

City of Breezy Point,  
Minnesota

# Organizational Assessment



**Resource  
Management  
Associates**

**\*\*\* FINAL PRESENTATION \*\*\***

January 16, 2024

**Sheldon Cohen, Project Manager and Principal Consultant**

# Today's Agenda

- Project Goal
- Approach and Workplan
- Key Findings & Recommendations
- Next Steps
- Q&A and Discussion



# 1: Project Goal

---

# Project Goal Per the Request For Proposals (RFP)

**“...to conduct an assessment on the organization to identify the City’s immediate and future human capital needs. Such an assessment should include but not be limited to:**

- Analysis of current staffing levels**
- Analysis of current service provisions**
- Analysis of future projects’ impact on staffing levels and service provisions**
- Recommendations for immediate and future staffing needs**
- Recommendations for reorganization**
- Recommendations for service delivery improvements”**

**➔ Stay focused on the project’s goal.**

# 2: Approach and Workplan

---

# Project Approach

- **Project Organization Conference: October 5, 2023**
- **Organization of Review Panel**
- **Review of Background Information: City, State and Other Sources**
- **Industry Standards & Best Practice**
- **29 Interviews and Contacts: All City Council, All Staff, Vendors: Oct. 16-20, 2023**
- **Observe Operations**
- **Population Growth, Geography, Topography, Demography.**
- **Data Analysis: Financials, Police, Public Works**
- **Facilities: City Hall, Police, Public Works**
- **Staffing/Human Resources (“HR”)**
- **Information Technology (“IT”)**
- **Interlocal Partnerships**
- **Project Status Conference: November 15, 2023**
- **Draft Organizational Assessment**
- **Staff Review Panel’s Draft Review: November 29, 2023**
- **Review and Revise Draft Organizational Assessment**
- **Finalize & Ship Organizational Assessment: Dec. 13, 2023**
- **Present Organizational Assessment: Jan. 16, 2024**



# Independence and Objectivity

## Organizational Assessment Is Driven By:

- Detail
  - Thoroughness
- Input of City Council, Staff and Contractors
  - Data
    - Facts and Information
  - State and National Standards
  - Knowledge and Experience

# Building the Organizational Assessment

Policy/Budget=====→

Services=====→

Staffing=====→

Organization.



# Key Concepts: Assessment

Assessment involves the words efficiency and effectiveness.

- Efficiency is defined as the City's application of resources--human, financial, physical or informational--to achieve a specified goal or objective.
- Effectiveness refers to the quality of Breezy Point's delivery of services.

# Key Concepts: Priority

Priority considers the words risk and impact.

Risk addresses possible adverse consequences to the City from a current or foreseeable situation, or the City's not taking a given action.

Impact looks at the breadth or depth of the consequences of an action on Breezy Point's residents, visitors, businesses, City government, or other parties. This has been stated over the years as the Utilitarian Principle, i.e., the greatest good to the greatest number of people.

# 3: Key Findings and Recommendations

---

# Section Three: The Context of the Organizational Assessment

## Key Characteristics of Breezy Point:

1. Small, rural city of 2,813 with population density of 240 persons per square mile.
2. Relatively high rate of population growth: 3%/year.
3. Vacation/destination city: 3X Summer population.
4. No distinctive natural or human-made features or risks.
5. Full-service municipality.
6. Intergovernmental relationships.
7. Option B statutory council-manager city.

# Section Four: Policy and Administration

1. Staff provides solid support to the City Council.
2. Should hold staff meetings every Tuesday morning before and after each Council meeting.
3. City Administrator retain all direct reports.
4. More meat in City Council minutes.
5. City Web site provides lots of information and transparency, e.g., 100-200 page Council packets.
6. Roles of City Administrator, Assistant City Administrator and Deputy Clerk/Office Manager will be evolving with new Planning & Zoning Administrator and ERP system.
7. City Administrator: more engagement with business community.
8. City-wide annual report: now just Police.
9. Continue to use resources of LMC, etc.

# Section Five: Financial Management

1. Urgent need to procure and implement a new ERP system: major productivity gains.
2. Build secure, decentralized access for end-users to new ERP processes, e.g., financials, payroll/ HR → departmental productivity gains.
3. Revise chart of accounts: work with auditor.
4. Implement purchase-order-based encumbrance accounting.
5. Develop comprehensive, City-wide Capital Improvement Program (“CIP”).
6. Address filing and organization of financial records.

# Section Six: Public Works

1. Changes in the work of Public Works are mainly growth-driven.
2. The staff in Public Works operates at a very high level of efficiency and effectiveness.
3. A new Public Works garage is needed urgently.
4. The City Council needs to establish a policy for funding of road work at a specified % of the General Fund budget.
5. A fourth Public Works Worker may very well be needed in the next 5 years.
6. The Public Works Supervisor should recapture significant productive time from the implementation of the new ERP and other recommendations made here about IT.
7. Public Works should be open to considering specialized software for functions like route optimization for snow plowing or pavement management.
8. Public Works' cost of overtime is very low.

# Section Seven: Police

1. Addressing the need for additional non-sworn or sworn personnel in the face of the tripling of Breezy Point's population in Summer is the most urgent and significant task in front of the City and the Police Department.
2. A secure outside entry for persons fleeing violence or the threat of violence should be constructed.
3. The Police building otherwise should serve the Department for approximately 10 more years.
4. Breezy Point should anticipate the need for an additional Police Officer as the City continues to grow.
5. The City has done an outstanding job of providing the Department with appropriate law-enforcement technologies, supporting the Officers' safety and performance.
6. The Police Department's cost of overtime is very low.



# Section Eight: Fire Service

1. The organization of the Pequot Lakes Fire District in 2022 has led to enhanced fire service for Breezy Point mainly through (1) the City's role in governance and (2) the adoption of a sound Capital Improvement Program ("CIP").
2. The Fire District should undertake a full evaluation of the remaining useful lifetime of Engine 1, the 2003 Peterbilt, stationed in Breezy Point.
3. The Fire District should be recruiting call firefighters actively, especially where it now has filled only 23 of 30 budgeted positions.
4. The addition of the new ladder truck should enhance the Fire District's capabilities and its responsiveness to Breezy Point significantly.
5. The Fire Chief should have secure, decentralized access to the City's new ERP system.
6. The Fire District should monitor the demands on the Fire Chief's time as these may change over time.

# Section Nine: Planning & Zoning

1. **Planning & Zoning is in a major transition, with the first appointee to the position of Planning & Zoning Administrator just having begun work with the new fiscal year starting January 1, 2024.**
2. **The nature of work related to Planning & Zoning which other City offices do may likely change as the Planning & Zoning Administrator's position gets established and evolves.**
3. **The Planning & Zoning Administrator should provide a monthly, written report of their activity for the first year/2024.**
4. **The Planning & Zoning Administrator and Assistant City Administrator should work as a team in exploring property-related information which the State or County may have available.**
5. **Breezy Point should explore how computer-based systems may be able to support the work of Planning & Zoning.**

# Section Ten: Human Resources

1. Breezy Point has acted positively and proactively in the last two years in addressing compensation of City employees.
2. Implementing weekly staff meetings, tied to meetings of the City Council, should aid significantly in building teamwork and motivation among the City's staff.
3. The planned revision of Breezy Point's Personnel Policy in 2024 should bring this important element of City government current with best practice and legal requirements.
4. Breezy Point should be funding the participation of the City's staff in Minnesota State-level, regional and national professional associations.

# Section Eleven: IT and Systems

1. The main recommendation related to IT which this Organizational Assessment makes is that the City replace the current application-software system from Banyon Data Systems which the City first licensed in 2006.
2. Breezy Point should undertake a careful process to carry out this effort, beginning with establishing a user-committee and carrying out a detailed needs assessment, and concluding with the execution of a performance-based contract with the successful vendor and structured implementation. This also includes engaging the services of an independent consultant with significant experience in the procurement and implementation of municipal ERP systems to assist in this major decision.
3. The Assistant City Administrator should serve as Breezy Point's lead on issues related to IT.
4. The Review Panel organized as part of this project should continue to act as the City's IT user-group.

# Section Twelve: Summary of Staffing

1. Solving the need for additional staffing in the Police Department in Summer must be Breezy Point's top priority for staffing.
2. While the addition of full-time personnel, such as another Police Officer or Public Works Worker, may be justified as a result of population growth, development or other factors in the next few years, Breezy Point should evaluate each of these individually as facts may recommend.
3. Adding part-time employees may be appropriate in certain cases.
4. Contracting should be reviewed as an appropriate strategy in specific cases.
5. Interlocal cooperation may be an option worth considering for staffing and delivery of specific services. Having a common civic culture is the threshold issue here.

# Section Thirteen: Summary of Services

1. The nature of future growth in Breezy Point's population and development surrounds discussion of the City's services.
2. Breezy Point overall delivers a high quality of services.
3. The main area where the quality of service has not met this high standard is in responsiveness to contacts involving Planning & Zoning. This situation should be remedied with the new Planning & Zoning Administrator's having begun work on January 1, 2024.
4. The new CRM application system which this Organizational Assessment recommends for review should help to provide better information to the City about the quality of its services.

# Section Fourteen: Summary of Organization

1. This Organizational Assessment sees no need for any reorganization of Breezy Point's City government.
2. Breezy Point may wish to review its organization in approximately five years when the nature and impact of the next period of growth is more clear.

# Section Fifteen: Summary of Facilities

1. The Breezy Point City Hall is disorganized and dysfunctional, adversely affecting the functioning of City government, the delivery of municipal services, and the efficiency and effectiveness of the work of the staff.
2. The Public Works garage is now beyond its functional limit and should be replaced as a Phase I priority.
3. The Police Department's building is meeting its needs and the Chief of Police expects that it has another 10 years of useful lifetime.
4. While the sewer plant is not expected to require major expansion or replacement for approximately 10 years, other improvements in the sewer system may need to be made.
5. The pace and nature of growth in Breezy Point will likely affect the nature of facilities which the City may need and at what point in time.



# Section Sixteen: Financial Considerations

1. This Organizational Assessment recommends two, major investments to enhance Breezy Point's services and staffing: (1) procurement and implementation of a new ERP system; and (2) replacement of the Public Works garage.
2. Responsible cost estimates for each of these two, major investments cannot be made at this time since the specific scope of each of these projects cannot be known.
3. Several smaller investments are recommended, from additional Summer staffing and the entry shelter for the Police Department to small equipment for Public Works.
4. The City Administrator should be responsible for integrating the one-time and annual-operating costs of these investments into the City's CIP and operating and capital budgets in order to assure that they are fiscally prudent and sustainable.
5. City Council should adopt a %-based policy for annual funding of road work.

# 4. Next Steps

---

# Section Seventeen: Implementation

1. This Organizational Assessment offers 36 Priority I recommendations--19 cost and 17 non-cost.
2. City Council needs to proceed very deliberately in evaluating the recommendations, looking to the input of the staff.
3. The City Administrator acts as project manager.
4. Staff members as leads for specific recommendations.
5. Fit the recommendations within the City's operating and capital budgets and fiscal strategy, considering statutory or other fiscal constraints.
6. Identify "low hanging fruit."
7. City Administrator provides monthly report on implementation to City Council.
8. Capacity is a key issue: (1) large number of recommendations; (2) small size of the City's staff.

# Top Priorities: Driven by Risk and Impact

1. Resolve City Hall decision.
2. Procure and implement new ERP.=>
3. Revise chart of accounts.=>
4. Implement purchase-order-based encumbrance accounting.
5. Police Summer staffing.
6. New Public Works garage.
7. Police station safe entryway.
8. % \$ commitment for roadway funding.
9. Implement Capital Improvement Program (“CIP”).
10. Revise Personnel Policy.
11. Robust City Council minutes.

# 5: Q&A and Discussion

---

**Thank You!**

**R**esource  
**M**anagement  
**A**ssociates