



SAFETY & INSPECTIONS

Presentation of 2026 Budget Proposal to City Council

Agenda

- Executive Summary
- 2025 Budget Recap
- Updates on Recent Initiatives
- 2026 Proposed Changes
- Budget History
- Spending Summary
- FTEs Summary
- Unfilled Positions
- ARPA Projects Update
- Revenue Changes and Outlook
- Questions & Discussion



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MINNESOTA

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Executive Summary

Promote safety and wellness where we live and work, prevent life and property loss, support neighborhood vitality, and promote equitable, innovative, and sustainable solutions that work for all. 2026 budget proposal focuses on:

- Creatively utilizing non-general fund resources for critical work
 - Opioid Settlement
 - Recycling and Solid Waste
 - Grants
- Committing to 2027 ongoing personnel adjustments after a 2026 post-PAULIE deployment assessment
- Supporting new state-introduced regulatory business line – cannabis



Responsibilities & Priorities

- **To maintain the safety and habitability of as many structures/businesses as possible; including the safe keeping of animals**
 - Fire Certificate of Occupancy inspections
 - Code Enforcement inspections
 - Construction Services plan review and inspections
 - Animal Services assistance to residents
 - Zoning administration
 - Effective Business Licensing management
- **Support financial and economic systems of the city**
 - Business Licensing administration
 - Call Center and customer application support
 - Vacant Building rehabilitation application support
 - Outreach for unsheltered residents, enforcement when necessary
 - Stable rent while allowing for investment/maintenance in housing
 - Special event support
 - Final sign-offs on all of the above



With Great
Customer Service
Underscoring
Every Interaction



2025 Budget Recap

- Many unexpected events since 2025 budget approval
 - Downtown vitalization focus
 - Cyber incident
 - Accelerated PAULIE roll-out
 - High-profile, long-lasting appeals in nearly every business line
 - Animal Services construction challenges
 - Administrative Citations change to ballot vote
 - Experienced personnel turnover
- No new positions hired in 2025
 - Hired 19 FTEs to fill vacancies
 - Hired 7 temporary team members
 - Post retirement employment option
 - Long-term leave back-fill
 - Special projects
 - Summer support



2025 Budget Recap

- Tenant Protections
 - Great partnership with OFE, routinely meeting
 - Content tracker for documents/web content, including gaps
 - Staff position audit forms drafted and routing for concurrence, then to HR
 - Need accounting unit before requisition can be requested
 - \$380,000 is conservative estimate of personnel needs, equipment, services (in 2024 numbers)
 - Staff needed to outline education plan (tenants and landlords), intake process, investigatory methods for implementation
 - Website
 - PAULIE integration
 - Multi-media tools
 - Administrative Chapter 13 amendment and repealing of Legislative Chapter 54 are ready at any time
 - Ongoing funding source for program is needed



Updates on Recent Initiatives- PAULIE

- 25–35-year-old systems converted to modern software
- Citywide ~1800 business lines converted to ~570
- Challenged everyone to look at their work differently for the betterment of their work processes and our customers
- Accelerated timeline meant minimally viable product,
 - About 2/3 of the business lines deployed
 - Critical documents only
 - Sound cash handling practices
- In PAULIE's first week, citywide,
 - 4,688 applications entered
 - 86 business licenses entered
 - 109 professional licenses entered
 - 46 plans entered \$1,945,259.49 in payments processed





Updates on Recent Initiatives- PAULIE

- Historic data not yet available
 - Impacts Fire Certificate of Occupancy, Vacant Buildings, and Business and Contractor Licensing the most
- Documents and reports, many in-flight or need to be created
- Automations needed
 - Permit issuance on some records
 - Email confirmations
 - Online inspection scheduling Outlook connection
- Addressing system, need sustainable solution
- Enterprise service request coordination with PAULIE
- New business lines identified during roll-out, need scoping/configuration/testing/deployment

PAULIE
touches
every
aspect of
our work!



PAULIE Top 10

Services you can build on

Ten things PAULIE does that our legacy systems did not.

Renewal Notices, Invoices,
Missing Documents,
Correction Orders



For All Business Lines



2026 Proposed Changes: Table

100: General Fund	Spending	Financing	FTE
Computer lease renewals and office supplies	(45,060)	-	-
Attrition adjustment	(290,000)	-	-
Cannabis Registration Administration- Increased Revenue and Addition of DSI Inspector III	116,174	132,500	1.00
Shift HART Team Special Funds (below)	(721,910)	-	(5.00)
Total	(940,796)	132,500	(4.00)

Special Fund Changes

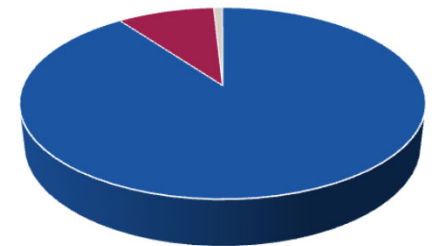
211: General Government Special Projects- Opioid Settlement	Spending	Financing	FTE
Office supplies and training	10,000	10,000	-
HART Team Staff	611,910	611,910	5.00
645: Recycling and Solid Waste	Spending	Financing	FTE
Shift HART trash expenses	100,000	100,000	-



History of Budget to Actual – General Fund Spending

Year	Adopted	Annual Revised	Actual	Variance (\$)	Variance (%)
2021	20,050,597	20,103,693	19,551,462	552,231	2.75%
2022	21,107,116	20,231,212	18,263,495	1,967,717	9.73%
2023	23,334,949	23,430,841	22,576,954	853,887	3.64%
2024	24,398,624	24,851,099	25,391,014	(539,915)	-2.17%
2025	25,800,518	25,940,056	16,203,618	9,736,438	37.53%

2026 General
Fund Dollars



■ Personnel ■ Services ■ Materials



History of Budget to Actual – General Fund Financing (100.24)

Year	Adopted	Actual	Variance (\$)	Variance (%)
2021	17,392,085	18,286,540	894,455	5%
2022	17,678,073	19,358,185	1,680,112	10%
2023	18,994,585	21,431,470	2,436,885	13%
2024	20,992,530	22,871,952	1,879,422	9%
2025	22,064,635	11,662,885*	-10,401,750	-47%

*YTD through July 30, 2025



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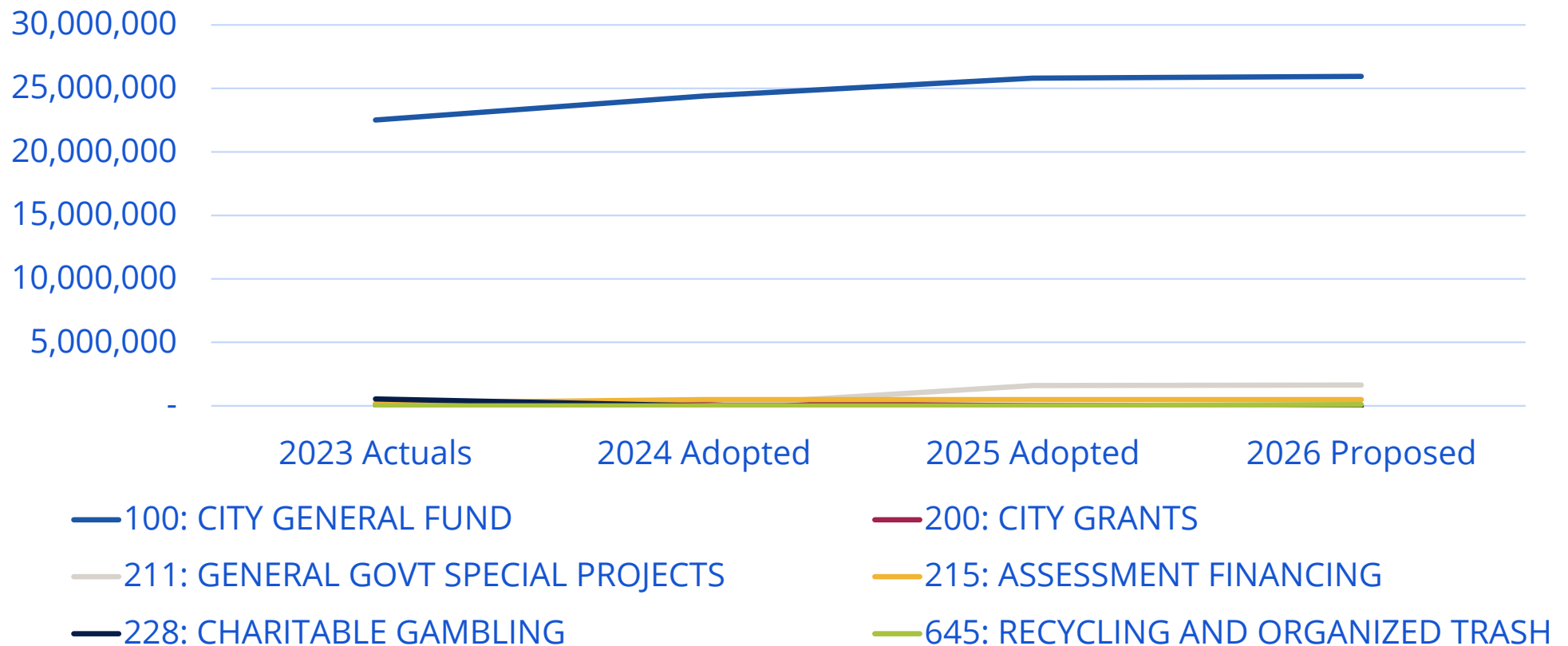
Budget Summary: Spending

Spending	2023 Actuals	2024 Adopted	2025 Adopted	2026 Proposed	Change From '25	Change %
100: CITY GENERAL FUND	22,576,954	24,398,624	25,800,518	25,947,629	147,113	0.57%
200: CITY GRANTS	60,942	268,850	-	-	-	-
211: GENERAL GOVT SPECIAL PROJECTS	-	-	1,590,000	1,640,002	50,002	3.14%
215: ASSESSMENT FINANCING	207,378	489,029	488,985	488,774	(211)	-0.04%
228: CHARITABLE GAMBLING	537,697	-	-	-	-	-
645: RECYCLING AND ORGANIZED TRASH	-	-	-	100,000	100,000	-
Total	23,321,837	25,156,503	27,879,502	28,176,405	296,903	1.06%



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Historical Spending



9/28/2025



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FTEs Summary

Fund and AU Description	2022	2023	2024	2025	2026 Proposed	Change from '25
100 - CITY GENERAL FUND	146.00	153.50	160.00	165.00	161.00	(4.00)
Housing	78.00	78.00	81.00	84.00	84.00	
Economic Development	78.50	78.50	79.00	81.00	82.00	
211 - DSI Opioid Settlement	-	-	-	-	5.00	5.00
228 - Gambling Enforcement	2.00	3.00	-	-	-	-
Grand Total	156.50	156.50	160.00	165.00	166.00	1.00



FTEs – Unfilled Positions

Position	Count	Approx Date	Approved Increase with 2025 Budget	Current Status
DSI Customer Service Specialist	1.0	2/27/2025		Interviewed candidates.
Customer Service Representative	0.5	On hold, requesting new req. in 2026.		Two full time started this month, half time candidate interest is challenging.
Principal City Planner	1.0	3/21/2025		Interviews ongoing.
DSI Inspector I	1.0	4/28/2025		Four hired off current list, one more to go.
Structural Engineer	1.0	2/27/2025		Posted for months, no interest then had one candidate who declined.
DSI Fire Safety Inspector II	3.0	7/25/2025		Posting closed 9/22.



Updates on ARP Projects

- Remote Virtual Inspections – PAULIE (see recent initiatives update)
- Remote Virtual Inspections BRIC Match –
 - Purchase of mobile devices and planning of staff training
 - Draft SOPs in review
- SAC Financial Assistance Pilot for expanding outdoor seating – Finalizing Closeout
- Downtown Alliance Ambassador Program – Complete
- Customer Service Continuity – Complete
- Unsheltered Response Team – Complete
- Licensing Services - Complete

Project Name	Project Budget
VIRTUAL INSPECTIONS	2,566,339
DSI SAC FINANCIAL ASSISTANCE	150,000
REMOTE VIRTUAL INSPECTIONS	140,805
REMOTE VIRTUAL INSPECTIONS FEMA MATCH	92,855

- **Other projects DSI's work benefitted from:** Right Track, Public Works Painter, Police Downtown Beat Overtime, ARP Administration, RiverCentre Parking Ramp Repairs, Public Safety Radio Replacement, Recognition Pay Framework, Budget Stabilization, Snow Removal Optimization, 30% AMI Affordable Housing, Healthy Homes, and many more!



Revenue Trends, Changes, and Outlook

- While revenue has steadily climbed, many upfront investments are now seeing cost recovery. Examples include:
 - Highland Bridge storm water
 - Unite Village green infrastructure
 - Riverview lift station
 - Water Street sewer infrastructure
 - PAULIE software, remote virtual inspections
 - Change from Parks performing garbage, tall grass, and snow walk abatements to contractors
- Cannabis registration revenue is expected to cover the cost of the DSI FTE but not the cost of having this additional highly-regulated business in Saint Paul. State sales tax revenue needed.
- Overall, 2025 revenue is expected to be flat or down in some DSI business lines from the impact of the cyber incident.



Questions & Discussion





Appendix



Performance Measurement

With DSI's performance management tools being severely impacted by the cyber incident, we do not have reliable metrics however,

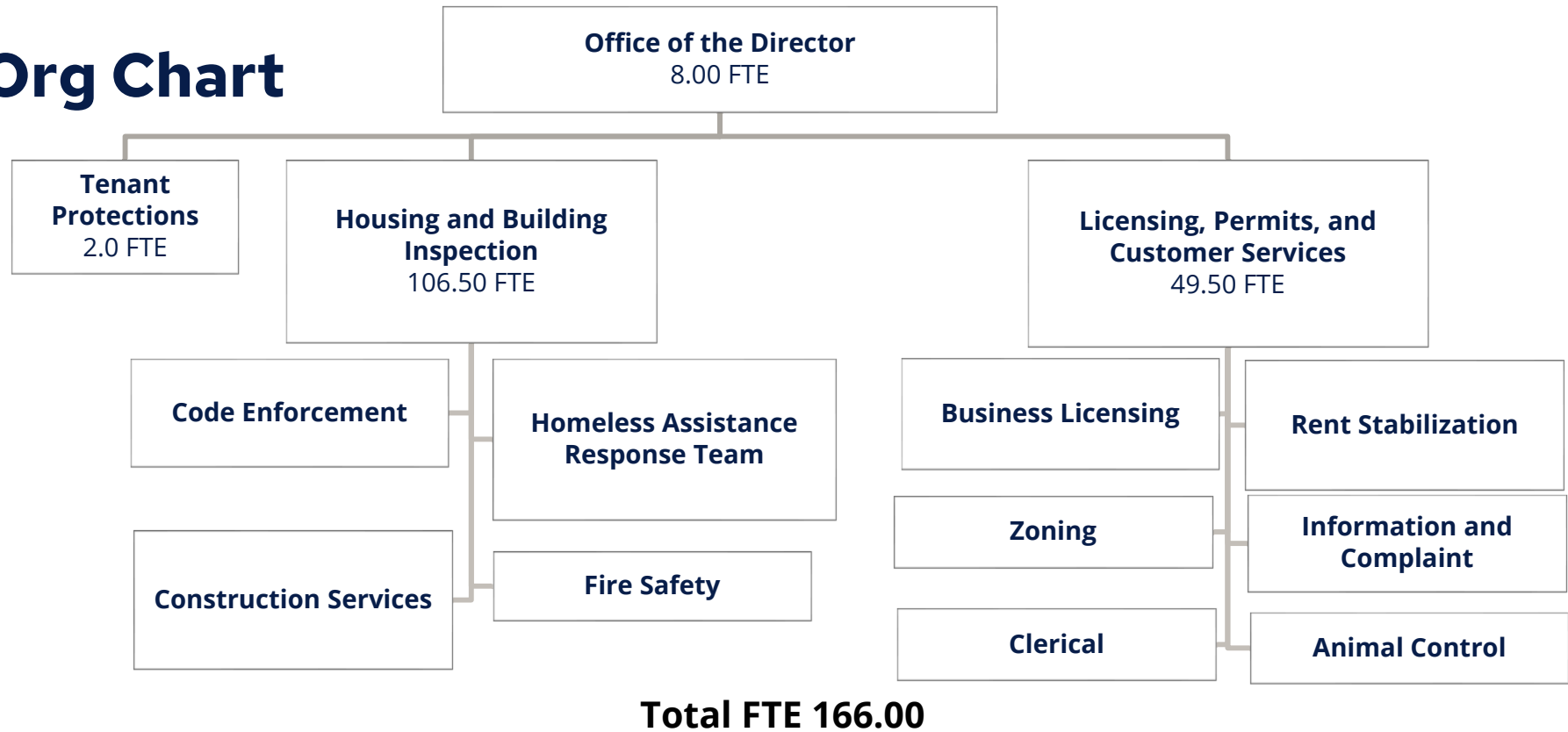
- PAULIE provides performance management tools including load balancing and service level agreement dashboards
 - Load balancing refers to being able to see each team member's workload and adjust to meet customer and business needs
 - Service level agreements refer to things like turnaround times for activities, activities nearing critical deadlines, etc.

Because of these tools, performance metrics will be far easier to navigate and report on in the future.



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Org Chart





Personnel Budget

Personnel Budget	2025 Adopted	2026 Proposed	\$ Change	% Change
100 - CITY GENERAL FUND	22,908,391	23,285,391	377,000	1.65%
EMPLOYEE BENEFITS	7,869,528	8,272,734	403,206	5.12%
SALARIES AND WAGES	15,038,863	15,012,657	(26,206)	-0.17%
SALARIES AND WAGES	15,658,548	15,627,304	(31,244)	0.20%
INTERN	55,177	55,177	-	0.00%
ATTRITION	(821,282)	(816,244)	5,038	-0.61%
OVERTIME	114,021	114,021	-	0.00%
OTHER	32,399	32,399	-	0.00%
211 - GENERAL GOVT SPECIAL PROJECTS	440,000	611,910	171,910	39.07%
EMPLOYEE BENEFITS	70,252	173,727	103,475	147.29%
SALARIES AND WAGES	369,748	438,183	68,435	18.51%
FULL TIME CERTIFIED	-	438,183	438,183	100.00%
SALARY NEEDS	369,748	-	(369,748)	-100.00%
Grand Total	23,348,392	23,897,301	548,909	2.35%



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Services Budget

	2025 Adopted	2026 Proposed	\$ Change	% Change
100 - CITY GENERAL FUND	2,591,273	2,389,386	(201,887)	-7.79%
ADDITIONAL SERVICES	3,550	3,550	-	0.00%
CONTRACTED SERVICES	348,575	284,985	(63,590)	-18.24%
GENERAL SERVICES	95,050	95,050	-	0.00%
INSURANCE PREMIUM	3,705	4,065	360	9.72%
INTERNAL SERVICE EXPENSE	1,079,981	973,384	(106,597)	-9.87%
MILEAGE AND PARKING	257,159	252,159	(5,000)	-1.94%
RENTAL SERVICE	578,841	553,781	(25,060)	-4.33%
REPAIR AND MAINTENANCE SERVICE	31,712	31,712	-	0.00%
TRAVEL TRAINING DUES	91,350	89,350	(2,000)	-2.19%
UTILITY SERVICE	101,350	101,350	-	0.00%
211 - GENERAL GOVT SPECIAL PROJECTS	150,000	1,020,092	870,092	580.06%
GENERAL PROFESSIONAL SERVICE	-	1,018,092	1,018,092	100.00%
ENTERPRISE TECHNOLOGY INITIATIVE	-	-	-	100.00%
REAL ESTATE SERVICE CHARGES	150,000	-	(150,000)	-100.00%
TRAVEL TRAINING DUES	-	2,000	2,000	100.00%
215 - ASSESSMENT FINANCING	488,985	488,774	(211)	-0.04%
WRECKING AND DEMOLITION	474,039	474,039	-	0.00%
GENERAL SERVICES	12,928	12,928	-	0.00%
ENTERPRISE TECHNOLOGY INITIATIVE	2,018	1,807	(211)	-10.46%
645 - RECYCLING AND ORGANIZED TRASH	-	100,000	100,000	100.00%
GROUPS MAINTENANCE SERVICE	-	100,000	100,000	100.00%
Grand Total	3,230,258	3,998,252	767,994	23.78%



Materials & Supplies Budget

Materials & Supplies	2025 Adopted	2026 Proposed	\$ Change	% Change
100 - CITY GENERAL FUND	248,002	220,002	(28,000)	-11.29%
COMMODITIES	39,610	39,610	-	0.00%
COMPUTER MATERIAL	47,862	47,862	-	0.00%
OFFICE SUPPLIES	95,080	67,080	(28,000)	-29.45%
REPAIR AND MAINTENANCE SUPPLY	9,500	9,500	-	0.00%
SPECIAL MATERIALS AND SUPPLIES	55,950	55,950	-	0.00%
211 - GENERAL GOVT SPECIAL PROJECTS	-	8,000	8,000	100.00%
OFFICE SUPPLIES	-	8,000	8,000	100.00%
Grand Total	248,002	228,002	(20,000)	-8.06%