SAFETY & INSPECTIONS

Presentation of 2027 Budget Proposal to City Council

SAINT PAUL
MINNESOTA

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Agenda

- Executive Summary
- 2026 Budget Recap
- Updates on Recent Initiatives
- 2027 Proposed Changes
- Budget History
- Spending Summary
- FTEs Summary
- Unfilled Positions
- ARPA Projects Update
- Revenue Changes and Outlook
- Questions & Discussion

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.

2027 budget proposal focuses on:

- Continued utilization of non-general fund resources for critical work
  - Opioid Settlement
  - Recycling and Solid Waste
- Maintain current revenue sources
- Strategic utilization of vacancies

2026 Budget Recap

- $380,000 Housing and Redevelopment Authority Funds for tenant protections work. This funding is included in calculating DSI's 2027 base budget.
  - Materials and supplies - $127,233
  - Management Assistant III - $118,384 1.00 FTE
  - Customer Service Representatives - $172,536 2.00 FTE

- $100,000 eligible solid waste and recycling costs moved to the Solid Waste and Recycling Fund

- $621,910 Opioid Settlement Fund for HART 5.0 FTE and remaining expenses

PAULIE – citywide project implementation

- Replaced Amanda/Eclipse software programs
  - 99% of permits are applied online vs 55% pre-PAULIE
  - $2.84 million in online payments processed in the first month
  - 4 million records migrated in April 2026 with ongoing validation

- Implemented on September 15, 2025

- $3,073,067 for software implementation (ARPA funded)

- $286,000 for project management to date, ~$200,000 in document and report writing ends 12/31/26

New Animal Services Shelter

- Capital project is repurposing an underutilized Parks building to replace the current shelter which is more than 50 years old, too small, failing systems, and deteriorating.

- Renovated building increases capacity to appropriately shelter animals in the City's care:
  - Provide proper individual housing
  - Create isolation housing wards for sick animals
  - Dramatically improve ventilation and air quality

- Project is managed by Office of Financial Services – Real Estate Office

- Expected to open later this year

- Budget: Capital Maintenance $6,860,000

Tenant Protections

- **Goal: Maintain meaningful tenant protections while aligning ongoing staffing with sustainable, recurring funding.**

- Core tenant protections remain in place, including intake, education, assistance, and outreach.
- Administrative citation will inform enforcement process
- Staff capacity provides flexibility to support Tenant Protection activities as demand develops. (13 calls from May-July)
- Staffing can be reassessed as the program matures, based on actual workload and caseload.
- Expenditure HRA Funds as of Q2:
  - Materials & Supplies $11,000
  - Personnel $60,000
  - Additional end of year expenditure: $100,000 personnel, $10,000 Materials & Supplies

Tenant Protections

100: General Fund	2026 Adopted	Mid Year HRA Changes	Mayor's Proposed 2027 Changes	2027 Proposed Remaining FTE
Management Assistant IV	1.0			1.0
Management Assistant III	1.0	1.0	(1.0)	1.0
Customer Service Representative		2.0	(1.0)	1.0
Total FTE	**2.0**			**3.0**

2027 Proposed General Fund Changes: Table

100: General Fund	Spending	Financing	FTE
Current Service Level Adjustments	1,976,882	300,000	
Summary Abatement *	1,094,307	1,073,145	-
Tenant Protections FTE, material and supplies	142,571		1.0
Conversion of Accountant IV to Accountant III	(47,165)		
Reduction of vacant Customer Service Representative	(33,507)		(0.5)
Reduction of vacant DSI Inspector 1 in Code Enforcement	(97,908)		(1.0)
Total	**3,035,180**	**1,373,145**	**(0.5)**

All are ongoing reductions/investments.

*See next slide for information on historical trend and making this adjustment to reflect it.
No new funds are being introduced.

Summary Abatement *

10024210 - SUMMARY NUISANCE ABATEMENT (GROUNDS MAINTENANCE SERVICE)						
Expense	**2022**	**2023**	**2024**	**2025**	**2026**	**Proposed 2027**
Adopted Budget	719,600	719,600	719,600	719,600	787,345	1,881,652
Actuals	829,440	955,197	2,435,371	2,241,809	1,347,915	
Difference	**109,840**	**235,597**	**1,715,771**	**1,522,209**	**560,570**	
Financial	**2022**	**2023**	**2024**	**2025**	**2026**	
Adopted Budget	1,800,000	1,800,000	1,800,000	1,600,000	1,600,000	2,473,145
Actuals	1,518,732	1,432,184	1,806,576	2,963,134	775,075	
Difference	**281,268**	**367,817**	**(6,576)**	**(1,363,134)**	**824,925**	

History of Budget to Actual Financing – General Fund

Year	Adopted	Actual	Delta ($)	Delta(%)
2022	17,678,073	19,358,185	1,680,112	10%
2023	18,994,585	21,431,470	2,436,885	13%
2024	19,051,848	22,844,474	3,792,626	19.91%
2025	22,064,635	19,395,111	(2,669,524)	-12.10%
2026	22,197,135	8,047,714[Q2]	(14,149,421)	-56.24%

$1.8 million is expected to be recovered from 2025.

Budget Summary: Spending

Spending	2024 Actuals	2025 Adopted	2026 Adopted	2027 Proposed	Change From Prior Year	% Change
100: CITY GENERAL FUND	25,314,350	25,800,516	25,947,629	28,982,809	3,035,180	11.70%
200: CITY GRANTS	63,829	-	-	-	-	-
211: GENERAL GOVT SPECIAL PROJECTS	42,577	1,590,000	1,640,002	690,377	(949,625)	-57.90%
215: ASSESSMENT FINANCING	232,491	488,985	488,774	488,774	-	-
228: CHARITABLE GAMBLING	487,964	-	-	-	-	-
645: RECYCLING AND ORGANIZED TRASH	-	-	100,000	100,000	-	-
Total	**26,141,212**	**27,879,502**	**28,176,405**	**30,261,960**	**2,085,555**	

FTEs Summary

Fund and AU Description	2023	2024	2025	2026 Adopted	2026 Adjusted	2027 Proposed	Change from Adopted 2026
100 - CITY GENERAL FUND	**153.5**	**160.0**	**165.0**	**161.0**	**164.0**	**160.5**	**(0.5)**
211 - DSI Opioid Settlement	**-**	**-**	**-**	**5.0**	**5.0**	**5.0**	**-**
228 – Gambling Enforcement	**3.0**	**-**	**-**	**-**	**-**	**-**	**-**
Grand Total	**156.5**	**160.0**	**165.0**	**166.0**	**169.0**	**165.5**	**(0.5)**

FTEs – Unfilled Positions

Position	Count	Approx Date	Current Status
DSI Customer Service Specialist	5.0	6/27/2026	Reposting planned 8/26; reevaluation in process
Customer Service Representative	0.5	5/8/2025	Half time candidate interest is challenging; proposed 2027 cut
Structural Engineer	1.0	2/27/2025	Candidate in negotiation
Animal Services Officer I	1.0	6/13/2026	Position posted
Animal Services Officer II	1.0	6/30/2026	Candidate in screening
Procedures Coordinator	1.0	12/17/2025	Candidates in interviews
DSI Inspector I	2.0	8/10/2026	Candidate list with manager; 1.0 vacancy proposed 2027 cut
DSI Fire Safety Inspector II	2.0	5/2/2026	Recent hire: 7 candidates, 9 vacancies. Position experiences frequent turnover
DSI Fire Safety Inspector I	1.0	4/5/2025	Paused hiring during cyberattack

Update on ARP/F211 Funded Projects and Activities

- PAULIE/Remote Virtual Inspections – Complete 2025 ($3,073,067)
- PAULIE/Remote Virtual Inspections Building Resilient Infrastructure and Communities (BRIC) Match – Complete 2025 ($92,855)
- Customer Service Continuity – Complete 2024 ($181,000)
- Downtown Alliance Ambassador Program – Complete 2023 ($647,840)
- Unsheltered Response Team – Complete 2023 ($311,843)
- Licensing Services – Complete 2023 ($340,299)

- **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

- **Revenue continues to grow**, with several upfront investments now moving toward cost recovery:
  - Highland Bridge stormwater
  - United Village green infrastructure
  - Riverview lift station
  - Water Street sewer infrastructure
  - PAULIE software & remote virtual inspections
  - Contracting garbage, tall grass, and snow abatements
- **Cannabis registration revenue** is expected to cover the DSI FTE cost
- **2026 revenue is expected to stabilize**, with some business lines still recovering from the impact of the cyber incident.
- **Cyberattack impacts:** Limited access to responsible-party information temporarily affected invoicing, inspections, and cash receipting.

Questions

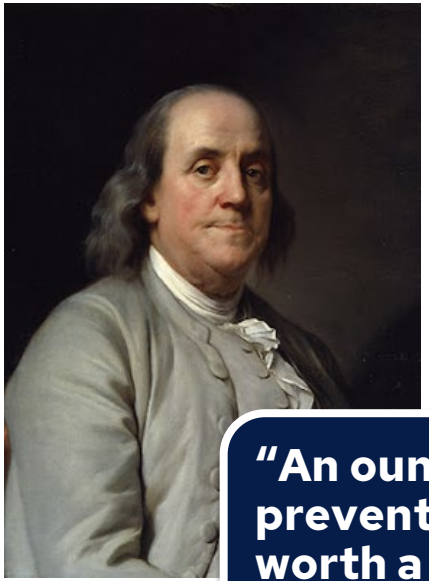
Appendix

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
  - S.A.F.E rentals while allowing for investment/maintenance in housing
  - Special event support
  - Final sign-offs on all of the above

Fitting with Citywide Budget Goals and Outcomes

- **To maintain the safety and habitability of as many structures as possible; including the safe keeping of animals**
  - Prioritizes the City's commitment to community safety
    - Commitment to employee safety
    - Prioritize prevention
    - Implement administrative citations
    - Establish data sharing norms
    - Incorporate CPTED in all projects, including external partner projects
    - Strong communication / education
  - Shifts and organizes City functions to be responsive to residents' needs
    - Strong communication / education
    - Customer service training based on role
    - Transparency on expectations for customer and staff
    - Implement administrative citations
    - Further streamline hiring process
    - Establish data sharing norms



"An ounce of prevention is worth a pound of cure."
- Benjamin Franklin

PAULIE Update

- Modules for the best business fit
- Modules Deployed:
  - Enterprise Service Request
  - Code
  - Permitting
  - Plan
  - Individual Licensing
  - Professional Licensing
  - Business Licensing
  - Operational Permits (Environmental Health)
  - Executive Insights
  - Decision Engine
  - Payments
  - Civic Access
  - E-Reviews
- Data migration completed April 2025
  - Over 4 million records from legacy systems
  - About 1% required repair/modification
- Software updated in May 2025
- Product Council and Product and Operations Development team (POD)
- Credit card terminals deployed
- To be completed:
  - Update Civic Access
  - Update when addressing project is complete
  - Update work completed during cyberattack
  - Streamline processes
  - Plain language review
  - Mobile optimization (internal and external)
  - Remainder of operational permits

Performance Measurement

- PAULIE is an important tool to measure performances.

- It has changed how some metrics are measured and are being updated.
  - Animal Services live release rate is 88% with a goal of 90%.

  - Construction Services - DSI is issuing construction permits an average of 2 days. Prior to PAULIE, the manual process of entering a permit into AMANDA took approximately 5 days.

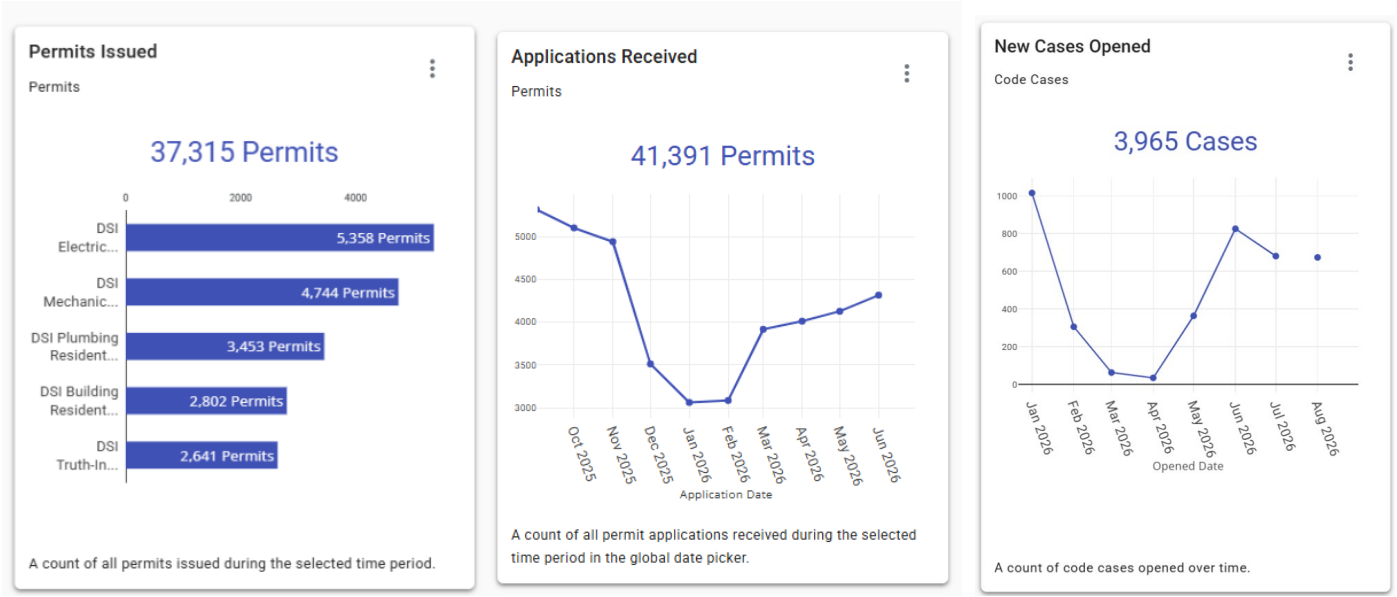
  - Fire Safety - 110 dispatched on call responses so far in 2026. Compared to the same timeframe there were 49 on call responses in 2025.

  - HART- Successfully housed 22 encampment residents so far in 2026, compared with 16 residents housed in all of 2025 and 24 residents in all of 2024.

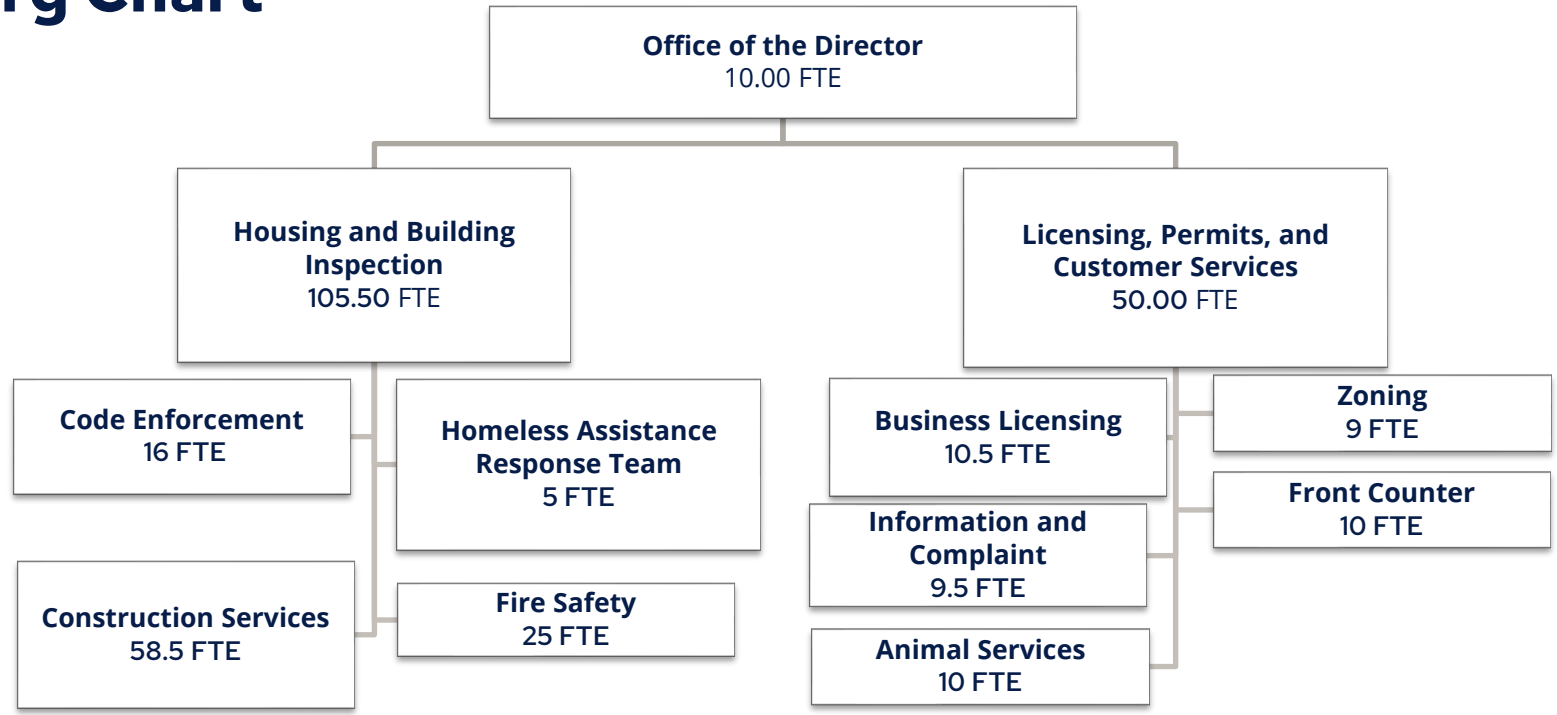
Performance Measurement (Continued)

- Business Licensing – One new measure will show Average Number of Days to Issue a Business License (by type). Will be available upon data migration validation.
- Zoning and Site Plan Review – One new measure will show Average Number of Days to Approve a Site Plan Review Application. In final step of refining data fields.
- Call Center – One new measure will be Percentage of Calls Handled on First Contact. Measure still being developed. Target will be 80%.
- Front Counter Customer Service – Customer Service Satisfaction survey under development.

PAULIE Report (example only)



Org Chart


Office of the Director
10.00 FTE
Housing and Building Inspection
105.50 FTE
Licensing, Permits, and Customer Services
50.00 FTE
Code Enforcement
16 FTE
Homeless Assistance Response Team
5 FTE
Construction Services
58.5 FTE
Fire Safety
25 FTE
Business Licensing
10.5 FTE
Zoning
9 FTE
Front Counter
10 FTE
Information and Complaint
9.5 FTE
Animal Services
10 FTE

Department of Safety and Inspections

Personnel Budget

Personnel Budget	2026 Adopted	2027 Proposed	$ Change	% Change
100 - CITY GENERAL FUND	23,285,391	25,160,598	1,875,207	8.05%
EMPLOYEE BENEFITS	8,272,734	8,802,532	529,798	6.40%
SALARIES AND WAGES	15,012,657	16,358,066	1,345,409	8.96%
211 - GENERAL GOVT SPECIAL PROJECTS	611,910	680,377	68,467	11.19%
EMPLOYEE BENEFITS	173,727	191,735	18,008	10.37%
SALARIES AND WAGES	438,183	488,642	50,459	11.52%
Grand Total	23,897,301	25,840,975	1,943,674	8.13%

Services Budget

	2026 Adopted	2027 Proposed	$ Change	% Change
100 - CITY GENERAL FUND	**2,391,386**	**3,529,563**	**1,138,177**	**47.59%**
ADDITIONAL SERVICES	3,550	3,550	-	-
CONTRACTED SERVICES	221,240	249,947	28,707	12.98%
GENERAL SERVICES	92,750	102,750	10,000	10.78%
INSURANCE PREMIUM	4,065	4,323	258	6.35%
INTERNAL SERVICE EXPENSE	1,041,129	2,134,541	1,093,412	105.02%
MILEAGE AND PARKING	252,159	252,159	-	-
RENTAL SERVICE	553,781	553,781	-	-
REPAIR AND MAINTENANCE SERVICE	29,112	29,112	-	-
TRAVEL TRAINING DUES	92,250	98,050	5,800	6.29%
UTILITY SERVICE	101,350	101,350	-	-
211 - GENERAL GOVT SPECIAL PROJECTS	**1,020,092**	**2,000**	**(1,018,092)**	**-99.80%**
CONTRACTED SERVICES	1,018,092	-	(1,018,092)	-100.00%
TRAVEL TRAINING DUES	2,000	2,000	-	-
215 - ASSESSMENT FINANCING	**488,774**	**488,774**	**-**	**-**
CONTRACTED SERVICES	474,039	473,854	(185)	-0.04%
GENERAL SERVICES	12,928	12,928	-	-
INTERNAL SERVICE EXPENSE	1,807	1,992	185	10.24%
645 - RECYCLING AND ORGANIZED TRASH	**100,000**	**100,000**	**-**	**-**
INTERNAL SERVICE EXPENSE	100,000	100,000	-	-
Grand Total	4,000,252	4,120,337	120,085	3.00%

Materials & Supplies Budget

Materials and Supplies	2026 Adopted	2027 Proposed	$ Change	% Change
100 - CITY GENERAL FUND	**218,002**	**239,798**	**21,796**	**10.00%**
COMMODITIES	41,610	51,610	10,000	24.03%
COMPUTER MATERIAL	47,862	59,658	11,796	24.65%
OFFICE SUPPLIES	61,080	61,080	-	-
REPAIR AND MAINTENANCE SUPPLY	11,500	11,500	-	-
SPECIAL MATERIALS AND SUPPLIES	55,950	55,950	-	-
211 - GENERAL GOVT SPECIAL PROJECTS	**8,000**	**8,000**	-	-
OFFICE SUPPLIES	8,000	8,000	-	-
Grand Total	**226,002**	**247,798**	**21,796**	**9.64%**