

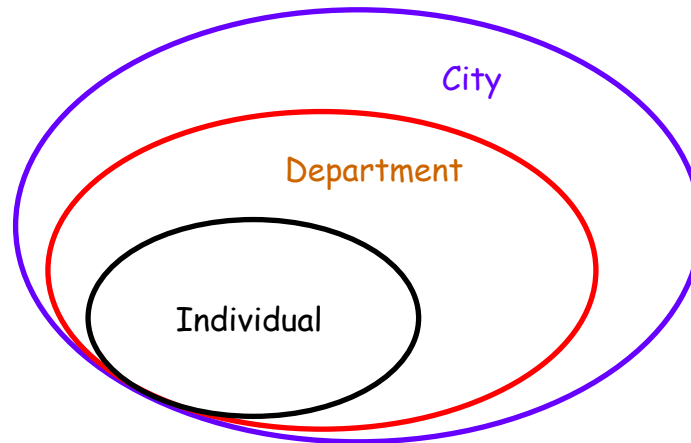
**City Council Agenda Item #14C
Meeting of April 25, 2005**

Brief Description: MERIT Organizational Component.

Recommended Action: None required.

Background

As part of the city of Minnetonka's MERIT compensation system, a three-tiered program is used to measure performance at the organizational (city), departmental and individual levels. This organizational evaluation provides feedback about our collective performance as a city government.



Everyone needs to know how they are doing, both individually and as a team. Just like individual employees, the overall city team needs to know what we are doing well, and what areas we need to concentrate on to do our jobs better. The focus of the citywide component is on the city's seven strategic goals, which means that staff is evaluated on how well we meet the values of the community, as established by the city council.

For each strategic goal, the city council rates our performance with a weight of one-third of the total grade for that goal. The remaining two-thirds of the grade consists of a combination of items: feedback from the applicable advisory board/commission, neighborhood block captains, or outside groups (League of Minnesota Cities, Association of Metropolitan Municipalities, Municipal Legislative Commission, and Met Council); results from the community survey; employee feedback; and where appropriate, objective measures.

The organizational component uses a grading scale in which 4.0 = A. Council and board ratings average the actual letter grades assigned by members. Community survey ratings are based on a similar letter and numerical grading scale assigned to our citizens' excellent/good/fair/poor ratings. Because it relates to our overall performance, the community survey's Quality of Life question is included as an eighth "goal" in the citywide evaluation.

The combined grades for each strategic goal are then averaged to obtain the final overall organizational grade.

Results

Minnetonka traditionally receives very high grades for performance in achieving each of our strategic goals, and this year is no exception.

| Goal | City Council | Advisory Boards | Survey/ Other | Combined |
|---------------------------|---------------------|------------------------|----------------------|-----------------|
| Natural environment | A | A | A- | A |
| Public safety | A | A | A- | A |
| Transportation | A | A- | A- | A- |
| Development | A | A- | A- | A- |
| Building community | A | A | A- | A |
| Public services | A | A | A- | A |
| Organizational excellence | A | A | A- | A |
| Quality of life | | | A | A |
| Overall Grade | | | | A |

- **Natural environment (A).** This grade improved from last year's overall rating of A- to A. Residents continued to increase their excellent ratings on the city's efforts to protect wetlands, ponds, streams and forested areas. There was a diversity of opinions by the city council and park board regarding improving water resources and woodlands. The council had high satisfaction ratings with the open space preservation and park renewal goals. Three of four residents rated the park renewal process as excellent or good, although there were fewer excellent ratings compared to last year. This may be reflective of the construction delays in several park renewal projects in the past year. The community ratings on trail maintenance declined slightly. To address this, staff will be conducting an inventory of the trail system, identifying gaps and maintenance deficiencies, improving directional signage, and updating the trail map to be more user-friendly. In recognition of our aging trail system, a new item in next year's Capital

Improvements Program (CIP) will earmark funding for trail reconstruction projects.

- **Public Safety (A).** Consistent with previous years, public safety rates a solid A. Residents continue to feel very safe in Minnetonka, with 86% indicating there are no areas in the city where they feel unsafe. Police protection continues its high ratings, with 9 of 10 residents rating services as excellent or good. This is particularly noteworthy since many police interactions are for enforcement purposes. Of those having an opinion on the fire service, 100% rated them as excellent or good. Residential speeding continues to be a concern, with 60% still noting that speeding is either very or somewhat serious.
- **Transportation (A-).** The overall grade for this goal remained at A-, likely a reflection of the public's continuing frustration with the current state of transportation. This year, our outside rating groups were less optimistic about the city's ability to meet local and regional transportation needs through leadership and collaboration (grades ranging from A to B). The council also had a range of opinion on the city's achievements on enhancing resident and business mobility, grading from A+ to B. On a more positive note, nine of ten residents surveyed rated snow plowing as excellent or good, an increase over last year. Responses on pavement repair and patching were very consistent with last year's ratings, with 63% rating excellent or good. Although lower than most categories, this score is notably higher when compared to other metro cities. Staff plans to recommend increased funding for street reconstruction in the CIP to address the community's concerns.
- **Development (A-).** Although recent development projects have been controversial, nearly 75% of residents surveyed feel the city is doing the right amount to protect the environment. About 85% of those with an opinion feel the city is successful in balancing the rights of individual property owners to develop their properties with the interests of the wider community. However, based on the array of responses by the city council, planning commission and EDA, increasing environmental protections, providing affordable housing, and shaping redevelopment will continue to be at the forefront of community planning policy discussions.
- **Building Community (A).** The city council and the vast majority of advisory board members continue to rate city communications very highly. As in previous years, the community has high recognition and approval of the city's publications (*Minnetonka MEMO* and recreation program brochure). Web site ratings are rising, although there is room for improvement on navigability. This is currently being addressed as staff evaluates and upgrades the web site over the next year. There is a noticeable decrease in the number of residents surveyed who feel they have appropriate opportunities for input in the zoning and development

decision making process (two of three this year compared to three of four last year). This is likely due to the number of controversial projects over the past year. Ratings of recreation and senior services by the community have remained relatively stable, with those with an opinion rating these services as excellent or good 97% and 93% respectively.

- **Public Services (A).** Over 83% of residents consider the general value of city services as excellent or good, with more rating this as excellent than the last two years. Indicators and opinion alike reflect a solid A for managing for the long term, with the city council once again feeling especially confident with its A+ rating. Continuing an upward trend, substantially more residents rate customer service as excellent this year, and the council and advisory board ratings support this. This is directly attributable to staff's concerted efforts in the past several years to improve in this area. The grades from the council, advisory boards and neighborhood block captains for promoting innovative service delivery ranged from A+ to C+, indicating significant differences in how individuals perceive accomplishment of this.
- **Organizational Excellence (A).** With a solid A rating, the city council and outside groups agree that city employees set the high standard that others strive to emulate. This year, employees were surveyed regarding organizational excellence and were tougher graders than the council. Although there was a wide range of opinions by employees, about three-fourths awarded A+ or A to the city as a great place to work. With regard to doing the right thing at the right time for the right reason, 70% rated the city's efforts as A+ or A. The highest rated shared value by employees was Outcome Focused Teamwork, followed closely by Adaptable Learning & Innovation and Healthy Human Relationships. The value where most improvement is needed is Authentic Communication.
- **Quality of life (A).** Minnetonka consistently ranks very highly for its quality of life, and the unchanged grade of A from last year reflects this. In many ways, this overall rating is reflective of our efforts to both maintain and contribute toward improvements in our community. Fully 97% of our citizens rate their quality of life in Minnetonka as either excellent or good.

Performance Award

Combined ratings of each of the seven strategic goals and the Quality of Life rating result in an overall organizational grade of A for this year, consistent with last year's grade. Our actual "grade point average" is 3.898, slightly higher than last year. This final grade is the basis for the organizational component award in the city's three-tiered performance program of the MERIT system.

Similar to the departmental component, the organizational lump sum award is prorated based on the actual percentage grade point average. For this year, the city's grade of 3.898 is 97.5% of 4.0. This percentage is applied to the maximum dollars dedicated to this component.

Nonunion personnel and police sergeants receive an award of \$487.50 (which is 97.5% of the maximum award of \$500). Police officers and public works employees receive a prorated amount of the \$100 maximum as negotiated in their respective labor agreements with the city, or \$97.50.

All full-time non-probationary employees who were employed by the city in 2004, and were still employed as of April 1, 2005, will receive a lump sum payment as noted. These amounts will be pro-rated for our regular (permanent) part-time employees and for those eligible employees who did not work for the city during the entire year in 2004.

This performance pay amount is a symbolic recognition of the exceptional performance of the approximately 220 out of 228 city employees who currently participate in this program. We appreciate the city council's continuing support of the MERIT system philosophy, and our belief in recognizing exceptional performance.

Submitted through:
John Gunyou, City Manager

Originated by:
Geraldyn R. Barone, Assistant City Manager

MERIT Organizational Component
Council & Boards Survey Results, April 2005
(Overall grades include community survey results)

| GOAL | A+ | A | A- | B+ | B | B- | C+ | C | Score | Grade |
|---|----|----|----|----|---|----|----|---|-------|-----------|
| NATURAL ENVIRONMENT | | | | | | | | | 3.923 | A |
| Improve our water resources & woodlands | | | | | | | | | 3.821 | A- |
| City Council | 2 | 2 | 2 | 1 | | | | | 3.904 | A |
| Park Board | | 3 | 1 | | | | | | 3.918 | A |
| Community survey | | | | | | | | | 3.641 | A- |
| Facilitate open space preservation | | | | | | | | | 4.004 | A |
| City Council | 3 | 3 | 1 | | | | | | 4.094 | A |
| Park Board | | 4 | | | | | | | 4.000 | A |
| Community survey | | | | | | | | | 3.918 | A |
| Renew and sustain our parks | | | | | | | | | 4.006 | A |
| City Council | 4 | 2 | 1 | | | | | | 4.141 | A |
| Park Board | 1 | 3 | | | | | | | 4.083 | A |
| Community survey | | | | | | | | | 3.793 | A- |
| Expand & maintain our trail system | | | | | | | | | 3.863 | A |
| City Council | 3 | 2 | 1 | 1 | | | | | 3.999 | A |
| Park Board | | 2 | 1 | 1 | | | | | 3.750 | A- |
| Community survey | | | | | | | | | 3.839 | A |
| PUBLIC SAFETY | | | | | | | | | 3.996 | A |
| Foster community involvement & individual responsibility | | | | | | | | | 3.880 | A |
| City Council | 2 | 3 | 2 | | | | | | 4.000 | A |
| Police Advisory Comm. | | 3 | | 1 | | | | | 3.833 | A- |
| Nghbrhd. Block Captains | 5 | 8 | 8 | 4 | | 1 | | | 3.808 | A- |
| Enhance personal and business safety | | | | | | | | | 4.004 | A |
| City Council | 5 | 2 | | | | | | | 4.236 | A+ |
| Police Advisory Comm. | 1 | 3 | | | | | | | 4.083 | A |
| Nghbrhd. Block Captains | 5 | 10 | 7 | 4 | | | | | 3.872 | A |
| Community survey | | | | | | | | | 3.800 | A- |
| Ensure hometown security by collaborating with others | | | | | | | | | 4.102 | A |
| City Council | 4 | 2 | 1 | | | | | | 4.141 | A |
| Police Advisory Comm. | 1 | 3 | | | | | | | 4.083 | A |
| TRANSPORTATION | | | | | | | | | 3.672 | A- |
| Enhance resident & business mobility | | | | | | | | | 3.834 | A |
| City Council | 1 | 3 | 2 | 1 | | | | | 3.857 | A |
| Community survey | | | | | | | | | 3.822 | A- |

| GOAL | A+ | A | A- | B+ | B | B- | C+ | C | Score | Grade |
|---|-----------|----------|-----------|-----------|----------|-----------|-----------|----------|--------------|--------------|
| Meet local & regional needs through leadership & collaboration | | | | | | | | | 3.651 | A- |
| City Council | 2 | 2 | 3 | | | | | | 3.953 | A |
| LMC, AMM, MLC, MC | | 1 | 1 | 1 | 1 | | | | 3.500 | A- |
| Optimize infrastructure investments | | | | | | | | | 3.530 | A- |
| City Council | 1 | 4 | 2 | | | | | | 3.953 | A |
| Community survey | | | | | | | | | 3.319 | B+ |
| DEVELOPMENT | | | | | | | | | 3.747 | A- |
| Guide development to achieve our community vision | | | | | | | | | 3.800 | A |
| City Council | 2 | 2 | 2 | 1 | | | | | 3.904 | A |
| Planning Commission | | 2 | 1 | | | | | | 3.890 | A |
| Community survey | | | | | | | | | 3.605 | A- |
| Balance individual property rights with the public interest | | | | | | | | | 3.846 | A |
| City Council | 3 | 2 | 1 | 1 | | | | | 3.999 | A |
| Planning Commission | 1 | | 1 | 1 | | | | | 3.777 | A |
| Community survey | | | | | | | | | 3.762 | A- |
| Increase the availability of affordable and lifecycle housing | | | | | | | | | 3.698 | A- |
| City Council | 3 | 2 | 2 | | | | | | 4.047 | A |
| Planning Commission | 1 | 1 | | | 1 | | | | 3.777 | A- |
| EDA | | | 1 | 4 | 1 | | | | 3.332 | B+ |
| Community survey | | | | | | | | | 3.493 | B+ |
| Actively shape redevelopment to meet community interests | | | | | | | | | 3.643 | A- |
| City Council | 1 | 2 | 2 | 2 | | | | | 3.761 | A- |
| Planning Commission | | 2 | 1 | | | | | | 3.890 | A |
| EDA | | 1 | | 3 | 1 | 1 | | | 3.277 | B+ |
| BUILDING COMMUNITY | | | | | | | | | 3.900 | A |
| Foster open communication with the community | | | | | | | | | 3.915 | A |
| City Council | 2 | 5 | | | | | | | 4.094 | A |
| Park Board | | 2 | | 1 | 1 | | | | 3.583 | A- |
| Planning Commission | 1 | 2 | | | | | | | 4.110 | A |
| EDA | 1 | 2 | 2 | 1 | | | | | 3.833 | A- |
| Senior Advisory Board | 4 | 5 | 1 | | 1 | | | | 3.999 | A |
| Heritage Comm. | | 2 | 2 | | | | | | 3.835 | A |
| Police Advisory Comm. | 1 | 1 | 2 | | | | | | 3.918 | A |
| Nghbrhd Block Captains | 4 | 9 | 8 | 4 | | 1 | | | 3.795 | A- |
| Community survey | | | | | | | | | 3.782 | A- |
| Promote activities that encourage understanding & involvement | | | | | | | | | 3.897 | A |
| City Council | 2 | 3 | 2 | | | | | | 4.000 | A |

| GOAL | A+ | A | A- | B+ | B | B- | C+ | C | Score | Grade |
|--|-----------|----------|-----------|-----------|----------|-----------|-----------|----------|--------------|--------------|
| Park Board | 1 | | 2 | 1 | | | | | 3.750 | A- |
| Senior Advisory Board | 4 | 5 | | 1 | 1 | | | | 3.968 | A |
| Heritage Comm. | | 3 | | 1 | | | | | 3.833 | A- |
| Community survey | | | | | | | | | 3.842 | A |
| Play a leading role in local, metro & national partnerships | | | | | | | | | 3.992 | A |
| City Council | 4 | 2 | 1 | | | | | | 4.141 | A |
| LMC, AMM, MLC, MC | 1 | 1 | 2 | | | | | | 3.918 | A |
| Embrace our proud past, cultural heritage & growing diversity | | | | | | | | | 3.794 | A- |
| City Council | 3 | 2 | 2 | | | | | | 4.047 | A |
| Heritage Comm. | 1 | | 2 | | 1 | | | | 3.668 | A- |
| PUBLIC SERVICES | | | | | | | | | 3.954 | A |
| Provide value: quality services at a reasonable price | | | | | | | | | 3.876 | A |
| City Council | 3 | 3 | 1 | | | | | | 4.094 | A |
| Park Board | | 3 | 1 | | | | | | 3.918 | A |
| Planning Commission | 1 | 1 | 1 | | | | | | 4.000 | A |
| EDA | | 5 | 1 | | | | | | 3.945 | A |
| Senior Advisory Board | 4 | 3 | 3 | | 1 | | | | 3.939 | A |
| Heritage Comm. | | 3 | 1 | | | | | | 3.918 | A |
| Police Advisory Comm. | | 3 | | | | 1 | | | 3.668 | A- |
| Nghbrhd Block Captains | 2 | 11 | 7 | 5 | | 1 | | | 3.757 | A- |
| Community survey | | | | | | | | | 3.657 | A- |
| Manage for the long term | | | | | | | | | 4.067 | A |
| City Council | 4 | 3 | | | | | | | 4.189 | A+ |
| Park Board | | 3 | | 1 | | | | | 3.833 | A- |
| Planning Commission | 1 | 1 | 1 | | | | | | 4.000 | A |
| EDA | 2 | 2 | 2 | | | | | | 4.000 | A |
| Senior Advisory Board | 5 | 4 | 1 | | 1 | | | | 4.029 | A |
| Heritage Comm. | 1 | 2 | | | 1 | | | | 3.833 | A- |
| Police Advisory Comm. | 1 | 2 | | | 1 | | | | 3.833 | A- |
| Nghbrhd Block Captains | 2 | 12 | 6 | 5 | 1 | | | | 3.782 | A- |
| Bond rating, GFOA, tax rate | | | | | | | | | 4.110 | A |
| Provide excellent customer service | | | | | | | | | 4.002 | A |
| City Council | 5 | 2 | | | | | | | 4.236 | A+ |
| Park Board | | 2 | 1 | | 1 | | | | 3.668 | A- |
| Planning Commission | 1 | 1 | 1 | | | | | | 4.000 | A |
| EDA | 1 | 5 | | | | | | | 4.055 | A |
| Senior Advisory Board | 4 | 4 | 2 | 1 | | | | | 3.999 | A |
| Heritage Comm. | | 1 | 3 | | | | | | 3.753 | A- |
| Police Advisory Comm. | 1 | 2 | 1 | | | | | | 4.000 | A |
| Nghbrhd Block Captains | 2 | 12 | 7 | 5 | | 2 | | | 3.808 | A- |

| GOAL | A+ | A | A- | B+ | B | B- | C+ | C | Score | Grade |
|--|-----------|----------|-----------|-----------|----------|-----------|-----------|----------|--------------|--------------|
| Community survey | | | | | | | | | 3.872 | A |
| Promote innovative service delivery | | | | | | | | | 3.870 | A |
| City Council | 3 | 4 | | | | | | | 4.141 | A |
| Park Board | | 1 | 1 | | 1 | | 1 | | 3.250 | B+ |
| Planning Commission | 1 | 1 | | 1 | | | | | 3.887 | A |
| EDA | 1 | 4 | 1 | | | | | | 4.000 | A |
| Senior Advisory Board | 1 | 6 | 2 | 1 | 1 | | | | 3.818 | A- |
| Heritage Comm. | | 1 | 1 | 2 | | | | | 3.583 | A- |
| Police Advisory Comm. | 1 | | 3 | | | | | | 3.835 | A |
| Nghbrhd Block Captains | 2 | 11 | 7 | 5 | 1 | | | | 3.769 | A- |
| ORGANIZATIONAL EXCELLENCE | | | | | | | | | 3.879 | A |
| Set the high standard that others emulate | | | | | | | | | 3.942 | A |
| City Council | 2 | 4 | 1 | | | | | | 4.047 | A |
| LMC, AMM, MLC, MC | | 2 | 1 | | | | | | 3.890 | A |
| Provide a great place to work | | | | | | | | | 3.941 | A |
| City Council | 3 | 4 | | | | | | | 4.141 | A |
| Employees | 56 | 50 | 13 | 9 | 9 | 3 | 3 | 7 | 3.841 | A |
| Live our shared values | | | | | | | | | 3.841 | A |
| City Council | 3 | 4 | | | | | | | 4.141 | A |
| Employees* | 797 | 1033 | 542 | 316 | 232 | 114 | 131 | 147 | 3.691 | A- |
| Do the right thing at the right time for the right reason | | | | | | | | | 3.790 | A- |
| City Council | 2 | 5 | | | | | | | 4.094 | A |
| Employees | 32 | 45 | 29 | 12 | 13 | 4 | 8 | 8 | 3.638 | A- |

*Multiple questions