

Results

MINNEAPOLIS

IGR

July 30, 2014

Table of Contents: IGR

Performance Measures		Page
Glossary		3
City Policy Objectives Are Achieved		6
Summary of 2014 Legislative Agenda Actions		7
<i>-Flow Chart of Legislative Agenda Update Process and Summary of Policy Liaison Team Table</i>		9
<i>-Initial IGR-Identified Priorities Table</i>		10
<i>-Priorities Added throughout Session Table</i>		10
<i>-Other Agenda Items Table</i>		11
City Priorities are Reliably Funded: Diversity of Revenue		14
Total Federal, State, and Local Aids and Grants		15
<i>- Local Government Aid Received</i>		17
<i>-Grant Revenue Received Annually as a Percent of City Revenue Budget</i>		17
<i>-Value of Grants Awarded and Applied for and Total Number of Grants Applied For</i>		18
<i>- Federal Grant Dollars Received by Type</i>		19
<i>- HUD Consolidated Plan Funding</i>		19
<i>-Federal Grant Expenditures by Type and City Comparison</i>		20
<i>-Regional and County Grants Awards, by Grant Program</i>		21
<i>-All Grants Awarded by Department</i>		21
City Priorities are Reliably Funded: Management of Grants		22
Community Development Block Grant Timeliness Ratio		23
Home Performance “Snapshot”		24
<i>- Federal Grant Program Monitoring: HUD HOME and HUD CDBG Programs and Federal A-133 Audit National Comparison</i>		25
Engaged and Effective Employees Have the Resources They Need		26
Management Services Survey		27

A-133 Single Audit - Audit performed for purposes of meeting standards set forth by Office of Management and Budget Circular A-133 for obtaining consistency and uniformity among Federal agencies for the audit of States, local governments, and non-profit organizations expending Federal awards. The Audit is performed for the City of Minneapolis by the Office of State Auditor upon conclusion of the city's fiscal year as part of the Comprehensive Annual Financial and Evaluation Report (CAFR). The CAFR covers City audit compliance with all funds that the City manages.

Audit Finding - If a significant issue of non-compliance with a grant's terms and conditions is identified during an audit, a finding is made. Findings include criteria or basis for determining that a problem does exist, a condition or situation that was observed, the effect or impact of the condition, and the root cause of the problem to the extent that it can be determined. Findings should result in recommendations that resolve the issue and are helpful to management.

Capital Grants - Capital grants are for infrastructure development and preservation of housing, public facilities and community assets. They are usually one time awards for development costs, unless the City is the owner of the capital asset. In that case, policy consideration may need to include longer-term operations and maintenance budgeting. Many of the Community Planning and Economic Development (CPED) department's capital awards are passed through to other agents (sub-recipients). Most awards often come with significant funder compliance requirements that may not directly relate to traditional quality assurance measures typically associated with procuring a good or service. An example would be hiring goals associated with labor services supplied to a capital project.

Community Development Block Grant (CDBG) - One of the Department of Housing and Urban Development's (HUD) entitlement programs covered by the Consolidated Plan. Provides grants for programs that develop decent housing and suitable living environments, and that expand economic opportunities, principally for low and moderate-income persons. This grant is generally the largest single annual grant award to the City.

Competitive Grants - Grants that are made available to potential eligible entities on an open, competitive basis. Some eligibility criteria may limit the competition, however, within the eligible cohort, funds are sought to be distributed based on developed criteria that proposals are ranked against.

Comprehensive Annual Financial Report (CAFR) - A report prepared by the Finance Department that presents the financial position of the City including federal funds expenditures and the results of its operations.

Consolidated Plan - The document submitted to HUD serving as the planning document (comprehensive housing affordability strategy and community development plan) of the jurisdiction. It is an application for funding under any of the Community Planning and Development formula grant programs (CDBG, ESG, HOME and HOPWA).

Emerged During Session - Emerged items fall into one of two categories:

- 1) Items that *were* on the City's Legislative Agenda, but not originally anticipated to receive much traction. These items emerged as actionable items through the session process.
- 2) Items that *were not* originally on the City's legislative agenda, but emerged as actionable items through the session process.

Emergency Solutions Grant (ESG) - One of the HUD entitlement programs covered by the Consolidated Plan. Provides grants for programs that seek to house those who are homeless or are threatened with homelessness through provision of emergency shelter, street outreach, rapid re-housing, and homelessness prevention activities.

Formula Grants - Grants that are made available on a non-competitive basis to eligible entities on a prescribed, generally legislatively mandated, formula. If a potential recipient qualifies, they are allocated funds based usually on some static measure (such as unemployment rate). Some formula programs may set aside a portion of an appropriated level of funding for the formula for specific, goal-oriented grant competitions. The funding for such competition would reduce the amount available for the formula amount.

HOME Investment Partnerships (HOME) - One of the HUD entitlement programs covered by the Consolidated Plan. HOME provides formula grants to fund activities that build, buy, and/or rehabilitate affordable housing for rent or homeownership or provide direct rental assistance to low-income people.

Housing Opportunities for Persons with HIV/AIDS (HOPWA) - One of the HUD entitlement programs covered by the Consolidated Plan, was established by HUD to address the specific housing needs of persons living with HIV/AIDS and their families. The City of Minneapolis is the formula-based entitlement grantee on behalf of the Minneapolis-St. Paul Metropolitan Statistical Area. Thus, the funding received under this grant must be used for benefit of eligible persons within the metropolitan region.

HUD Consolidated Plan - Federal community development funding provided to eligible communities on a formula basis and refers to the document submitted to HUD serving as the planning document (comprehensive housing affordability strategy and community development plan) of the jurisdiction. It is an application for funding under any of the Community Planning and Development formula grant programs.

The City of Minneapolis receives all four grants of the Consolidated Plan account - Community Development Block Grant (CDBG), HOME Investment Partnerships (HOME), Emergency Solutions Grant (ESG), and Housing Opportunities for Persons with AIDS (HOPWA). All grants are distributed to communities on a formula basis, said formula consisting of variables such as population, poverty rates, age of housing stock, number of poor or service eligible populations.

Program Grants - Program awards are either development of, or support of existing city-sponsored programming. They can include capital asset development in support of other city programming or service provision. For example, grants for homeland security infrastructure are classified as programmatic since the funds are used for equipment purchases supporting the City's ability to provide a service response. Policy considerations for program grants may include the long term staffing costs to the City if the program is to extend beyond the life of the particular grant that made the program possible. As with capital grants, there are likely associated compliance terms with the award that a department would need to incorporate into their business practices

Sub-recipient - A public or private nonprofit agency, authority, or organization, or a for-profit entity receiving funds to undertake activities, but does not include contractors providing supplies, equipment, construction, or services subject to procurement requirements. Grantees have responsibility for any sub-recipient use of grant funds.

Women's Economic Security Act (WESA) – The Women's Economic Security Act was comprised of the following components:

- Grant program for job recruitment and placement aimed at increasing the number of women in high wage, high demand nontraditional occupations
- Requiring that state contracts worth over \$500,000 with a business employing 40 or more employees, the business must obtain an equal pay certificate to verify that their employment and compensation practices do not discriminate by sex
- Increasing the minimum wage (see summary on HF 2091)
- Expanding access to childcare by removing the \$5,000 cap and providing an additional \$4.65 million for early learning scholarships (see summary on Early Learning, HF 3172, Chapter 312)
- Expanding Minnesota Parental Leave Act from six to twelve weeks of unpaid leave

Glossary continued on next page...

- Allowing use of sick leave to care for an ill or injured grandchild, or a mother or father in law
- Requiring employees that have 21+ employees to provide accommodations for pregnant employees including seating or position transfers for pregnant workers
- Improving housing protections for victims of violence, and expanding unemployment insurance eligibility currently available to victims of domestic violence
- Creating a report on a state retirement plan that would allow small private sector employees to pool into a state-managed program

City Policy Objectives are Achieved

Summary of 2014 Legislative Agenda Actions		
Type	Original Number	City's Position Achieved
Initial IGR-Identified Priorities (see table 1.1)	11	91%
Priorities Added throughout Session (see table 1.2)	4	100%
Other Agenda Items (see table 1.3)	36	67%



Note: Bonding is considered one agenda item, however for detail in the tables, each priority within the bonding bill was individually listed.

Why is this measure important?

The City annually adopts a legislative agenda. The agenda is traditionally divided into policy areas and within each area policy statements are grouped as “priority” or “support” items. Priority items are those that the Intergovernmental Relations (IGR) department will lead or be an active participant in with others in the policy development process. Support items are those policies that the City supports and may participate in its policy development. This agenda has rolled over year-to-year, with new items being added, and accomplished items being delete amended.

In 2013, the IGR Department launched a new interdepartmental Policy Liaison Team comprised of staff from each City department. Some larger departments had multiple representatives, leading to a total of 26 participants. The goal of this new process was to ensure enterprise-wide awareness of and input into all legislative ideas, and that all policy initiatives are thoroughly vetted by all City departments. An additional goal of the Team was to educate City staff on various state government topics such as "Bonding 101" and "Where the State budget forecast comes from." A goal was for Team members to serve as a resource for legislative issues and process for their colleagues in their home departments.

Once policy ideas received an initial vetting by the Team, the IGR Subcommittee Chair and the IGR department staff made the final determination as to what legislative ideas would be proposed and actively worked on based on such indicators as political climate, interest from partners, and the condition of the state budget. This provided a second level of funneling to ensure the limited IGR time, resources, and political capital were strategically used in the 2014 legislative session.

Of the 30 legislative priorities identified by City departments, Council members, or the Mayor, 11 were determined not to be ready for inclusion in the 2014 legislative agenda, leaving 19 items to be added. Of the 19 items that the IGR Department and IGR Subcommittee Chair elected to include in the agenda, 15 were achieved. Of the four remaining items, at least three will most surely be addressed in the 2015 session, with the remaining unachieved item being a City issue requiring more groundwork.

This data is important to examine because it speaks to the IGR department’s management process of the City's legislative agenda. It demonstrates that when City department goals are in-line with the tenor of the

Narrative continued on next page...

legislature, other stakeholders, and the current political climate, the City is successful in advancing its priorities. Virtually all successful policy initiatives have in common the support of a wide array of stakeholders, state budget capacity, legislative interest, as well as being well-researched by City departments. When these ingredients are present, the probability of success is enhanced. If one or more of the ingredients is absent, success is more difficult. This data reinforces to City staff and Council members that certain conditions must be met for the IGR committee and department to make strategic investments of time and resources.

This data is also important because it demonstrates the number of legislative items that arise throughout the course of a session that the IGR staff must respond to, either with support or opposition. The dozens of these bills that emerge each year require significant IGR time, resources, and political capital, limiting the time available to proactively advocate for department and City-identified priorities. This reinforces the need to be highly strategic in the new legislation the City chooses to prioritize and introduce.

What will it take to make progress?

The City's legislative efforts have been successful, but continued success may require modifications to the City's process.

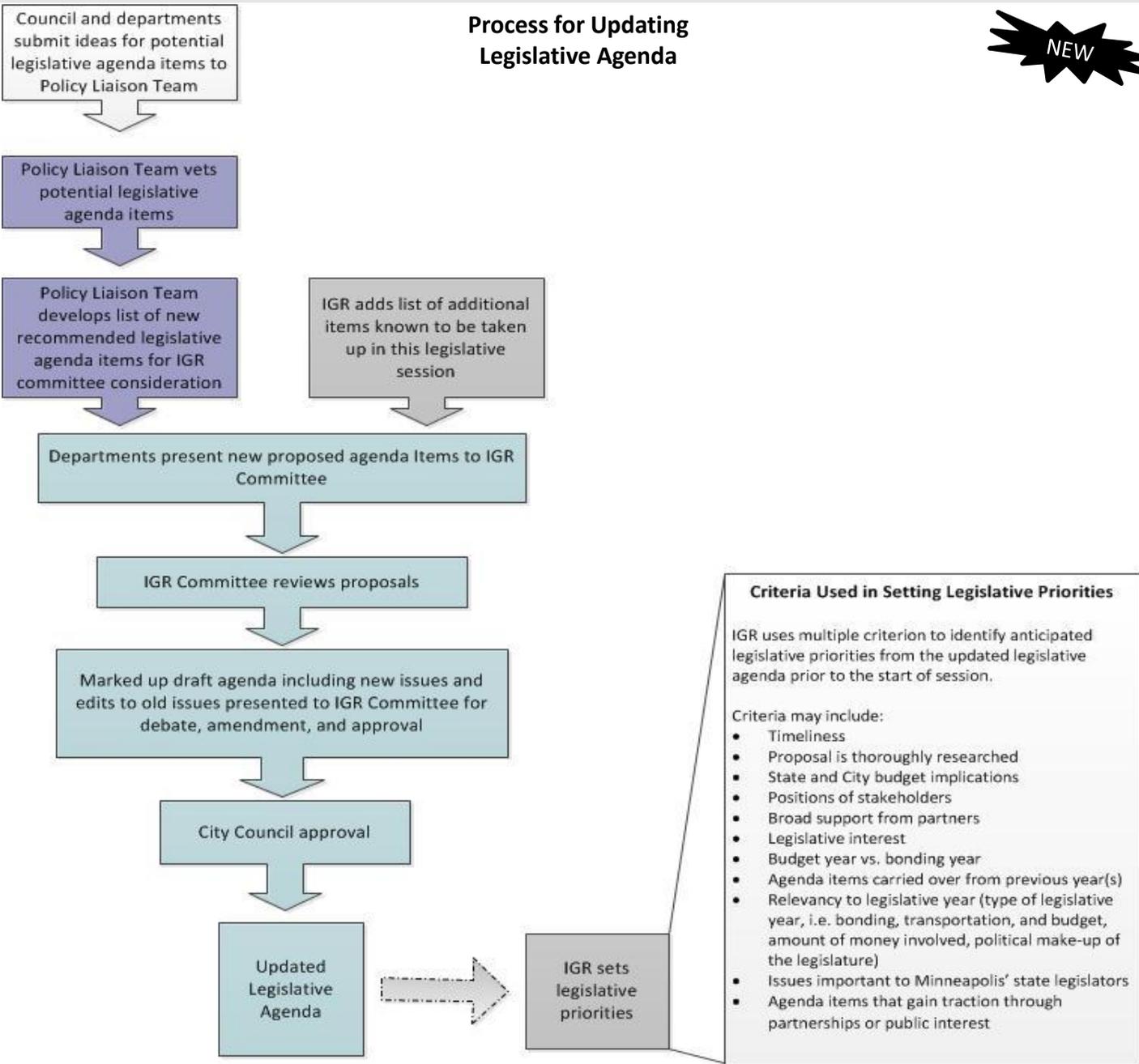
The criteria for legislative success must be continuously reinforced to Policy Liaison Team members, department heads, Mayor, and City Council members. As the data have indicated, when multiple positive components are present, the City's chances of success are increased. IGR will reexamine the "New Legislative Ideas" forms that departments must fill out for opportunities for improvement. And, the vetting process for the Policy Liaison Team will also be reexamined to ensure that criteria and expectations are clear.

For example, City department heads and Team members will be encouraged to understand the current legislative climate and propose policy initiatives that align best with that particular legislative session. And, the IGR department will continue to work with all City departments to ensure that legislative ideas are thoroughly researched, also increasing chances for success.

IGR also plans to develop two legislative documents: The longer, existing "legislative agenda" should be renamed the City's "Policy Positions" or something to that effect. This document will serve as a resource to IGR and all City staff, Council members, Mayor, and the public in clarifying the City's positions on a wide variety of policy items. A new document should be created entitled, "Legislative Agenda." This new "Legislative Agenda" should be much shorter, and should be updated each legislative session to more precisely reflect the City's goals and priorities for that particular legislative session. Items added to this more timely document will be vetted for conditions such as enterprise-wide relevance, external partner support, stakeholder and legislator interest, political climate, and state budget. This document will reflect IGR's expectations of where the legislature will be focusing its attention to best leverage our time and opportunities. Additionally, the items included in both the new "Policy Positions" and the "Legislative Agenda" will be identified as being connected to specific City goals.

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Process for Updating Legislative Agenda



Summary of 2014 Policy Liaison Team



Description of Policy Issue	Original Number	City's Position Achieved
Initial Policy Issues Presented to Policy Liaison Team	28	N/A*
Policy Issues Already Included in Legislative Agenda	11	73%
Policy Issues Newly Added to Legislative Agenda	7	57%

*Not all policy issues presented to the Policy Liaison Team are added to the legislative agenda and therefore the "City's Position Achieved" can not be calculated.

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Table 1.1: Initial IGR-Identified Priorities				
Policy Area	Bill Topic	City's Position Prevailed	Policy Liaison Team	Emerged During Session
Bonding	Nicollet Mall	Achieved: Nicollet Mall \$21.5 million		
Public Finance	State sales tax exemption clarification	Achieved		
	LGR funding increase	Achieved		
Public Safety	Scrap metal bill	Achieved		
	Cell phone theft and resale	Achieved		
Municipal Governance	Liquor conditions	Achieved	X	
City Livability	Farmers market bill	Achieved		
	Healthy Homes funding	Achieved		
	Driver's license for immigrants bill	Did not pass - Progress		
Environment and Natural Resources	Pollinator death compensation	Achieved		
	Pollinator - lethal labeling	Achieved		



Table 1.2: Priorities Added throughout Session				
Policy Area	Bill Topic	City's Position Achieved	Policy Liaison Team	Emerged During Session
City Livability	E-Cigarette regulation	Achieved - In progress		X
Jobs and Economic Development	Minimum wage increase and index for inflation	Achieved		X
	Women's Economic Security Act	Achieved		X
City Livability	Medical cannabis legalization	Achieved		X



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Table 1.3: Other Agenda Items

Policy Area	Bill Topic	City's Position Achieved	Policy Liaison Team	Emerged During Session
Bonding	35W Storm Tunnels (\$4.5 million)	Did not pass		
	Pioneers and Soldiers Cemetery (\$1.9 million)	Did not pass		
	Drinking water back-up (\$1.5 million)	Did not pass		
	Other Bonding Projects in Minneapolis or Minneapolis may be applicant to	<ul style="list-style-type: none"> • \$33 million (in GO bonding and cash) for Local Bridge Replacement and Rehabilitation, of which \$11.75 million is designated for the Franklin Avenue Bridge • \$550,000 for the Hennepin Center for the Arts • \$330,000 for the Brian Coyle Community Center • \$56.7 million for the Tate Laboratory Renovation at the University of Minnesota Twin Cities campus • \$3.6 million for Minneapolis Community and Technical College • \$1 million for Safe Routes to Schools infrastructure grants • \$20 million to Minnesota Housing for public housing rehabilitation • \$80 million for affordable housing • \$15 million to the Met Council for the Transit Capital Improvement Program. Listed eligible projects include: <ul style="list-style-type: none"> o I-35W/Lake Street Transit Station o Improved access to the red line Cedar Grove station in Eagan o Transitways including but not limited to Penn Avenue North BRT and Snelling Avenue BRT 		X
Public Finance	5-year TIF Rule extension for certain districts	Achieved		X
Public Safety	Domestic abuse by strangulation	Achieved		
	Domestic abuse and firearms	Achieved		X
	Domestic abuse - increased probable cause arrest time	Achieved		X
	License Plate Reader bill	Did not pass - Progress		
	Chronic indecent exposure			X
	Fund for Safe Harbors for Sexually Exploited Youth	Achieved		
	Expungement	Achieved		
	Fire sprinklers requirement prohibition	Achieved		X

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Table 1.3: Other Agenda Items Continued

Policy Area	Bill Topic	City's Position Achieved	Policy Liaison Team	Emerged During Session
Transportation	Funding for Bottineau Blvd. LRT	Achieved		X
	Funding for 35W and Lake St. Transit Access Project	Progress (Eligible for grant)		
	Transportation funding	Will be 2015 priority		X
	CPED - Transportation Improvement Areas	No Action	X	
	Transportation omnibus supplemental	Achieved		
	Railroad and pipeline safety	Achieved		X
Affordable Housing and Homelessness Prevention	Funding for Housing Infrastructure Bonds	Achieved (\$80 million)		
	Funding for public housing rehabilitation	Achieved (\$20 million)		
	Funding for Homeless Youth Act	Achieved		
Municipal Governance	Electronic publications	Progress		X
	All-Star Game bar hours extension	Achieved		X
	CPED - MPRB liquor license	No Action	X	
	Dog and cat breeder regulation	Achieved		
	Oppose additional regulation on animal control	Achieved		X
	Regulatory Services - Reimbursement for local gov't cost of enforcing state law	No Action	X	
	E-poll book expansion	Achieved		X

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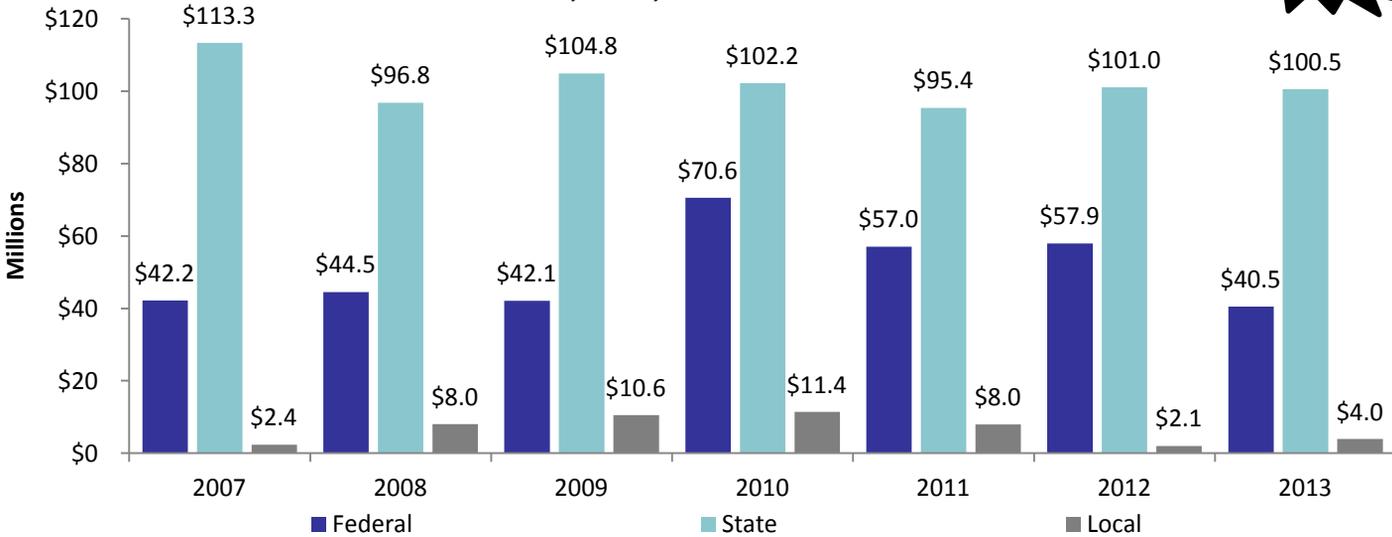
Table 1.3: Other Agenda Items Continued

Policy Area	Bill Topic	City's Position Achieved	Policy Liaison Team	Emerged During Session
Municipal Governance	Statewide massage establishment regulation	Progress		X
	Unauthorized access to private data bill	Achieved		X
	Creation of the Legislative Commission on Data Practices	Achieved		X
City Livability	Local Public Health Act language update	Achieved	X	
	Lower blood lead intervention levels	Achieved	X	X
	Health - Infant mortality review panel	No action. Discovered fiscal note.	X	
	Early childhood learning	Achieved		X
Environment and Natural Resources	Recycling policy and funding	Achieved		X
	Municipal preemption of state pesticide rules	Did not pass		X
Jobs and Economic Development	Payday lending regulations	Did not pass - Progress		X

City Priorities are Reliably Funded:
Diversity of Revenue



Total Federal, State, and Local Aids and Grants



Note: State Aids include: local government aids, pension aids, roadway improvement aids and private gifts.

Source: Finance Department

Why is the percent of revenue budget an important measure?

The ability to have a robust and diverse set of revenue resources available to the City allows for policymakers to have flexibility in addressing annual City priorities. A substantial responsibility of the IGR Department is to support City efforts at increasing revenues made available or allowed by other levels of government.

The proportion of the General Fund that could be attributed to the work of the IGR department amounts to \$69 million or 18 percent of the City’s \$382.5 million General Fund. As a proportion of all funds, approximately \$149 million in intergovernmental revenue or 21 percent of the \$710 million total revenue can be attributed to the IGR department’s work.

In addition to the data presented in the Comprehensive Annual Financial Report (CAFR), the IGR department’s work in 2014 and in previous years accounts for an additional \$13 million in Local Government Aid (LGA) to be paid to the City of Minneapolis in 2014 and 2015. The LGA data on page 17 provides a glimpse of the last decade in LGA payments. In 2014 and 2015, Minneapolis saw increases in LGA payments for the first time in four years. For the first time since before 2003, the total LGA appropriation for cities exceeded \$500 million.

In addition to the CAFR data, the IGR department’s work in securing other aids and credits resulted in an annual contribution of \$24 million from the state general fund to the Minnesota Public Employees Retirement Association to support the funding of the Minneapolis Employees Retirement Fund. Additionally, \$4 million in debt service aid is to be paid by the State in state fiscal year 2016 and in future years. Furthermore, though the exact amount is uncertain at this time, there will be an increase in direct property tax relief paid to Minneapolis homeowners and renters. All of the noted revenues, except for the scheduled debt service payments, were City priorities as identified in the City’s Legislative Agenda for 2013-2014.

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City Priorities are Reliably Funded: Diversity of Revenue

The department also works at supporting the City's receipt of non-property tax base revenues from a variety of sources. These revenues can be restricted use or for general support. Revenues include federal and state grants-in-aid as noted above, as well as, local government aid, pension aids, roadway improvement aids, and private gifts. The department provides support for maximizing these revenues for City operations. The department also works to support legislation that allows for the City to better allocate these resources among local priorities: for example, past consolidation of local pension plans into the State system will reduce the City's property tax burden.

In order to deliver a variety of programming initiatives, the City often supplements local funding with grant resources from primarily the federal government and the State of Minnesota. The City receives federal grants either as direct grants or as pass-through grants via the state or Hennepin County. Direct grants can be either formula or competitive grants. As a direct grant recipient, the City is the contracting entity with the federal, state or regional agency and is responsible for grant administration. A State of Minnesota department or agency is usually the contracting agency with the federal government for pass-through grants. Pass through grants retain any federal or state mandates associated with the funding program. Contracting agencies can retain a portion of the grant for administration and programming and also can enter into contracts with sub-recipients to provide services.

The City's largest annual grant is the HUD Consolidated Plan entitlement grants. These formula grants fund a variety of affordable housing development, public service health and safety, special needs housing provision, and economic development initiatives. A chart on page 19 illustrates the level of Consolidated Plan funding over the past decade. Over this timeframe, total funding has been reduced by approximately one third.

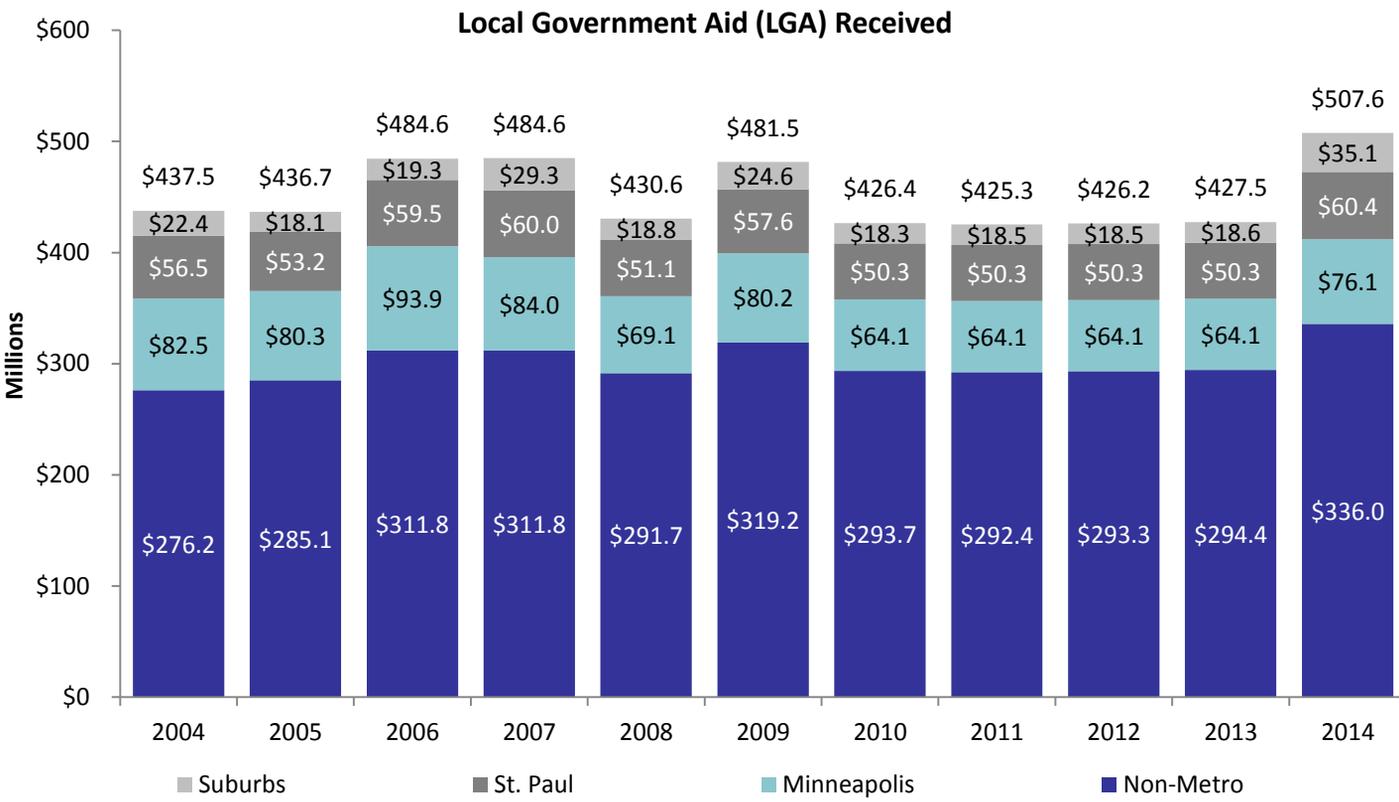
Federal direct funding, often in the form of competitive granting, has been declining as a result of the deficit reduction actions of recent Congresses. It is anticipated that similar results will be realized with the current deficit reduction options that are being entertained by Congress.

What will it take to make progress?

The following items will help make progress on this measure:

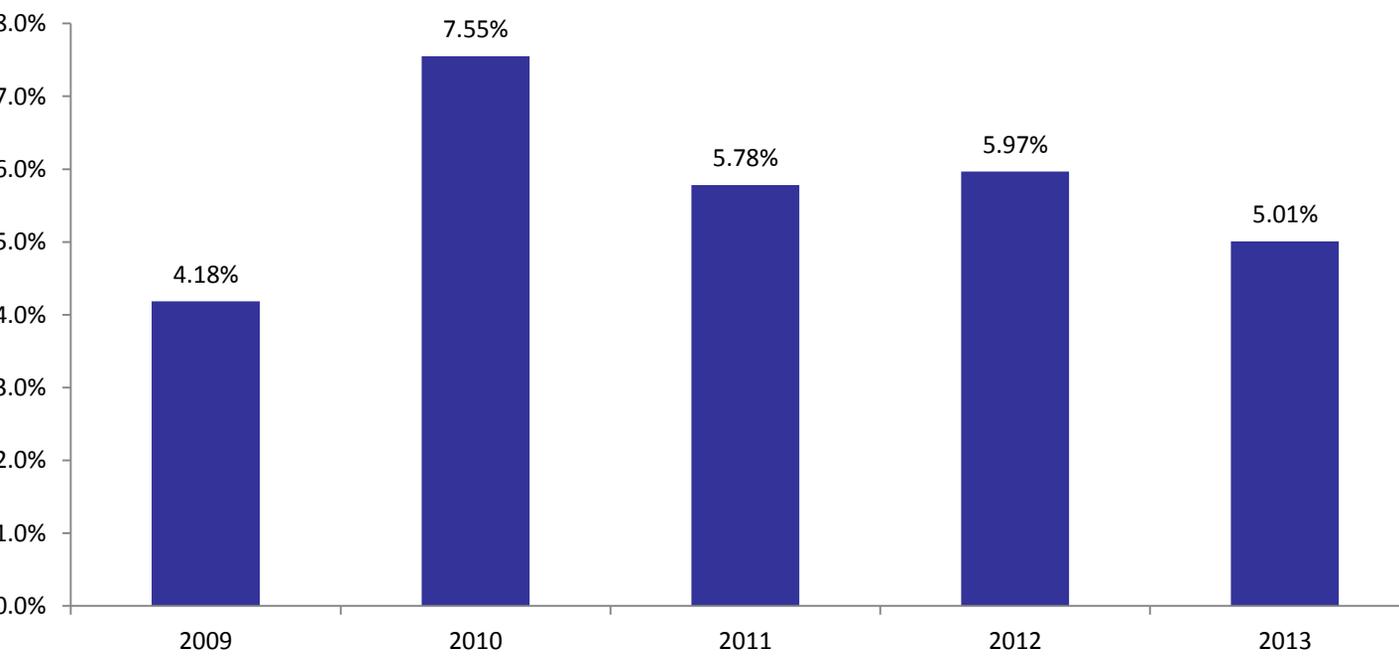
- Our department has increased its staff through a recently approved position to provide deeper technical assistance to departments on grant seeking.
- Positioning the City to take advantage of federal urban initiatives, such as, Promise Zone- although there are no funds, there will be greater federal-local collaboration around community development priorities important to the City
- Utilization of contracted lobbyists to identify prospective opportunities
- Continued work on developing annual application for HUD entitlement funding (CDBG, HOME, ESG, HOPWA), the single largest annual federal grant
- Passage of transportation finance bill with additional resources to address city infrastructure needs
- Recognize the changing federal funding environment and, where possible, align local priorities to federal priorities

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Note: LGA received in years 2008-11 generally was below what the City was eligible to receive by formula due to State Legislature and Executive actions
 Source: State of Minnesota

Grant Revenue Received Annually as a Percent of City Revenue Budget



Source: Finance Department

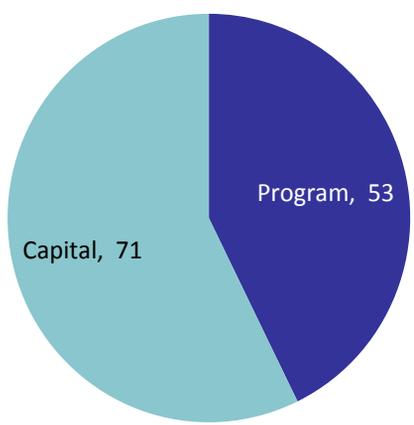
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Value of Grant Funds Awarded and Applied For

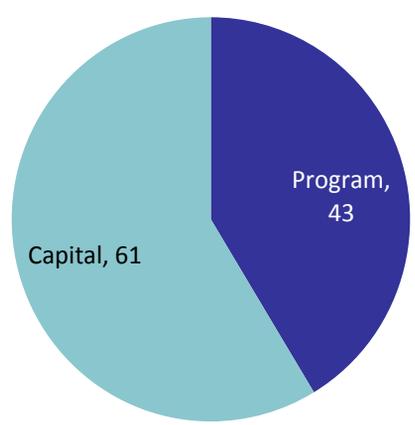


Source: Grants Office

Total Number of Grants Applied For, 2012



Total Number of Grants Applied For, 2013

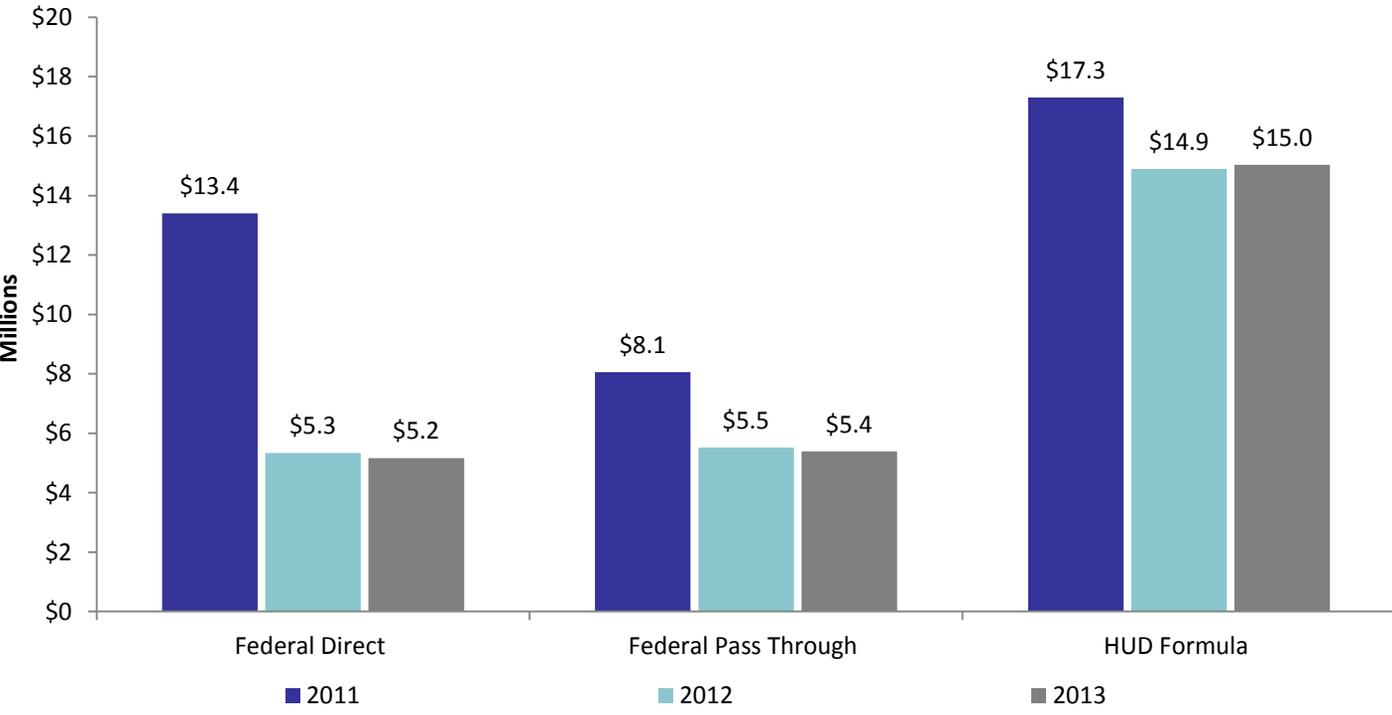


Note: Capital awards are for infrastructure development and preservation of housing, public facilities and community assets. They are usually one-time awards for development costs, unless the City is the owner of the capital asset. Program awards are either development of, or support of, existing City-sponsored programming. They can include capital asset development such as equipment in support of other City programming or service provision. See Glossary for further discussion.

Source: IGR Internal Tracking Table

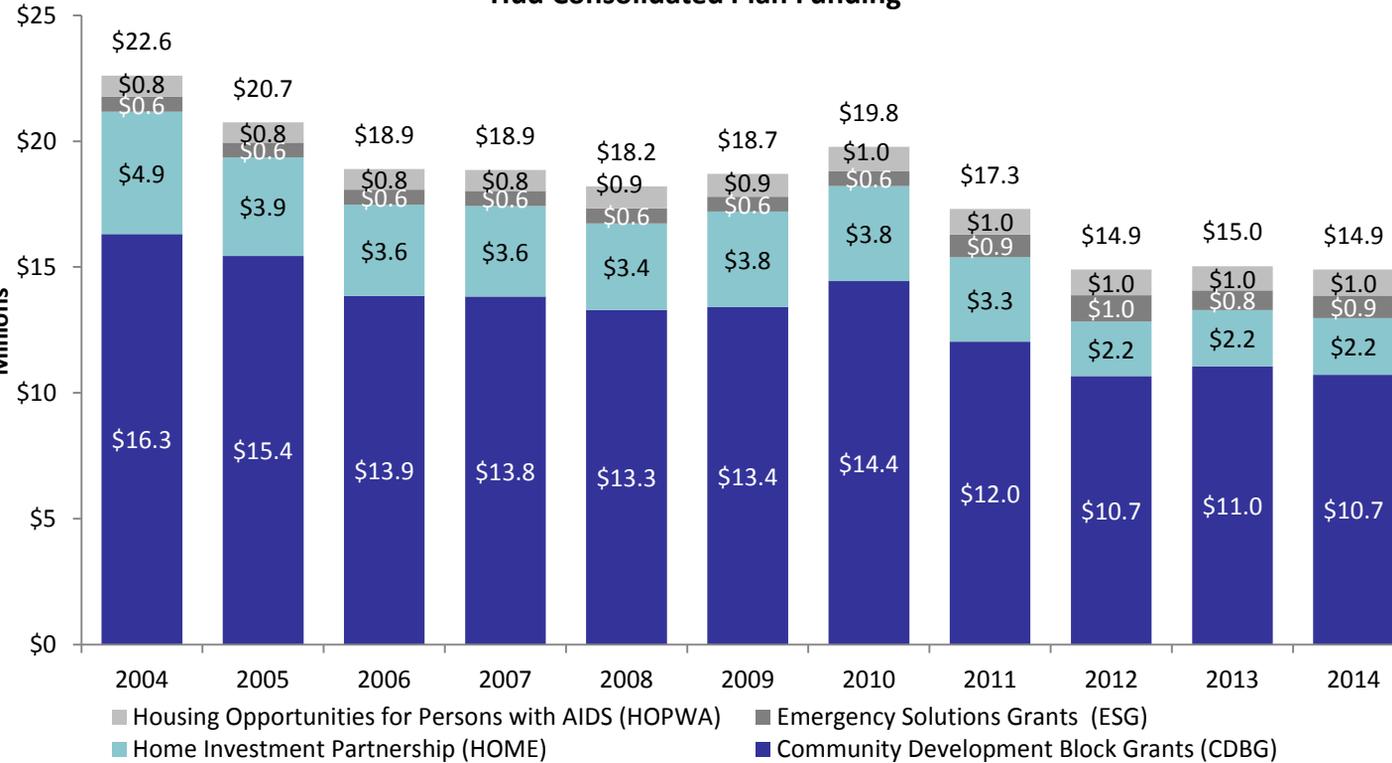
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Federal Grant Dollars Received by Type



Note: These are federal grant funds awarded by type to Minneapolis by year to be spent in current or future years.
 Source: Grants Tracking Sheet

Hud Consolidated Plan Funding

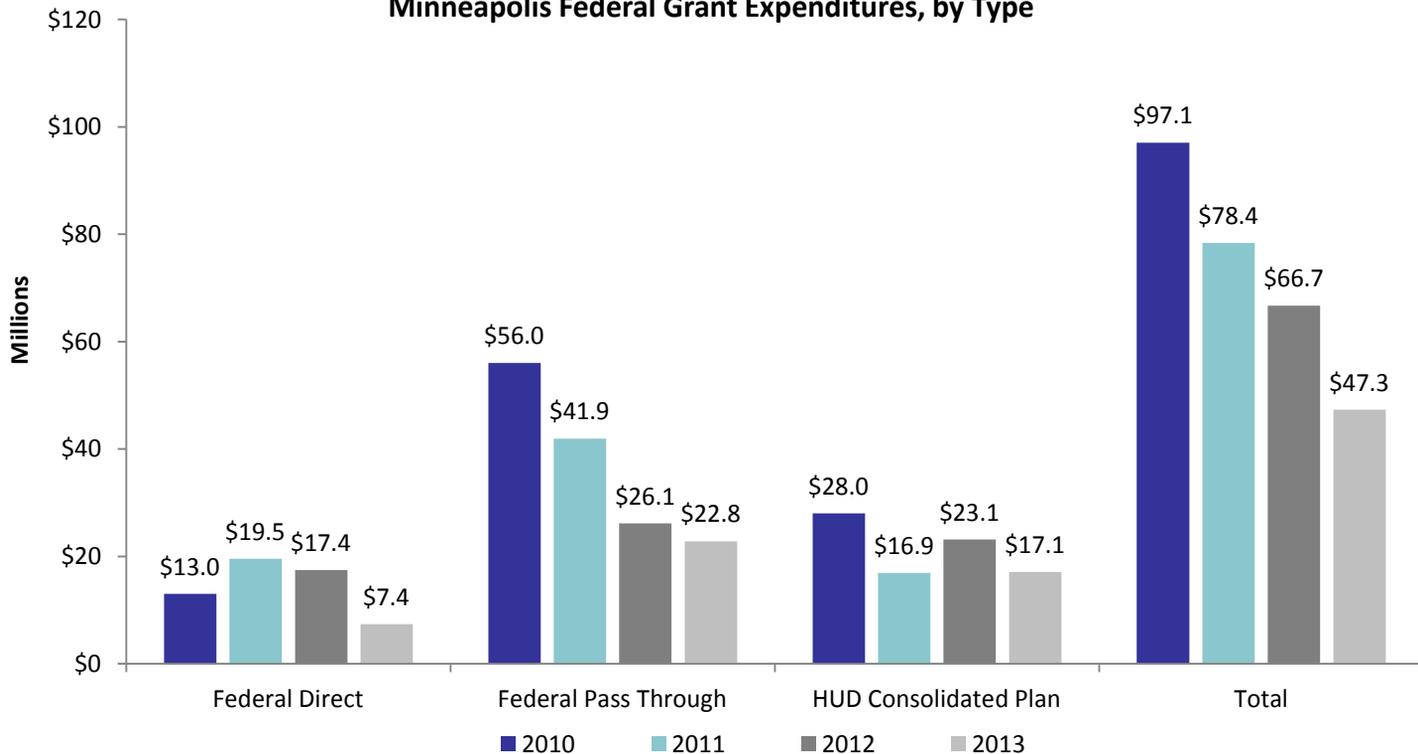


Note: For specific HUD funding programs please see glossary.
 Source: US Department of Housing and Urban Development

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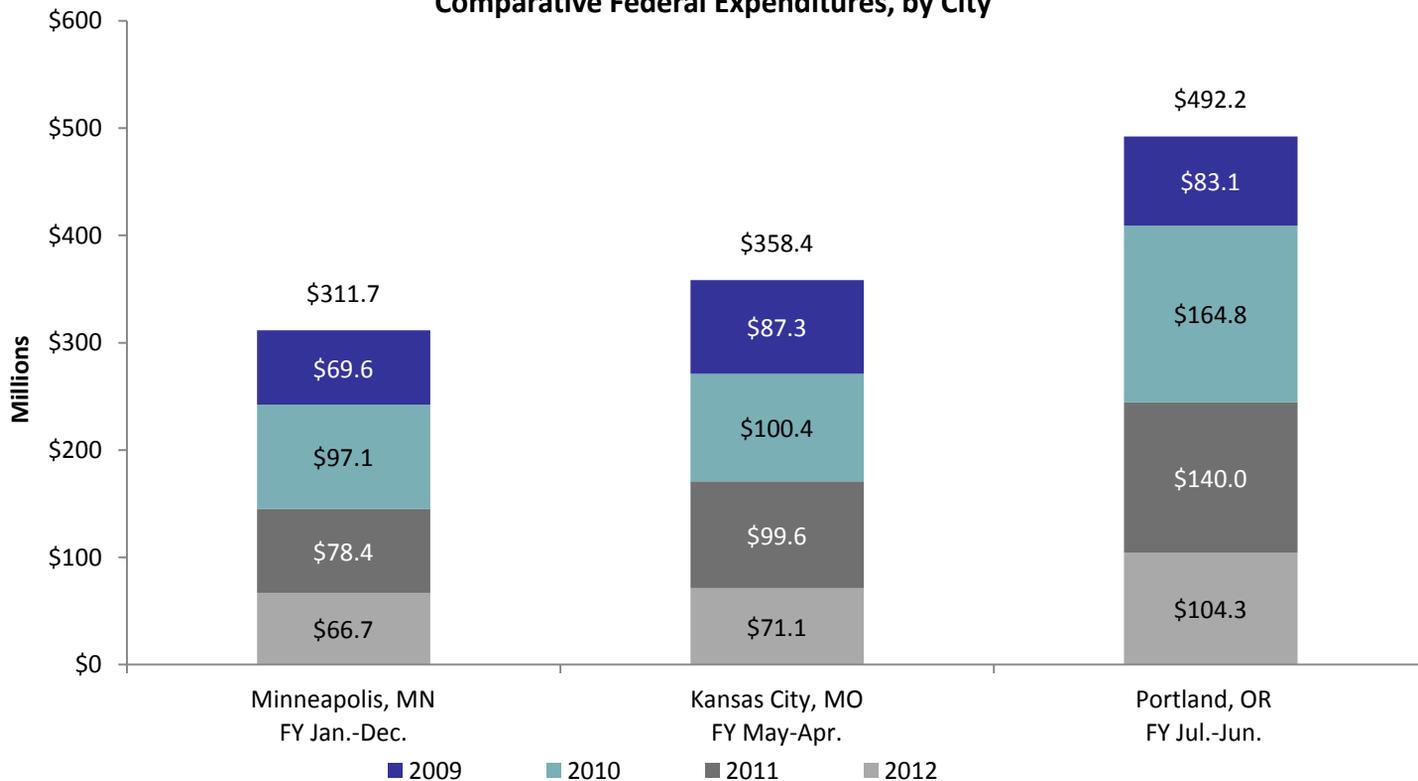
City Priorities are Reliably Funded: Diversity of Revenue

Minneapolis Federal Grant Expenditures, by Type



Note: These are federal grant funds spent annually by type, an annual expenditure can be sourced from a prior year award.
 Source: OMB A-133 SF-SAC

Comparative Federal Expenditures, by City

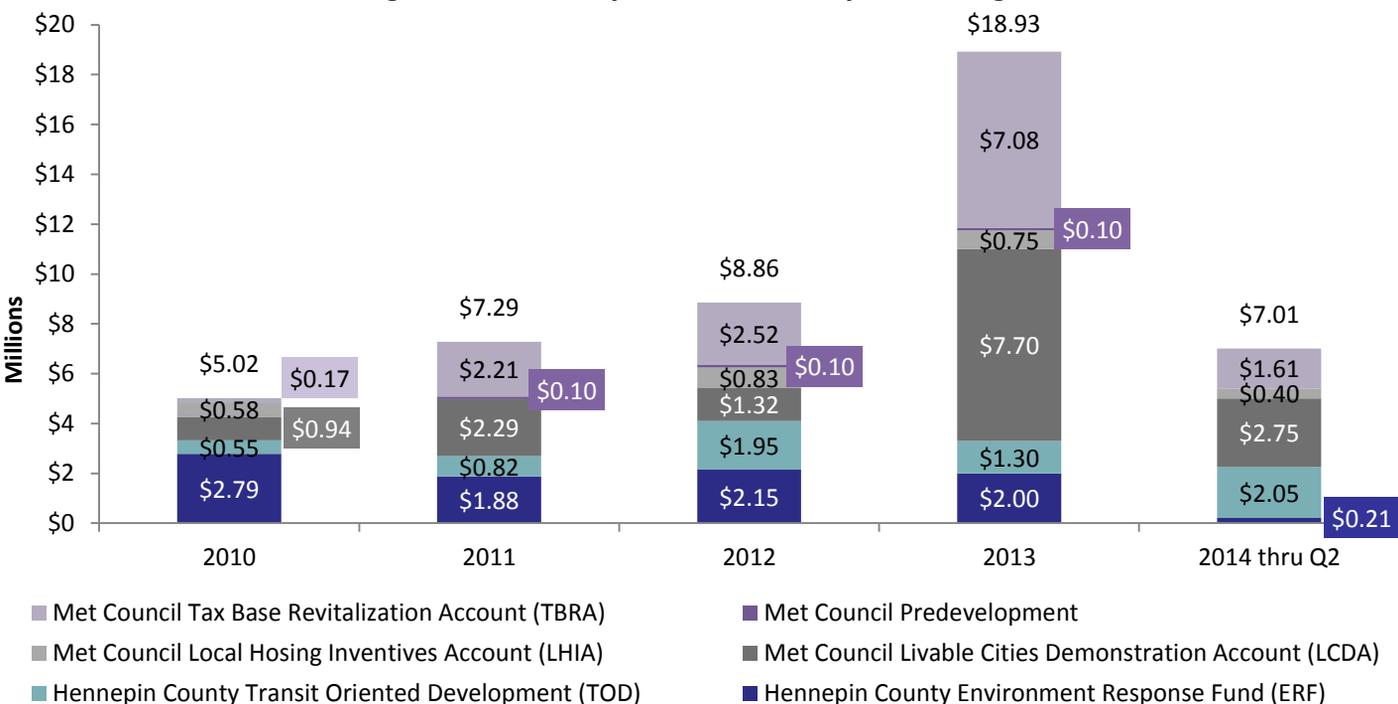


Note: 2013 comparison data for all cities is not available (Minneapolis has spent \$ 47.3 in the fiscal year 2013).

Source: OMB A-133 Audit Clearinghouse SF-SAC

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Regional and County Grant Awards, by Grant Program



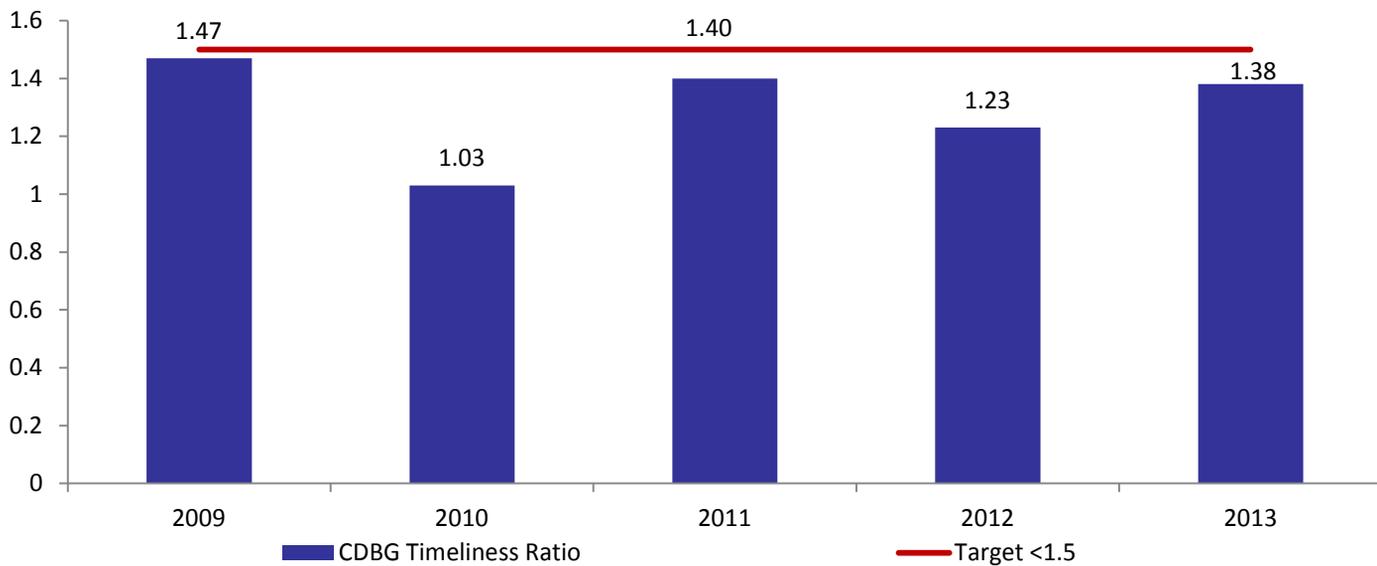
Note: The Metro Council programs are authorized by the Livable Communities Act which was enacted in 1995. The ERF was authorized by the 1998 legislature and extended to 2028 by the 2013 legislature.

Source: City Council Appropriation Actions Review

2013 Awards by Department	Award Total	Number of Awards	Program	Number of Program Awards	Capital	Number of Capital Awards
911	\$ 10,000	1	\$ 10,000	1	-	-
City Attorney	\$ 498,726	3	\$ 498,726	3	-	-
City Coordinator	\$ 58,186	2	\$ 58,186	2	-	-
Civil Rights	-	-	-	-	-	-
Convention Center	-	-	-	-	-	-
CPED	\$ 20,878,141	61	\$ 646,000	6	\$20,232,141	55
Finance-Property Services	-	-	-	-	-	-
Fire	\$ 50,500	2	\$ 50,500	2	-	-
Health and Family Support	\$ 2,654,427	13	\$ 2,654,427	13	-	-
Information Technology	-	-	-	-	-	-
Mayor	\$ 85,000	2	\$ 85,000	2	-	-
Office of Emergency Management	\$ 1,108,000	3	\$ 1,108,000	3	-	-
Police	\$ 3,385,592	10	\$ 3,385,592	10	-	-
Public Works	\$ 8,609,091	7	\$ 405,000	1	\$ 8,204,091	6
Regulatory Services	-	-	-	-	-	-
TOTAL	\$ 37,337,663	104	\$ 8,901,431	43	\$28,436,232	61

City Priorities are Reliably Funded: Management of Grants

Community Development Block Grant (CDBG) Timeliness Ratio



Source: U.S. Department of Housing and Urban Development

Why is the management of grants an important measure?

The IGR department works directly and in partnership with the Finance department to support successful management of grant funds by City departments. Inappropriate management of grants can result in a need to return some or all of the grant to the grantor. Through providing technical assistance to City departments, IGR works to ensure that use of grants both meets the City’s desired use of funds and grantor expectations and requirements associated with the funds.

The department works primarily with HUD Consolidated Plan grant management, general federal grant reporting systems, and program monitoring.

The HOME Performance Snapshot describes the City’s comparative performance of the utilization of HOME funds for new rental and ownership housing construction and rehab. This HUD report can be useful for policymakers in seeing impacts of their HOME investments. The above chart and two charts on following pages cover the City’s performance in meeting CDBG timeliness spending ratios and reporting of program monitoring findings by HUD in the City’s CDBG and HOME programs. Under CDBG regulations, a grantee is considered to be timely in its spending of CDBG funds if 60 days prior to the end of the grantee's program year the funding balance in its line-of-credit does not exceed 1.5 times the most recent annual grant. The Performance Snapshot, Timeliness, and Monitoring Findings are charts that the department use to assess the Department’s management in ensuring that the City enterprise operates compliant Consolidated Plan programs for these important housing and community development funds for the City.

Federal A-133 Audit findings are also a tool to measure City grant compliance. The Department works with Finance in addressing audit findings and resolving them. Common findings with grants can include lack of sub-recipient monitoring, weak internal controls, inaccurate reporting, financial management practices, and performance issues.

Narrative and data continued on next page...

What will it take to make progress?

The Department’s work in administration of the Consolidated Plan funds goes beyond the annual application and reporting process associated with these funds. The Department works with City departments and sub-recipients that receive these funds to ensure that grant compliance issues are understood and delivered upon by users of the funds. The Department annually works with HUD in partnership with monitored departments to resolve findings and to develop/improve any business processes to prevent future occurrences. The Department also selects several funded programs annually to monitor areas that may be subject to future HUD monitoring visits. This is performed to identify potential concerns that may be evaluated by HUD as a finding, seeking to correct the problem beforehand.

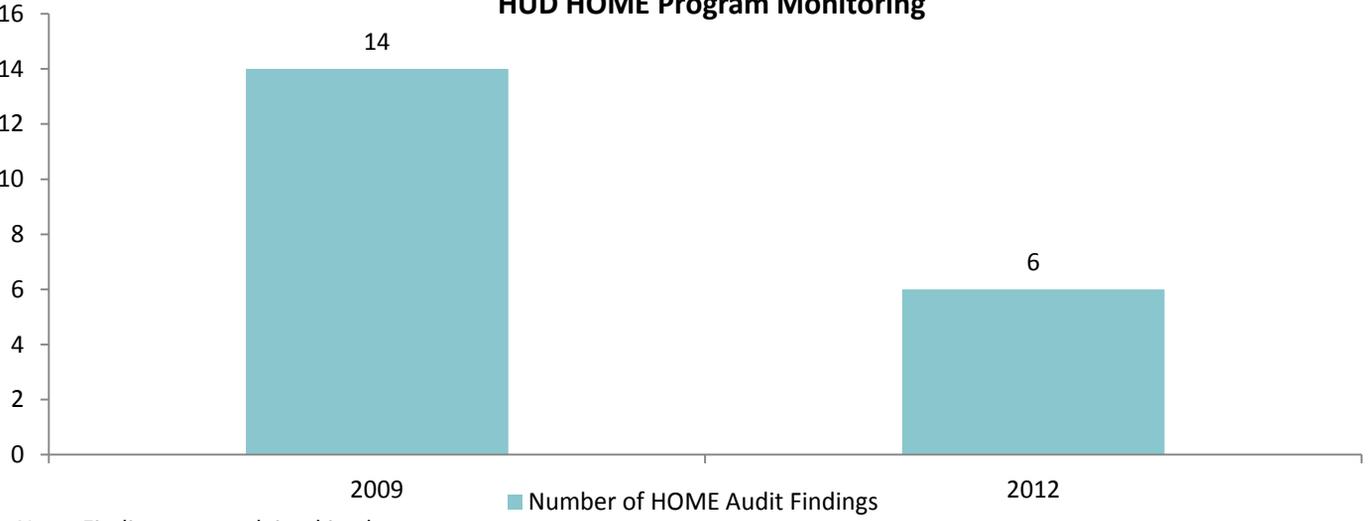
With A-133 Audit findings, the Department works with Finance to support any business process improvements needed to ensure future compliance. However, even without findings, the Department and Finance work together to host including grant users group meetings for a variety of City staff involved with grant programs. These meetings are intended to disseminate information and best practices regarding management of grants from application to closeout. The two departments are finalizing an updated grant procedures manual for City staff.

HOME Performance "Snapshot" (As of March 31, 2014)					
Program Progress	Minneapolis Avg.	National Avg.	National Peer Ranking (percentile)	Prior Year National Peer Ranking (percentile)	
Percent of Funds Committed	96%	94%	79	52	+
Percent of Funds Disbursed	89%	89%	48	43	+
Leveraging Ratio for Rental Activities	9.58	5.43	100	100	+
% of Completed Rental Disbursements to All Rental Commitments	100%	92%	100	100	+
% of Completed CHDO Disbursements to All CHDO Reservations	96%	85%	85	46	+
Low-Income Benefit					
% of 0-50% AMI Renters to All Renters	85%	82%	59	59	+
% of 0-30% AMI Renters to All Renters	56%	47%	78	79	+
Lease-Up					
% of Occupied Rental Units to All Completed Rental Units	99%	97%	45	100	-
Overall Ranking	91st percentile			81st percentile	+
HOME Allocation Years Not Disbursed	Minneapolis			Threshold	
	2.53			5.04	

Data continued on next page...

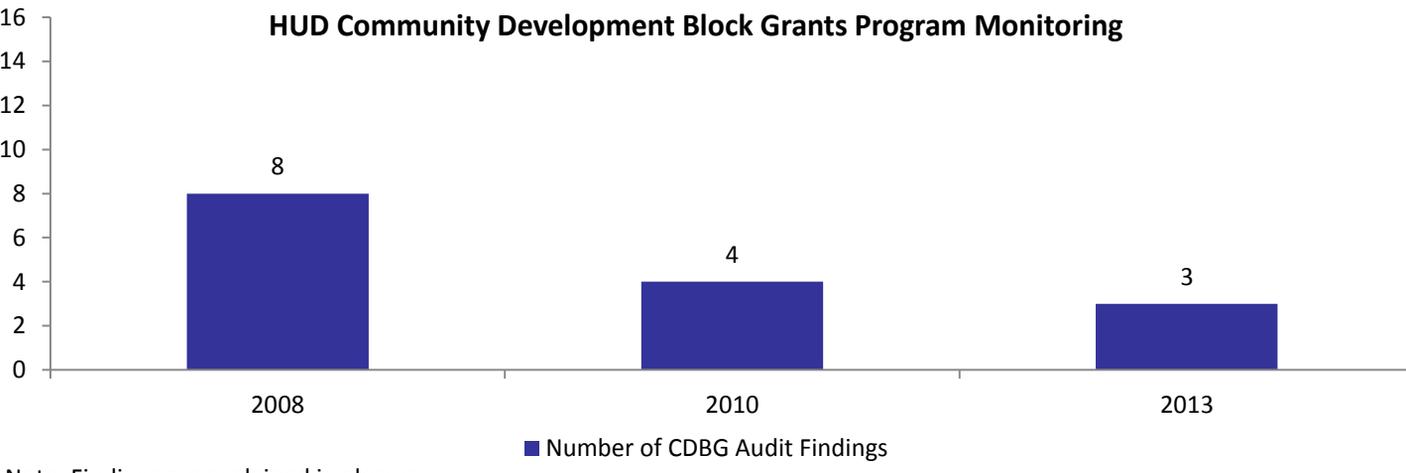
City Priorities are Reliably Funded: Management of Grants

HUD HOME Program Monitoring



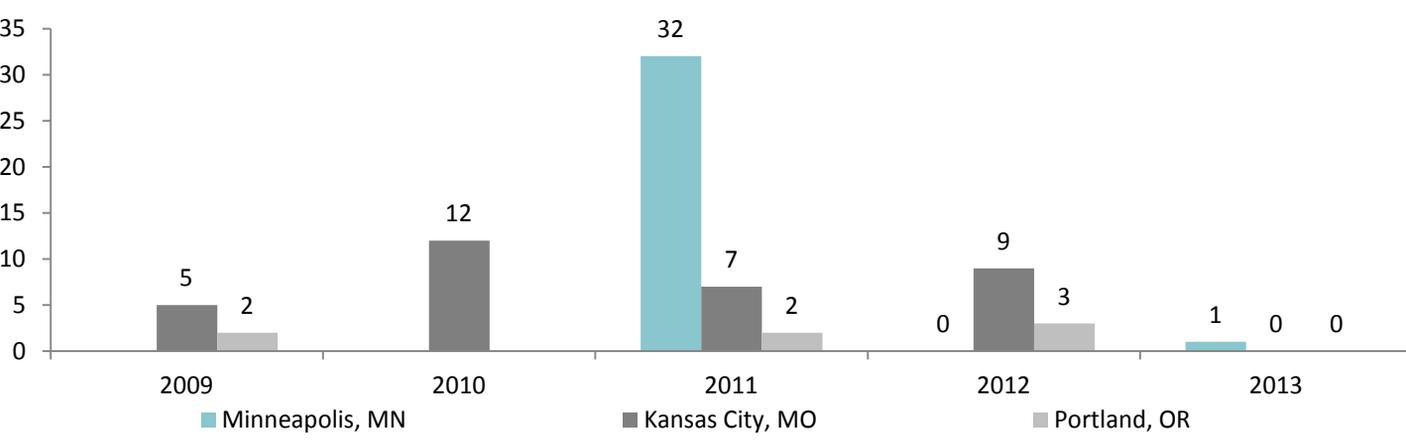
Note: Findings are explained in glossary
 Source: Grants Office

HUD Community Development Block Grants Program Monitoring



Note: Findings are explained in glossary
 Source: Grants Office

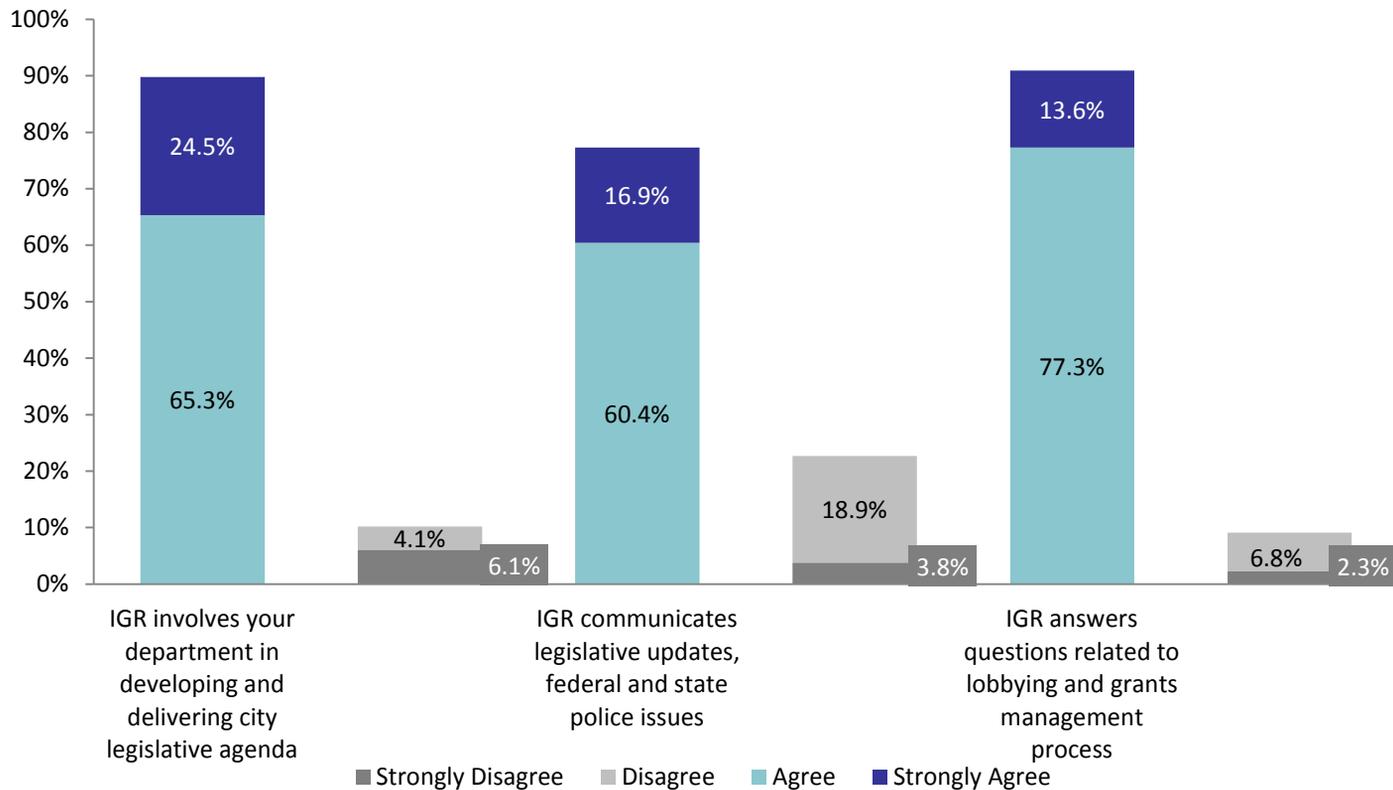
Federal A-133 Audit Findings, by City



Note: Federal A-133 Audits are performed annually by an outside independent agency, in the City's case it is the Office of State Auditor. The A-133 Audit covers a review of all federal funds expended by an entity in their fiscal year.
 Source: OMB A-133 Audit Clearinghouse SF-SAC

Engaged And Effective Employees Have The
Resources They Need

Coordinator's Management Services Survey



Note: Respondents were asked if they agreed with the statements above.

Source: City Coordinator's Management Services Survey 2013

Why is this measure important?

The measure gauges the IGR department's performance in effectively communicating the process and results of implementing the City's Legislative Agenda. This measure is important because in order for IGR to be most effective, City departments must be fully engaged. City departments must have a good understanding of the IGR process in order to be a strong partner in our legislative efforts. City departments should see that their efforts are important and necessary to the success of IGR and the City's legislative agenda. These results indicate a generally high rate of satisfaction with areas for improvement.

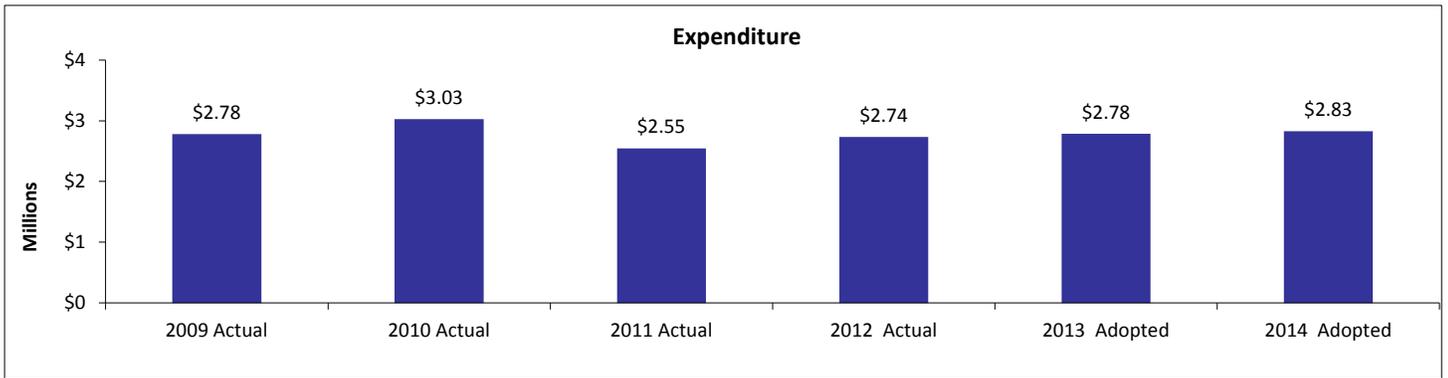
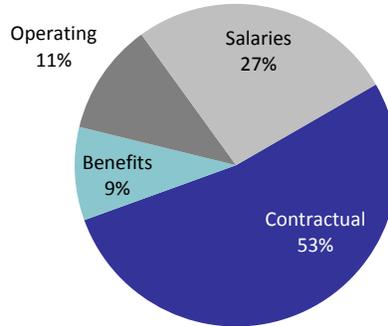
What will it take to make progress?

As previously noted, in 2013, the IGR department launched a new interdepartmental Policy Liaison Team with the goal of ensuring enterprise-wide awareness of and input into all legislative ideas, and that all policy initiatives are thoroughly vetted by all City departments. The interdepartmental collaboration that occurred through this initiative resulted in stronger policy proposals being added to the City's 2014 legislative agenda. Going forward, IGR will work to further strengthen the Policy Liaison Team program by improving the clarity of the process for participants, strengthening the criteria used to select new legislative agenda items, and having more frequent communication outside of the meetings.

In response to the City Coordinator's Management Survey, in 2014 IGR revamped the department's newsletter which is used to communicate legislative updates to City elected leadership, City staff, and Minneapolis legislative delegation members. The new "Policy Pulse" is now released on a more regular basis throughout the calendar year, not just during the legislative session. The new format is more interactive and easier to read. In addition to providing updates on legislation, Policy Pulse also provides links to relevant policy news articles, updates from other units of government and partner organizations, and opportunities for readers to engage in policy work within and outside the City.

Management Dashboard: IGR

**Expenditures by Type: \$2.83 million
(2014 Adopted Budget)**



Loss Prevention Data					
Year	2009	2010	2011	2012	2013
Workers Comp	\$0	\$0	\$0	\$0	\$0
Liability Claims	\$0	\$0	\$0	\$0	\$0

Average Sick Days Taken per Employee					
Year	2009	2010	2011	2012	2013
Days	10.1	1.9	2.3	5.4	7.4

Workforce Demographics			
Year end	12/31/11	12/31/12	12/31/2013
% Female	43%	43%	50%
% Employee of Color	14%	14%	13%
# of Employees	7	7	8

Overtime Costs					
Year	2009	2010	2011	2012	2013
Hours	6.0	-	-	-	-
Cost	\$92.00	\$0.00	\$0	\$0	\$0

Employee Turnover and Savings					
Year End	2009	2010	2011	2012	2013
Turnover	23.5%	13.3%	0.0%	0.0%	27%

Position Vacancies					
Year	2009	2010	2011	2012	2013
Vacancies	20%	13%	13%	13%	11%

Performance Reviews Past Due in HRIS	
As of 07/24/14	78%

Retirement Projections												
Year	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	
Number	1	0	0	0	0	0	1	0	1	0	0	

Notes:

Average Sick Days taken per Employee

- A) Based on the payroll calendar year not the calendar year.
- B) Does not include employees who were in a suspended ("S") Pay Status at the end of a given payroll year.
- C) Includes employees who are in a paid ("P") Leave of Absence status and an unpaid Leave of Absence status ("L").

Overtime Costs

- A) OT amount - Fiscol. Reconciled with CRS and Data ware house queries.
- B) Hours - based on HRIS management reports with payroll data

Workforce Demographics

- A) Includes employee counts at year's end for 2003 and 2008.
- B) Only includes active FT regular employees.

Employee Turnover and Savings

- A) Turnover Savings= \$Budgeted (personnel) - \$Actual (personnel)