

CITIZENS LEAGUE REPORT

No. 180

**Statement: 3/11/65 and 4/15/65
On City Structure**

April 1965

Citizens League
545 Mobil Oil Building
Minneapolis, Minnesota 55402

180

APPROVED
BOARD OF DIRECTORS
DATE APR 12 1965

STATEMENT BY THE CITIZENS LEAGUE OF MINNEAPOLIS AND HENNEPIN COUNTY
OF A PRESENTATION TO THE MINNEAPOLIS CHARTER COMMISSION
AT ITS PUBLIC HEARING ON APRIL 15, 1965

PREPARED BY: Citizens League Charter Review Committee, Norman Stewart, Chairman
APPROVED BY: Citizens League Board of Directors at its meeting on April 12, 1965
SUBJECT: Response to the Charter Commission's request for reaction to the
proposed finance amendment

Before replying specifically to your proposals, may we comment on the general Citizens League position on the subject of Minneapolis charter revision. From the time the Citizens League was founded in 1952, most League members have held the view that charter change is urgently needed. Our organization began making specific proposals for charter change within a year after its establishment, and we have continued to give this issue the highest priority. We have on many occasions appeared before previous Charter Commissions, sometimes to make specific proposals of our own, and on other occasions to react to proposals made by others. We expressed the following conclusions on the structure of Minneapolis city government on January 10, 1961:

"In our opinion, the single greatest weakness in the Minneapolis governmental structure is its failure to provide sufficient city-wide leadership to meet effectively the increasingly complex problems facing our community. The powers given to the Mayor make him little more than the ceremonial head of the City, and with all members of the chief governing body, the City Council, elected by wards, the citywide viewpoint is inadequately represented.

"The Citizens League has maintained consistently over the years that the major weakness in the form of Minneapolis city government can best be corrected by emphasizing the placement of executive and administrative functions under a Mayor elected citywide, and consolidating legislative functions under the City Council. This concept of separation of powers is the foundation on which our Federal Government, all 50 of our State Governments, and almost all other cities the size of Minneapolis is based."

These conclusions, we believe, are as valid today as they were in 1961 and in 1952, and we wholeheartedly subscribe to them.

Turning now to the proposed amendment, our first consideration was whether it purports to correct what we believe to be the major weakness in city government. Our conclusion is that it does not. There is nothing we can find in the amendment which would create or strengthen any element of existing or potential citywide leadership in our governmental structure.

How then should the amendment be examined? Its initiators, the Aldermen, have told us that the amendment would "give the Council better tools to more

effectively operate city government," through consolidation of the now separate tax levies, including those of the elected Library and Park Boards and the Board of Estimate and Taxation, and through establishment of a more orderly process for the evolvment of a coordinated city budget under the direction of a City Finance Officer working under the Council. They also maintain that a "check" on the Council with respect to both capital and operating expenditures could be maintained through the reconstituting of the Board of Estimate and Taxation, as provided for in the proposal.

Over the years, and within the framework of the charter reforms we have supported, we have consistently backed establishment of central financial management and control through consolidation of tax levies, a finance officer, and improved budget processes. However, our position has been that a check and balance within city government could best be established by strengthening the Mayor as the executive arm of city government through his appointment of the finance officer and preparation of a proposed consolidated city budget by the executive for presentation to the legislative arm of city government, the City Council.

You have asked for our observations on the proposed draft dated February 19, 1965, in the event that the Commission, on completion of the hearings and after further deliberations, may wish to place a proposal on the ballot for public vote at the June 8, 1965 city election. Within the context of what the proposal attempts to do, we believe that it contains certain correctible flaws. Our observations are as follows:

1. On the Budget Process.

The proposal should be revised so that the Board of Estimate and Taxation, prior to setting an overall mill limit, has before it a meaningful city budget and proposed allocation of funds between the separate city departments and boards recommended by the Council. The current proposal would put the Board of Estimate in the position of having to set the mill limit on the basis of a preliminary budget which, though reflecting the work of the Finance Officer, has not been acted on by the Council. If the Board is to act as a meaningful "check" on the Council, it should be able to react to at least a concrete preliminary Council proposal, rather than department requests, as now, or a staff document, as under the current proposal.

Unless the Council takes at least preliminary action by resolution on a proposed budget and allocation of funds between departments and boards, before Board of Estimate review, the Council will have a free hand in budget matters, subject only to the overall limit set by the Board of Estimate. If the Council took preliminary action on the budget and allocation of funds, prior to Board of Estimate review, the boards and departments would have a meaningful basis on which to appear before the Board of Estimate. Such preliminary Council action would also afford the Mayor a definite role in the budget process.

Without Council action prior to Board of Estimate review, how will the Board of Estimate really have any intelligent basis on which to perform its function of setting an overall tax limitation? Although the Council not the Board would be responsible for final allocation of funds, the Board should be in a position to form a judgment independent of the Council of the needs of the various parts of city government.

We should make clear that we do not suggest that the Council adopt a final budget prior to Board of Estimate action. Rather, we would envision the following sequence of events: Boards and departments submit requests to Finance Officer, Finance Officer prepares preliminary budget and allocations between boards and departments, Council takes action on preliminary budget and allocations, Board of Estimate and Taxation reviews preliminary budget and allocations of Council and sets overall mill limit, Council determines final budget and allocations.

We understand the difficulties involved with this sequence—the fact that the levies must by law be certified to the County Auditor by October 10 every fall, and the need for review and hearing time by the Finance Officer, Council, and Board of Estimate. As a practical matter, what this sequence would involve would be an earlier commencement date for the budget process, allowing time for preliminary Council action after receipt of the Finance Officer's budget and allocations but before Board of Estimate review. The suggested sequence and budgetary procedure is essential to accomplishment of the proposed budgetary reforms, and if the Board of Estimate is really to play any meaningful role in budget review procedures prior to its adoption of the overall city tax levy ceiling.

2. Park and Library Functions.

The Library and Park systems as long as they remain under the direction of independently elected boards and are not made departments of city government could be guaranteed in dollars (and in mills, despite the unified levy) a floor of 100% of what they now receive for operating purposes. Our organization has previously suggested that these boards be made appointive. As long as they remain elective, they should have the maximum discretion allowable within the unified financial structure to be created.

It is our general observation that the needs of neither of these two functions of government will decrease, but rather will increase, in the years ahead. We would not wish to see this amendment used as a possible vehicle to finance other functions of city government at the expense of the library and park functions.

In line with this thinking we also believe that the proposed Section 5 could be amended so that, once park and library appropriations are finally set for the year they may not be decreased by Council action during the fiscal year.

3. Board of Estimate and Taxation

This reconstituted Board could be guaranteed in dollars (and in mills, despite the unified levy) a floor of 100% of what the existing Board now receives for operating purposes. This would be consistent with the concept of this Board's acting as a possible "check" on the Council.

For the same reason we believe that the independence of the Board requires that the Mayor's appointee and the Mayor's representative, if any, on the Board not be subject to Council approval. This would require a change in the proposal striking the sentence in the proposed Section 9, beginning with the word "Neither," and replacing it with a sentence to the effect that the Mayor's appointee and representative should not require Council approval.

In addition, we believe that independence of this Board could be enhanced by allowing the Board at least one employee in the unclassified service and by providing the Board's employees the same job protection as is afforded the Finance Officer's assistants under the proposed Section 8. Any language in the proposed new Section 14 inconsistent with this protection might be stricken.

4. Permanent Improvement Budget - Planning Commission Action

Provision for the City Planning Commission's approving "location and design" of public improvements could be incorporated into the language of the proposed Section 3. Such design and location approval, as is now contained in Section 4, Chapter 13 of the Charter, is, we believe, desirable, in addition to the requirement that projects conform to the City Plan.

5. Powers and Duties of Finance Officer

More clarification of the intent of the proposed amendment with respect to the Finance Officer's powers and duties is needed, we believe, particularly as to those powers and duties listed under Section 2 (d) and (e) in the proposal. We believe generally that constructive studies of administration, organization and procedures and methods are desirable, but we think that, where these studies are made with respect to functions or departments under separate elective or appointive boards, reports could be made initially to these boards rather than to the Council. We understand that under the proposal these boards will still be responsible for operations of libraries, the parks and recreation program, and the Welfare Department.

Citizens League
545 Mobil Oil Building
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APPROVED
BOARD OF DIRECTORS

DATE MAR 3 - 1965

March 3, 1965

STATEMENT BY THE CITIZENS LEAGUE OF MINNEAPOLIS AND HENNEPIN COUNTY
OF A PRESENTATION TO THE MINNEAPOLIS CHARTER COMMISSION
AT ITS PUBLIC HEARING ON MARCH 11, 1965

PREPARED BY: Citizens League Charter Review Committee, Norman Stewart, Chairman

APPROVED BY: Citizens League Board of Directors at its meeting on March 3, 1965

SUBJECT: Response to the Charter Commission's request for reaction to its proposed charter amendments, No. 18 and No. 19, attached to the Commission's public hearing notice dated February 24.

We have reviewed your proposed two amendments and approve them. Both of these proposed changes, as we understand them, are consistent with positions taken by the Citizens League on these two matters at your hearings of February 14, 1963, the last time we appeared before you, and on previous occasions when we have been asked to consider the subject matter of these two proposed amendments.

Proposed Amendment No. 18 is intended to prevent the frustration of various boards, commissions, departments or offices to which the Mayor is now empowered to make appointments through possible failure of the Council to approve or disapprove an appointment within 60 days. This amendment provides that, where the City Council is now required to act on the Mayor's appointments, the Council must take action within 60 days of the date of submission of an appointment. If the Council fails to approve or disapprove an appointment within 60 days, under the proposed amendment the Council, though it had not acted, would be deemed to have approved the appointment, and the appointment would become effective.

Proposed Amendment No. 19 seeks to enable the Mayor to designate a permanent representative in his place on any board or commission on which he personally serves under existing charter provisions. Such representative, upon appointment or designation by the Mayor, would serve in the Mayor's place on the body to which he is appointed by the Mayor for a definite term, not to exceed the Mayor's current term of office at the time the Mayor makes the appointment. Having made an appointment, the Mayor could not then resume his own membership on the body in question until the term of his representative has expired or the representative resigned.

While we have not studied all legal aspects of this proposed amendment, we wish to suggest two possible legal or technical problems:

1. The three sections of state law referred to in the proposed text of the amendment relate to the Metropolitan Airports Commission, the Minneapolis-St. Paul Sanitary District and the Municipal Building Commission. We doubt that by charter change purporting to amend state law with respect to bodies concerned with greater than city interests, the amendment, if passed, could be effective, and we believe that legislative action is necessary to accomplish the desired purpose with respect to the Mayor's right to appoint a representative in his place to serve on the board of these three listed governmental bodies. We note, however, that the Sanitary District

law already provides for the Mayor's designating a representative to serve in his stead on the Sanitary District Board.

2. There are some public bodies on which the Mayor himself serves and to which, in addition, he makes appointments subject to Council approval. We request the Charter Commission to review the language of the proposed amendment and of the charter to assure that, if the amendment is enacted, it could not be construed to provide for Council approval of the Mayor's appointment or designation of a representative to serve in his stead on any board, commission or department. If such an interpretation of the amendment could be sustained, it would amount to placing a restriction on the Mayor's right to appoint his own representative in his stead to a body, a restriction which we feel sure the Charter Commission does not intend in proposing the amendment.