independent Boards/Agencies

Cora McCorvey	Public Housing Authority Executive Director
Jon Gurban	Minneapolis Park and Recreation Board Superintendent
Katherine G. Hadley	Minneapolis Library Board Director

**City of Minneapolis
FY 2007 Budget**

Budget Principles

1. Secure the City's long-term financial health.

- ◆ Plan budgets based on ten-year outlook.
- ◆ Balance budgets across all funds.

2. Live within our means

- ◆ Adopt a revenue and debt policy before making spending decisions.
- ◆ Adopt consistent budget policies across all city government units including independent boards.

3. Challenge assumptions – nothing is off the table.

- ◆ Development agency resources are City resources.
- ◆ Unexpected revenue sources go through the same budget process as other revenue.
- ◆ While some functions may be identified as core services, they will also be scrutinized for efficiencies like anything else.

4. Provide choices and competition.

- ◆ Departments will provide business plans that include feasible budget options to policymakers.
- ◆ Elected officials will make strategic resource decisions, not across-the-board cuts.
- ◆ Individual projects in a particular area must not be considered for funding independently of other projects.

5. Build in collaborative and transparent decision-making.

- ◆ Mayor will involve Council Members and independent agencies and boards in the development of the budget. Employee suggestions and the citizen survey will also be used.

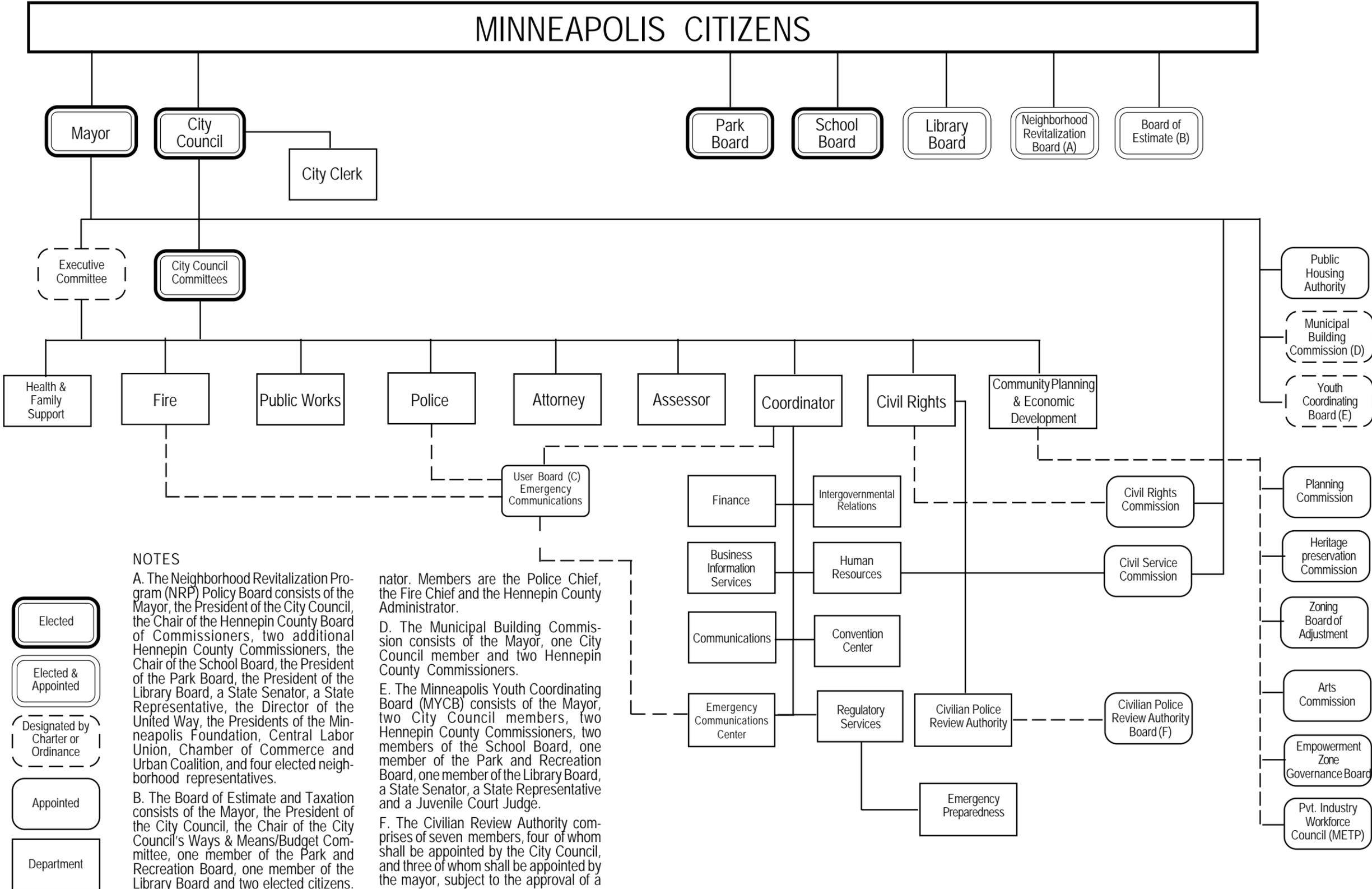
6. Protect core service delivery by avoiding duplication – both internal and external

- ◆ Between different City departments and agencies,
- ◆ With the County, the State, independent boards, or other levels of Government, and
- ◆ With non-profits or the private sector.
- ◆ Consolidation or realignment of critical functions is an option.

7. Demand accountability.

- ◆ Departments are expected to produce measurable outcomes (x dollars = y level of service). Failure to produce measurements will not result in escape from budget cuts.
- ◆ Department heads must manage to original budget.

City of Minneapolis



NOTES

A. The Neighborhood Revitalization Program (NRP) Policy Board consists of the Mayor, the President of the City Council, the Chair of the Hennepin County Board of Commissioners, two additional Hennepin County Commissioners, the Chair of the School Board, the President of the Park Board, the President of the Library Board, a State Senator, a State Representative, the Director of the United Way, the Presidents of the Minneapolis Foundation, Central Labor Union, Chamber of Commerce and Urban Coalition, and four elected neighborhood representatives.

B. The Board of Estimate and Taxation consists of the Mayor, the President of the City Council, the Chair of the City Council's Ways & Means/Budget Committee, one member of the Park and Recreation Board, one member of the Library Board and two elected citizens.

C. The Minneapolis Emergency Communications Center is managed by a User Board chaired by the City Coordinator. Members are the Police Chief, the Fire Chief and the Hennepin County Administrator.

D. The Municipal Building Commission consists of the Mayor, one City Council member and two Hennepin County Commissioners.

E. The Minneapolis Youth Coordinating Board (MYCB) consists of the Mayor, two City Council members, two Hennepin County Commissioners, two members of the School Board, one member of the Park and Recreation Board, one member of the Library Board, a State Senator, a State Representative and a Juvenile Court Judge.

F. The Civilian Review Authority comprises of seven members, four of whom shall be appointed by the City Council, and three of whom shall be appointed by the mayor, subject to the approval of a majority of the City Council.



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**City of Minneapolis
Minnesota**

For the Fiscal Year Beginning

January 1, 2006

President

Executive Director