

BUDGET COMMITTEE
December 6, 2019
2020 Budget Markup
[Summary of Amendments]

A regular meeting of the committee conducted this date was convened for the purposes of reviewing and considering amendments to the Mayor’s Recommended 2020 Budget. The following amendments were moved for consideration by the Budget Committee—

1. Palmisano moved to incorporate into the Mayor’s 2020 Recommended Budget the following amended budgets, schedules, financial plans, and language changes related to accounting and technical adjustments, and program and capital/operation budget corrections, and amending the Mayor’s recommendation, all of which were approved on voice vote, as follows:

Item No.	Department	Action	2020 Expense	2020 Non-Levy Revenue	2020 Levy Revenue	FTE
A1	Public Works	Decrease expenses by \$148,000 and revenues by \$148,000 in 01150 West Broadway SSD, and increase expenses in 00100 General Fund by \$148,000 and revenues by \$148,000, to reflect the Resolution adopted on September 17, 2019 approving the City to move administration of the West Broadway Special Service District from the West Broadway Business and Area Coalition to the City of Minneapolis Public Works Transportation Maintenance and Repair Department; and further increase expenses in 00100 by \$150,820 and revenues by \$150,820 to reflect the Resolutions adopted on September 17, 2019 and October 11, 2019 approving the 2020 charges for the 428A and non-428A Special Service Districts.	150,828	150,828	-	
A2	Public Works	Increase expenses by \$314,845 and revenues by \$314,845 in 01100 Downtown Improvement District, to reflect the Resolution adopted on September 17, 2019 approving the 2020 proposed services and service charges.	314,845	314,845	-	
B	Police	Add 1.2 FTEs in the area of Community and Collaborative Advancement. Due to a grant extension, MPD has sufficient revenues to fund the \$139,548 required for salary and fringe benefits.	139,548	139,548	-	1.2
D	Property Services	Decrease expenses and revenues by \$78,500,000 in 2020 and by \$13,500,000 in 2021 in 04180 Property Services Capital to reflect the Resolution adopted on October 22, 2019, approving the City to increase the 2019 appropriation for bond proceeds for the project, offset by the aforementioned changes in 2020 and 2021.	(78,500,000)	(78,500,000)	-	
E1	Debt Service and Transfers	Increase expenses by \$3,304,088 in the 05251 Public Services Debt Services Fund.	3,304,088	-	-	

E2	Debt Service and Transfers	Increase expenses by \$3,304,088 in the 04G02 2019 CIP Bonds Fund using revenues collected in 2019, and increase revenues by \$3,304,088 in the 05251 Public Services Debt Services Fund.	3,304,088	3,304,088	-
E3	Debt Service and Transfers	Decrease expenses and revenues by \$116,344 in the 05I12 November 2012 Improvement Bonds Fund.	(116,344)	(116,344)	-
E4	Debt Service and Transfers	Decrease expenses and revenues by \$10,500 in the 05INM Nicollet Mall Improvement Bonds Fund.	(10,500)	(10,500)	-
E5	Debt Service and Transfers	Decrease expenses by \$827,000 in the 07700 Solid Waste & Recycling Fund.	(827,000)	-	-
E6	Debt Service and Transfers	Decrease expenses by \$5,066,230 in the 05350 Target Center Debt Service Fund.	(5,066,230)	-	-
E7	Debt Service and Transfers	Decrease expenses by \$5,066,230 in the 01CON Consolidated TIF District Fund and decrease revenues by \$5,066,230 in the 05350 Target Center Debt Service Fund.	(5,066,230)	(5,066,230)	-
F	City Attorney	Decrease City Attorney revenues and expenses by \$25,000 for the Downtown Improvement District grant which funds the Downtown Strategic Justice Partnership.	(25,000)	(25,000)	-
G1	Schedule 1	Correct the entry for Schedule 1 - Debt Service "Pension Fund Debt Service" to read "CIP Bond Debt Service".	-	-	-
G2	Schedule 1	Correct the entry for Schedule 1 - Debt Service "DC Group", deleting this category and reclassifying the revenue to Schedule 1 - Special Revenue "Economic Development".	-	-	-
H	Capital Plan	Adjust the five-year capital plan by reducing the sources by \$200,000 in Net Debt Bonds and uses for project PRK36 by \$200,000 in 2020, increasing the sources by \$200,000 in Net Debt Bonds for project MPD04, and reducing sources by \$200,000 in General Fund transfer for project MPD04.	-	-	-
Total Technical changes			(82,397,907)	(79,808,765)	- 1.2

2. Palmisano moved to amend the Mayor's 2020 Recommended Budget Financial Policies by:
Related to Contracts

- I. Adding the following language to the Authority of the Finance Officer section:
To make minor changes to insurance requirements, coverage and limits, defense and indemnification, and similar provisions in contracts, after consultation with the City Attorney or their designee. Before exercising this authority, the Finance Officer must first develop, implement, and administer a procedure, in accordance with legal and risk management guidelines, describing the circumstance under which changes may be acceptable and the reasonable limits to the changes which may be made under this authority.

II. Adding the following language to the Administrative policies section:

Surplus Property Donation

All donations of surplus property must be in accordance with Minnesota Statute 471.3459, Minneapolis Ordinance 18.160, Minneapolis Surplus Property Disposal Policy, and Minneapolis Surplus Property Disposal Procedures.

The Chair called the question on approval of both Amendment 1 and 2, and it carried on voice vote.

3. Palmisano moved to amend the Mayor's 2020 Recommended Budget in the General Fund for the Police Department by:
 - a. Reducing the "Investigations" change item, including reducing the one-time General Fund appropriation by \$100,000 and the ongoing General Fund appropriation by \$319,000, and eliminating 3 proposed sworn FTE.
 - b. Eliminating the "Neighborhood Outreach Officers" change item, including reducing the one-time General fund appropriation by \$428,000, reducing the ongoing General Fund appropriation by \$884,000, and eliminating 8 proposed sworn FTE.
 - c. Eliminating the "Traffic Unit" change item, including reducing the one-time General Fund appropriation by \$206,706, reducing the ongoing General Fund appropriation by \$355,323, and eliminating 3 proposed sworn FTE.
 - d. Increasing the one-time General Fund appropriation by \$735,000 and the ongoing General Fund appropriation by \$1,558,000 for a new "Additional Recruit Class & Training Investment" change item.

The Police Department shall use these funds to pay for academy class salaries and other costs related to the training of sworn officers to decrease volatility in the number of active sworn officers.

Carried on voice vote.

4. Fletcher and Jenkins moved to amend the Mayor's 2020 Recommended Budget for the Police and Health departments as follows:
 - a. Eliminating the Police Department "Increase to Records Information Unit (RIU)" change item, including reducing the ongoing appropriation by \$93,750, reducing the one-time appropriation by \$11,250, and reducing the proposed FTE by 1.
 - b. Reducing the Police Department base budget by \$37,000 one-time.
 - c. Increasing the Health Department on-going appropriation by \$105,000 and the one-time appropriation by \$37,000 for a new "Office of Violence Prevention" change item. The Office of Violence Prevention shall report back to the Public Health, Environment, Civil Rights, and Engagement Committee on program funding outcomes annually.
5. Cunningham and Goodman moved to amend the Mayor's 2020 Recommended Budget for the Police and Health departments as follows:
 - a. Reducing the one-time appropriation to the contingency fund by \$70,000.
 - b. Reducing the Police Department base budget by \$50,000 one-time.
 - c. Reducing the Health Department base budget by \$30,000 one-time.
 - d. Increasing the Health Department one-time appropriation by \$150,000 in the "Office of Violence Prevention" change item for the Group Violence Intervention initiative

Carried on voice vote.

6. Cunningham and Bender moved to amend the Mayor's 2020 Recommended Budget for the Police and Health departments as follows:
 - a. Reducing the Police Department one-time appropriation for the Community Navigators program by \$50,000.
 - b. Increasing the Health Department one-time appropriation by \$50,000 in the "Office of Violence Prevention" change item for an Intimate Partner Violence Intervention initiative.Carried on voice vote.

7. Ellison, Schroeder, and Johnson moved to amend the Mayor's 2020 Recommended Budget for the City Coordinator Department as follows:
 - a. Eliminating the "Program Evaluation" change item, including reducing the one-time appropriation by \$70,000.
 - b. Reducing the "Enterprise Engagement" change item, including reducing the one-time appropriation by \$50,000.
 - c. Reducing the one-time appropriation to the contingency fund by \$30,000.
 - d. Increasing the one-time appropriation by \$200,000 for a new "911/MPD Workgroup & MPD Efficiency study" change item. The City Coordinator's Office shall work with Emergency Communications (911), the Police Department, and other departments as necessary to implement the Data & Analytics: "Reconfigure priority system" recommendation from the 911/MPD Workgroup; continue the work of the 911/MPD Workgroup; and contract for an efficiency study of the Police Department.Carried on voice vote.

8. Ellison, Schroeder, and Johnson moved to direct the City Coordinator's Department, along with Emergency Communications (911), the Police Department, and other departments as necessary, to contract with one or more consultants to undertake an analysis of services and workload in order to evaluate the efficiency of the tax dollars invested in the Minneapolis Police Department, and further explore the recommendations from the 911/MPD Workgroup—including but not limited to the reconfiguration of the priority system. The contract deliverables generally should include the following:
 - a. Analyze the feasibility and potential implementation for the recommendations coming from the 911/MPD Workgroup—including but not limited to how to best categorize calls for service.
 - b. Analyze which services the enterprise already performs that the Minneapolis Police Department duplicates, and which of those duplications should/could be folded back into the enterprise—including but not limited to MPD's approach to records and information management.
 - c. Analyze key factors that would contribute to a more efficient performance from MPD staff, both civilian and sworn officers—including but not limited to exploring whether squad cars should be staffed by one or two officers.Carried on voice vote.

9. Goodman, Fletcher, and Bender moved to amend the Mayor's 2020 Recommended Budget in the General Fund for the Public Works and Assessor departments on an ongoing basis; the Downtown Assets Fund on an ongoing basis; and the Convention Center Fund, Property Services Fund, and General Fund on a one-time basis by:
 - a. Increasing the expense budget in the General Fund for the Public Works Department by \$267,000 ongoing for a contract with the Downtown Improvement District for downtown public safety partnerships.
 - b. Reducing the expense budget in the Convention Center fund on a one-time basis by \$150,000; this reduction shall come from the "Events Program - Meet Minneapolis" change item, specifically eliminating all funding allocated for Mega Events.

- c. Reducing the expense budget in the General Fund for the Assessor Department on an ongoing basis by \$39,000; this reduction shall come from the “Essential Operating Expenses” change item.
 - d. Transferring \$78,000 from the Property Services Fund to the General Fund on a one-time basis.
 - e. Transferring \$150,000 from the Downtown Assets Fund to the General Fund on an ongoing basis.
- And, directing staff from the Finance & Property Services Department to work with the Municipal Building Commission (MBC) to reduce the City’s 2020 rent payment to the MBC by \$78,000. This reduction should be ongoing and future increases shall be calculated from a base of \$5,336,000 for 2020 rent.

Carried on voice vote.

10. Bender and Fletcher moved to amend the Mayor’s 2020 Recommended Budget in the General Fund for the Health Department, clarifying that all funds appropriated to the Office of Violence Prevention for violence prevention programming shall be available for use in all geographic areas of the city.

Carried on voice vote.

11. Ellison, Gordon, and Bender moved to amend the Mayor’s 2020 Recommended Budget in the General Fund for the Police, Health, and Coordinator departments as follows—

- a. Reducing the Police Department “Training & Staffing Investment” ongoing appropriation from \$1,558,000 to \$1,408,000 and one-time appropriation from \$735,000 to \$385,000.
- b. Increasing the Health Department expense budget one-time appropriation by \$100,000 for “Opioid Intervention” change item.
- c. Increasing the Health Department’s Office of Violence Prevention expense budget ongoing appropriation by \$50,000 for the Blueprint Approved Institute and one-time appropriation of \$150,000 for street outreach and \$100,000 for Inspiring Youth programs.
- d. Increasing the Health Department’s Office of Violence Prevention ongoing appropriation by \$100,000 for one (1) FTE to support GVI and Intimate Partner Violence work.

On roll call, the result was:

Ayes: Gordon, Ellison, Bender (3)

Noes: Reich, Fletcher, Cunningham, Warsame, Goodman, Jenkins, Cano, Schroeder, Johnson, Palmisano (10)

Absent: (0)

Failed.

12. Goodman moved to amend the Mayor’s 2020 Recommended Budget in the Downtown Assets Fund and General Fund on a one-time basis by increasing the expense budget in the General Fund for the Public Works Department by \$75,000 to contract for maintenance of the Loring Greenway and reducing the expense budget in the Downtown Assets Fund on a one-time basis by \$75,000; this reduction shall come from the “Downtown Assets – Special Events” change item.

Carried on voice vote.

13. Bender moved to amend the Mayor’s 2020 Recommended Budget in the General Fund for the Civil Rights and CPED departments on an ongoing basis by increasing the expense budget in the General Fund for the Civil Rights Department by \$90,000 ongoing for an additional Labor Standards investigator (1 FTE) and \$69,000 ongoing for collaborative enforcement of the City’s Wage Theft ordinance, and reducing the ongoing General Fund expense budget in the CPED Department by \$159,000 associated with the vacant Transit Oriented Development director position.

Carried on voice vote.

14. Warsame moved to amend the Mayor's 2020 Recommended Budget in the General Fund for the Health and Finance & Property Services departments on a one-time basis by increasing the expense budget in the Health Department by \$50,000 one-time for a new "Youth Coordinating Board" change item. The Health Department shall direct these funds to the Youth Coordinating Board in support of part-time youth workers to work in the Cedar Riverside and Seward neighborhoods. And, reducing the expense budget in the General Fund for Finance & Property Services Department by \$50,000 one time; this reduction shall come from the "Asset Management Strategy" change item.
Carried on voice vote.

15. Warsame moved to direct appropriate City departments to require that any capital contribution to be paid by or from the City of Minneapolis to the Minneapolis Public Housing Authority (MPHA) for high-rise buildings must be conditioned upon installation of fire sprinklers and other fire suppression required under applicable codes for new construction.
Carried on voice vote.

16. Jenkins, Cunningham, and Reich moved to amend the Mayor's 2020 Recommended Budget in the General Fund for the City Coordinator and Fire departments on an ongoing basis by increasing the expense budget in the General Fund for the City Coordinator department by \$90,000 ongoing for a new "Transgender Equity" change item including one additional staff member in the Division of Race and Equity to support Transgender Equity (1 FTE) and reducing the ongoing Fire Department expense budget by \$90,000 to come from funds allocated for "Add Civilian FTEs" change item.
Carried on voice vote.

[Clerk Note: a 30-minute break was taken at 12:57 p.m.]

[Clerk Note: The Budget Committee reconvened at 1:34 p.m., a quorum being present.]

17. Ellison moved to amend the Mayor's 2020 Recommended Budget in the General Fund for the CPED and City Coordinator departments on a one-time basis by increasing the expense budget in the General Fund for the Coordinator Department by \$175,000 one-time, with \$125,000 to be used for a new "Rent Stabilization Study" change item and \$50,000 to be used for a new "Promise Zone Coordination" change item; reducing the expense budget in the General Fund for the CPED Department on a one-time basis by \$175,000 one-time to come from the "Village Financial" change item; and, moving \$200,000 from the "Village Financial" change item to the "Cultural Districts: Commercial Property Development Fund" change item; these additional funds shall only be used for development outside of areas categorized as Cultural Districts.
Carried on voice vote.

18. Gordon moved to amend the Mayor's 2020 Recommended Budget in the General Fund for the CPED Department on a one-time basis by increasing the expense budget by \$75,000 one-time and creating a new "Pay Day Lending Refinancing" change item and reducing the expense budget in the General Fund for the CPED Department on a one-time basis by \$75,000; this reduction shall come from the "Village Financial" change item.
Carried on voice vote.

19. Gordon moved to amend the Mayor's 2020 Recommended Budget in the General Fund for the CPED and Health departments on a one-time basis by increasing the expense budget in the Health department by \$50,000 one-time for the "Youth Coordinating Board" change item to be used for the Children's Savings Account program, and reducing the expense budget in the CPED Department on a one-time basis by \$50,000 to come from the "Village Financial" change item.
Carried on voice vote.

20. Gordon and Schroeder moved to amend the Mayor's 2020 Recommended Budget in the General Fund for the CPED and City Coordinator departments on a one-time basis by increasing the expense budget in the City Coordinator Department by \$350,000 for the "Sustainability" change item, with \$25,000 of these funds shall be used for contract support in drafting a new Sustainable Building Policy; reducing the expense budget in the CPED Department on a one-time basis by \$350,000, with this reduction coming from the "Stable Homes, Stable Schools" change item. And, directing staff from the Finance & Property Services Department to update the City's Five-Year Financial Direction to increase the planned expenditure for "Stable Homes, Stable Schools" in 2021 to \$3,700,000, and decrease the planned expenditure for "One-Time Change Items & Transfers Out" to \$4,300,000.

Carried on voice vote.

21. Schroeder, Johnson, Jenkins, and Reich moved to amend the Mayor's 2020 Recommended Budget in the General Fund for the Neighborhood & Community Relations, City Coordinator, and CPED departments on one-time basis by increasing the expense budget in the Neighborhood & Community Relations Department by \$60,000 one-time to increase the "Aging Support Services" change item to a total of \$140,000 one-time in 2020; reducing the expense budget in the City Coordinator Department on a one-time basis by \$50,000 to come from the "Creative City Challenge" change item; and reducing the expense budget in the CPED Department on a one-time basis by \$10,000 to come from the Homeowner Rehab activity in the department.

Cano moved the following substitute amendment, as follows:

Amending the Mayor's 2020 Recommended Budget in the General Fund for the Neighborhood & Community Relations and Community Planning & Economic Development departments on one-time basis by increasing the expense budget in the General Fund for the Neighborhood & Community Relations Department by \$60,000 one-time to increase the "Aging Support Services" change item to a total of \$140,000 one-time in 2020; reducing the expense budget in the General Fund for the Community Planning & Economic Development Department on a one-time basis by \$60,000, to be distributed as follows:

- a. \$10,000 from the Homeowner Rehab program
- b. \$50,000 from Adult Placement, Training & Retention

And, making the following one-time changes to the Mayor's Recommended Budget of Community Block Grant funds in the Community Planning & Economic Development Department by:

- c. Reducing the Vacant and Boarded Building program by \$50,000 and
- d. Increasing the Adult Placement, Training and Retention program by \$50,000.

The question being called, the Cano substitute was accepted. On voice vote, the amendment, as substituted, carried.

22. Cano moved to amend the Mayor's 2020 Recommended Budget in the Neighborhood & Community Relations Special Revenue Fund (01800 Fund) for the Neighborhood & Community Relations Department on an ongoing basis by increasing the expense budget by \$200,000 to support City-sponsored initiatives that strengthen engagement with the following cultural communities:

- African American Community
- Latinx Community
- East African Community
- Southeast Asian Community

Funds will be used to cover expenses related to the City's partnership with cultural communities to support one-time or annual cultural community or cultural commemorative events that strengthen the community's ability to gain more access to the City's wide array of programs, resources, information, and

services. The Neighborhood & Community Relations Department will draft guidelines on the definition of a City-sponsored initiative, funding eligibility, spending parameters, and the process of input from community. The Neighborhood & Community Relations Department will report back to the Public Health, Environment, Civil Rights & Engagement Committee by February 28, 2020 with the set of recommendations.

Carried on voice vote.

23. Bender and Johnson moved to amend the Mayor’s 2020 Recommended Budget in the General Fund for the City Council, Assessor, and Attorney departments on an ongoing basis by increasing the expense budget in the City Council Department by \$250,000 and creating a new “Council Staff Salary Schedule Update” change item; reducing the expense budget in the City Attorney Department on an ongoing basis by \$100,000 to come from the elimination of one (1 FTE) vacant Legal Support Specialist position; reducing the expense budget in the Assessor Department on an ongoing basis by \$150,000 to come from the “Essential Operating Expenses” change item named in this year’s recommended budget. And, directing the Human Resources Department to implement the following salary ranges on the CPA Salary Schedule effective January 1, 2020:

Job Code	Job Title	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7
	Council Member							
C02740	Assistant/Aide	\$69,168	\$70,580	\$72,020	\$73,490	\$74,990	\$76,520	\$78,082
	Council Office Associate							
C02755	Appt	\$62,796	\$64,077	\$65,385	\$66,719	\$68,081	\$69,470	\$70,888

All incumbents in Job Codes C02740 and C02755 shall maintain their current step and future step progression dates upon implementation of the new schedule.

Carried on voice vote.

24. Gordon moved to direct the Neighborhood & Community Relations Department to identify the University District Alliance as the managing agent for the University neighborhood’s Community Participation Program 2020 allocation of \$43,000, recognizing that the University neighborhood does not have a recognized neighborhood organization.

Carried on voice vote.

25. Warsame moved to amend the Mayor’s 2020 Recommended Budget in the General Fund for the Health Department on a one-time basis by increasing the expense budget by \$100,000 one-time for public safety programming in the Office of Violence Prevention. These monies shall be deployed for strategies to reduce crime in the following neighborhoods, and at the following amounts:

- Ventura Village - \$40,000
- Phillips West - \$40,000 (with at least \$15,000 supporting the Phillips West Safety Center)
- Stevens Square - \$20,000

The source of funding for this item is \$100,00 of one-time General Fund resources made available by adoption of Amendment #1 (H), which addressed a reallocation of Net Debt bonds from the Park & Recreation Board to the Police Department and reduced General Fund allocation to the Police Department by \$200,000.

Carried on voice vote.

26. Warsame moved to amend the Mayor's 2020 Recommended Budget in the General Fund for the CPED Department on a one-time basis by increasing by \$50,000 for the "Cultural Districts: Co-op and Employee Owner Opportunity Fund," for a total of \$150,000 one-time for that change item. The additional \$50,000 added through this amendment shall be deployed specifically in conjunction with a cooperative public market for the Africa Village project in the Cedar-Riverside neighborhood. The source of funding is \$50,00 of one-time General Fund resources made available by adoption of Amendment #1 (H), which addressed a reallocation of Net Debt Bonds from the Park & Recreation Board to the Police Department and reduced General Fund allocation to the Police Department by \$200,000.

Cano moved to amend the Warsame budget amendment as follows:

Amending the Mayor's 2020 Recommended Budget in the General Fund for the CPED Department on a one-time basis by increasing by \$50,000 for the ~~"Cultural Districts: Co-op and Employee Owner Opportunity Fund," a total of \$150,000 one-time for that change item~~ **Cooperative Technical Assistance Program (CTAP)**. The additional \$50,000 added through this amendment shall be deployed specifically in conjunction with a cooperative public market for the Africa Village project in the Cedar-Riverside neighborhood. The source of funding is \$50,00 of one-time General Fund resources made available by adoption of Amendment #1 (H), which addressed a reallocation of Net Debt Bonds from the Park & Recreation Board to the Police Department and reduced General Fund allocation to the Police Department by \$200,000.

The motion, as amended, carried on voice vote.

The Chair moved to refer the Mayor's 2020 Recommended Budget, as amended by the Budget Committee, to the adjourned meeting of the City Council scheduled for Wednesday, December 11, 2019, at 6:05 p.m. for further consideration. That motion carried on voice vote.

Meeting adjourned at 2:39 p.m.