



HOPE

ON THE

HORIZON

ANNUAL BUDGET 2022





ANNUAL BUDGET FISCAL YEAR 2022

GENERAL FUND BUDGET
ADOPTED BY THE
BLOOMINGTON CITY COUNCIL
DECEMBER 6, 2021

OTHER FUNDS ADOPTED
OCTOBER THROUGH
DECEMBER 2021





March 1, 2022

Dear Reader,

It has been almost two years since we began to feel the effects of the pandemic. Now on the other side of another wave of COVID-19, we have a lot to look forward to. Today I am feeling hopeful. I am optimistic that we are turning the corner and that 2022 will be a better year. Bloomington's can-do spirit, strong partnerships and determination through challenging times allows me to see the hope on the horizon.

Bloomington's budget remained strong through 2021. Residents noticed the City's high quality service delivery. The annual National Community Survey™ was conducted in Bloomington from April to June of last year. A majority of residents gave positive ratings to the City's governance. Respondents offered record-high score of 88% rating the overall customer service provided by City employees as excellent or good.

This document presents the City's approved 2022 budget, and includes budget summaries for all funds, working capital goals, debt and capital overviews and operating program details. Background information used to develop the budget and to describe its impact and corresponding levies are included in the introduction to provide a more complete understanding. To determine the current levy and to consider the City's long-term financial stability, 5-, 10- and 15-year budget models were used.

Find this document on our website along with more detailed financial information from the 2022 Comprehensive Annual Financial Report at blm.mn/financialreports.

Lori Economy-Scholler
Chief Financial Officer

Budget Presentation Award



GOVERNMENT FINANCE OFFICERS ASSOCIATION

Distinguished Budget Presentation Award

PRESENTED TO

**City of Bloomington
Minnesota**

For the Fiscal Year Beginning

January 01, 2021

Christopher P. Morill

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the City of Bloomington for its annual budget for the fiscal year beginning January 1, 2021. This was the 26th consecutive year the honor was awarded to the City of Bloomington.

In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan and as a communications device.

The award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

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ANNUAL BUDGET 2022

INTRODUCTION
AND OVERVIEW



City of Bloomington

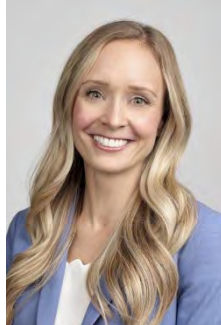
City Council

Mayor



Tim Busse
Term Expires January 2024

Council Members



Jenna Carter – At Large
Term Expires January 2024



Nathan Coulter – At Large
Term Expires January 2026



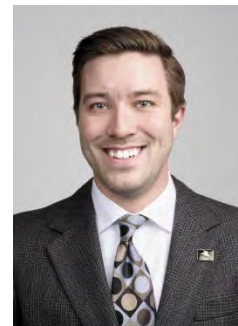
Dwayne Lowman – District I
Term Expires January 2024



Shawn Nelson – District II
Term Expires January 2024



Lona Dallessandro– District III
Term Expires January 2024



Patrick Martin – District IV
Term Expires January 2024

Housing and Redevelopment Authority

Chairperson

Cheryl Lewis

Commissioners

Nathan Coulter
Victoria Hoogheem
Mark Thornson

Port Authority

President	Robert Erickson
Commissioners	Tim Busse Jenna Carter Cynthia Hunt Tim Keller Rob Lunz Steve Peterson

Executive Leadership Team

City Manager	James D. Verbrugge Michael Sable	Assistant City Manager
Department Heads	Karla Henderson, Director Diann Kirby, Director Lori Economy-Scholler, CFO Ulysses Seal, Fire Chief Amy Cheney, CIO Melissa Manderschied, City Attorney Ann Kattreh, Director Mike Hartley, Interim Police Chief Karl Keel, Director Faith Jackson, Coordinator Aarica Coleman, Administrator Schane Rudlang, Administrator	Community Development Community Services Finance Fire Information Technology Legal Parks and Recreation Police Public Works Racial Equity Housing & Redev. Authority Port Authority

Strategic Goals and Strategies

Organization Mission

A professional, productive, learning organization that builds and renews the community by providing quality services at an affordable price.

Community Vision

To build and renew the community by providing services promoting renewal and guiding growth in an even more sustainable, fiscally sound manner. Bloomington's vision of success is centered on its people, neighborhoods, businesses and government.

Community Profile

Bloomington, Minnesota is a dynamic urban center in the Twin Cities metro area and a vibrant community for both residents and businesses. [This video](#) describes in less than two minutes just some of the wonderful things about Bloomington.



Located just south of the Twin Cities of Minneapolis and St. Paul, Bloomington is a thriving community of approximately 87,000 residents and the fourth largest city in the state. Home to the Mall of America and adjacent to Minneapolis-St. Paul airport, Bloomington is both an employment and hospitality hub for the region.

The City has achieved 99 percent of its original development capacity. To provide visual and physical relief from continuous urban development, one-third of the city is designated for public parks and conservation. Bloomington is also home to award-winning schools and colleges. Significant redevelopment is occurring in Bloomington's South Loop District, an urban center at the crossroads of the metro area's transportation network.

Council's Goals and Strategies

In April 2016, the City of Bloomington's leadership team and staff engaged with the City Council on a strategic planning process for the three-year period of 2017-2020. The strategic plan consisted of a set of six strategic priorities – issues of highest priority for the City Council. Within each strategic priority was a set of desired outcomes, key outcome indicators, and performance targets which described expected results and how the results would be measured. In May-June 2016, City staff and community partners developed strategic initiatives for each priority that defined the actions that would be taken to achieve the targeted outcomes.

The City Council amended the strategic plan in February 2020 to add “engagement and transparency” as a seventh pillar. Communication and engagement are key components of most City projects and initiatives. This will be the case even more so in the future with the new emphasis on engagement and transparency. This pillar will encourage staff and Council to think more intentionally about when it is appropriate to use various forms of engagement (ranging from the most basic tactic of informing all the way to empowerment). This pillar also puts an emphasis on how the City communicates its plans and expectations with residents and stakeholders.

In early 2021, the City Council decided to continue its strategic plan through the end of 2021 and added the following initiatives under three of its strategic priorities:

- Environmental Sustainability: Enhance natural resources
- Focused Renewal: Home ownership opportunities; diversity local economy; neighborhood commercial nodes
- High Quality Service Delivery: Staff innovation/boldness

The City Council receives progress reports from staff on a quarterly basis for each of its strategic priorities. These quarterly updates are made available to the public on the City's website.

Community Amenities – Maintain and Expand – A

- Expand the CIP to include all capital needs.
- Develop a plan for a Community Center based on recommendations of the Taskforce.
- Create customized community engagement strategies for City-owned amenities and park/recreation facilities.

Community Image – I

- Create a One Bloomington branding campaign.
- Develop comprehensive media strategies.
- Establish a joint marketing strategy with the school district.
- Develop an art and placemaking plan for the entire city.

Environmental Sustainability – ES

- Establish an Environmental Sustainability Commission.
- Maintain and update water reports.
- Create a solid waste diversion plan.
- Enhance natural resources

Focused Renewal – R

- Create a developer and stakeholder engagement plan.
- Adopt strategy and funding for neighborhood and commercial renewal.
- Establish resident engagement on neighborhood innovation and improvement.
- Home ownership opportunities; diversity local economy; neighborhood commercial nodes

High Quality Service Delivery – S

- Establish financial sustainability targets and standards.
- Implement High Performing Organization (HPO) training and incorporate five service areas for targeted customer service improvement.
- Staff innovation/boldness

Inclusion and Equity – IE

- Create a leadership program for underrepresented populations.
- Expand marketing and outreach to underrepresented and underserved populations.
- Adopt pathways and internship programs that target underrepresented populations.
- Create a hiring and retention strategy for people of color.
- Train City staff on diversity.
- Create a racial equity toolkit.

Engagement and Transparency – ET

Community-Based Strategic Planning

Bloomington. Tomorrow. Together.

In the latter half of 2021, the City embarked on a new strategic planning effort, one that involved the community in planning Bloomington's future. The initiative "Bloomington. Tomorrow. Together." asks residents to help the City Council design a new strategic plan. City staff are working in partnership with members of the community at every stage of the process, from the initial step of understanding who and what Bloomington is; through creation of a mission statement and strategic objectives; to planning the priorities for implementation; to identifying the measurements for success. The difference between this and previous strategic planning processes is that this process is being conducted in partnership with the community so that the community's voice is reflected in the final product.



HOPE ON THE HORIZON

ANNUAL BUDGET 2022

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City Manager's Budget Message

Hope on the horizon

It has been almost two years since we began to feel the effects of the pandemic. Now on the other side of another wave of COVID-19, we have a lot to look forward to in 2022. Today I am feeling hopeful. I am optimistic that we are turning the corner and that this will be a better year. Bloomington's can-do spirit, strong partnerships and determination through challenging times allows me to see the hope on the horizon.

Bloomington has been very fortunate to have a broad base of revenues combined with a long history of sound financial management. The City is not as dependent on property taxes as other cities, which represents about two-thirds of General Fund revenues.

In 2021, the City continued public engagement in the budget planning process. Finance staff created a [new webpage](#) with videos, links to presentations and articles with extensive information on the budget planning process. Staff also held four public engagement budget events where residents could learn about and provide feedback on the preliminary budget. We even offered prizes to incentivize people to participate, including a ride along with the Fire Chief and more.

From ensuring safe neighborhoods with the work of police officers and firefighters to fun recreation programs and beautiful parks, providing high-quality services enhance and people's lives. Responsible fiscal management builds the foundation for the City to provide effective, innovative programs and services while keeping in mind ways to evolve to meet future expectations and demands.

The City's Annual Budget for fiscal year 2022 brings together the City Council priorities and financial planning with community needs and expectations. Doing this ensures that the City continues to meet the needs of residents while maintaining its healthy budget.

Renewing community

2021 was another active year in Bloomington for new development and property renovations, despite the challenges the COVID-19 pandemic presented. The City's budget dedicates resources to implement plans for community renewal citywide. The following projects, most of which meet the City's strategic objective of Focused Renewal, were under construction or completed construction in 2021:

- Friendship Village expansion with 93 independent senior units and a 140-bed senior health center.
- Luther Subaru, a new 37,000-square-foot, two-story auto dealership.
- Hyatt House, a four-story, 151-room extended stay hotel.
- Skywater Technology Foundry Expansion, a 67,000-square-foot addition to the semiconductor fabrication facility.

- The District, a four-story, 248-unit apartment building with 50 units affordable at 50% AMI.
- Hayden Grove Senior Living, a four-story, 166-unit senior living facility with 34 units affordable at 50% AMI.
- Founder's Ridge Senior Rental, 71 apartments and 40 brownstones.
- Cherrywood Pointe, a 118 unit assisted living facility
- The Pointe Senior Apartments, 133 units for independent seniors
- Lyndale Flats, an 81 unit apartment building with all 81 units affordable at 60% AMI
- U-Haul Self Storage, a four-story, 115,000 sq. ft. self-storage facility
- Bloomington Meadows Apartments, 172 units affordable at 30% to 70% AMI
- Risor Senior Apartments, 146 units with 13 units affordable at 60% AMI
- 8012 Old Cedar Apartments, 68 units affordable at 30-60% AMI
- SICK Technology Campus – Phase I, the first phase in a 547,000 sq. ft. campus
- Walser Toyota, 122,000 sq. ft. auto dealership
- Verizon Wireless, 17,000 sq. ft. addition to an industrial building

Bloomington housing market

The value of the median home rose from \$286,400 to \$307,200, a 7.3% increase between 2020 and 2021. The 2021 median value of \$307,200 is now nearly 24% above the previous cyclical highpoint of \$247,900 set in 2007. Looking ahead, the real estate impacts from COVID-19 and continued record low mortgage rates will become significant factors for the 2022 assessment. It is expected that strong growth in residential values will more than offset weakness in some sectors of commercial, leading to a higher tax base in total. And despite COVID, a strong development cycle continues for multifamily properties.

Meeting demands for high quality services

Nine in ten residents rated the overall quality of life in Bloomington as excellent or good, according to The National Community Survey™ completed in the summer of 2021. Eighty-eight percent of respondents rated the overall customer service provided by City employees as excellent or good, the highest rating ever in this category. Ninety-one percent of respondents are pleased with the city as a place to live.

About two-thirds of respondents gave positive scores to the sense of community in Bloomington. This was the 10th year in a row that the National Community Survey™ was conducted in Bloomington. A total of 732 residents answered the random sample poll, which was performed between April 20 and June 8, 2021, by the National Research Center of Boulder, Colorado. For more information and complete survey results, visit blm.mn/2021survey

Safety-related ratings are strong

Virtually all respondents (96%) reported feeling safe in their neighborhoods; 88% feel safe in Bloomington's shopping areas. A total of 88% of residents gave excellent or good scores to police services. Fire services received a score of 97%, up 5% from 2020.

Drinking water draws acclaim

Respondents gushed with praise for Bloomington's drinking water. This year's approval rating of 93% was the highest ever since the survey began in 2012. The City's drinking water ranked #2 among the nearly 300 cities and counties polled nationwide.

Other findings

With an 85% approval rating, snow removal ranked in the top 5% nationwide.

Retaining excellent financial integrity

The City continues to make efforts to stabilize taxes through long-term budgeting, systematic replacement of assets, and establishing strategic reserves that allow for refinements to temper unexpected circumstances, as necessary. Strong financial management through such planning has resulted in numerous acclamations from our external auditors and financial advisors. Bloomington is one of only 40 cities nationwide to obtain three triple-A bond ratings. The City maintains triple-A ratings from Moody's, Standard & Poor's and Fitch Ratings, the highest bond ratings awarded by those agencies. According to the agencies, Bloomington's triple-A status reflects the City's healthy economic growth, conservative fiscal management, and manageable debt burden.

Factors influencing decisions – Strategic priorities

In 2016, the City Council created the One Bloomington strategic plan to guide the City through the following five years. It has seven priorities, which are focused renewal, equity and inclusion, high-quality service delivery, environmental sustainability, community amenities, engagement and transparency, and community image. The following projects fall within those priority areas and influenced budget decisions for 2022.

Focused renewal

Gateway Development District: Lyndale Avenue improvements

Lyndale Avenue is one of Bloomington's oldest commercial corridors. It serves the entire City and functions as a neighborhood "main street" to many residents, businesses and employers. Lyndale Avenue continues to thrive, but it is aging and is not responding to changing community needs.

The City, in partnership with Hennepin County and Stantec Consulting Services, has been working to define a clear vision and strategy to attract reinvestment and new development along Lyndale Avenue from I-494 to 98th Street (the Lyndale Avenue corridor). The goal is

to transform this auto-oriented street into a walkable and multiuse corridor. This will take time and involve continued input from the community and neighborhood property and business owners. The Lyndale Avenue retrofit strategy will build on the corridor's main assets: jobs, adjacent residential neighborhoods, and the existing mix of businesses.

The City Council adopted the Lyndale Avenue suburban retrofit strategy last month, culminating in a 15-month partnership with Stantec Consulting Services and Hennepin County that also involved extensive engagement and input from the community. The project identified a vision and strategy to attract investment to this aging corridor and guide redevelopment over the next 20 years.

The City Council emphasized the need to be focused and strategic in implementing the recommended strategy, while also setting some aspirations for redevelopment over the next 20 years.

"Adopting the Lyndale Avenue Retrofit Strategy today means we are well-positioned to take advantage of opportunities to build a new and better center of community for future generations," Mayor Tim Busse said.

South Loop development is booming

Many new attractions are on their way to South Loop. Fiddlehead Coffee Co. opened its doors at 8061 33rd Avenue in October 2021.

Housing projects on the horizon include a new independent senior housing complex from Roers Senior Development that was approved with a future location at 8131 34th Avenue South. The age-restricted, six-story building will include 146 units and redevelop an existing surface parking lot along the Minnesota River bluff. Plans include two levels of underground parking spaces, some of which will be shared with the office building at 8101 34th Avenue South. Construction could begin as early as this spring.

Two more development projects are also taking shape in the South Loop. The Rosa and American Square developments will create new residential housing, advancing goals of Bloomington's South Loop District Plan. On both sites, large surface parking lots will be transformed into more than 500 new housing units. Preparation for this work began years ago.

In June 2021, the Bloomington City Council approved the Rosa development on a 12-acre site at 3700 American Boulevard East, where Park and Fly currently operates. During the first phase, a six-story, 183-unit apartment building will be constructed. Affordable units will make up 20% of the apartments, and the remainder will be market rate. Additional phases are planned for two residential buildings and a hotel, depending on market demand.

Across the street from Rosa, a two-phased development called American Square is planned at 3701 American Boulevard East. The first phase will involve the construction of the Ardor, a six-story, 242-unit apartment building. All units would be market rate. The second

phase includes the development of a five-story, 86-unit apartment building called the Quinn. All units will be affordable housing.

The proposed South Loop water park project is in motion once again. In September, the City Council and Port Authority directed staff to investigate a private financing model allowed by new 2021 legislation. If the financing markets “like” the private model, we could see a closing on the project in 2022, with an opening in 2024. Of course, no real estate deal is done until the financing closes, which is still months away.

The water park would be open to the general public. The new 330,000-square-foot water park would bring an estimated \$1 million in new admissions and lodging taxes to the City. No Bloomington property taxes are at risk for the project debt. A discount on admission to the water park for Bloomington residents is planned.

Equity and inclusion

Conversion therapy ordinance takes effect

In April 2021, the City Council adopted an ordinance that prohibits the practice of conversion therapy on minors and vulnerable adults in Bloomington. The purpose of the ordinance is to protect the physical and psychological well-being of minors and vulnerable adults from exposure to the serious harms caused by conversion therapy.

The conversion therapy ordinance is a public health measure that:

- Defines conversion therapy as any practice, conduct or treatment by a provider that seeks to change an individual’s sexual orientation or gender identity, including efforts to change behaviors or gender expressions.
- Includes an exception for clergy and religious leaders and does not apply to providers counseling adults, age 18 and older.
- Prohibits providers who are Minnesota-licensed, certified or registered in professions such as psychiatry and psychology, family therapy, social work or clinical counselors, from practicing conversion therapy.
- Has a civil penalty that fines the provider for each reported violation of the ordinance and includes a report of the violation to the provider’s licensing board or authority.

The Human Rights Commission began studying this issue at the request of the City Council in 2020 and in January recommended the Council adopt an ordinance based on their research. Research revealed that a significant number of major medical, mental health and child welfare professional associations have denounced and rejected conversion therapy as ineffective, unreliable, and unsafe. The conversion therapy ordinance went into effect on January 3, 2022.

City Council passes Just Deeds resolution

Last June, the Bloomington City Council passed a resolution condemning the use of discriminatory covenants and joined the Just Deeds Coalition. Discriminatory covenants were tools used by real estate developers and others to prevent those who were Black, Indigenous, and People of Color from buying or occupying property in certain areas. The City is in the process of discharging discriminatory covenants on all City-owned parcels that have them.

These types of covenants were common throughout the United States from the early 1900s to the 1950s. This practice resulted in racially homogenized communities that excluded BIPOC individuals and families, building a hidden system of segregation. Discriminatory covenants were established in Bloomington between 1923 and 1951 and are not legally enforceable under current laws. Most property owners are likely unaware of their existence.

The University of Minnesota founded Mapping Prejudice in 2016 to expose the racist practices that shaped the landscape of the metro area. Through Mapping Prejudice, researchers identified 24,131 discriminatory covenants in Hennepin County, including 374 in Bloomington that intersect with 500 Bloomington land parcels.

“The City is working to spread awareness about this and other discriminatory practices from Minnesota’s past,” Housing and Redevelopment Authority Administrator Aarica Coleman said. “Together, we can acknowledge this and other forms of discrimination, discharge these covenants and build a foundation for more inclusive communities.”

Recruiting and hiring a more diverse workforce

Of the more than 250 individuals hired for full-time City positions since January 2016, 24% identify as persons of color. Having a workforce that reflects the community builds connections, enhances trust, and expands perspectives.

Racial Equity Action Teams

Staff-driven teams are advancing racial equity work from the unique perspectives of individual departments and divisions. Sixty employees (10% of the organization) volunteered to act as change agents in their departments.

High-Quality Service Delivery

New Fire Station 4 planning underway

Changes are coming to Fire Station 4, at 4201 West 84th Street. This fire station has been serving the community for over 50 years and has reached the end of its useful life. The station lacks adequate space for equipment and doesn’t meet the health and safety needs of the firefighters.

The new fire station will be a two-story structure with a partial basement totaling approximately 25,578 square feet. The current Station 4 is 4,429 square feet. The new building will include three bays, office space, a training room, living accommodations and firefighter's health and safety resources.

Construction will begin with the demolition of the current building in the spring of 2022. City staff is currently working on establishing a temporary facility to house Fire Department staff and equipment during the construction which is anticipated to be completed in the spring of 2023.

New tobacco ordinance adopted

In April 2021, the City Council continued its leadership of protecting youth against the harms of commercial tobacco products by adopting a new tobacco ordinance. The effort is two-fold—first, it prohibits the sale of flavored tobacco products and second, it stops new tobacco retail licenses. On January 1, 2022, retailers were no longer be able to sell flavored tobacco products in Bloomington. After June 30, 2022, no new retail licenses will be issued.

Retailers who currently hold a tobacco license can renew their license annually if they continue to meet renewal requirements. However, if a retailer closes, relocates, or sells their business, their license will be retired. Over time, the number of tobacco outlets will reduce to zero.

This measure is in response to trends of youth tobacco use. Flavored tobacco products, including menthol, target new, young smokers. Menthol products have also been proven to be more addictive than traditional cigarettes. On April 29, the U.S. Food and Drug Administration announced that they will begin the rulemaking process to ban menthol cigarettes and flavored cigars.

Research shows that decreasing the number of tobacco retailers in a community and removing flavored tobacco products from stores and social circles reduces the number of youth who start smoking. Bloomington joins a growing list of Minnesota communities banning flavored products and will be the first to promote health equity and public health through tobacco licensing restrictions.

Organizational culture and staff development

The City is also taking steps to engage employees in new ways and increase efficiency at work. More than 400 employees have completed High Performance Organization (HPO) training initiated in 2016 and more will continue to be trained in 2022.

HPO training is about empowering people at all levels of our organization to demonstrate leadership, participate in decisions, and make improvements in their areas of expertise. This means more people are working to proactively meet the organization's goals.

Engagement and transparency

Council Minute continues

In 2020, Communications staff developed a new regular video series that give viewers a quick inside look at City operations. Council Minute is a weekly series hosted by Mayor Tim Busse giving a wrap-up of that week's council business, important local events and any upcoming City Council discussions. Each week, Mayor Busse's Council Minute is posted on the City's social media accounts and on YouTube.

Televised Council meetings and changed start time

In December, the City Council approved its 2021 meeting schedule with one notable change from years past. Each meeting will begin at 6 p.m. This will allow for more reasonable times in the evening for resident participation in public comments and public hearings. Starting meetings earlier should also help prevent taking up items too late in the evening for public participation or constructive Council discussion.

This followed a change to begin the 2020 year with all City Council meetings being held in the Council Chambers and televised. For many years, Council study sessions had been held in a different conference room and were only accessible to the public via meeting minutes or requests for an audio recording. The additional transparency was championed by the City Council to ensure that the entire public process of policy development is open and available for the community to see.

Digital engagement forum Let's Talk Bloomington

In 2020, City staff kicked off a new way for residents and stakeholders to let the City know what they think about current projects and services. Let's Talk Bloomington is a digital forum where staff share information about City initiatives and connect with community members. A few examples of active page topics on Let's Talk Bloomington in 2021 are community-based strategic planning, the time-of-sale energy disclosure ordinance, earned sick and safe leave and the new Fire Station 4 project.

Registration is required to participate on the site so project organizers can understand the demographics of those who engage with the content. The public can read information on the page without registering and are prompted to register to participate in commenting, polls or other engagement. Let's Talk Bloomington is one of many tools in the City's engagement toolkit.

Sustainability

Two energy-disclosure ordinances take effect

The buildings in our community play a big role in the local greenhouse gas emissions driving climate change—the electricity and natural gas used to fuel our buildings are the largest sources of greenhouse gas emissions in the city. Bloomington's Energy Action Plan

outlines a goal of reducing these emissions by 75% by 2035. In the fall of 2021, the City Council took significant steps to meet this goal when they adopted these two energy disclosure ordinances. Both take effect in 2022.

One of the ordinances adopted in September focuses on large building benchmarking. This ordinance requires public, commercial, and multifamily buildings that are larger than 75,000 square feet to benchmark and disclose high-level energy metrics on an annual basis. The City will implement these requirements in phases based on building size and type. Public buildings were the first to require benchmarking, with an initial reporting date of December 30, 2021. Commercial and multifamily buildings more than 100,000 square feet will follow, with an initial reporting date of June 1, 2022.

The time-of-sale energy disclosure ordinance is the second energy-disclosure measure the Council adopted. The new ordinance leverages the City's existing time-of-sale inspection to gather and disclose information about a home's energy assets. Beginning on April 1, 2022, inspectors will collect energy metrics about a home's heating and cooling system, water heater, wall and attic insulation, and windows before it is listed for sale.

The City will summarize those metrics in an energy disclosure report and require sellers to display that report at open houses. Bloomington is the second city in the state to require energy disclosure at the time of sale. Sharing information about a home's energy assets helps potential buyers understand the energy cost of ownership. Energy disclosures also provide the City a way to identify and connect residents with resources to address inefficient homes.

Curbside organics recycling debuted in 2022

The City will provide curbside organics recycling service starting in March, ensuring compliance with Hennepin County Ordinance 13. The ordinance requires cities with more than 10,000 residents to make curbside organics recycling available in 2022.

The collection of organic material at the curb is important to the City's sustainability and overall solid waste reduction goals, including the City Council's Strategic Priorities related to reducing the citywide carbon footprint, reducing the volume of solid waste delivered to landfills/incinerators and improved customer service.

A Joint Solid Waste Working Group made up of City Council and Sustainability Commission members met in 2021 to review options and provide a formal recommendation to the City Council for consideration and coordinated the implementation of the new service in 2022.

Curbside Cleanup program became more sustainable

After months of digital community engagement, a survey and community listening sessions, the City Council approved a new plan for handling bulky waste items in a more sustainable way than the Curbside Cleanup program of the past. The purpose behind the new program and the added activities, listed below, is to reuse and recycle more, and landfill less. The

new plan and activities begin in 2022, including changes to the spring Curbside Cleanup with limited items accepted. Changes in the new program include:

- A Curbside Cleanup event that will take place every other year starting in 2022.
- Small items that can fit in a small garbage cart will no longer be accepted during the cleanup, read more on these items below.
- A new annual drop-off event for recyclable materials will be open to all Bloomington residents.
- Swap events for exchanging items such as sporting goods or gardening tools will be open to all Bloomington residents.
- The City is also exploring options to have a regular pickup of reusable bulky items for customers with City garbage and recycling.

New in 2022, small items like clothing, bedding, broken toys and garden hoses will not be accepted during Curbside Cleanup. Instead, residents can dispose these items throughout the year in their regular garbage cart. Regular garbage is sent to the Hennepin Energy Recovery Center—a waste-to-energy facility in downtown Minneapolis. Garbage picked up during the Curbside Cleanup is taken to a landfill. By disposing of small items throughout the year in your regular garbage, residents will reduce the amount of material that is sent to the landfill and the annual disposal costs associated with this program

Organics recycling now available at City facilities

In late 2020, the City began offering organics recycling at Civic Plaza, the Public Health building, the Public Works building and the kitchen at Creekside. Currently, most containers are in staff-only areas. However, in the future, the program may be expanded to more areas and buildings.

Organics recycling reduces the amount of material going into the waste stream and ending up at the landfill or at an energy recovery facility. It also reduces greenhouse gas emissions, which contribute to climate change, and returns nutrients to local soil. Waste sorts conducted at Civic Plaza, Public Works, and Creekside before the start of the program revealed approximately 40% of what was thrown away could be composted.

Community amenities and community image

Park System Master Plan adopted

In 2019, Parks and Recreation staff began gathering resident input and doing research to craft its Park System Master Plan. Staff continued gathering community feedback in 2020 in a variety of ways, including on the Let's Talk Bloomington platform. The purpose of the Park System Master Plan is to establish a clear, 20-year vision for the Bloomington park, trail, recreation, and open space systems. City Council adopted the plan in 2021.

There are nearly 9,000 acres of parkland and open space in Bloomington, of which 3,882 acres are City-owned. Nearly 36% of the City's 38.3 square miles is parkland or open space.

Veterans Memorial planning in progress

Local veterans and volunteers established a nonprofit in 2018 with one project in mind—building a permanent veterans tribute in the city they call home. The nonprofit, Bloomington Remembers Veterans, has since worked closely with the City planning for a future memorial on the grounds of Civic Plaza over the last few years.

The group chose a design by Leo A. Daly to be constructed on the east lawn of Civic Plaza in late 2020. The design was approved by City Council in 2021.

Bloomington Remembers Veterans is dedicated to the mission of honoring and recognizing all veterans, educating the public as to why wars were fought, and showing why we should continue to honor these heroes for the freedoms we enjoy.

Community support will be critical in making this project come to fruition. Learn more about donating or volunteering with the project at bloomingtonveteransmemorial.org.

Orange Line BRT opened

The METRO Orange Line is a 17-mile highway bus rapid transit line that connects Minneapolis, Richfield, Bloomington, and Burnsville along I-35W. The Orange Line opened and started providing service in December 2021. It provides frequent, all-day service in both directions, seven days a week.

Bus rapid transit is a faster, more efficient bus line thanks to limited stops and required payment before boarding. The Orange Line route upgraded and replaced former local Route 535 with enhanced service and amenities, and new station features that will also benefit other transit riders along the I-35W corridor. Orange Line service will have competitive running times for station-to-station trips and offer a new option for commuters traveling from urban areas to suburban destinations.

The project includes street and highway improvements, upgraded transit stations, and improved bus routes. BRT provides high-quality, reliable service like light rail transit, but is less expensive to build and allows for a more flexible route.

Funding for the Orange Line was provided by the Counties Transit Improvement Board, the State of Minnesota, the Metropolitan Council, Hennepin County, Dakota County and the federal government.

WE Mural features BIPOC artists in South Loop

South Loop's newest and longest mural was completed in 2021. WE is a tapestry of murals commissioned by the City and Artistry and curated and produced by Ua Si Creative. The artists who created the WE Mural are Marlena Myles, Reggie LeFlore, Xee Reiter + Andres Guzman, Martzia Thometz, City Mischief Murals, featuring Thomasina Topbear and Tom Jay, and Ua Si Creative. Check out the mural at American Boulevard and 30th Avenue South.

Key changes in the 2022 budget

Engaging the community

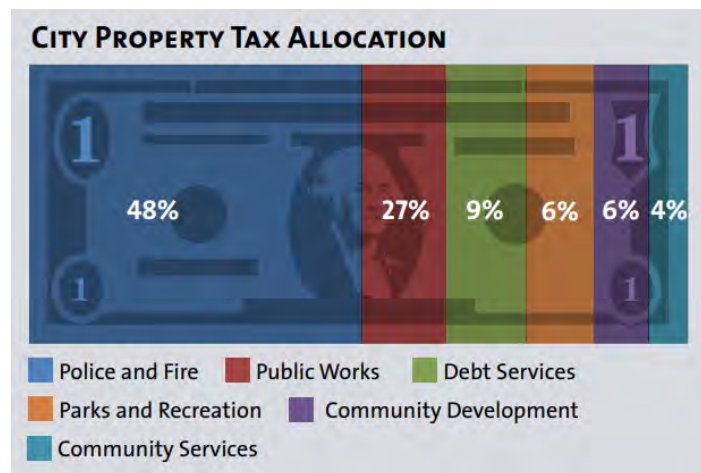
The public has had many opportunities to participate in 2022 budget discussions this year. There were virtual and in-person information sessions in August, as well as a virtual event on Zoom and an in-person event at Civic Plaza in October. Both virtual sessions were recorded and available for viewing online at blm.mn/budget. There have also been ongoing opportunities for engagement and feedback on the 2022 budget online at blm.mn/letstalk. City staff also created a new budget webpage.

City Council's 2022 final approved budget and property tax levy

The City's 2022 tax levy was set at \$68.3 million, an increase of 2.75%. This levy funds 68% of the City's 2022 general fund budget. The remainder of the proposed budget is supported by lodging and admission taxes, license and permit fees, grants and program revenues. The average 2022 tax levy increase for 15 similar metro area cities is around 5%. At 2.75%, Bloomington's levy increase is the lowest among those 15 cities. The vast majority of new spending is a major investment in public safety. \$1.15 million in additional expenses are for new staffing costs for police and fire.

The 2022 City property tax dollar

Most property taxes support core services, including police, fire, and public works, see graph. For every dollar of City taxes paid, 48 cents go toward police and fire, 27 cents go toward public works while 9 cents of each property tax dollar pay outstanding debt service. Debt is issued to fund street and infrastructure work and construction projects.



Impact of COVID-19 on the City's budget

The pandemic created a larger economic downturn for the City in 2020 than 2008's Great Recession. Many industries came to a halt, including the hospitality and entertainment industries. For the City, that meant millions of dollars lost in lodging and admissions taxes, mostly paid by visitors, not residents. Lodging and admission tax revenues usually generate about 13% of the City's general fund revenues. Due to the pandemic, these revenues

declined by more than \$6 million in 2020, less than half what was collected before COVID-19.

The City is still projecting a 2022 budget with revenues below where they were in 2019—pre-pandemic levels—especially for revenues from lodging and admissions taxes. These two revenue sources will provide about \$3 million less than in 2019.

Learn more

For detailed information, including presentation slides from information sessions and recaps of City Council budget discussions, visit blm.mn/budget.

Conclusion

As one of only 40 cities nationwide to achieve triple-A ratings from all three credit rating agencies, Bloomington is at the top of its class for financial strength and stability. The 2022 budget outlined in this book will continue the tradition of sound budget management at the City of Bloomington.



HOPE ON THE HORIZON

ANNUAL BUDGET 2022

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2022 Budget Overview

The budget is the blueprint for services and plans for fiscal year 2022. It communicates the allocation of resources and the plan to achieve the City's goals and objectives.

Adopted 2022 Budget

Budgeted revenues for all funds total \$197,425,593 and budgeted appropriations for all funds total \$193,184,253. The \$4,241,340 difference will fund planned future capital expenditures as well as bring balances in line with fund goals, as appropriate.

General Fund

The General Fund budget is balanced, with both revenues and expenditures equaling \$85,301,172. The General Fund expenditure budget includes a contingency of 2.5% of proposed expenditures or \$2,080,516 that is available for emergencies or unanticipated expenses.

Special Revenue Funds

Budgeted total revenues of all the Special Revenue Funds equal \$5,564,690. Budgeted expenditures are \$3,976,165 resulting in an increase in working capital of \$1,588,525. Much of the increase is in the Pension fund for the Bloomington Fire Department Relief Association. The objective of the Fire Pension Fund is to build an adequate reserve for future pension obligations without causing property tax levy volatility.

Enterprise Funds

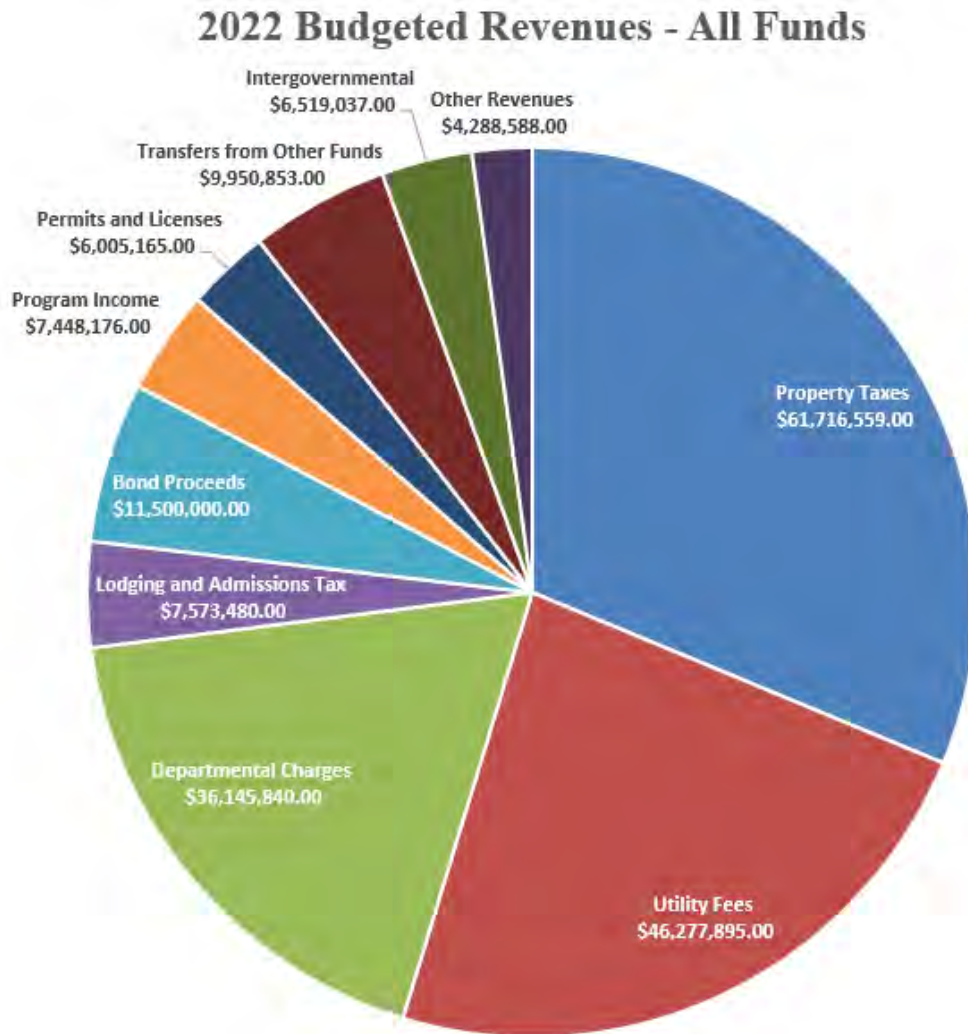
The Enterprise Funds' budgets have total budgeted revenues of \$57,360,119 and expenses of \$56,377,016 resulting in a net loss \$983,103. Most of the budgeted decrease is for large capital projects in the Water Utility fund.

Internal Service Funds

The \$1,669,713 increase in the Internal Service Funds results from budgeted revenues of \$49,199,612, being more than the budgeted expenses of \$47,529,899. This is due in part to the planned transfer of revenues in the Facilities Fund from American Rescue Plan (ARP) funds for planned infrastructure projects. These funds have 10-year budget models to manage internal fee increases and predict the working capital balance of each fund compared to working capital goals.

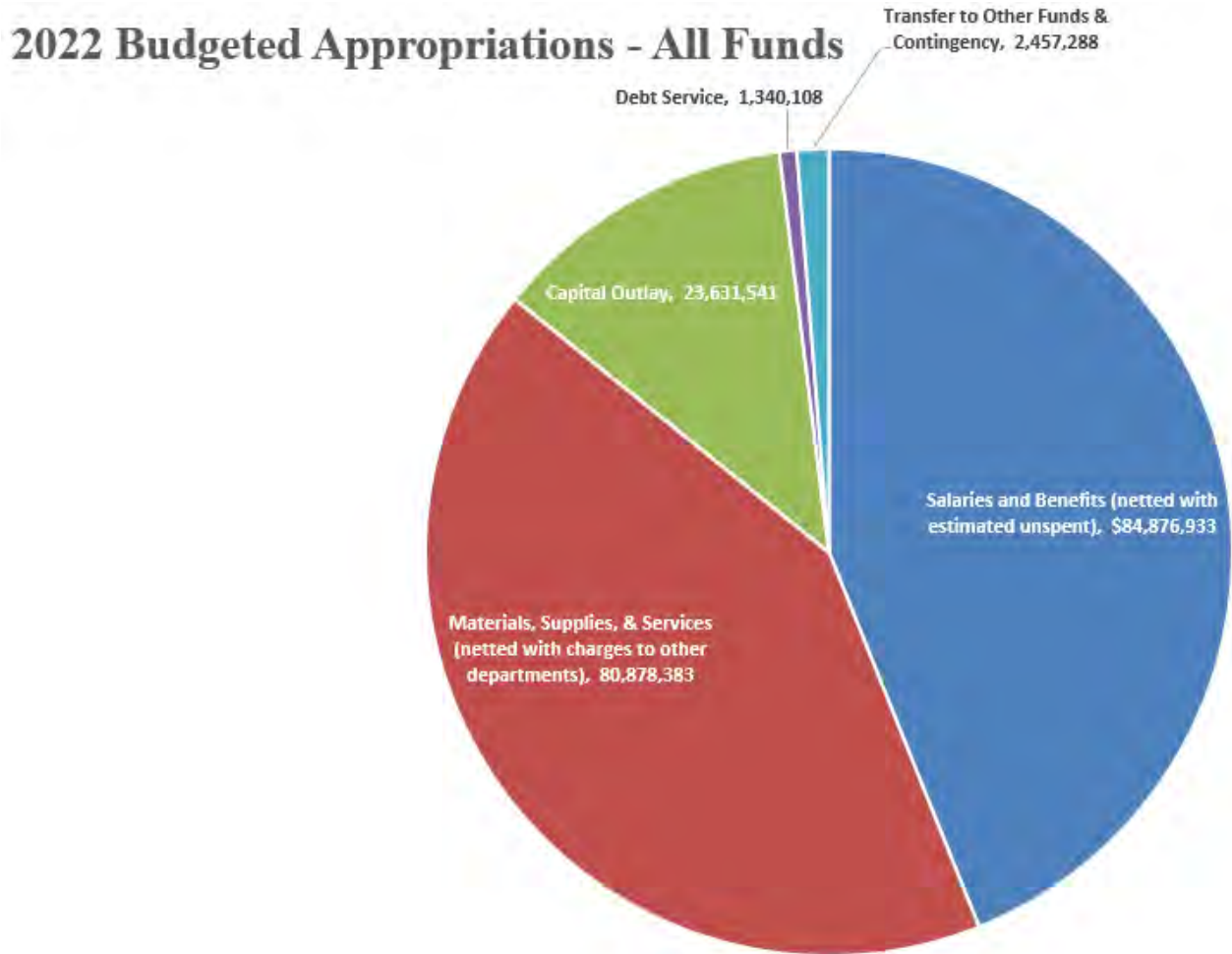
Budgeted Revenues – All Funds

Budgeted revenues for all funds total \$197,425,593.



Budgeted Appropriations – All Funds

Budgeted appropriations for all funds total \$193,184,253.



Property Tax Value Information

One of the most difficult concepts of the Minnesota Property Tax System is the proportionate share of the property tax levy. Some states set a mill rate which when applied to the home value creates a property tax similar to a sales tax. In Minnesota, taxing jurisdictions such as Cities, Counties, and School Districts set an annual total property tax levy (or total tax dollar amount) and each individual property's market value determines their proportionate amount that they will pay of the tax levy.

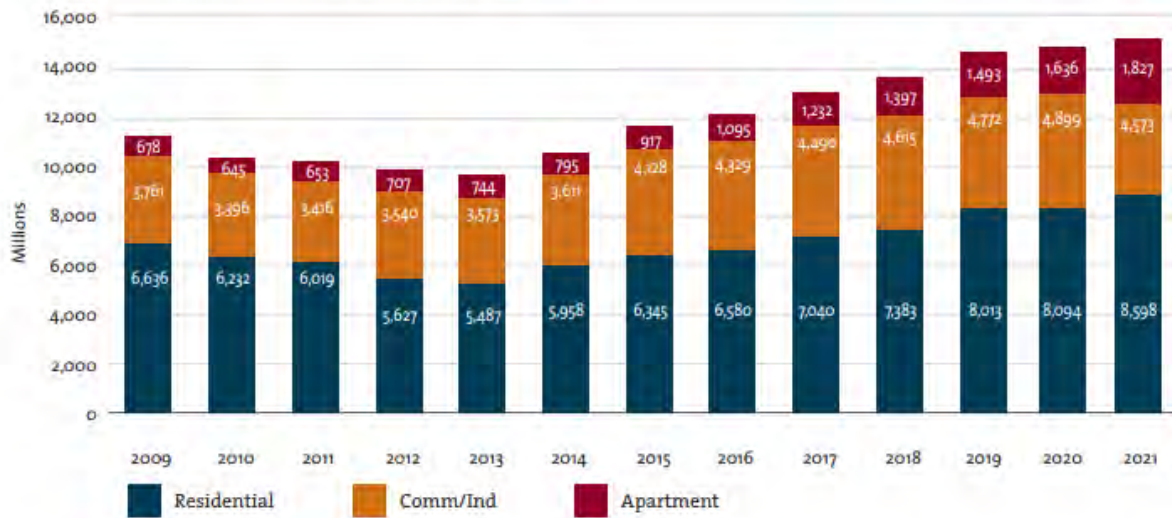
Therefore, if residential property values increase more than commercial values, residential property values will take on more of the share of the tax levy in that year. This was the case for the 2022 tax levy with a major shift in value from commercial to residential. Values increased 7.3% for the median value home from \$286,400 to \$307,200 for the 2022 while commercial properties declined by more than 9%.

Single Family Residential

Average and Median Value History				
Assessment Year	Average Value	% Chg	Median Value	% Chg
2021	333,600	6.5%	307,200	7.3%
2020	313,100	0.3%	286,400	0.9%
2019	312,200	9.1%	283,900	10.5%
2018	286,200	4.9%	256,900	4.3%
2017	272,800	7.2%	246,400	9.1%
2016	254,400	2.3%	225,900	2.8%
2015	248,700	6.3%	219,700	6.3%
2014	234,000	9.1%	206,700	9.9%
2013	214,400	-3.1%	188,000	-3.3%
2012	221,200	-6.1%	194,500	-6.2%
2011	235,500	-3.5%	207,300	-2.6%
2010	244,100	-5.5%	212,800	-6.9%
2009	258,300	-5.5%	228,600	-5.8%
2007 (Previous peak)	280,700	0.9	247,900	1.3

The Average and Median Value homes are 18.8% and 23.9% higher than the previous peak of 2007.

13 Year Market Value History by Property Segments



Property Tax Levy Components

The dollars levied in 2022 by levy category as compared to the 2021 levy are illustrated in the following table:

	2021 Tax Levy	2022 Tax Levy	Tax Levy \$ Change	Tax Levy % Change
General Revenues:				
General Fund	\$57,520,260	\$58,228,169	\$707,909	
Communications	\$175,000	\$295,000	\$120,000	
Forestry / Diseased Trees (Solid Waste Fund)	\$185,000	\$185,000	\$0	
Fire Pension	\$1,050,000	\$1,050,000	\$0	
Aquatics	\$515,000	\$515,000	\$0	
Art Center	\$1,000,000	\$1,000,000	\$0	
Golf	\$161,343	\$161,343	\$0	
Ice Garden	\$80,000	\$80,000	\$0	
Strategic Priorities	\$0	\$600,000	\$600,000	
Tax Abatement	\$300,000	\$300,000	\$0	
Total General Revenues	\$60,986,603	\$62,414,512	\$1,427,909	2.15%
Debt Service	\$5,482,231	\$5,882,215	\$399,984	0.60%
Total Tax Levy	\$66,468,834	\$68,296,727	\$1,827,893	2.75%



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ANNUAL BUDGET 2022

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FINANCIAL STRUCTURE,
POLICY AND PROCESS

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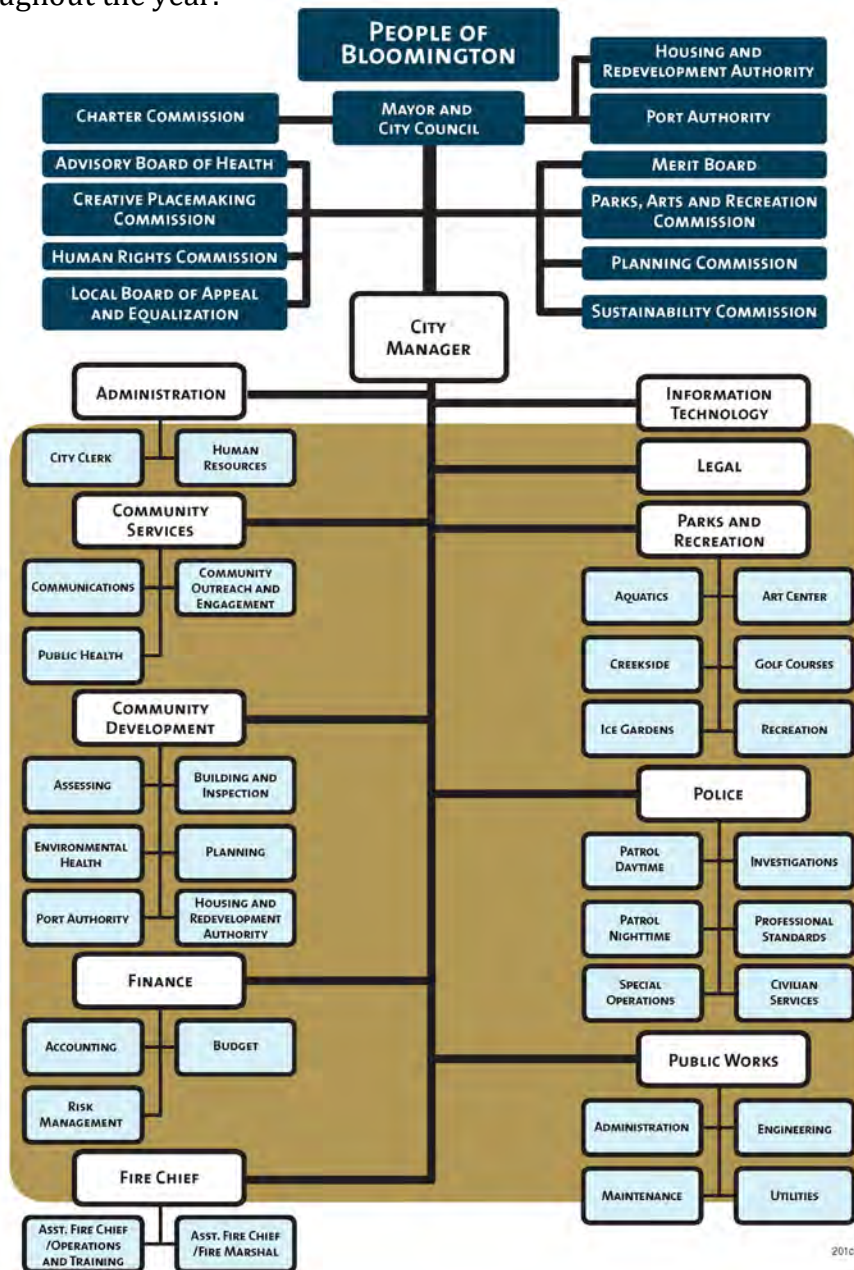
FINANCIAL
STRUCTURE,
POLICY AND
PROCESS



Organization Structure and Chart

A home rule charter was adopted in November 1960. The City is a Council-Manager form of municipal government. The Council is comprised of the Mayor and six Council Members who serve four-year terms; the Mayor and two members are elected at large, the rest are elected by district. The City Manager, the chief administrative officer, is selected by the Council to serve an indefinite term. The City Manager controls and directs the operation of the City's affairs and supervises all departments and divisions.

Activities are managed through ten departments, each with a department head appointed by and reporting to the City Manager. A description of the departments and their functions is included in this document. Within each department are divisions managed by division managers who report to the department heads. Descriptions of each division, its objectives and budget are also in this document. Cross-functional teams study, prioritize and implement projects throughout the year.



Fund Descriptions and Structure

Fund Accounting

The accounts of the City are organized by funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that contain revenues, expenses, assets, liabilities, and fund balance. Resources are allocated to and accounted for in individual funds based upon the purposes for which they are expended.

In accordance with Generally Accepted Accounting Principles (GAAP), City funds are grouped as either Governmental or Proprietary. The City has four types of Governmental funds - the General Fund, Special Revenue Funds, Debt Service Funds, and Capital Funds. Proprietary funds involve business-like interactions. The City has two types of Proprietary funds – Enterprise Funds and Internal Service Funds.

Governmental Funds

General Fund - The general fund is the basic operating fund of the City. It is used to account for all financial resources except for those required to be accounted for in other funds.

Special Revenue Funds - Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes.

Debt Service Funds - Debt service funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs. (Debt Service funds are not included in the annual budget process. Bond sales are brought separately to the City Council for approval).

Capital Funds - Capital funds are used to account for financial resources to be used for the acquisition or construction of major capital projects that are not financed by the proprietary funds. (Capital funds are not included in the annual budget process. The Council separately approves the annual Capital Improvement Plan (CIP) document and capital construction projects are individually brought to the City Council for approval).

Proprietary Funds

Enterprise Funds - Enterprise funds are stand-alone business-type activities that provide goods or services to the public for fees that allow it to be substantially self-supporting. Enterprise funds are predominantly supported via fees, however tax support is neither prohibited nor unusual.

Internal Service Funds - Internal Service funds are used to account for activities that provides goods and services to other funds, departments, or component units on a cost

reimbursement basis. They “charge out” to each benefiting department and then use the funds received to pay for the item or service they provide. They allow departmental budgets to more accurately reflect the true cost of providing a particular public service. Internal Service Funds also allow for major expenses – such as employee benefits, vehicles, and computers to be managed over time, so that large purchases or significant cost increases are less likely to cause a spike in the budget for a particular year.

Budgeted Fund Structure



Budgeted Fund Descriptions

General Fund:

1. The General Fund is the basic operating fund of the City. The main source of revenue for the General Fund is property tax. It contains the following department activities:
 - Administration
 - City Council
 - Legal
 - Finance
 - Police
 - Fire
 - Community Development
 - Community Services
 - Parks and Recreation
 - Public Works

Special Revenue Funds:

2. Cemetery

The Bloomington Cemetery was established in 1858. It offers burial options within the City with preferred pricing for those that meet eligibility requirements.

3. Communications

Communications is a full-service shop that uses multiple communications vehicles devoted to educating and informing the community. This Division cablecasts and webcasts City Council and other meetings, produces news magazine shows and videos, maintains the City's websites, social media, operates public access television, and generates the monthly newsletter. The Communications Division is funded by franchise and PEG (Public-Education-Government) fees received from cable companies who provide cable service in the City.

4. Creative Placemaking

Revenue is transferred from the South Loop Capital Improvement Fund to the Creative Placemaking Fund. Creative Placemaking works to build vibrant, distinctive, and sustainable communities through the arts. It engages artists and stakeholders in building social fabric and local economies while making physical, place-based improvements, leveraging the distinctive character and creative and cultural resources of each place.

5. DWI (Driving While Intoxicated) Forfeiture

This DWI fund accumulates proceeds from the sale of vehicles seized in DWI arrests and forfeited in accordance with State law and through court order. Police costs for enforcement and a portion of Legal costs are accounted for in this fund.

6. Enhanced 911

The Enhanced 911 Special Revenue Fund receives funding from the 911 service fees charged to telephone customers. The funds are used for implementation, operation, maintenance, enhancement, and expansion of 911 service, including acquisition of necessary equipment.

7. Federal DOJ (Department of Justice) Drug Forfeiture

The Federal Department of Justice (DOJ) Drug Forfeiture Special Revenue Fund separately tracks equitable sharing drug forfeiture funds from the DOJ Equitable Sharing Program. Expenditures in this fund must comply with the *Guide to Equitable Sharing for State, Local, and Tribal Law Enforcement Agencies* published by the U.S. Department of Justice and the U.S. Department of the Treasury. DOJ forfeitures are kept in a separate fund and bank account from other City funds in compliance with U.S. Department of Justice guidelines.

8. Federal Treasury Drug Forfeiture DOT

The Federal Department of Treasury (DOT) Drug Forfeiture Special Revenue separately tracks equitable sharing drug forfeiture funds from the DOT Equitable Sharing Program. Expenditures in this fund must comply with the *Guide to Equitable Sharing for State, Local, and Tribal Law Enforcement Agencies* published by the U.S. Department of Justice and the U.S. Department of the Treasury. DOT forfeitures are kept in a separate fund and bank account from other City funds in compliance with U.S. Department of Treasury guidelines.

9. Fire Pension

The Fire Pension Fund accumulates revenue to pay annual Fire Pension obligations. The City of Bloomington has a Paid-On-Call Fire Department. After 20 years of service, Paid-On-Call firefighters are eligible to receive a pension from the Bloomington Fire Department Relief Association (BFDRA). Each year, an independent actuary calculates the fire pension liability due to the BFDRA two years in the future.

10. Park Grants

The Park Grants Special Revenue Fund receives “Lottery-in-lieu-of-sales tax” revenues from the State’s Environment and Natural Resources Fund along with “Legacy” revenues from the State’s Parks and Trails Fund. These revenues are restricted to use for operational and maintenance costs associated with the Hyland-Bush-Anderson lakes Regional Park Reserve.

11. Police Grants

The Police Grant Special Revenue Fund contains grants that the Police Department pursues from both Federal and State sources as a means of enhancing enforcement efforts, community outreach and engagement, response to homeland security and/or terrorism, and on-going training in the above areas.

12. South Loop Revolving Development Services

The South Loop Revolving Development Services Special Revenue Fund is supported by a 65 percent building permit surcharge in the South Loop District. This purpose of this fund is to expedite development in the South Loop District.

13. State Drug Forfeiture

This State Drug Forfeiture Special Revenue Fund accumulates proceeds from the sale of assets (proceeds or instrumentality of criminal enterprises) seized in drug related arrests under State laws. The funds must be used for law enforcement purposes.

Enterprise Funds:

14. Aquatics

The Aquatics Enterprise Fund includes the Bloomington Family Aquatic Center and Bush Lake Beach. The Bloomington Family Aquatic Center is an eight lane, 50 meter lap pool with a zero-depth entry. The facility also has two looping water slides and a concessions operation. Bush Lake Beach is a key component of the Hyland-Bush-Anderson Lakes Regional Park Reserve that provides outdoor recreation opportunities. The paid parking lot off of East Bush Lake Road provides access to a designated swimming area, indoor restrooms, fishing docks, a playground, volleyball court, picnic shelter, and access to several walking and hiking trails

15. Center for the Arts

This Enterprise Fund accounts for the revenues and expenses of the Bloomington Center for the Arts (BCA) which provides high quality arts and cultural experiences for residents, patrons and participants. With venues such as the Schneider and Black Box Theaters, and painting and clay classrooms, the Center for the Arts is a magnet for people looking for enriching experiences in the arts.

16. Golf Courses

The Golf Enterprise Fund includes two golf courses operated by the City of Bloomington - Dwan and Hyland Greens. Dwan Golf Course is an award-winning 18-hole regulation length golf course that is home to a wide variety of weekly leagues and groups. Hyland Greens is the smaller of the two golf courses and has a driving range.

17. Ice Garden

The Ice Garden Fund accounts for the operations of the Bloomington Ice Garden or "BIG". BIG has three rinks (one of them Olympic-sized) with a total seating capacity of 2,500 as well as dry land training facilities. The rinks are used primarily for youth and high school hockey and figure skating. The rinks also offer public skating as well as open hockey. Skating lessons are offered for both youth and adults by professionally trained instructors.

18. Contractual Police Services

The Contractual Police Service Fund accounts for the expenses and related revenues for Police Contractual Overtime (COT). The Bloomington Police Department provides contractual services to businesses that are holding special events or functions that require police assistance beyond that which would normally be provided. The businesses receiving contractual police assistance are billed directly from the City for the cost of the police overtime plus related fringe benefits and overhead.

19. Solid Waste Utility

The Solid Waste Utility Fund accounts for the City-wide garbage, recycling, and yard waste program; the spring Curbside Cleanup; forestry and removal of diseased trees (such as Emerald Ash Borer infested trees); clean-ups after major storm events, and private property Environmental Health abatements.

20. Storm Water Utility

The Storm Water Utility Fund provides for the operations, maintenance and improvements to the storm sewer system through a storm utility fee charged to property owners. The fee is intended to recover costs associated with providing storm water utility service to residents and commercial establishments in a fair and equitable manner. The objective is to protect structures and the public from storm water damage caused by surface water runoff.

21. Wastewater Utility

The Wastewater Utility Fund accounts for the City-owned wastewater collection system and the interceptor and treatment charges from the Metropolitan Council Environmental Services (MCES). The objective of the Wastewater Utility is to provide sanitary service capacity and sufficient maintenance to minimize system blockages and infiltration/inflow.

22. Water Utility

The Water Utility Fund accounts for the revenues and costs related to the operation, maintenance and renewal of the City-owned water system. The City strives to provide an uninterrupted supply of water, which meets or exceeds all federal and state quality standards, at a rate that ensures long-term sustainability of the water system.

Internal Service Funds

23. Accrued Benefits

The Accrued Benefits Fund pays and records the liabilities associated with employee accrued time off for vacation, personal leave, and compensatory time. The possibility of the City going out of existence and needing to fully fund this account to pay all the employee accrued time off at one time is remote however the goal of this fund is to have enough cash to fully fund the accrued liability.

24. Employee Benefits

The Employee Benefits Fund brings in a set, per-employee fee from each Department's operating budget and uses that revenue to fund the core benefits package provided to each full-time employee. This includes the employer-share of medical, dental, life, and disability insurance premiums, as well as tuition reimbursement and health club reimbursement benefits.

25. Facilities Maintenance

The Facilities Maintenance Fund is an Internal Service fund that pays for the costs related to capital repair and maintenance of City buildings, park structures, fire stations, and cemetery property. Revenues are from internal department charges.

26. Fleet Maintenance

The Fleet Maintenance Fund pays for the costs related to the operations, maintenance, repair, and replacement of City vehicles and equipment. Departments are charged for vehicles used by their department. Part of the internal fee is to pay for operations; the other part is allocated for the replacement of the equipment.

27. Information Technology (IT)

The Information Technology Fund contains the City's IT Department. The IT Department provides the City with computer hardware and software and coordinates the networking and communications of systems in accordance with the City's Information Technology Strategic plan.

28. Public Safety Technology and Equipment

The Public Safety Technology and Equipment Fund has the following Public Safety six activities: Radios, Mobile Digital Computers (MDC's), Body Worn Cameras, Police Small Equipment, Fire Small Equipment, and Fire Large Equipment.

29. Self-Insurance

The Self-Insurance Fund pays all costs related to the administration of the City's self-insured workers' compensation program, including costs associated with hiring a Third-Party Administrator and reinsurance premiums assessed by the Workers Compensation Reinsurance Association as required by law. In addition, this fund pays the insurance premiums for the City's property/casualty insurance program, made up of municipal liability, auto, and property coverage obtained through the League of Minnesota Cities Insurance Trust (LMCIT), as well as all claims payments and expenses incurred by LMCIT on the City's behalf subject to each policy's deductible.

30. Support Services

The Support Services Fund includes the City's Print Shop, Mailroom, and Information Desk functions. There is one full time employee in the Print Shop, two part-time employees at the Information Desk, and two part-time employees in the Mailroom. These activities are supported by user fees to departments.

Department / Fund Relationship

This matrix shows the relationship between departments and funds. For example, the Police Department has authorized appropriations in the General Fund, Police Contractual Services Enterprise Fund, the Public Safety Technology and Equipment Internal Service Fund and several Special Revenue Funds.

Fund	Department										
	Administration	City Council	Community Development	Community Services	Finance	Fire	Information Technology	Legal	Parks & Recreation	Police	Public Works
General Fund	X	X	X	X	X	X		X	X	X	X
Enterprise Funds											
Aquatics									X		
Center for the Arts									X		
Golf Courses									X		
Ice Garden									X		
Police Contractual Services										X	
Solid Waste Utility											X
Storm Water Utility											X
Wastewater Utility											X
Water Utility											X
Internal Service Funds											
Fleet Maintenance											X
Public Safety Tech. & Equip.						X				X	
Self Insurance					X						
Employee Benefits	X										
Accrued Benefits	X										
Support Services				X							
Information Technology							X				
Facilities Maintenance											X
Special Revenue Funds											
Cemetery	X										
Communications				X							
Creative Placemaking			X								
DWI Forfeiture								X		X	
Enhanced 911										X	
Federal Drug Forf. DOJ										X	
Federal Drug Forf. Treasury										X	
Fire Pension						X					
Park Grants									X		
Police Grants										X	
South Loop Revolving Dev.			X								
State Drug Forfeiture										X	



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ANNUAL BUDGET 2022

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Basis of Accounting and Basis of Budgeting

Basis of Accounting

The City's basis of Accounting is consistent with Generally Accepted Accounting Principles (GAAP). For the Governmental Funds such as the General Fund and Special Revenue Funds, a modified accrual basis of accounting is used which means that revenues considered to be both measurable and available for funding current appropriations are recognized when earned. "Measurable" means the amount of the transaction can be determined and "available" means that it is collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Major revenues that are susceptible to accrual include property taxes (excluding delinquent taxes received over 60 days after year-end), special assessments, intergovernmental revenues, charges for services, and interest on investments. Revenues that are not susceptible to accrual include fees and miscellaneous revenues that are only recorded as received because they are not measurable until collected. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred, except for principal and interest on general long-term debt, which is recognized when due.

Also, in accordance with GAAP, Proprietary Funds such as the Enterprise Funds and Internal Service Funds use the full accrual basis of accounting. Revenues are recognized when earned, and expenses are recorded at the time liabilities are incurred. For example, unbilled utility service receivables are recorded at year-end in the Utility Enterprise Funds.

Basis of Budgeting

For the General Fund and Special Revenue Funds, the City uses the same modified accrual basis of budgeting as the basis of accounting.

For the Enterprise and Internal Service Funds, the City uses the full accrual basis of accounting with the following exceptions to ensure that there are adequate liquid assets (cash on hand or assets that can be readily converted to cash) available for short-term and long-term expenses:

- **Capital Outlay** - The Budgetary Basis for Enterprise and Internal Funds includes expenses for capital outlay, which are not considered expenses in the full accrual basis of accounting. In full accrual basis accounting, capital is put on the balance sheet as an asset and then recognized as depreciation expense over the life of the asset.

- **Depreciation and Amortization** - The Budgetary Basis for Enterprise and Internal Funds does not include depreciation or amortization which are considered expenses on the accrual basis of accounting, but not for budget since these items do not require a cash outlay.
- **Bond Proceeds and Debt Service Payments** – The Enterprise and Internal Fund budgets reflect bond proceeds as revenue when the actual cash is received from selling bonds and recognize the expense for principal debt service payments when the payments are made. For full accrual basis accounting, bond proceeds are not recorded as a revenue, but instead they are recorded as a long-term liability and debt service payments are not recorded as an expense, but as a reduction of the long-term liability.

Funds with Budget Basis vs Accounting Basis Differences

	Capital Outlay (Budgeted)	Depreciation Expense (Not Budgeted)	Bond Proceeds (Budgeted)	Debt Service Payments (Budgeted)
Enterprise Funds				
Aquatics	X	X		
Center for the Arts	X	X		
Golf Courses	X	X		
Ice Garden	X	X	X	X
Solid Waste Utility	X	X		
Stormwater Utility	X	X	X	X
Wastewater Utility	X	X		
Water Utility	X	X	X	X
Internal Service Funds				
Facilities Maintenance	X	X	X	X
Fleet Maintenance	X	X		
Information Technology	X	X		
Public Safety Tech. & Equip.	X	X		
Support Services	X	X		

Budget Process

The City of Bloomington follows a calendar fiscal year. The 2022 budget was developed for 30 funds that include the General Fund, Special Revenue Funds, Enterprise Funds, and Internal Service Funds. Debt Service Funds and Capital Project Funds are not included in the annual budget process. Rather, bond sales for debt service are brought separately to the City Council for approval. Also, the City Council separately approves the annual Capital Improvement Plan (CIP) document which is a ten-year summary of potential capital projects. Capital projects are then individually brought to the City Council for approval.

Recap of the Process to Create the 2022 Budget

Reflection on Last Year's Process – January and February 2021

The Budget Manager had conversations with City leadership and City Council to discuss the past year's budget process and decide if the Community Budget Advisory Committee that was formed to address the budget challenges caused by the COVID-19 pandemic should be a standing committee that was used as part of the budget process. The decision was made that a committee was not necessary for the 2022 budget and that instead we would continue to build on the transparency and public outreach that was started the previous year.

February 2021

Finance worked with the Communications Division and Community Outreach and Engagement Division to create a public engagement plan for the 2022 Budget Process.

March 2021

The budget manager had a budget check in with the leadership team and presented the plan for the 2022 budget process and the public engagement plan to the City Council. Internal service fund charges and General Fund chargebacks were analyzed and defined.

April 2021

The Budget Manager and Assistant Finance Manager ran detailed salary and benefit projections in the financial software based on union contracts, non-union compensation plans, and information from Human Resources and these were also pre-loaded into the 2022 budget.

May 2021

On May 27, 2021, the Budget Manager and City Manager held a "Budget Kick-Off" session for City staff to review the budget calendar and deadlines as well as instructions and guidance for entering budget requests. The "Budget Kick-Off" is traditionally an in person event, but due to many employees working from home, the Kick-Off was a virtual event for the second year in a row and was recorded for people who couldn't attend the live event. The recording was posted on the Budget Page of the City's internal website for future reference. Departments had from mid-May to early June to enter budget requests into the financial software. The Finance Manager, Assistant Finance Manager, and the Accountants were assigned to different Departments to assist the Budget Manager in analyzing budget requests.

June – July 2021

Department budget meetings occurred in June and July to analyze requests and identify challenges and opportunities and review performance measures. Those meetings included the Department Head, City Manager, and Assistant City Manager. Also present, were Division Managers, Budget Manager, Chief Financial Officer, and the assigned member from the Budget Team. A new City Budget WebPage was launched on the City's website <https://www.bloomingtonmn.gov/fin/city-budget>

August 2021

On August 3, a public information budget lunch session was held on Zoom and recorded and added on the new budget website. The following week, on August 11, a table was set up during the Wednesday evening Midweek Music & Market for residents to connect with the Budget Manager and City Manager. On August 23, the Council had a special meeting to discuss the proposed 2022 budget.

September 2021 - Preliminary Tax Levy 2.75%

The council approved a preliminary 2021 tax levy at 2.75% at the September 13 Council meeting which was much lower than surrounding cities that were proposing increases around 5%.

October 2021 – (Non-Property Tax) Special Revenue Budgets Approved

At the October 11, 2021 City Council meeting, 10 Special Revenue Funds (6 Police Funds, Park Grants, South Loop Development, and Creative Placemaking) and 1 Enterprise Fund (Police Contractual Overtime) 2022 Budget Requests were approved. The Communications Division posted a fun video on social media and sent out e-subscribe emails to notify residents of two upcoming budget public engagement sessions. There were incentives to check out the new budget website to register for the sessions and win prizes. On October 20, the Mayor hosted a virtual community information session that was recorded and on October 27, the Fire Chief hosted a community budget information session in the Council Chambers.

November 2021 – Utility Rates Hearing and Budgets & Internal Service Fund Budgets

The Budget Manager presented the 2022 Utility Rates and budgets at the Utility Rate Public Hearing on November 15, 2021 and the City Council approved the four Utility Fund (Water, Wastewater, Stormwater, and Solid Waste) 2021 Budgets. The Council also approved all of the Internal Service Fund budgets.

December Final Budgets Approved – Truth in Taxation Hearing and Final Tax Levy 2.75%

The Truth in Taxation Public Hearing was held during the December 6, 2021 City Council meeting and the Council adopted the final 2022 General Fund Budget and Tax Levy. The City Council approved a final 2022 property tax levy that was 2.75% more than the 2021 property tax levy. Other 2022 fund budgets approved included Communications, Fire Pension, Golf, Ice Garden, Aquatics, and the Center for the Arts. The 2022 Tax Levies and budgets for the HRA and Port Authority were also approved on December 6, 2021.

Alterations to the Original Budget

Per the Bloomington City Charter, the City Manager can approve transfers of sums within the major expense classifications in a Department or Division. All other budget alterations must be approved by City Council resolution.

2022 Budget Process Calendar

January 2021

2021 Summary Budget Report submitted to the Minnesota Office of the State Auditor
Work on 2021 Budget Book
2021 Budget Process evaluation
Budget Manager at Executive Leadership Team meeting to discuss approach for 2022 Budget

February 2021

Create Public Engagement Plan with Community Outreach & Engagement Division for 2022 Budget
Work on 2021 Budget Book

March 2021

2021 Budget Book due to Government Finance Officers Association by March 6, 2021 (90 Days from adoption of budget)
Budget Check-in with Executive Leadership Team
2022 Budget Process plan / Public Engagement Plan at City Council meeting
Analyze Internal Service Fund internal charges and General Fund chargebacks for 2022

April 2021

Salaries and Benefits Projection for 2022 Budget
Budget Book and Assessing Book presentation to Council
Preloads and conceptual budget loaded in Munis

May 2021

Budget Check-in with Executive Leadership Team
Budget Check-in with Council
City-wide 2022 Budget Kick-Off May 27, 2021

June 2021

Departments enter budget requests in Munis
June 21, 2021 Budget Lockout in Munis for Departments
Budget team member works with their assigned departments to review and analyze budget requests by line item, ensure there are adequate notes and explanations, and ask and answer questions

July 2021

City Manager and Assistant City Manager budget meetings with Departments and Finance to review budget requests and performance measures
Launched new City Budget WebPage
Budget survey questions added to Let's Talk Bloomington site.

August 2021

August 3, 2021 – Public Information Budget Lunch Session on Zoom (recorded)
August 11, 2021 Public Engagement Event – Connect with the Budget Manager during the Wednesday Midweek Music & Market
City Manager's proposed 2022 Tax Levy and General Fund budget is presented to the City Council and discussed at the Special Budget Meeting on August 23, 2021

September 2021

Preliminary 2022 Tax Levy and budget is brought to the City Council for approval at the City Council Meeting on September 13, 2021

Details of Non-Property Tax Special Revenue Funds and Contractual Police Overtime Fund 2022 Budget requests published in September 24, 2021 "One Weekly" communication to Council

Preliminary 2022 Tax Levy filed with Hennepin County

October 2021

Utility Fund Budget and rates presented and discussed at City Council Meeting on October 11, 2021

Internal Service Funds Budgets presented and discussed at City Council Meeting on October 11, 2021

Non-Property tax Special Revenue Funds and Contractual Police Overtime fund 2022 Budgets approved at October 11, 2021 City Council meeting.

Communications posts video on social media and sends out "all-play" e-subscribe notifications to advertise the two October community budget sessions and incentives to register for sessions on the new budget webpage and win prizes

October 20, 2021 – Mayor hosts a virtual community budget information session (recorded)

October 27, 2021 – Fire Chief hosts community budget information session in Council Chambers

Create TNT (Truth-in-Taxation) flyer for Preliminary Tax Notices and submit to Hennepin County

November 2021

Utility Rate Public Hearing and Budgets presented and approved on November 15, 2021

Internal Service Fund Budgets approved November 15, 2021

Property owners receive preliminary tax statements from Hennepin County which include City's TNT flyer

Communications Department and Budget Manager publish video on social media and the Bloomington Today show to explain the preliminary tax statements

City Manager's 2022 Tax Levy and General Fund budget as well as the other property tax supported funds (Recreation Facility Funds, Communications Fund, and Fire Pension Fund) are presented to the City Council and discussed at Special Budget Meeting on November 22, 2021

December 2021

Property Tax Hearing at City Council meeting – Final 2022 General Fund Budget and Tax Levy adoption on December 6, 2021

All other remaining budgets that receive property taxes (Recreation Facility Funds, Communications Fund, and Fire Pension Fund) are also approved on December 6, 2021.

2022 Budget published in the Sun Current

Certified final 2022 Tax Levy filed with Hennepin County



HOPE ON THE HORIZON

ANNUAL BUDGET 2022

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FINANCIAL MANAGEMENT POLICIES

The complete listing of the City of Bloomington’s Financial Management Policies is available on the City’s Finance Department website – <https://www.bloomingtonmn.gov/fin/finance-department>.

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ORGANIZATIONAL MISSION

A professional, productive, learning organization that builds and renews the community by providing quality services at an affordable price.

PREAMBLE

- A. **Purpose:** The City of Bloomington has an important responsibility to its citizens to plan the adequate funding of services desired by the public, including the provision and maintenance of public facilities, prudent financial management and accurate accounting for public funds. The City strives to ensure that it is capable of adequately funding and providing local government services needed by the community. The City will maintain or improve its infrastructure on a systematic basis to encourage its citizens to maintain quality neighborhoods with rising property values and long-term affordable taxes and fees.
- B. **Objectives:** In order to achieve this purpose, the following objectives are established for the City's fiscal performance:
1. To protect the City Council's policy-making ability by ensuring that important policy decisions are not controlled by financial problems or emergencies.
 2. To enhance the City Council's policy-making ability by providing accurate information on the full costs of current operations, new proposals and capital requests.
 3. To assist sound management of the City government by providing accurate and timely information on the City's financial condition.
 4. To provide sound principles to guide the decisions of the City Council and City staff which have fiscal impacts.
 5. To set forth operational principles which promote long-term cost effectiveness while providing services desired by the public with minimal financial risk.
 6. To employ revenue policies and forecasting tools to identify and prevent undue or unbalanced reliance on certain revenues (especially property taxes) to distribute the costs of municipal services fairly and to provide adequate funds to operate desired programs, as determined by the Council.
 7. To provide and improve essential public facilities and prevent deterioration of the City's infrastructure in order to assist in long-term cost effective provision of City services.
 8. To protect and enhance the City's credit rating and prevent default on any municipal debt obligations.
 9. To ensure the legal use and protection of all City funds through a good system of financial and accounting controls.
 10. To maintain a Risk Management Program that will minimize the impact of legal liabilities, natural disasters or other emergencies through the following activities:
 - Loss Awareness – Proactive teamwork and training Citywide to increase awareness and enhance safety and comply with or exceed OSHA regulations.
 - Loss Prevention - Prevent negative occurrences.
 - Loss Control - Reduce or mitigate expenses of a negative occurrence. Loss Financing - Provide a means to finance losses.

- Loss Information Management - Collect and analyze relevant data to make prudent loss prevention, loss control and loss financing decisions.
11. To record transactions in a manner which matches current revenues to current expenditures (full cost including benefits and depreciation).
 12. To report year-end financial information in accordance with generally accepted accounting principles (GAAP) and in accordance with recommended best practices as promulgated by the Government Finance Officers Association (GFOA).

AUDIT

External Auditor Independence Policy

In accordance with the Government Accountability Office, the authority on local government audits, in all matters relating to audit work, the external auditor shall be free both in fact and appearance from personal external and organizational impairments to independence.

- The city's external audit organization shall not be responsible for designing, developing and/or installing the City's accounting system or its operating system where this system generates information used in preparing financial statements of the City of Bloomington.
- External auditors shall not develop a performance measurement system or any other system relied upon in developing financial statements.
- City external auditors may prepare draft financial statements, schedules or perform other duties as long as they are based on management's direction and the work results in a recommendation to management.
- Decisions based on the external auditor's recommendations must be approved by City management.
- External auditors shall provide routine advise to the City of Bloomington and to management to assist them in activities such as establishing internal controls or implementing audit recommendations and can answer the technical questions and provide training, however, they may not direct or unduly influence management with those decisions.

Any non-audit work related to tax rulings, arbitrage, attestation, compilation, sales tax audits, counted value audits and financial report assistance proposed by the auditors, or for which the City wishes to hire them exceeding \$100,000 must be approved by the City Council prior to hiring them.

(Revised 5/20/2002, 1/23/2012)

BUDGETARY AND FINANCIAL CONTROL

Budgetary and Financial Control Policy

- A. General budgetary and financial control is to be centralized in one department whose functions shall include, but not be limited to, the following:
- (1) Budget compilation
 - (2) Budget monitoring
 - (3) Central purchasing (see Purchasing Policy and P-Card Policy)
 - (4) Income and expenditure projections
 - (5) Capital improvement financing
 - (6) Risk management (see Risk Management Policy and Self-Insurance Reserve Policy)
 - (7) Screening of Conduit Debt applications (see Conduit Debt Policy)
 - (8) Cash and investment management
 - (9) Monitoring financial data for warning signals or trends
 - (10) Preparation of financial summary reports for key funds at least quarterly
 - (11) Maintain a detailed inventory listing of all material fixed assets so as to adequately ensure proper accounting of assets.
 - (12) "Project Financial Analysis" to be presented as part of any proposal to the Council in connection with any new or expanded operating or capital improvement programs and other projects. The objective of the financial analysis is to provide the best possible estimate of expenditures, revenues, and staffing impacts of a proposed project. The financial analysis should be factual, informative, and concise which should enable the Council to make intelligent and informed decisions.
 - (13) Payroll
 - (14) Accounts Receivable
 - (15) Receipts, Collections, and Customer Billing
 - (16) Accounts Payable
- B. The City will maintain a program for the investment of funds consistent with the City's Investment Policy.
- C. The City will strive to maintain an undesignated and unreserved General Fund Balance in the range of 35%-40% of the General Fund revenues and/or expenditure of a balanced budget for

the following year. Currently, the General Fund, Fund Balance is at 35%. Annually, the goal is to increase the Fund Balance ratio by 1.00% until the Fund Balance reaches the 40% ceiling. If the City has more than the required annual Fund Balance level, after each incremental 1.00% increase, any excess may be used as the City Council designates.

- D. The City will also review, and update the schedule of fund balances, reserves, and working capital in all other operating funds of the City and determine adequacy of those money balances, using specified guidelines and criteria in conjunction with the budgets set annually.
- E. The City will monitor the performance of the Bloomington Fire Department Relief Association pension fund through its City representatives.
- F. Department Directors will be responsible for administration of their respective Department Budgets and are to submit requests for any required budget adjustments, such as supplemental appropriations, to the Budget Manager, Chief Financial Officer or the City Manager before the program incurs cost overruns for the annual budget period.
- G. Primary responsibility in the management of budgeted funds lies with the Department Directors. Such management includes, but is not limited to, reviewing expenditures before authorization, reviewing monthly financial reports to detect errors and assess progress, and staying within expenditure budget authorization. All costs incurred must be reasonable and necessary. Department Directors shall be responsible for contacting the Chief Financial Officer or Budget Manager should there be any questions regarding financial management or if the issue or concern is related to internal controls. The Chief Financial Officer and Budget Manager will monitor overall budget operating progress routinely throughout the year. The city manager must strictly enforce the provisions of the budget. The city manager cannot approve any order upon the city chief financial officer for any expenditure unless an appropriation has been made in the budget resolution, nor for any expenditure covered by the budget resolution unless there is a sufficient unexpended balance. No officer or employee of the city can place any order or make any purchase as defined in City Charter Sections 6.07 and 6.08 except for a purpose and up to the amount authorized in the budget resolution.
- H. The City will not use short-term borrowing, internal or external, to balance the operating budget for any fund.
- I. The City will not sell assets or use one-time accounting principle changes to balance the budget for any fund.
- J. The City will develop two-year budgets in even numbered years. In odd numbered years, the previously developed budget for the following year will be fine-tuned, as necessary. Each year the City will certify only the following year's budget and levy to Hennepin County.
- K. The City will provide ample time and opportunity for public input into its Budget setting deliberations each year.
- L. The City will establish and maintain the highest standard of accounting practices, in conformity with Generally Accepted Accounting Principles (GAAP) and with recommended best practices as promulgated by the Government Finance Officers Association (GFOA).
- M. The City will arrange for an annual audit of all funds and account types by independent certified public accountants qualified and licensed to issue such reports.
- N. The City will strive to obtain each year the annual GFOA Certificate of Achievement for Excellence in Financial Reporting.

- O. Regular monthly reports will present a summary of financial activity by major type of funds as compared to budget. Department Directors will review monthly reports comparing actual revenues and expenditures to the budgeted amounts. Any negative variance in any revenue or spending category for their department as a whole projected to exceed \$100,000 by year-end will be reported in writing to the Chief Financial Officer and the City Manager.
- P. The City will strive to obtain each year the GFOA Distinguished Budget Award.
- Q. The City integrates performance measurement and productivity indicators to measure operational performance where practical. Performance data for individual departments are included on the budget document. Performance data should be directly related to the stated goals and objectives of the unit and focus on results and accomplishments rather than inputs. Performance measures should provide a meaningful way to assess the effectiveness and efficiency of each operational unit.
- R. The City will strive to obtain each year the GFOA Award for Outstanding Achievement in Popular Annual Financial Reporting.
- S. The City will adopt a balanced General Fund budget where revenues offset expenditures without the use of reserves.

(Revised 1/23/2012; 12/1/2014; 1/2/18)

CASH/INVESTMENT

Forfeited Funds Policy

- A. The City receives property and money through law enforcement seizures under Federal Law 21USCS Section 881(e) and Minnesota Statutes, Sections 609.531-609.5317.169A.63.
- B. The City will use proceeds from these seizures as defined in State law and Department of Justice guidelines. Forfeited property and cash will be used:
 - (1) Only for law enforcement purposes, or;
 - (2) Only as a supplement to budgeted funds, or;
 - (3) Not as a source to supplant ordinary operating expenses.
- C. The City will establish procedures to ensure the safekeeping of forfeited property and funds until such time as they are used for approved purposes.
- D. The City will use forfeited funds for appropriate Police and City Attorney purposes. (This list is not exhaustive, but serves to describe many appropriate uses.)
 - 1. Vehicles
 - (a) Forfeited automobiles may be used to supplement the police fleet, but not to replace existing budgeted vehicles.
 - (b) Unused vehicles will be stored, sold according to City policy, and the proceeds used according to this policy.
 - 2. Other Property
 - (a) May be used in ongoing Police and City Attorney operations.
 - (b) Will be sold if no police use is imminent and cash proceeds used according to this policy.
 - 3. Cash
 - (a) A Forfeited Funds activity budget will be presented for approval to the City Council with the regular City budget each year.
 - (b) Unbudgeted proposed purchases will be presented as a budget adjustment to the City Council for approval.
 - 4. Examples of Appropriate Uses of Cash
 - (a) Vehicles may be rented which do not supplant vehicles normally provided through City funds. Such vehicles are in addition to the regular fleet.
 - (b) Equipment may be purchased providing it is not part of the regular budget.
 - (c) Overtime may be paid providing it is unanticipated in the rest of the Police and City Attorney budgets.
 - (d) Training costs in addition to those in the regular budget may be paid.
 - 5. Examples of Inappropriate Uses
 - (a) Purchasing any item(s) with forfeited funds, which were already approved in the regular budget.

- (b) Paying regular salaries or benefits for Drug Forfeiture funds, but permitted for DWI Forfeiture fund as part of program operation.
- (c) Purchasing anything for other City departments unless for a law enforcement purpose.
- (d) Capital purchases previously approved for purchase with City funds.

(Revised 1/23/2012)

Investment Policy

I. Investment Policy Statement of Purpose

This policy has been developed to serve as a reference point for the management of City assets. It is the policy of the City to invest public funds in a manner which provides for the following in order of importance: Safety; Liquidity; and Yield (return on investment) that conforms to all federal, state and local regulations governing the investment of public funds. All investments purchased by the City are expected to be held until maturity. The City will invest in securities that match the City's operational, short-term and longer term core reserve needs. The City will have two types of portfolios for reporting purposes:

- Short-Term – No less than 85 percent of the total portfolio will be under 5 years to maturity
- Long-Term – No more than 15 percent of the portfolio will be greater than 5 years to maturity

In accordance with this policy, a separate written procedures manual has been developed for the appropriate balance of risk and return for each of the funds under the City's control. The City Manager will approve periodic changes to the procedures manual.

II. Scope

This Investment Policy applies to all financial assets of the City. All cash and investments are pooled together to achieve economies of scale for each entity. These funds are accounted for in the Comprehensive Annual Financial Report and include all City, Port Authority and HRA funds:

- General Fund
- Special Revenue Funds
- Capital Project Funds
- Debt Service Funds
- Enterprise Funds
- Internal Service Funds
- Fiduciary Funds

III. Prudence

Investments shall be made with judgment and care under circumstances existing at the time the investment is made. The standard of prudence to be used by investment officials shall be the "prudent person" standard and shall be applied in the context of managing an overall portfolio. The prudent person standard requires that a fiduciary exercise discretion and average intelligence in making investments that would be generally acceptable as sound. Investment officers acting in accordance with written procedures and the investment policy and exercising due diligence shall be relieved of personal liability for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse situations. Investment procedures developed for the Finance Department must be complied with by those with access to and management responsibilities for City investments.

IV. Objective

The primary objective of the City of Bloomington's investment activities shall be:

- A. Safety - Safety of principal is of critical importance to the investment program. Investments of the City shall be undertaken in a manner that seeks to ensure the preservation of principal in the overall portfolio. The objective will be to mitigate credit risk and interest rate risk.
1. Credit Risk - the risk of loss due to failure of the security issuer or backer will be minimized by:
 - Limiting investments to the types of securities listed in Section IX of this investment policy.
 - Pre-qualifying the financial institutions, broker/dealers, intermediaries, and advisors with which the City will do business in accordance with Section VIII.
 - Diversifying the investment portfolio so that the impact of potential losses from any one type of security or from any one individual issuer will be minimized. Insurance or collateral may be required to ensure return of principal.
 2. Interest Rate Risk - the risk that the market value of securities in the portfolio will fall due to changes in market interest rates will be minimized to:
 - Provide for liquidity by reviewing cash flow requirements and make investments to meet the shorter cash flow needs, thereby avoiding the need to sell securities in the open market prior to maturity.
 - Manage the average maturity of the short-term portfolio to be consistent with the risk profile of the City, not to exceed 3.5 years.
 - Manage the average maturity of the long-term portfolio to be consistent with the risk profile of the City, not to exceed 7.5 years. An exception to this average maturity would be any Component Unit bonds purchased by the City with a longer duration.
- B. Liquidity - The City's investment portfolio will remain sufficiently liquid to enable the City to meet all operating requirements as reasonably anticipated. The portfolio will be structured so that the liquid component, a minimum of five percent of total investments, of the portfolio will be invested only in short-term securities maturing in less than thirty days. Additionally, since all possible cash demands cannot be anticipated, the portfolio should consist largely of securities with active secondary or resale markets (dynamic liquidity). Furthermore, a portion of the portfolio may be placed in money market mutual funds or local government investment pools which offer same day liquidity for short-term funds.
- C. Yield/Return on Investment - The City's investment portfolio shall be designed with the objective of attaining a market rate of return. The core of investments is limited to low-risk securities in anticipation of earning a fair return relative to the risk being assumed. Securities shall generally be held until maturity with the following exceptions:
- A security with declining credit may be sold early to minimize loss of principal.

- A security swap would improve the quality, yield, or target duration in the portfolio.
- Liquidity needs of the portfolio require that the security be sold.

V. Delegation of Authority

The investment program shall be operated in conformance with federal, state, and other legal requirements. Authority to manage the City's investment program is derived from the following:

- Minnesota Statutes 118A, Municipal Funds
- Bloomington City Charter Section 7.11, Funds to be Kept

Management responsibility for the investment program is hereby delegated by the City Manager to the Chief Financial Officer (CFO), who shall establish written procedures for the operations of the Investment Program consistent with this Investment Policy. The CFO, with assistance from finance department staff, shall:

- Monitor performance of the investment portfolio;
- Ensure funds are invested in accordance with the policy;
- Analyze, recommend and implement policy and operational procedures that will enhance the City's investment program;
- Ensure that proper internal controls are developed to safeguard investment assets.

Procedures should include reference to: safekeeping [see Procedures 1.D], delivery versus payment (DVP) [see Procedures 4.B.1.e], and investment accounting. Such procedures shall include explicit delegation of authority to persons responsible for investment transactions. No person may engage in an investment transaction except as provided under the terms of this Policy and the procedures established by the CFO. The CFO shall be responsible for all investment transactions and shall establish a system of controls to regulate the activities of subordinates.

VI. Ethics and Conflicts of Interest

The City Manager, CFO, Port Authority, HRA and Finance staff involved in the investment process shall refrain from conducting personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions. Investment staff shall annually disclose to the City Clerk any material financial interests as required by state statute on an annual Statement of Economic Interest form. Investment staff shall subordinate their personal investment transactions to those of the City, particularly with regard to the time of purchases and sales, and shall refrain from undertaking personal investment transactions with the same individual with whom business is conducted on behalf of the City.

VII. Investment Committee

An Investment Committee shall meet at least semi-annually or as needed to review the performance of investments and review the investment strategy. The Investment Committee shall be made up of the following individuals:

- Chief Financial Officer
- Finance Manager
- Assistant Finance Manager (optional)
- Cash Management Accountant
- Housing and Redevelopment Authority Representative
- Port Authority Representative

Notes of the Investment Committee meetings shall be maintained based on the City's retention schedule and a copy forwarded to the City Manager after each meeting.

VIII. Financial Service Providers

The Investment Committee will maintain a list of financial institutions authorized to provide investment services. Public deposit shall be made in a qualified public depository as established by state laws. The purchase of all investments must be from qualified financial service providers via established bid procedures. The City does not consider information advice from brokers on bond proceeds.

Financial service providers who desire to become qualified bidders for investment transactions must supply the Investment Committee with the following upon request:

- Audited Financial Statements
- Completed Broker/Dealer Certificate
- Certification of Having Read City's Investment Policy
- Depository Contracts
- Credit Report
- Proof of FINRA (Financial Industry Regulatory Authority) membership
- Proof of State Registration
- Evidence of Adequate Insurance Coverage

IX. Authorized and Suitable Investments

Based on the investment objectives as defined in section IV of this policy, the City will limit its investments to the following types of securities:

- A. **Money Market Funds** may be held with next day withdrawal capacity to provide for daily liquidity requirements. These money markets must be AA. They may only invest in securities with a final maturity no longer than 13 months and for which the Investment Committee has obtained and reviewed the fund prospectus.
- B. **Savings/demand deposits.** A financial institution that is qualified as a "depository" of public funds of government entities. The City may hold balances in qualified bank deposits. Funds may be held in savings accounts at approved depository banks. If balances are greater than the FDIC limit, collateral of 110 percent will be held for the excess balances. Non-interest bearing deposits will be held at a minimum. However, the interest bearing demand deposit programs that banks provide for next day access to funds will be utilized.

- C. **Banker's acceptances. Short term debt instruments issued by firms guaranteed by commercial banks.** Purchased on the secondary market, these should be rated with the highest short-term credit rating of any two Nationally Recognized Statistical Rating Organizations (NRSROs), at the time of purchase. If the banker's acceptance is rated by more than two NRSROs, it must have the highest rating from all the organizations. Maximum maturity will be 270 days.
- D. **Commercial paper.** Short term unsecured debt which has been issued by a United States corporation or their Canadian subsidiaries and is not a limited liability corporation (LLC) to fund their day to day operational needs. Maturities typically range from one day to 270 days. The City may only buy paper that meets the Minnesota Statute 118A with the exception that no Asset Backed or Structured Investment Vehicle (SIV) commercial paper is allowed. Only commercial paper with two of the three highest quality ratings of A1, P1, F1 and the underlying issuer of the commercial paper must have a long-term debt rating of AA to be utilized.
- E. **U.S. Treasury obligations** including bonds, notes, Treasury bills, or other securities which are direct obligations of the United States. Instruments sold and issued by the U.S. government carry the full faith guarantee of the U.S. government. These instruments provide the highest quality available to purchase and are highly liquid.
- F. **U.S. Agency Government Sponsored Enterprises (GSEs)** are instrumentalities, or organizations created by an act of Congress. GSE securities have the implied guarantee of the U.S. government and are privileged to certain access to capital and support of government programs. The issuers are generally considered to have the second highest credit quality in the fixed income markets and provide higher yields than U. S. treasury obligations. The ratings on all the agencies in which the City can invest are the highest available and include the following specific issuers:
1. **FHLB:** The Federal Home Loan Bank System (FHLB) was created by Congress in 1932 and acts as a source of funds for its nearly 8,000 member banks. FHLB does not purchase home mortgages to the same extent as Freddie Mac and Fannie Mae, but primarily lends money to homeowners through its member financial institutions. FHLB System members include commercial banks, thrifts, credit unions and insurance companies. Each member is a shareholder in one of the 12 regional Federal Home Loan Banks; each regional bank is an individual corporate entity, which must meet strict management and capitalization criteria befitting its GSE status. The FHLB System is regulated by the Federal Housing Finance Board (FHFB) and the Office of Finance (OF).
 2. **FHLMC:** The Federal Home Loan Mortgage Corporation encompasses Freddie Mac; it is housing GSE created by Congress in 1970 to provide liquidity and stability in the home mortgage market, thereby increasing the flow of funds available to mortgage borrowers. In order to accomplish this goal, Freddie Mac does not make individual mortgage loans to consumers. Rather, Freddie Mac purchases mortgages from lenders, thereby allowing them to lend the proceeds to more homebuyers. Freddie

Mac is regulated by the Secretary of Housing and Urban Development (HUD) and by the Office of Federal Housing Enterprise Oversight (OFHEO).

3. FFCB: The Federal Farm Credit Bureau is an agency of the Federal government set up to supply credit to various classes of institutions and individuals such as farmers and farm cooperatives.
 4. FNMA: The Federal National Mortgage Association chartered under the Federal National Mortgage Association Act in 1938 is a federal corporation working under the auspices of the Department of Housing and Urban Development (HUD). It is the largest single provider of residential mortgage funds in the United States. Fannie Mae, as the corporation is called, is a private stockholder-owned corporation. The corporation's purchases include a variety of adjustable mortgages and second loans, in addition to fixed-rate mortgages. FNMA's securities are also highly liquid and are widely accepted. FNMA assumes and guarantees that all security holders will receive timely payment of principal.
 5. Other issuers: There are other GSE issuers; however, they issue fewer securities and are less active in the marketplace. Therefore, yields typically are slightly higher but they provide less liquidity. The City may purchase other GSE names but will limit the amount held in the portfolio.
- G. **Municipal Securities** are registered securities of state/county/local and other governmental agencies. Bonds of the state/county/local and other governmental agencies which have at the time of investment one of the three highest credit ratings of nationally recognized rating agency are allowable investments. They must have a taxing power rating of A, AA or AAA. The City will typically buy only AA or better to provide for quality investments in the portfolio. Any security which is a general obligation of any state or local government with taxing powers which is rated "A" or better by a national bond rating service is allowed. Tax exempt or taxable bonds qualify as long as they meet the rating standards.
- H. **Repurchase agreements** consisting of collateral allowable in Minnesota Statute, Chapter 118A, and reverse repurchase agreements may be entered into with any of the following entities:
1. A financial institution qualified as a "depository" of public funds of the government entity;
 2. Any other financial institution which is a member of the Federal Reserve System and whose combined capital and surplus equals or exceeds \$10,000,000;
 3. A primary reporting dealer in U.S. government securities to the Federal Reserve Bank of New York; or
 4. A securities broker-dealer licensed pursuant to Minnesota Statute, Chapter 80A, or an affiliate of it, regulated by the Securities and Exchange Commission and maintaining a combined capital and surplus of \$40,000,000 or more, exclusive of subordinated debt. Reverse agreements may only be entered into for a period of 90 days or less and only to meet short-term cash flow needs. In no event may reverse repurchase agreements be entered into for the purpose of generating cash for investments, except as stated in Minnesota Statute, Chapter 118A.

- I. **Guaranteed investment contracts.** Specific project monies may be invested in agreements or contracts for guaranteed investment contracts may be entered into if they are issued or guaranteed by United States commercial banks, domestic branches of foreign banks, United States insurance companies, or their Canadian subsidiaries, or the domestic affiliates of any of the foregoing. The credit quality of the issuer's or guarantor's short and long-term unsecured debt must be rated in one of the two highest categories by a nationally recognized rating agency. Should the issuer's or guarantor's credit quality be downgraded below "A", the government entity must have withdrawal rights.

Each type of security listed above in Sections E, F and G may have various structures such as non-callable, callable and variable rate debt.

- Non-Callable – A debt instrument issued for the purpose of raising capital by borrowing. They typically pay semi-annual coupons and have a stated final maturity.
- Callable – Debt in which the issuer has the right to redeem prior to its maturity date, under certain conditions.
- Variable – Debt in which the issuer has the right to reset the coupon rate based on specified market conditions and terms.

X. **Securities Lending Agreements**

Securities lending agreements, including custody agreements, may be entered into with a financial institution meeting the qualifications of Minnesota Statute 118A and further restricted within this investment policy. Securities lending transactions may be entered into with entities meeting the qualifications and the collateral for such transactions and shall be restricted to the securities described in Minnesota Statute 118A. Any future security lending contract would be subject to City Council approval.

XI. **Prohibited Investments and Transactions**

Prohibited investments include inverse floaters, range notes, interest only strips derived from a pool of mortgages (collateralized mortgage obligations), and any security that could result in zero interest accrual if held to maturity.

Specifically restricts:

- A. Obligations whose coupon payments are determined largely or entirely by an embedded range accumulation option. For example, range notes; these securities are used primarily to enhance interest rates when an investor is confident in a forecast.
- B. Obligations whose payment represents the principal stream cash flow from underlying mortgage backed securities collateral. For example, Collateralized Mortgage Obligations (CMO).
- C. Obligations that the interest rate and principal repayment adjusts opposite to the changes in the market. For example, inverse floaters.
- D. Obligations that under certain environments may pay no interest. For example, principal only securities.
- E. Obligations that have a maturity that will extend longer than five years under certain rate environments. These include mortgage-backed securities that are defined as high

risk or in certificates of deposit secured by letters of credit issued by federal home loan banks.

- F. Obligations that are derivatives, financial instruments in which the value depends on, or is derived from, the value of one or more underlying assets, indexes, or asset values. And any other transaction that violates City policy or State law.

XII. Collateralizations

Collateralization will be required on the following types of investments:

- Certificates of Deposit
- Demand Deposits
- Repurchase Agreements (for investments held beyond seven days)

In order to anticipate market changes and provide a level of security for all funds, the collateralization level will be 110% of market value of principal and accrued interest. The underlying securities will be subject to periodic (monthly) market valuations to ensure there is no market exposure.

Collateral is limited to the following U. S. government securities:

Treasury Issues

Treasury Bills

Treasury Notes

Treasury Bonds

Agency Notes, Bonds, and Letters of Credit

Federal National Mortgage Association

Federal Home Loan Bank

Federal Farm Credit Bank

Federal Home Loan Mortgage Corporation

Mortgage-Backed Securities

No mortgage-backed securities are allowed

For cash deposits on hand, clearly marked evidence of ownership (safekeeping receipt) must be supplied and retained. Collateralization shall be in the form of specific securities with an active secondary market for the City held by an independent third party. The only exceptions are Federal Depository Insurance Corporation (FDIC), Securities Investor Protection Corporation (SIPC) and pre-approved insurance coverage. The City may collateralize its repurchase agreements using longer- dated investments not to exceed 5 years to maturity.

XIII. Safekeeping and Custody

Securities purchased shall be held in a segregated account for the City's benefit at a third party trustee as safekeeping agent. The investment dealer or bank in which the security is purchased shall issue a confirmation ticket to the City listing the specific instrument, issuer, coupon, maturity, CUSIP number, purchase or sale price, transaction date, and other pertinent information. The financial service provider which executes the transaction on the

City's behalf shall deliver all securities on a delivery versus payment method (DVP) to the designated third party. Delivery versus payment (DVP) is a way of controlling the risk to which securities market participants are exposed. Delivery of securities (i.e. the change in their ownership) is done simultaneously with payment. This means that neither the buyer nor the seller is exposed to the risk that the other will default.

Investments, contracts, and agreements may be held in safekeeping with:

- any Federal Reserve bank
- any bank authorized under the laws of the United States or any state to exercise corporate trust powers, including, but not limited to, the bank from which the investment is purchased

The City's ownership of all securities should be evidenced by written acknowledgments identifying the securities by:

- The names of issuers
- The maturity dates
- The interest rates
- Any serial numbers or other distinguishing marks

The City may not invest in securities that are uninsured. Securities will be held in the City's designated accounts under their street names.

XIV. Investment Credit Rating Degradation

Credit updates should be completed on all non-insured general obligations (GOs), bankers acceptances and commercial paper with a credit rating that has declined. Credit analysis is necessary to determine if a particular investment is eligible for the City to own as part of prudent portfolio management, as determined on any date that the security is held within the portfolio. If the credit rating of a security is subsequently downgraded below the minimum rating level for a new investment of that security, the Investment Committee shall evaluate the downgrade on a case-by-case basis in order to determine if the security should be held or sold. The Investment Committee will apply the general objectives of safety, liquidity, and yield to make the decision.

XV. Diversification

The City will substantially reduce the risk of loss resulting from the over-concentration of assets in a specific maturity, issuer, institution, or class of securities.

Diversification strategies will be implemented with the following constraints:

<u>ISSUER TYPE</u>	<u>% of TOTAL PORTFOLIO</u>
Money Market Funds	50%
Savings/Demand deposits	20%
Bankers Acceptances	10%
Commercial Paper	20%

US Treasury Obligations	100%
GSE-Agency Securities	100%
Municipal Securities:	55%
Non Component Units	20%
With Component Units	35%
Repurchase Agreements	10%
Guaranteed Investment Contracts	By Project

Due to fluctuations in the value of the portfolio, maximum percentages for a particular issuer or investment type may be exceeded at a point in time subsequent to the purchase or maturity of a particular security. Securities need not be liquidated to realign the portfolio; however, consideration should be given to this matter when future purchases are made.

Given the smaller portfolio of the Housing and Redevelopment Authority and the Port Authority, the above restrictions will be waived on any portfolio with specific project needs.

XVI. Maximum Maturities

Fund Specific:

- A minimum of five percent of the portfolio will mature under 30 days.
- 85% of total funds will be invested to 5 years and less, and 15% of funds will be laddered out to a maximum of 10 years.
- Total weighted average maturity of total funds will not exceed 3.5 years for the 5 years and less portion.
- Maturities will be diversified to avoid undue concentration of assets in a specific sector.
- An exception to maximum maturity is in reserve funds (per bond indentures), which may be invested to a maturity date that coincides as nearly as practicable with the expected use of the funds.
- Another exception would be the City's purchase of Component Unit bonds with a longer duration, (up to 20 years) with the approval of the City Council.

XVII. Internal Control

The CFO is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the City are protected from loss, theft or misuse. The internal control structure shall be designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments. The internal controls are addressed in the procedures manual.

The City will engage an external auditor for an annual independent review to assure compliance with policies and procedures.

XVIII. Performance Standards

The investment portfolio will be designed to obtain a market average rate of return during budgetary and economic cycles, taking into account the City's investment risk constraints and cash flow needs. The City will have at least 98% of its cash funds earning interest or on deposit to reduce bank fees. The investment portfolio will be structured to meet specific criteria addressing safety, liquidity and yield. The City's reporting system will provide information concerning cash position, investment performance, and percentage of the portfolio that is invested by security issuers and maturity structure.

XIX. Market Yield/Benchmark

The City's investment strategy is conservative. The Investment Committee, based on appropriate current indexes and yields reported by similar entities with similar restrictions on investments, will periodically review whether market yields are being achieved.

XX. Responsibilities of External Investment Managers

The City may enter into contracts with third-party investment advisory firms when their services are deemed to be beneficial to the City. The advisor must comply with this Investment Policy and may have authority to transact investments on behalf of the City. The advisor may only act on a non- discretionary basis if they are hired to provide transactional services on behalf of the City.

XXI. Reporting

The CFO is charged with the responsibility of preparing a periodic investment report. This includes a management summary that provides an analysis of the status of the current investment portfolio, the individual transactions executed over the last period, and a detailed listing of portfolio securities held at the end of the period. The report summarizes data on investments by type, maturity, and call date with associated book values, portfolio percentages, and market values. The report also includes a comparison of City yields to U.S. Treasury benchmarks and other information as requested by the Investment Committee.

XXII. Investment Policy Adoption

The City's Investment Policy shall be adopted by resolution by the City Council, Housing and Redevelopment Authority Board and the Port Authority Board. The Policy shall be reviewed on a bi- annual basis by the Investment Committee and any modifications made thereto must be approved by the City Council. The Investment Policy will be consolidated within the Financial Management Policy.

(Revised 3/3/1997, 1/19/1999, 3/19/2007, 9/14/2009, 12/1/2014)

CAPITAL IMPROVEMENT PROGRAM

Capital Improvement Program Policy

Policy Statement:

The Capital Improvement Plan (CIP) is a planning tool based on long-range physical planning and financial projections that forecast the City of Bloomington (City), the Bloomington Port Authority (Port), and Housing and Redevelopment Authority for the City of Bloomington (HRA) capital needs over a ten-year period as building blocks to help achieve the City's strategic vision and mission. The CIP includes a detailed description of every Capital Project over \$50,000 anticipated to be initiated during the ten-year period.

The CIP continues to evolve as project planning needs to respond to strategic community direction. Changes in economic conditions or other project related issues may alter timelines. Funding mechanisms change and projects become more or less feasible based on such funding changes. City management continuously looks for opportunities for efficiency which often change the projected needs for capital.

The CIP neither appropriates funds nor authorizes projects. The City Council must act to initiate each project over \$175,000. The City Manager may initiate projects for less than \$175,000. Projects will only be initiated when sources of funding are available as budgeted.

Authority:

MINNESOTA STATUTES, SECTION 475.521

Subd 3 (a) A municipality may adopt a capital improvement plan. The plan must cover at least a five-year period beginning with the date of its adoption. The plan must set forth the estimated schedule, timing, and details of specific capital improvements by year, together with the estimated cost, the need for the improvement, and sources of revenue to pay for the improvement. In preparing the capital improvement plan, the governing body must consider for each project and for the overall plan:

(1) the condition of the municipality's existing infrastructure, including the projected need for repair or replacement;

(2) the likely demand for the improvement;

(3) the estimated cost of the improvement;

(4) the available public resources;

(5) the level of overlapping debt in the municipality;

(6) the relative benefits and costs of alternative uses of the funds;

(7) operating costs of the proposed improvements; and

(8) alternatives for providing services most efficiently through shared facilities with other municipalities or local government units.

(b) The capital improvement plan and annual amendments to it must be approved by the governing body after public hearing.

Policy:

- A. The City will develop a multi-year plan for capital improvements and update it annually. The capital amounts that are in operating budgets (General Fund, Enterprise Funds, Internal Service Funds, and Special Revenue Funds) will be approved by the City Council during the annual budget process. Amounts for future capital improvements will be incorporated into each fund's long-term budget model consistent with the Capital Improvement Plan.
- B. The City will develop a realistic and predictable program of capital spending with the projected fiscal capability to finance such projects. The capital spending program shall factor in projected tax capacity, debt retirement and projected general tax levies, avoiding sharp changes in the tax levy or bonded indebtedness.
- C. The City will identify the estimated cost and potential funding sources for each capital project proposal before it is submitted to the Council for approval and in that process will determine the most effective financing method for the proposed project. All construction projects shall include at least a ten percent contingency prior to receiving bids and at least five percent upon acceptance of the bid.
- D. The City will make all capital improvements in accordance with the adopted capital improvement program, or as it is amended by the Council. Capital purchases shall follow the procurement policy for appropriate dollar levels of authorization.
- E. The City will coordinate development of the capital improvement budget with the development of the operating budget. Future operating costs associated with new capital improvements will be projected and included in operating budget forecasts.
- F. The City will use inter-governmental assistance to finance only those capital improvements that are consistent with the capital improvement plan and City priorities, and that have operating and maintenance costs that have been included in operating budget forecasts. Intergovernmental loans will be short-term (less than three years) and utilize funds that are not required for operations during the period of the loan.
- G. The City will maintain all its assets at a level adequate to protect the City's and its citizens' capital investment and to minimize future maintenance and replacement costs.
- H. Equipment and building replacement shall be accounted for in an internal service fund with annual charges to operating funds to reflect depreciation based on the useful life of assets. Funds accumulated in these funds shall be used to purchase replacement assets.

(Revised 1/2/2018, 10/11/2021)

DEBT

Conduit Debt Policy

General

The City of Bloomington is granted the power to issue conduit revenue bonds and other conduit revenue obligations under Minnesota Statutes, Section 469.152-469.165, as amended, and Minnesota Statutes, Chapter 462C, as amended (the "Conduit Bonds Acts"). The Bloomington City Council, being aware that such financing may prevent the emergence of blighted land, excessive unemployment and the need for redevelopment financing from the State and Federal governments, has expressed its support for the use of such financing but has reserved the right to approve or reject projects on a case-by-case basis. The following criteria have, therefore, been developed as a guide for review of applications:

Criteria

- a. The project is to be compatible with the overall development plans and objectives of the City and of the neighborhood in which the project is located.
- b. New businesses locating in Bloomington must show relatively substantial new employment and tax base being generated by the project.
- c. Locating in areas of the City that the City wishes to develop, redevelop, or which in any way complements any development plans or policy of the City, will constitute a prime purpose under these guidelines. It is also the City's intent to assist in business expansions or relocations within the City where it can be shown that such would have a substantial, favorable impact on employment or tax base, or both.
- d. It is the City's intent to assist new or existing businesses in the acquisition of existing facilities, where such acquisition will maintain the stability of the tax base, or of employment, or both, and provided that not less than 15% of the portion of the cost of acquiring the existing facility financed with the net proceeds of the conduit bonds is to be used for rehabilitation of the existing facility.
- e. The project must not put a burden on existing City services or utilities beyond that which can be reasonably and economically accommodated.
- f. The applicant (and/or the lessee in the case of property to be leased) must have a good financial standing, show a substantial net worth, or equity in the project, or both, and have an acceptable earnings history or pro forma. Projects are to show in the application for financing an owner equity or other collateral (such as a bank Letter of Credit, a Bankers Acceptance, Pledge of a Certificate of Deposit, insurance company guarantee, or similar security) which will be satisfactory to the end-lender or rating agency, all determined with reference to total project costs, and applicant is to file with the City, if requested, a final statement of total costs and project equity, certified to by an authorized officer or partner, or the individual applicant, said statement to be filed at time of requesting the Final Resolution.
- g. The credit rating and method of offering conduit* bonds or notes of the City are important considerations. The City will not entertain applications for such financings unless (i) the debt is rated in the "A" category (or better) by a nationally recognized rating agency or (ii) the debt is sold in a private placement. Debt will be considered sold in a private placement (i) if no advertising or

solicitation of the general public occurs, and (ii) if the bonds are initially sold to not more than ten purchasers (not including any underwriter or placement agent as a purchaser) and (iii) the City receives written certification from each initial purchaser (or each underwriter or placement agent based on its reasonable belief) that: (a) such purchaser has such knowledge and experience in financial and business matters that it is capable of evaluating the merits and the risks of the debt, and (b) such purchaser is not purchasing for more than one account or with a view to distributing the debt.

In addition, for a private placement either (a) all bonds or notes (except for one bond or note) must always remain in minimum denominations of not less than \$100,000, or (b) investment letters from not only each initial purchaser, but from any subsequent purchaser must be obtained which contains the above described certifications from the purchasers. Any offering material for a private placement must prominently state in effect that: "THE CITY OF BLOOMINGTON HAS NOT ASSUMED ANY RESPONSIBILITY TO REVIEW THIS OFFERING MATERIAL AND HAS NO RESPONSIBILITY FOR ITS ACCURACY OR COMPLETENESS. THE CITY HAS NO FINANCIAL OBLIGATION OF ANY NATURE WITH RESPECT TO THE OFFERED BONDS."

Finally, to qualify as a private placement the financing documents must require annual financial statements from the benefited private party (or the ultimate provider of credit) to be delivered to each investor (or a trustee).

*The term "conduit" refers to any type of City revenue obligation the proceeds of which are loaned to a private party and for which the City has no financial obligation.

- h. Applications for acquisition of or replacement of machinery and equipment will be discouraged unless in conjunction with a totally new business in Bloomington, a physical plant expansion of an existing business, or where it is shown that the equipment acquisition is essential to the continued operation of the business in Bloomington. Also, it is the City's intent to assist where possible in the acquisition of pollution control equipment for any new or existing business being required to meet mandated standards.
- i. A further permitted use under these guidelines are projects, whether profit or nonprofit, engaged in providing health care services, including hospitals, nursing homes, and related medical facilities, but only when the following findings can be made:
 - (1) Number of new jobs and related payroll is relatively significant.
 - (2) The project would provide a facility or service, or expansion thereof considered desirable or necessary from a community services standpoint.
 - (3) The project application also meets requirements of paragraph a, e, f and g of these guidelines.

Procedures

- a. The applicant shall make an application for financing on forms available from the Finance Department of the City of Bloomington. The completed application is to be returned to the Chief Financial Officer, accompanied by the processing fee, whereupon the application will be forwarded to the City Council with a Staff recommendation. Specific findings shall be made and recited regarding the criteria as well as satisfaction of public purposes of the Conduit Bonds Acts.
- b. The application cannot be considered by the City until tentative City Code findings and requirements have been made with respect to zoning, building plans, platting, streets and utility services.

- c. The applicant shall submit a timetable for completion of the project as part of the application and any apparent major deviation from that timetable will automatically cause the application to be brought back to the City Council for review. This timetable must relate to the State timetable for entitlement and pool allocations. The financing must be completed within the calendar year for which application is made.
- d. The applicant is to select qualified financial consultants and/or underwriters, as well as legal counsel, to prepare all necessary documents and materials. The City may rely on the opinion of such experts and the application shall be accompanied by a financial analysis (pro forma income statement, debt service coverage, mortgage terms, etc.) by the underwriter as to the economic feasibility of the project and the underwriter's ability to market the financing. Financial material submitted is to also include most recent fiscal year-end, audited, financial statements of the applicant and/or of any major lessee tenant, if readily available.
- e. Further, in the case of the tax exempt mortgage placements, the applicant will be required to furnish the City, before passage of the Final Resolution, a comfort letter (but not necessarily a letter of commitment) from the lending institution, to the effect that said lending institution has reviewed the economic feasibility of the project, including the financial responsibility of the guarantors and find that, in their professional judgment, it is an economically viable project.
- f. The applicant shall furnish along with the application, a description of the project, plat plan, rendering of proposed building, etc., and a brief description of the applicant company, all in such form as shall be required at the time of application. Such of this data as necessary may be furnished to members of the City Council for background information.
- g. If an allocation of bonding authority is required under Minnesota Statutes, Chapter 474A, as amended ("Chapter 47 4A", the applicant shall be required to pay any required application fee and provide any required application deposit as specified in Chapter 474A, without regard to whether the application fee or application deposit will be refunded.
- h. The applicant shall covenant in the applicable conduit bond documents to comply with all applicable requirements of the Internal Revenue Code of 1986, as amended (the "Code"), and the applicable Treasury Regulations, including, but not limited to: (i) the arbitrage and rebate requirements of Section 148 of the Code; and (ii) the qualified bonds provisions of Sections 141(e), 142, 143, 144, and 145 of the Code. The applicant shall be the party responsible for monitoring the conduit bonds for compliance with such requirements and to remediate nonqualified bonds in accordance with the requirements of the Code and applicable Treasury Regulations. The applicant shall be the party responsible for monitoring compliance with the requirements of Section 148 of the Code.
- i. The applicant shall covenant in the applicable conduit bond documents to reimburse the City for all costs paid or incurred by the City (including the fees of attorneys, financial advisors, accountants, and other advisors) as a result of the City's response to or compliance with an audit, inspection, or compliance check (random or otherwise), by the Internal Revenue Service, the Minnesota Department of Revenue, the Minnesota Office of the State Auditor, or any other governmental agency with respect to the conduit bonds or the project financed with the proceeds of the conduit bonds.

Administrative

- a. The City Council reserves the right to deny any application for financing at any stage of the proceedings prior to adopting the final resolution authorizing issuance of the industrial

development financing. The City Council may waive any provision of this Conduit Bonds Policy if the City Council determines that such waiver is in the best interests of the City.

- b. The City is to be reimbursed, and held harmless, for and from any out-of-pocket costs related to the actual or proposed issuance of conduit revenue bonds. In addition, a nonrefundable processing fee of \$5,000 must be submitted with the application. Upon closing, an administrative fee of 0.75% of par is due and payable to the City.

In the case of a refinancing, the administrative fee shall be calculated at 50% of the above schedule. The City will be reimbursed for any technical changes to a bond issue previously issued to be calculated at 25% of the above schedule.

Applications for Host Approval will include a nonrefundable administrative processing fee of \$5,000.

- c. All applications and supporting materials and documents shall remain the property of the City. Note that all such materials may be subject to disclosure and/or public review under applicable provisions of State law.
- d. The Finance Department shall, report all conduit debt issues in the Comprehensive Annual Financial Report in accordance with Generally Accepted Accounting Principles and shall report any material events with regard to all conduit debt issued by the City, and still outstanding, to the City Council.

(Adopted by City Council - 4/10/78, Revised complete Policy and Criteria - 6/12/78, Sections 1c., 1g. and 1h. amended - 4/09/79, Sections 1b., 1c., 1f., 1g. and 2e. amended - 11/19/79, Section 1i. added - 10/15/80, Section 1f. and 1g. amended - 4/27/81, Section 1f. amended - 8/02/82, Section 1f. amended - 7/25/83, Section 1d. amended, 1j. added, 2d. amended, 2h. added and Section 4 added - 7/30/84, Section 1g., 2b., 2g. and 3d. amended - 4/13/92, Section 3b. - amended 3/15/93, Revised complete Policy 5/17/2010, Section 2h and 2i amended – September 12, 2011; Amended Administrative Section b – 11/18/2019; amended administrative section b – 11/08/2021, fee effective 01/01/2022)

Debt Policy

- A. The City will confine long-term borrowing to capital improvements, equipment or projects that have a life of more than 4 years and cannot be financed from current revenues.
- B. The City will endeavor to keep the total maturity length of general obligation bonds below 20 years and at least 50% of the principal shall be retired within 10 years. In all cases, the maturity shall be shorter than the life of the related assets.
- C. Total net (after deducting sinking funds and reserves) general obligation debt (net of utilities supported portion and any portion supported by others, such as the State of Minnesota) shall not exceed 75% of the dollars per capita debt limit for the current year. For example, the 2006 per capita debt limit was \$3,502, which translates into a cap of \$ 2,626. Net debt as defined here is to include Port Authority and HRA debt.
- D. Net general obligation debt (as defined above) will not exceed the statutory limit of 2% of the estimated Full Market Value of taxable property in the City as required by Minnesota Statute, Section 475.53.
- E. Where possible, the City will use revenue (including G.O. backed revenue) or other self-supporting type bonds instead of general obligation bonds.
- F. The City will not use long-term debt for current operations (including repairs).
- G. The City will maintain frequent and regular communications with bond rating agencies about its financial condition and will follow a policy of full disclosure in every financial report and bond prospectus. The City will comply with Securities Exchange Commission (SEC) reporting requirements.
- H. The City will strive to maintain a full funding policy for the Fire pension plan (no unfunded liability) and will maintain a continuing overview of the investments of the Fire plan. The City will aggressively protect its rights to any positive balance in the Fire Relief Funds. Where appropriate, the City will utilize the 10% reduction allowed by Minnesota Statute, Section 69.773, Subd. 4, to reduce the Fire Pension tax levy. Any unfunded actuarial accrued liability calculated will be amortized over a period of 20 years effective December 31 in the year of the change according to Minnesota Statute, Section 69.773, Subd. 4.
- I. Interfund borrowing for periods of more than one year shall only be undertaken for capital expenditures. A reasonable payment schedule for repayment of the borrowed amounts and enforceable covenants, established to ensure recourse if the schedule is not adhered to, shall be approved by the City Council. Interest charges shall be included to compensate the lender for the use of its financial resources. Interest charges for interfund loans utilizing tax increment bonding will follow Minnesota Statutes , Section 469.178, Subd. 7.

Interfund borrowing that does not meet the criteria noted above shall not be considered as a loan in financial reports.

(Revised 5/20/2002)

Post-Issuance Compliance Policy for Tax-Exempt Governmental Bonds

The City of Bloomington (the “City”) issues tax-exempt governmental bonds to finance capital improvements. As an issuer of tax-exempt governmental bonds, the City is required: (i) by the terms of Sections 103 and 141-150 of the Internal Revenue Code of 1986, as amended (the “Code”), and the Treasury Regulations promulgated thereunder (the “Treasury Regulations”), to take certain actions subsequent to the issuance of such bonds to ensure the continuing tax-exempt status of such bonds; (ii) by the terms of Section 6001 of the Code and Section 1.6001-1(a) of the Treasury Regulations, to satisfy certain record retention requirements with respect to its tax-exempt governmental bonds; and (iii) by the terms of Securities and Exchange Commission Regulation, 17 C.F.R. Section 240.15c2-12, as in effect and interpreted from time to time (“Rule 15c2-12”), to satisfy certain continuing disclosure obligations with respect to its governmental bonds (whether tax-exempt or taxable). This Post-Issuance Compliance Procedure and Policy for Tax-Exempt Governmental Bonds (the “Policy”) has been approved and adopted by the City to ensure that the City complies with its post-issuance compliance obligations under applicable provisions of the Code and Treasury Regulations. Occasionally the Housing and Redevelopment Authority in and for the City of Bloomington, Minnesota (the “HRA”) and the Port Authority of the City of Bloomington, Minnesota (the “Port Authority”) issue governmental bonds to finance capital improvements. The term “City” as used in this Policy includes the HRA and the Port Authority with respect to their issuances of governmental bonds.

1. Effective Date and Term. The effective date of this Policy is the date of approval by the City Council of the City (September 12, 2011) and shall remain in effect until superseded or terminated by action of the City Council of the City. This Policy amends and restates the Post-Issuance Compliance Procedure and Policy for Tax-Exempt Governmental Bonds adopted by the City Council of the City on June 22, 2009.
2. Responsible Parties. The Chief Financial Officer of the City shall be the party primarily responsible for ensuring that the City successfully carries out its post-issuance compliance requirements under applicable provisions of the Code and Treasury Regulations. The Chief Financial Officer will be assisted by the staff of the Finance Department of the City and by other City staff and officials when appropriate. The Chief Financial Officer of the City will also be assisted in carrying out post-issuance compliance requirements by the following organizations:
 - a. Bond Counsel (the law firm primarily responsible for providing bond counsel services for the City);
 - b. Municipal Advisor (the organization primarily responsible for providing municipal advisor services to the City);
 - c. Paying Agent (the person, organization, or City officer primarily responsible for providing paying agent services for the City); and
 - d. Rebate Analyst (the organization primarily responsible for providing rebate analyst services for the City).

The Chief Financial Officer shall be responsible for assigning post-issuance compliance responsibilities to members of the Finance Department, other staff of the City, Bond Counsel, Municipal Advisor, Paying Agent, and Rebate Analyst. The Chief Financial Officer shall utilize

such other professional service organizations as are necessary to ensure compliance with the post-issuance compliance requirements of the City. The Chief Financial Officer shall provide training and educational resources to City staff who are responsible for ensuring compliance with any portion of the post-issuance compliance requirements of this Policy.

3. Post-Issuance Compliance Actions. The Chief Financial Officer shall take the following post-issuance compliance actions or shall verify that the following post-issuance compliance actions have been taken on behalf of the City with respect to each issue of tax-exempt governmental bonds issued by the City:
 - a. The Chief Financial Officer shall prepare a transcript of principal documents (this action will be the primary responsibility of Bond Counsel).
 - b. The Chief Financial Officer shall file with the Internal Revenue Service (the "IRS"), within the time limit imposed by Section 149(e) of the Code and applicable Treasury Regulations, an Information Return for Tax-Exempt Governmental Obligations, Form 8038-G, or successor form ("Form 8038-G") (this action will be the primary responsibility of Bond Counsel).
 - c. The Chief Financial Officer shall prepare an "allocation memorandum" for each issue of tax-exempt governmental bonds in accordance with the provisions of Treasury Regulations, Section 1.148-6(d)(1), that accounts for the allocation of the proceeds of the tax-exempt bonds to expenditures not later than the earlier of:
 - (i) eighteen (18) months after the later of (A) the date the expenditure is paid, or (B) the date the project, if any, that is financed by the tax-exempt bond issue is placed in service; or
 - (ii) the date sixty (60) days after the earlier of (A) the fifth anniversary of the issue date of the tax-exempt bond issue, or (B) the date sixty (60) days after the retirement of the tax-exempt bond issue.

Preparation of the allocation memorandum will be the primary responsibility of the Chief Financial Officer (in consultation with the Municipal Advisor and Bond Counsel).

- d. The Chief Financial Officer, in consultation with Bond Counsel, shall identify proceeds of tax-exempt governmental bonds that must be yield-restricted and shall monitor the investments of any yield-restricted funds to ensure that the yield on such investments does not exceed the yield to which such investments are restricted. (e) In consultation with Bond Counsel, the Chief Financial Officer shall determine whether the City is subject to the rebate requirements of Section 148(f) of the Code with respect to each issue of tax-exempt governmental bonds. In consultation with Bond Counsel, the Chief Financial Officer shall determine, with respect to each issue of tax-exempt governmental bonds of the City, whether the City is eligible for any of the temporary periods for unrestricted investments and is eligible for any of the spending exceptions to the rebate requirements. The Chief Financial Officer shall contact the Rebate Analyst (and, if appropriate, Bond Counsel) prior to the fifth anniversary of the date of issuance of each issue of tax-exempt governmental bonds of the City and each fifth anniversary thereafter to arrange for calculations of the rebate requirements with respect to such

tax-exempt governmental bonds. If a rebate payment is required to be paid by the City, the Chief Financial Officer shall prepare or cause to be prepared the Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate, Form 8038-T, or successor form ("Form 8038-T"), and submit such Form 8038-T to the IRS with the required rebate payment. If the City is authorized to recover a rebate payment previously paid, the Chief Financial Officer shall prepare or cause to be prepared the Request for Recovery of Overpayments Under Arbitrage Rebate Provisions, Form 8038-R, or successor form ("Form 8038-R"), with respect to such rebate recovery, and submit such Form 8038-R to the IRS.

4. Procedures for Monitoring, Verification, and Inspections. The Chief Financial Officer shall institute such procedures as the Chief Financial Officer shall deem necessary and appropriate to monitor the use of the proceeds of tax-exempt governmental bonds issued by the City, to verify that certain post-issuance compliance actions have been taken by the City, and to provide for the inspection of the facilities financed with the proceeds of such bonds. At a minimum, the Chief Financial Officer shall establish the following procedures:
 - a. The Chief Financial Officer shall monitor the use of the proceeds of tax-exempt governmental bonds to: (i) ensure compliance with the expenditure and investment requirements under the temporary period provisions set forth in Treasury Regulations, Section 1.148-2(e); (ii) ensure compliance with the safe harbor restrictions on the acquisition of investments set forth in Treasury Regulations, Section 1.148-5(d); (iii) ensure that the investments of any yield-restricted funds do not exceed the yield to which such investments are restricted; and (iv) determine whether there has been compliance with the spend-down requirements under the spending exceptions to the rebate requirements set forth in Treasury Regulations, Section 1.148-7.
 - b. The Chief Financial Officer shall monitor the use of all bond-financed facilities in order to: (i) determine whether private business uses of bond-financed facilities have exceeded the de minimus limits set forth in Section 141(b) of the Code as a result of leases and subleases, licenses, management contracts, research contracts, naming rights agreements, or other arrangements that provide special legal entitlements to nongovernmental persons; and (ii) determine whether private security or payments that exceed the de minimus limits set forth in Section 141(b) of the Code have been provided by nongovernmental persons with respect to such bond-financed facilities. The Chief Financial Officer shall provide training and educational resources to any City staff who have the primary responsibility for the operation, maintenance, or inspection of bond-financed facilities with regard to the limitations on the private business use of bond-financed facilities and as to the limitations on the private security or payments with respect to bond-financed facilities.
 - c. The Chief Financial Officer shall undertake the following with respect to each outstanding issue of tax-exempt governmental bonds of the City: (i) an annual review of the books and records maintained by the City with respect to such bonds; and (ii) an annual physical inspection of the facilities financed with the proceeds of such bonds, conducted by the Chief Financial Officer with the assistance with any City staff who have the primary responsibility for the operation, maintenance, or inspection of such bond-financed facilities.

5. Record Retention Requirements. The Chief Financial Officer shall collect and retain the following records with respect to each issue of tax-exempt governmental bonds of the City and with respect to the facilities financed with the proceeds of such bonds: (i) audited financial statements of the City; (ii) appraisals, demand surveys, or feasibility studies with respect to the facilities to be financed with the proceeds of such bonds; (iii) publications, brochures, and newspaper articles related to the bond financing; (iv) trustee or paying agent statements; (v) records of all investments and the gains (or losses) from such investments; (vi) paying agent or trustee statements regarding investments and investment earnings; (vii) reimbursement resolutions and expenditures reimbursed with the proceeds of such bonds; (viii) allocations of proceeds to expenditures (including costs of issuance) and the dates and amounts of such expenditures (including requisitions, draw schedules, draw requests, invoices, bills, and cancelled checks with respect to such expenditures); (ix) contracts entered into for the construction, renovation, or purchase of bond-financed facilities; (x) an asset list or schedule of all bond-financed depreciable property and any depreciation schedules with respect to such assets or property; (xi) records of the purchases and sales of bond-financed assets; (xii) private business uses of bond-financed facilities that arise subsequent to the date of issue through leases and subleases, licenses, management contracts, research contracts, naming rights agreements, or other arrangements that provide special legal entitlements to nongovernmental persons and copies of any such agreements or instruments; (xiii) arbitrage rebate reports and records of rebate and yield reduction payments; (xiv) resolutions or other actions taken by the governing body subsequent to the date of issue with respect to such bonds; (xv) formal elections authorized by the Code or Treasury Regulations that are taken with respect to such bonds; (xvi) relevant correspondence, including letters, faxes or emails, relating to such bonds; (xvii) documents related to guaranteed investment contracts or certificates of deposit, credit enhancement transactions, and financial derivatives entered into subsequent to the date of issue; (xviii) bidding of financial products for investment securities; (xix) copies of all Form 8038-Gs, Form 8038-Ts, and Form 8038-Rs filed with the IRS and any other forms or documents filed with the IRS; (xx) the transcript prepared with respect to such tax-exempt governmental bonds, including but not limited to (a) official statements, private placement documents, or other offering documents, (b) minutes and resolutions, orders, or ordinances or other similar authorization for the issuance of such bonds, and (c) certification of the issue price of such bonds; and (xxi) documents related to government grants associated with the construction, renovation, or purchase of bond-financed facilities.

The records collected by the Chief Financial Officer shall be stored in any format deemed appropriate by the Chief Financial Officer and shall be retained for a period equal to the life of the tax-exempt governmental bonds with respect to which the records are collected (which shall include the life of any bonds issued to refund any portion of such tax-exempt governmental bonds or to refund any refunding bonds) plus three (3) years. The Chief Financial Officer shall also collect and retain reports of any IRS examination of the City or any of its bond financings.

6. Remedies. In consultation with Bond Counsel, the Chief Financial Officer shall become acquainted with the remedial actions (including redemption or defeasance) under Treasury Regulations, Section 1.141-12, to be utilized in the event that private business use of bond-

financed facilities exceeds the de minimis limits under Section 141(b)(1) of the Code. In consultation with Bond Counsel, the Chief Financial Officer shall become acquainted with the Tax Exempt Bonds Voluntary Closing Agreement Program described in Internal Revenue Manual, Part 7.2, to be utilized as a means for an issuer to correct any post-issuance infractions of the Code and Treasury Regulations with respect to outstanding tax-exempt bonds.

7. Continuing Disclosure Obligations. In addition to its post-issuance compliance requirements under applicable provisions of the Code and Treasury Regulations, the City has agreed to provide continuing disclosure, such as annual financial information and material event notices, pursuant to a continuing disclosure certificate or similar document (the “Continuing Disclosure Document”) prepared by Bond Counsel and made a part of the transcript with respect to each issue of bonds of the City that is subject to such continuing disclosure requirements. The Continuing Disclosure Documents are executed by the City to assist the underwriters of the City’s bonds in meeting their obligations under Rule 15c2-12. The continuing disclosure obligations of the City are governed by the Continuing Disclosure Documents and by the terms of Rule 15c2-12. The Chief Financial Officer is primarily responsible for undertaking such continuing disclosure obligations and to monitor compliance with such obligations.
8. Other Post-Issuance Actions. If, in consultation with Bond Counsel, Municipal Advisor, Paying Agent, Rebate Analyst, the City Manager, the City Attorney, or the City Council, the Chief Financial Officer determines that any additional action not identified in this Policy must be taken by the Chief Financial Officer to ensure the continuing tax-exempt status of any issue of governmental bonds of the City or to ensure the continuing compliance by the City with applicable federal and state securities laws, the Chief Financial Officer shall take such action if the Chief Financial Officer has the authority to do so. If, after consultation with Bond Counsel, Municipal Advisor, Paying Agent, Rebate Analyst, the City Manager, the City Attorney, or the City Council, the Chief Financial Officer and the City Manager determine that this Policy must be amended or supplemented to ensure the continuing tax-exempt status of any issue of governmental bonds of the City or to ensure continuing compliance with applicable federal and state securities laws, the City Manager shall recommend to the City Council that this Policy be so amended or supplemented.
9. Taxable Governmental Bonds. Most of the provisions of this Policy, other than the provisions of Section 7, are not applicable to governmental bonds the interest on which is includable in gross income for federal income tax purposes. On the other hand, if an issue of taxable governmental bonds is later refunded with the proceeds of an issue of tax-exempt governmental refunding bonds, then the uses of the proceeds of the taxable governmental bonds and the uses of the facilities financed with the proceeds of the taxable governmental bonds will be relevant to the tax-exempt status of the governmental refunding bonds. Therefore, if there is any reasonable possibility that an issue of taxable governmental bonds may be refunded, in whole or in part, with the proceeds of an issue of tax-exempt governmental bonds then, for purposes of this Policy, the Chief Financial Officer shall treat the issue of taxable governmental bonds as if such issue were an issue of tax-exempt governmental bonds and shall carry out and comply with the requirements of this Policy with respect to such taxable governmental bonds. The Chief Financial Officer shall seek the advice of Bond Counsel as to whether there is any reasonable possibility of issuing tax-exempt governmental bonds to refund an issue of taxable

governmental bonds. 10. Qualified 501(c)(3) Bonds. If the City issues bonds to finance a facility to be owned by the City but which may be used, in whole or in substantial part, by a nongovernmental organization that is exempt from federal income taxation under Section 501(a) of the Code as a result of the application of Section 501(c)(3) of the Code (a “501(c)(3) Organization”), the City may elect to issue the bonds as “qualified 501(c)(3) bonds” the interest on which is exempt from federal income taxation under Sections 103 and 145 of the Code and applicable Treasury Regulations. Although such qualified 501(c)(3) bonds are not governmental bonds, at the election of the Chief Financial Officer, for purposes of this Policy, the Chief Financial Officer shall treat such issue of qualified 501(c)(3) bonds as if such issue were an issue of tax-exempt governmental bonds and shall carry out and comply with the requirements of this Policy with respect to such qualified 501(c)(3) bonds to the extent deemed necessary or appropriate by the Finance Officer.

(Policy Adopted by the City Council June 22, 2009. Revised and Restated September 12, 2011, with amendments to sections 1, 5-7, and 9-10. Revised January 27, 2020)

ECONOMIC DEVELOPMENT

Abatement District Policy

The City of Bloomington is authorized by Minnesota Statutes Sections 469.1812 to 469.1815 (the “Abatement Act”) to grant an abatement of taxes imposed by the City of Bloomington on a parcel of property, or defer the payment of the taxes and abate the interest and penalty that would otherwise apply if:

- A. It expects the benefits to the City of Bloomington of the proposed abatement agreement to at least equal the costs to the City of Bloomington of the proposed agreement or intends the abatement to phase in a property tax increase; and
- B. It finds that doing so is in the public interest because it will:
 - 1. Increase or preserve tax base;
 - 2. Provide employment opportunities in the City of Bloomington;
 - 3. Provide or help acquire or construct public facilities;
 - 4. Help develop or renew blighted areas;
 - 5. Help provide access to services for residents of the City of Bloomington;
 - 6. Finance or provide public infrastructure; or
 - 7. Phase in a property tax increase on the parcel resulting from the increase of 50 percent or more in one year on the estimated market value of the parcel other than increase attributable to improvement of the parcel.
- C. The total amount of property taxes abated by the City of Bloomington in any one year may not exceed the greater of ten percent of the net tax capacity of the City for taxes payable in the year in which the abatement applies or \$200,000 if levy is less than \$2,000,000.
- D. Any new abatement district or new tax increment district shall not exceed the monetary limitations set forth in Section 4 of the City’s Tax Increment Policy.
- E. The City of Bloomington will consider all proposals eligible for abatement districts before adopting an abatement district for any project. The City may grant an abatement for a period no longer than fifteen years. The duration may increase to twenty years in the event either the school district or the county chooses to decline the abatement or if 90 days pass after the school district or the county receive the City’s abatement request and no response is provided.
- F. The Business Subsidy Law, M.S. Sections 116J.993 to 116J.995 as amended requires local government agencies to adopt criteria for awarding business subsidies grants of \$25,000 or more or loans of \$75,000 or more. Unless an exception to the Business Subsidy Law applies, tax abatement will be considered a business subsidy.
- G. The proceeds of bonds secured with abatements may be used to (1) pay for public improvements that benefit the property, (2) acquire and convey land or other property as

provided in Section 469.1814, subd. 5 of the Abatement Act, (3) to reimburse the property owner for the cost of improvements made to the property, or (4) to pay the cost of issuance of the bonds.

- H. Data Practices Law. The City is a governmental body and is subject to the requirements of Minnesota Statutes Chapter 13 (the “Minnesota Government Data Practices Act”). Some of the data provided by the applicant to the City as part of the application for tax abatement may be required to be disclosed if requested pursuant to the Minnesota Government Data Practices Act.
- I. Amendments to Abatement Act. The references to the Abatement Act in this Abatement District Policy shall include any and all amendments to the Abatement Act that are made after this Policy is adopted.

(Revised 5/20/2002, 11/19/2007, 01/27/2020)

Tax Increment Policy

For the purpose of this Policy, the term “City” or “City of Bloomington” includes the City of Bloomington, the Housing and Redevelopment Authority in and for the City of Bloomington (HRA), and the Port Authority for the City of Bloomington (Port Authority).

The City of Bloomington is granted the power to utilize Tax Increment Financing (TIF) pursuant to the Minnesota Tax Increment Financing Act, Minnesota State Statutes 469.174 through 469.1794. The fundamental purpose of TIF is to encourage desirable development or redevelopment that would otherwise not occur but for the assistance provided through TIF.

Policy Purpose: To establish the City of Bloomington’s position relating to the use of Tax Increment Financing for private development above and beyond the requirements and limitations set forth by State Law. This policy shall be used as a framework for the review and processing of TIF applications in an equitable and consistent manner.

Objectives: Tax increment financing uses the increased property taxes generated by new real estate development within a tax increment district to pay for certain eligible costs associated with the development. As a matter of adopted policy, the City will consider using TIF to assist private development projects that will achieve one or more of the following objectives:

- To create opportunities for affordable housing, with an array of housing choices that meet the needs of current residents, and attract new residents to the City.
- Projects that improve the quality of life in the City by providing a desirable good or service and address an unmet demand in the community.
- To retain local jobs and/or increase the number and diversity of jobs that offer stable employment and/or attractive wages and benefits.
- Projects that provide value in the forms of needed transportation and other utility infrastructure improvement that would be completed in conjunction with the project.
- To facilitate the development process and to achieve development on sites which would not otherwise be developed but for the use of TIF.
- To support neighborhood retail services, commercial nodes, and employment.
- To contribute to the implementation of other public policies, as adopted by the City from time to time, such as the promotion of quality urban or architectural design, energy conservation, sustainability, and decreasing capital and/or operating costs of local government.
- To remove blight and/or encourage redevelopment of commercial and industrial areas in the City that will result in high quality redevelopment and private reinvestment.
- To encourage additional private development in the area, directly or indirectly, through “spin off” development.
- To offset increased costs of redevelopment (such as, contaminated site clean-up) over and above the costs normally incurred in development.
- To promote development consistent with the City’s Comprehensive Plan.

General TIF Policies

1. The City Council is the coordinating governmental unit in the City of Bloomington for the review and fiscal control of all tax increment financing within the City.

2. Each proposed project must satisfy at least one of the objectives set forth above.
3. Tax increment financed projects, and all other capital projects, of the Port Authority and the HRA shall be included in the City's 5-Year Capital Improvement Program each year for prioritizing.
4. The City will not approve any new tax increment district if the resulting total projected captured increment tax capacity (net of the City's estimated contribution to the fiscal disparities pool) of all tax increment districts and abatement districts in the City (including the proposed district, but excluding TIF Project Numbers 1359 and 1369) exceeds 15.0 % of the total projected net tax capacity of all taxable property (including the proposed district) in the City (termed "Tax Capacity Used for Local Rate" by Hennepin County Taxpayer Services). Further, to allow for flexibility in the future this 15.0% shall be considered allocated between the City and the component governmental units within the ranges expressed below:

City	0.0% to 5.0%
Port Authority	0.0% to 5.0%
HRA	0.0% to 5.0%
Total	0.0% to 15.00%

Any proposed alteration of this allocation can only be changed by a super majority (5/6 vote) of a committee comprised of the City's Chief Financial Officer, Port Authority Administrator, Housing & Redevelopment Administrator, City Manager, Community Development Director and the City Attorney.

5. The City will not consider tax increment financing requests for retail, service, industrial, hotel or office development projects that lie outside City approved redevelopment, development, or economic development districts.
6. Types of tax increment financing:
 1. Tax increment financing will not, unless approved by a 5/7 vote of all members of the City Council, be guaranteed or backed by the full faith, credit, and taxing power of the City, but instead will be payable solely from the related tax increment revenue.
 2. General obligation backed, or tax levy supplemented, tax increment financing is to be used only in those cases where it is found, by a 5/7 vote of all members of the City Council, that:
 - i. Such G.O. backed financing will not, in the opinion of the Council, place an undue burden on:
 - Tax rates
 - Relative debt load (as expressed in terms of per capita debt, or as a percentage of debt to Assessor's Market Value), and
 - ii. No other, better, financing alternative exists, and
 - iii. There is a very significant rate of return relative to the risk taken or if it is found that there are overriding socioeconomic considerations which are significant to the City overall, as determined by the City Council.

7. As required by State law, each tax increment financing (TIF) proposal will be reviewed with Hennepin County and the Bloomington School District (ISD #271), or any other affected school district, prior to implementation. Response from these agencies received within 30 days of notification, if any, shall be forwarded to the City Council prior to approval of the plan. The City will take into consideration any official county request to fund county road costs resulting from the tax increment plan. If funds for the project are not sufficient to cover such expenditures, the TIF plan would not proceed.
8. The City reserves the right to approve or reject the use of TIF, the amount of TIF, and the total term, on a case by case basis, taking into consideration established policies, project criteria, and demand on services in relation to the potential benefits from the project.
9. The applicant will pay for all legal and consultant costs associated with the preparation, processing, review and actual use of TIF. The applicant will submit to the City a deposit equal to the total estimated costs for legal and consultant fees. The City will draw upon these funds to pay all related expenses.
10. The applicant will also pay to the City a separate non-refundable application fee to reimburse staff costs and cover all other City related costs associated with the processing of the TIF request.
11. Projects utilizing TIF are responsible for paying their share of Fiscal Disparities contributions from the project.
12. The City's consultant shall prepare the TIF plan and the applicant will provide to the City and its consultant all information necessary to conduct a financial analysis of the proposed project.
13. The applicant will be required to comply with the City's Business Subsidy Policy.

Application Process

1. Applicant submits the completed application along with a non-refundable initial application fee. The applicant will work with City staff to assure all appropriate information is supplied.
2. City staff reviews the application and completes the Application Review Worksheet.
3. Results of the Application Review Worksheet are submitted to the appropriate governing authorities for preliminary approval of the proposal.
4. If preliminary approval is granted, the applicant shall submit a deposit for legal and consultant costs. Additional deposits from the applicant may be required to pay all fees and expenses incurred by the City.

5. The process of negotiating a contract for private development commences between the City, Port Authority, and/or the HRA.
6. The Tax Increment Financing Plan, along with all necessary notices, resolutions, and certificates are prepared by City staff and/or consultant(s) and sent to the county and the school board.
7. Public Hearing notices are published.
8. Public hearing(s) on the proposed project are held.
9. The City Council grants final approval or denial of the proposal.
10. If the HRA or Port Authority are involved, the applicable board of the HRA or Port Authority must also provide approval of the proposal.

Data Practices Law

The City is a governmental body and is subject to the requirements of Minn. Stat. Chapter 13 (the "Minnesota Government Data Practices Act"). Some of the data provided by the applicant to the City as part of the application for a Tax Increment Financing may be required to be disclosed if requested pursuant to the Minnesota Government Data Practices Act.

Amendments to Tax Increment Financing Act

The references to the Tax Increment Financing Act in this Tax Increment Policy shall include any and all amendments to the Tax Increment Financing Act that are made after this policy is adopted.

(Revised 6/10/1991, 3/16/1992, 3/14/1996, 12/4/17, 1/27/2020)

FUND BALANCE YEAR-END CLASSIFICATION POLICY (Per GASB 54)

PURPOSE: The Government Finance Officers Association's (GFOA's) guiding principle for classifying the various components of fund balance is to indicate the extent to which the government is bound to honor constraints on the specific purposes for which amounts in the fund can be spent.

Following governmental accounting standards, the City has three basic categories: governmental funds, proprietary funds, and fiduciary funds. This fund balance classification policy applies only to the governmental categories.

GOVERNMENTAL FUNDS

In 2009, the Governmental Accounting Standards Board (GASB) issued a new standard, GASB Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions. This new standard has altered the categories and terminology used to describe the components of fund balance in the governmental funds (but it does not apply to the proprietary or fiduciary funds). This standard is effective for Bloomington beginning December 2011.

The City's governmental funds include the following fund types:

- A. General Fund
- B. Special Revenue Funds
- C. Debt Service Funds
- D. Capital Projects Funds

Definitions (as they apply to Governmental Funds under GASB 54):

Fund balance – the difference between assets and liabilities reported in a governmental fund.

Nonspendable fund balance – amounts that are not in a spendable form (e.g., prepaid items and inventories of supplies). Resources that must be maintained intact pursuant to legal or contractual requirements are also considered nonspendable.

Restricted fund balance – amounts subject to externally enforceable legal restrictions (creditors, grantors, contributors, and by law through constitutional provisions or enabling regulations).

Unrestricted fund balance – the total of committed fund balance, assigned fund balance, and unassigned fund balance, as described below.

Committed fund balance – amounts that can be used only for the specific purposes determined by a formal action of the government's highest level of decision-making authority (City Council). Commitments may be changed or lifted only by the City Council taking the same formal action that imposed the constraint originally. The City Council must take action on these commitments before year end.

Assigned fund balance – amounts a government intends to use for a specific purpose; intent can be expressed by the government body or by an official or body to which the governing body delegates the authority.

Unassigned fund balance – amounts that are available for any purpose in the general fund. Only the general fund can report a positive amount of unassigned fund balance.

A. General Fund

The General Fund is established to account for all revenues and expenditures which are not required to be accounted for in other funds. Revenue sources include property taxes, license and permit fees, fines and forfeits, program revenues, intergovernmental revenues, investment interest earnings, and transfers. The General Fund's resources finance a wide range of functions including the operations of general government, public safety, and public works.

The General Fund will have committed fund balances at year end for purchase order encumbrances and budget carryovers. The General Fund may have a portion of its fund balance classified as nonspendable if there are long term receivables, inventories, or prepaid items on the balance sheet.

The General Fund is the only fund that can have any unassigned fund balance. The working capital balance of the general fund will fall into the unassigned fund balance classification.

B. Special Revenue Funds

Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects. Governmental accounting standards require that substantial inflows of revenues into a special revenue fund be either restricted or committed in order for the fund to be considered a special revenue fund. The City has eight different special revenue funds as follows:

1. **Community Development Block Grant (CDBG)** – this normally has a zero fund balance at year end, and if there were to be a balance it would be considered restricted based upon grant requirements.
2. **Public Health** – these grant funds are considered restricted based on grant requirements.
3. **Public Safety** – these grant funds are mostly considered restricted based on grant requirements and state statutes regarding police pensions; one area of this fund would be considered committed by the City Council for future fire pension obligations.
4. **Communications** – this fund is both restricted and committed by franchise agreements. The Public Education in Government (PEG) revenues (4302) are restricted per the franchise agreement. The cable TV franchise fees (4301) are committed per City Council.
5. **South Loop Revolving Development District** - this fund balance is considered committed. The committed revenue source is permit surcharges.

6. **Energy Efficient Block Grant** – this fund is restricted based on grant requirements.
7. **Cemetery Trust** – this is considered restricted based on state statute.
8. **Park Grants** – these funds are considered restricted by state and Metropolitan Council grant agreements.

C. Debt Service Funds

Debt service fund balances are considered restricted; they are resources that are being accumulated for payments of principal and interest maturing in current and future years. All of the City of Bloomington debt service funds are considered restricted.

D. Capital Project Funds

Capital project fund balances are considered restricted or committed; they are resources that are being accumulated for current and future projects. Capital project funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. In Bloomington, capital project funds are split into three categories:

1. **Capital Projects** – this category has balances that are considered both restricted and committed. The Carlton TIF District and the South Loop Industrial Development District I are both restricted through enabling legislation. The Art Center capital project fund is restricted per bond covenants. The Park Development and Strategic Priorities funds are both committed by the City Council for future projects. The Escrow Trust fund will be considered assigned.
2. **Improvement Construction** - these funds are considered restricted either through bond covenants or enabling legislation.
3. **State Aid Construction** - these funds are considered restricted by Minnesota Department of Transportation agreements.

Order of Fund Balance Spend-down

When both restricted and unrestricted resources are available for use, it is the City's policy to first use restricted resources, and then use unrestricted resources as they are needed. When unrestricted resources are available for use, it is the City's policy to use resources in the following order: (1) committed, (2) assigned, and (3) unassigned.

Carryovers and Encumbrances

For each year end, the City Council approves purchase order encumbrances and budget carryovers. Both the encumbrances and the budget carryovers will be considered committed fund balances upon approval by the City Council.

(Adopted by City Council 12/19/2011)

PROCUREMENT

Purchasing Policy

Purpose

To establish a consistent City-wide policy for the acquisition of goods, services, repairs, construction, joint power agreements, and in-kind agreements for all Departments, Boards, Commissions and Agencies of the City, except Boards or Agencies which are required to follow their own statutory or regulatory provisions (for example, Housing and Redevelopment Authority, Port Authority, etc.), in a manner that is in compliance with the Bloomington City Charter, Bloomington City Code, and applicable State and Federal laws governing municipal contracting and the expenditure of public funds.

To establish a consistent City-wide policy for contracts to protect the City from liability and ensure that contractors perform their duties properly. Well-drafted contracts are essential to protecting the City and enforcing its rights. The absence of a contract or an unenforceable contract could easily result in costly litigation and embarrassment for the City.

Policy

To ensure that the goods and services required by the City are obtained using established procedures that comply with all legal requirements for public purpose expenditures while promoting fair and open competition to ensure public confidence in the procurement process, ensure fair and equitable treatment of vendors who transact business with the City, and provide safeguards for the maintenance of a procurement system of quality and integrity.

Responsibility

The City Manager is the chief purchasing agent for the City. Responsibility for administering established Purchasing Policies and Procedures has been delegated to the Finance Department.

Central Purchasing Authority (“Purchasing”), as established by the Bloomington City Council, has responsibility for the following functions:

- a) Purchase of all materials, supplies, equipment, repairs and construction required by all Departments, Boards, Commissions, and Agencies of the City, except as hereinafter set forth, where funding has been approved during the annual budget process.
- b) Coordination of all plans and specifications for such materials, supplies, equipment, repairs and construction with input from the user department.
- c) Review and analysis of the purchasing activity of all City departments to obtain the best possible value from the combined volume purchasing of like commodities and services.
- d) Monitoring of procedures for the retaining of professional services by all Departments, Boards, Commissions, or Agencies.
- e) Coordination and oversight of the disposal of surplus, obsolete, or unused supplies, materials, or equipment.

- f) Training on purchasing procedures and regulations, monitoring compliance, and reporting any violations.
- g) Serving as a central contact for vendors and maintaining a central file of available vendors interested in doing business with the City.

An exception to utilizing Central Purchasing through the Finance Department is extended to the Engineering Division within the Public Works Department specifically limited to street and sewer construction/improvement projects that are subject to competitive bidding under Minnesota Statutes §429.

Procedures

Specific procurement requirements are addressed in the Purchasing Procedures.

Professional Services

Contracting for professional services, such as those provided by engineers, lawyers, architects, accountants, and other services requiring technical, scientific, or other professional training, when competitive bidding is not required, shall be the primary responsibility of the Departments, but with Purchasing oversight and compliance with established contract procedures.

Non-Monetary Contracts

Contracts with no monetary requirements including joint powers and in-kind agreements must be approved and signed by the City Manager if the agreement is for duration of less than one year. Contracts with no monetary requirements that are of duration longer than one year must be approved by the City Council and signed by the Mayor.

Emergency Purchases

Minnesota Statute §12.37 gives the City the ability to declare an emergency situation for a limited period of time. During such an emergency, the City is not required to use the typically mandated procedures for purchasing and contracts.

Emergency purchases require approval by the City Manager, Chief Financial Officer and, when necessary because of the dollar amount, formal City Council action. An emergency purchase is defined as one where an immediate response is required to protect the health, welfare or safety of the public or public property.

Conflicts of Interest

Minnesota State Statutes §471.87 and §471.88 prohibit the purchase of goods and services wherever a conflict of interest may exist.

City of Bloomington Personnel Rules require employees to disclose to their immediate supervisor any personal financial interest in the selling or buying of goods or services for the City of Bloomington. No purchase orders, contracts or service agreements shall be given to an employee of the City or to a partnership or corporation of which an employee is a major stockholder or principal. No employee shall enter into the relationship with a vendor where the employee's actions are, or could reasonably be viewed as, not in the best interests of the City. If any employee becomes involved in a possible conflict situation, the employee shall disclose the nature of the possible conflict to his or her supervisor and to the City Manager. The City Manager shall promptly notify the

individual in writing of an approval or disapproval of the activity. If disapproved, the employee shall remove himself or herself from the conflict situation.

Gifts and Gratuities

The City's Employment Rules prohibit employees from soliciting or accepting a gift or gratuity from any interested person who has a direct financial or economic interest in a decision that a City employee is authorized to make. Employees responsible for making purchasing decisions for the City may not accept, directly or indirectly, any gifts, favors, privileges, or employment from current or prospective City vendors.

Compliance

No agent or employee shall have the authority to bind the City to any contract or procurement except as provided by the City Charter (Section 7.07). Any procurement transaction made on behalf of the City which is not in compliance with established policies and procedures shall be deemed unauthorized. Any person making an unauthorized purchase may be liable for payment, restitution and/or further disciplinary action. Any obligation incurred by any City employee for any purpose not authorized in the budget or for any amount in excess of the amount authorized is considered a personal obligation of the person incurring the expenditure.

(Revised 5/20/2002, 9/12/2011)

REVENUE

Revenue Policy

- A. The City will endeavor to maintain a diversified and stable revenue system to shelter it from annual fluctuations in any one revenue source.
- B. The City will conservatively estimate and budget for its annual revenues by an objective, analytical process. All existing and potential revenue sources will be re-examined annually.
- C. The total expenditures sum appropriated shall be less than the total estimated revenue by a safe margin. (See Section 7.06 of the City Charter.) It is the policy of the City that this "safe margin" be no less than 2.5% of the proposed budget and will be shown as "Contingency" in the budget.
- D. The City will maintain sound appraisal procedures to keep taxable property values current and a physical review of each parcel will be made at least every five years in accordance with Minnesota Statute 273.08.
- E. The City will seek a balanced tax base through support of a sound mix of residential, commercial, and industrial development.
- F. The City will establish all user charges and fees for General Fund program activities at a level related to the full cost of providing the services, or as adjusted for particular program goals. On-going, the City will review the full cost of activities supported by user fees to identify the impact of inflation and other cost increases and will review these fees along with the resulting net property tax costs with the City Council at budget time. Sensitivity to market rates will also be considered in setting fees.
- G. The City will set fees and user charges for each enterprise fund such as water, wastewater or revenue facilities at a level that fully supports the total direct and indirect cost of the activity, including depreciation of capital assets and debt service, to maintain a positive cash flow and provide adequate working capital. Replacement (or bonding for replacement) of enterprise infrastructure will be paid for from accumulated (or annual) earnings of the particular system.

A transfer of equity from an enterprise fund to the General Fund should only be done on a one-time exception basis, for example, to fund an unusual, extraordinary expense. Equity transfers must be approved in advance by the City Council. Recreation type enterprise funds shall be considered on a combined basis for purposes of this policy and evaluation of financial performance. In no event shall such equity transfers be made in consecutive years.

FINANCIAL MANAGEMENT POLICIES ADOPTION

The complete listing of the City of Bloomington’s Financial Management Policies is available on the City’s Finance Department website – <https://www.bloomingtonmn.gov/fin/finance-department>.

The Financial Management Policies shall be adopted by resolution by the City Council. The policies shall be reviewed by the Finance and Accounting staff on an ongoing basis and any modifications made thereto must be approved by the City Council.

Adopted by City Council August 31, 1987; Adopted by Bloomington Housing and Redevelopment Authority and Bloomington Port Authority November 10, 2009.

Policy	Origination Date	Last Reviewed	Last Revised
<i>Financial Management Policies</i>	<i>8/31/1987</i>		<i>2/22/2021</i>
Abatement District Policy	5/20/2002	9/1/2021	1/27/2020
Budgetary and Financial Control Policy	1/23/2012		1/2/2018
Business Subsidy Policy	11/19/2007	9/1/2021	11/18/2019
Capital Improvement Program Policy	undated	9/1/2021	10/11/2021
Conduit Debt Policy	4/10/1978	9/1/2021	11/8/2021
Debt Policy	undated	9/1/2021	5/20/2002
External Auditor Independence Policy	5/20/2002		1/23/2012
Forfeited Funds Policy	undated		1/23/2012
Fund Balance Year-End Classification Policy	undated		12/19/2011
Investment Policy	3/3/1997		12/1/2014
Mileage Reimbursement Policy	undated		4/20/2018
Post-Issuance Compliance Policy for Tax-Exempt Govt. Bonds	6/22/2009	9/1/2021	1/27/2020
Public Purpose Expenditure Policy	undated		5/22/2017
Purchasing Policy	5/20/2002		9/12/2011
Revenue Policy	8/31/1987		1/23/2006
Risk Management Policy	undated		1/19/2006
Self-Insurance Reserve Policy	1/23/2012		1/23/2012
Tax Increment Policy	6/10/1991	9/1/2021	1/27/2020
Travel Policy	11/1/1980		2/4/2019
Uniform Grant Guidance Policy	2/22/2021	2/22/2021	2/22/2021
Utility Collection Policy	10/21/2013		10/21/2013



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ANNUAL BUDGET 2022

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FINANCIAL
SUMMARIES



Summary of Budgeted Funds (General, Special Revenue, Enterprise, Internal Service)

	2020 Actual	2021 Projected	2022 Budget
Revenues			
Property Taxes	\$ 57,749,839	\$ 60,809,188	\$ 61,716,559
Less Delinquent Taxes & Abatements	\$ (10,372)	\$ (903,759)	\$ (756,966)
Utility Fees	\$ 41,628,191	\$ 43,162,634	\$ 46,277,895
Departmental Charges	\$ 43,523,419	\$ 42,606,754	\$ 36,145,840
Lodging and Admissions Tax	\$ 3,227,774	\$ 6,338,152	\$ 7,573,480
Bond Proceeds	\$ 52,507	\$ 30,491	\$ 11,500,000
Program Income	\$ 4,753,258	\$ 6,470,450	\$ 7,448,176
Permits and Licenses	\$ 6,997,645	\$ 6,472,296	\$ 6,005,165
Transfers from Other Funds	\$ 11,215,915	\$ 8,275,018	\$ 9,950,853
Intergovernmental	\$ 7,395,225	\$ 7,413,356	\$ 6,519,037
Other Revenues	\$ 2,499,359	\$ 2,527,803	\$ 1,883,447
Franchise & PEG Fees	\$ 1,309,315	\$ 1,302,125	\$ 1,304,000
Interest Income	\$ 2,407,696	\$ (761,480)	\$ 982,385
Fines & Forfeitures	\$ 457,090	\$ 411,455	\$ 575,000
Special Assessments	\$ 667,280	\$ 645,575	\$ 300,722
Total Revenues	\$ 183,874,141	\$ 184,800,058	\$ 197,425,593
Expenses			
Salaries and Benefits	\$ 80,003,998	\$ 79,792,248	\$ 86,126,933
Materials, Supplies, & Services	\$ 86,383,264	\$ 87,434,218	\$ 90,643,553
Capital Outlay	\$ 13,000,781	\$ 9,507,945	\$ 23,631,541
Debt Service	\$ 1,756,823	\$ 1,737,699	\$ 1,340,108
Transfer to Other Funds & Contingency	\$ 3,933,559	\$ 5,610,808	\$ 2,457,288
Charged to Others	\$ (9,466,685)	\$ (9,197,118)	\$ (9,765,170)
Budgeted Estimated Unspent			\$ (1,250,000)
Total Expenses	\$ 175,611,740	\$ 174,885,800	\$ 193,184,253

Property Tax Recap	2020	2021	2022
Property Tax Amounts in Capital and Debt Service Funds			
Strategic Priorities Capital Fund	\$ -	\$ -	\$ 600,000
Tax Abatement Capital Fund	\$ 950,000	\$ 300,000	\$ 300,000
Debt Service Funds	\$ 5,544,059	\$ 5,388,034	\$ 5,680,168
	\$ 6,494,059	\$ 5,688,034	\$ 6,580,168
Property Tax Amounts in Budgeted Funds	\$ 57,749,839	\$ 60,809,188	\$ 61,716,559
Total Property Tax	\$ 64,243,898	\$ 66,497,221	\$ 68,296,727

Total General Fund Financial Summary

	2020 Actual	2021 Projected	2022 Budget
Revenues			
Property Taxes	\$ 53,356,337	\$ 56,599,636	\$ 57,471,203
Lodging and Admissions Tax	3,227,774	6,338,152	7,573,480
Permits and Licenses	6,536,354	6,021,565	5,689,165
Intergovernmental	4,579,217	5,805,070	5,197,686
Program Income	1,225,998	1,938,920	2,162,612
Fines	384,926	325,103	500,000
Interest Income	631,377	(361,084)	150,000
Other Revenues	1,486,953	1,450,845	1,011,045
Transfers from Other Funds	8,377,016	5,003,001	5,545,981
Total Revenues	79,805,952	83,121,208	85,301,172
Expenses			
Salaries and Benefits	55,391,468	55,346,837	64,975,695
Materials, Supplies, & Services	28,492,614	29,558,352	29,025,131
Capital Outlay	122,050	47,424	235,000
Transfer to Other Funds & Contingency	2,687,269	3,184,000	2,080,516
Charged to Other Funds	(9,412,043)	(9,142,897)	(9,765,170)
Budgeted Estimated Unspent			(1,250,000)
Total Expenses	77,281,358	78,993,716	85,301,172
Working Capital			
Net Change	2,524,594	4,127,492	-
Working Capital at Beginning of Year	36,539,448	39,064,042	43,191,534
Working Capital at End of Year	\$ 39,064,042	\$ 43,191,534	\$ 43,191,534
Working Capital Goal	\$ 33,051,351	\$ 36,232,902	\$ 36,232,902

Special Revenue Funds

Financial Summary

	2020 Actual	2021 Projected	2022 Budget
Revenues			
Fire Pension	\$ 2,309,296	\$ 1,699,667	\$ 2,262,133
Communications	1,961,062	1,770,781	1,886,472
Creative Placemaking	442,884	507,659	430,000
South Loop Revolving Development	131,948	37,262	347,900
Cemetery	180,491	207,874	205,215
Park Grants	451,075	57,092	132,492
Enhanced 911	112,271	149,219	223,478
DWI Forfeiture	44,228	55,865	41,000
State Drug Forfeiture	3,197	23,046	6,000
Federal Dept. of Justice Drug Forfeiture	38,990	26,081	30,000
Federal Treasury Drug Forfeiture	1,701	2,046	-
Police Grants	450,469	565,988	-
Total Revenues	\$ 6,127,612	\$ 5,102,580	\$ 5,564,690
Expenditures			
Fire Pension	\$ 2,541,359	\$ 1,879,113	\$ 662,748
Communications	1,772,849	1,925,591	1,942,442
Creative Placemaking	296,800	544,907	430,000
South Loop Revolving Development	17,835	28,491	210,000
Cemetery	238,385	207,747	222,694
Park Grants	445,933	57,625	181,753
Enhanced 911	153,222	147,896	168,234
DWI Forfeiture	31,287	35,787	58,144
State Drug Forfeiture	50,000	106,409	85,000
Federal Dept. of Justice Drug Forfeiture	-	16,317	15,000
Federal Treasury Drug Forfeiture	10	16,960	150
Police Grants	453,083	565,988	-
Total Expenditures	\$ 6,000,763	\$ 5,532,831	\$ 3,976,165

Enterprise Funds Financial Summary

	2020 Actual	2021 Projected	2022 Budget
Revenues			
Water Utility Fund	\$ 15,542,171	\$ 16,946,189	\$ 19,721,867
Wastewater Utility Fund	13,163,181	13,588,243	13,526,611
Solid Waste Utility Fund	8,143,037	8,246,235	10,597,652
Storm Water Utility Fund	7,425,392	7,100,183	7,294,063
Golf Courses Fund	1,742,559	1,983,046	1,728,321
Ice Garden Fund	1,228,180	1,589,506	1,975,547
Aquatics Fund	1,301,988	890,699	826,058
Center for the Arts Fund	1,073,958	2,024,199	1,140,000
Contractual Police Services Fund	557,513	796,831	550,000
Total Revenues	\$ 50,177,980	\$ 53,165,130	\$ 57,360,119
Expenses			
Water Utility Fund	\$ 14,834,019	\$ 14,982,145	\$ 18,541,425
Wastewater Utility Fund	12,870,208	11,774,510	13,161,784
Solid Waste Utility Fund	8,355,912	8,533,437	10,543,454
Storm Water Utility Fund	6,652,143	6,094,819	7,599,885
Golf Courses Fund	1,613,362	1,688,557	1,652,077
Ice Garden Fund	1,318,275	1,676,731	2,043,452
Aquatics Fund	1,132,936	672,039	834,872
Center for the Arts Fund	1,070,916	1,075,656	1,450,067
Contractual Police Services Fund	558,421	796,832	550,000
Total Expenses	\$ 48,406,192	\$ 47,294,726	\$ 56,377,016

Internal Service Funds Financial Summary

	2020 Actual	2021 Projected	2022 Budget
Revenues			
Facilities Fund	\$ 13,829,698	\$ 13,317,519	\$ 18,535,194
Employee Benefits Fund	11,008,688	10,565,606	10,843,476
Fleet Maintenance Fund	7,933,396	7,690,749	7,397,540
Information Technology Fund	5,919,889	6,101,469	6,217,523
Benefit Accrual Fund	2,320,030	1,912,235	2,032,767
Self Insurance Fund	2,371,772	2,215,414	2,295,231
Public Safety Technology & Equipment Fund	2,049,531	1,429,369	1,368,389
Support Services Fund	502,164	494,041	509,492
Total Revenues	\$ 45,935,169	\$ 43,726,402	\$ 49,199,612
Expenses			
Facilities Fund	\$ 12,013,032	\$ 11,794,805	\$ 16,764,276
Employee Benefits Fund	9,966,517	10,164,015	10,294,538
Fleet Maintenance Fund	8,342,507	6,919,501	7,701,301
Information Technology Fund	5,799,213	5,815,652	6,886,718
Benefit Accrual Fund	3,539,181	2,956,869	2,240,179
Self Insurance Fund	1,929,639	1,783,590	2,360,392
Public Safety Technology & Equipment Fund	2,304,966	1,846,541	760,673
Support Services Fund	471,100	459,495	521,822
Total Expenses	\$ 44,366,155	\$ 41,740,468	\$ 47,529,899

Fund Balances - Governmental Funds

Fund balance is defined as the difference between a fund's assets and liabilities. Adequate fund balance enhances the City's financial position and bond ratings. It also provides cash for operations prior to receipt of tax revenues. Cities in Minnesota receive their largest sources of revenue, property tax, only twice each year. Fund balances are used for day-to-day cash flow for the following six months of operations until the next property tax distribution. Fund balances are required to be categorized as one of five different components on the Annual Comprehensive Finance Report:

Fund Balance Restricted Components:

Non-spendable: Dollars that cannot be spent because they are not in a spendable form or they are legally or contractually required to remain intact.

Restricted: Dollars on which there are constraints placed regarding their use. External constraints include those imposed by creditors, grantors, or laws of other governments. Other constraints might be those imposed by law.

Fund Balance Unrestricted Components:

Unrestricted-Committed: Dollars that must be kept for specific purposes as determined by formal action of the decision-making authority.

Unrestricted-Assigned: Dollars that the City intends to use for a specific purpose but they are not committed.

Unrestricted-Unassigned: Dollars that do not fall into any of the other classifications.

Governmental Funds	Estimated Ending 2021 Fund Balance	2022 Budgeted Revenues	2022 Budgeted Expenses	2022 Budgeted Net Change	Projected Ending 2022 Fund Balance	% Change
General Fund	\$ 43,213,996	\$ 85,301,172	\$ (85,301,172)	\$ -	\$ 43,213,996	0.00%
Fire Pension	4,386,308	2,262,133	(662,748)	1,599,385	5,985,693	36.46%
Communications	380,716	1,886,472	(1,942,442)	(55,970)	324,746	-14.70%
Creative Placemaking	598,006	430,000	(430,000)	-	598,006	0.00%
South Loop Revolving Development	405,061	347,900	(210,000)	137,900	542,961	34.04%
Cemetery	450,748	205,215	(222,694)	(17,479)	433,269	-3.88%
Park Grants	80,282	132,492	(181,753)	(49,261)	31,021	-61.36%
Enhanced 911	18,343	223,478	(168,234)	55,244	73,587	301.17%
DWI Forfeiture	465,467	41,000	(58,144)	(17,144)	448,323	-3.68%
State Drug Forfeiture	189,312	6,000	(85,000)	(79,000)	110,312	-41.73%
Federal Dept. of Justice Drug Forfeiture	295,594	30,000	(15,000)	15,000	310,594	5.07%
Federal Treasury Drug Forfeiture	68,661	-	(150)	(150)	68,511	-0.22%
Police Grants	-	-	-	-	-	0.00%
	\$ 50,552,494	\$ 90,865,862	\$ (89,277,337)	\$ 1,588,525	\$ 52,141,019	3.14%

% Changes greater than 10% highlighted are explained below

Fire Pension Fund - The increase follows the objective of the Fire Pension Fund is to build an adequate reserve for future pension obligations without causing property tax volatility. For 2022 the pension is funded over 120% and therefore does not require additional funding other than the pass through of State Aid.

Communications Fund - Communications had a plan to spend down working capital in 2022.

South Loop Revolving Development - 2022 plan for an AUAR (Alternative Urban Area-wide Review) process to look at the cumulative impacts of anticipated development scenarios within South Loop.

Park Grants Fund – Planned spend down of previously accumulated “Lottery-in-Lieu-of-Taxes” revenue received from the State’s Environment and Natural Resources Fund along with “Legacy” revenues from the State’s Parks and Trails Fund. These revenues are restricted to use for operational and maintenance costs associated with the Hyland-Bush-Anderson lakes Regional Park Reserve.

Enhanced 911 – The State increased the monthly aid for Enhanced 911 midway through 2021 and it will continue to be at the higher levels in 2022.

State Drug Forfeiture – Planned spend down of previously accumulated State Forfeiture fund on allowable Police expenses.

Working Capital

Working Capital balance is defined as the difference between a fund’s current assets and current liabilities. It is a measure of operational liquidity in order to meet short-term financial obligations as well as saving for future long-term purchases. It also ensures that there are liquid funds available for unexpected or emergency events.

All budgeted funds’ Working Capital balances are analyzed during the budget process to ensure that the requested budget will keep the Working Capital balance near the goal required for the fund - not only in the budget year, but also projected into the future in long-range budget models. The General Fund Financial Summary located earlier in this Financial Summaries section includes the beginning, ending, and net change in Working Capital at the bottom of the summary. All of the Special Revenue, Enterprise, and Internal Service Funds also include beginning, ending, and the net change in Working Capital in their Financial Summaries.

2022 Budgeted Revenue Sources

Budgeted Revenues

The largest budgeted revenue sources are Property Taxes, Utility Fees, Lodging and Admission Taxes, Bond Proceeds, Program Income, Intergovernmental revenues, and Permits and Licenses. These revenues comprise 97% of the City's overall revenue budget.

Revenue Source	2022 Budget	% of Overall Budgeted Revenue
Property Taxes	\$61,716,559	40.3%
Utility Fees	46,277,895	30.6%
Lodging and Admission Taxes	7,573,480	5.0%
Bond Proceeds	11,500,000	7.6%
Program Income	7,448,176	4.9%
Intergovernmental	6,519,037	4.3%
Permits and Licenses	6,005,165	4.0%
Other Revenues	4,288,588	3.3%
Total Revenues	\$151,328,900	100%

(Not including Internal Service Fund revenue of \$36,145,840 or transfers from other funds of \$9,950,853)

Property Taxes – 93% of the budgeted \$61,716,559 in property taxes are expended in the General Fund to support taxpayer services such as Police, Fire, Public Works, Parks and Recreation, Community Services, and Community Development. The remaining 7% of budgeted property taxes support the Bloomington Family Aquatic Center, Bush Lake Beach, Ice Garden, Golf Courses, the Bloomington Center for the Arts, the Fire Pension Fund, the Communications Fund, and removal and replacement of diseased trees in the Solid Waste Fund. Additional property taxes of \$5.9 million were levied for Capital Project Funds and Debt Service Funds that are separate from the City's annual operating budget. The City Council sets a preliminary tax levy that is due to the County by the end of September. The preliminary tax levy for 2022 was a 2.75% increase from the 2021 tax levy. The City Council then approves a final tax levy in December after a property tax public hearing that is required by State statute. The final tax levy for 2022 was also a 2.75% increase from the 2021 tax levy. The City receives the distribution of property taxes from the County twice a year, in January and July.

Utility Fees – The City has utility services for water, sewer, stormwater mitigation, and garbage and recycling. Rates are determined by calculating the amount of funding needed to cover operations and future capital costs.

Water Utility

Recent local weather patterns and conservation efforts have influenced overall water use, current water fund reserves, and annual budgeting estimates. Wetter than normal

summer seasons have had a significantly lowered water usage which has lowered revenues. The City Council approved a water utility rate increase of 5.0% for 2022 after a public hearing on November 15, 2021. The increase was necessary to cover annual operational and maintenance costs, while building capital reserves for asset renewal.

Wastewater Utility

A large portion of annual operational expenses for the wastewater utility are for the treatment charges from the Metropolitan Council Environmental Services (MCES). A 3% rate increase for 2022 was approved after a public hearing on November 15, 2021. The current rates and working capital balance were adequate to cover annual operational and maintenance costs, while building capital reserves for asset renewal.

Stormwater Utility

A stormwater utility fee is charged to property owners to recover costs associated with providing storm water utility service to protect structures and the public from storm water damage caused by surface water runoff. Construction projects strive to improve and renew existing infrastructure as well as build resiliency within the existing storm sewer system. A combination of funds on hand, bond proceeds, and future rate increases are proposed to fund these projects. A rate increase of 2% for 2022 was approved by the City Council on November 15, 2021. This increase will allow the storm utility to continue funding maintenance construction and activity and maintain compliance with State and Federal regulations.

Solid Waste Utility (Garbage, Recycling, and Organics)

Beginning in October 2016, Bloomington began managing garbage and recycling for approximately 22,000 households that previously had individual contracts with residential haulers. The haulers formed a consortium that handles collection and customer service for these households. In 2022, the new service of Organics Recycling will begin. Like regular recycling, an organics rate will be paid by all residents with City garbage service. Residents will need to sign up for a cart, and the service will begin in March 2022.

The City Council approved these increases after a public hearing on November 15, 2021:

Utility	Proposed 2022 Rate Increase
Water	5.00%
Wastewater	3.00%
Stormwater	2.00%
Garbage (average of small, medium, & large carts)	3.11%
Recycling	0.00%
Bulky Rate (Curbside Cleanup)	0.00%
Organics (*New Program beginning in 2022)	\$5.50/month

Program Income – Program income is received from fee-supported services such as green fees, pool admissions, sport team fees, and public health fees. Fees are reviewed annually and increased to match the cost of service when necessary. The annual fee schedule is approved by the City Council. Revenues are projected on historical averages with considerations of rate increases and changes to program offerings.

Permits and License Fees – Permits and license fees of \$6,005,165 account for 4% of total budgeted revenues. The City Clerk's Office issues licenses as required by the City Code. Licenses for business, liquor, gambling, pets, taxicabs, and rental housing are all examples of licenses issued by the City. The Building and Inspection Division in Community Development issues permits for building, roofing, siding, decks, electrical, mechanical, plumbing, fire prevention, and special events. Permit revenues have been trending higher than budget in recent years. However, due to the economic impacts of the COVID-19 pandemic, revenues were forecasted conservatively.

Lodging and Admission Taxes – A 7% lodging tax is collected from hotel and motel lodging accommodations and related services. 3% of the lodging tax supports the General Fund. 2% supports the South Loop Capital Fund and 2% supports the Bloomington Visitors and Convention Bureau. A 3% admissions tax is collected on entertainment events in the City that includes ticket sales to theaters, amusement parks, and cover charges to night clubs, bars, and restaurants. The full 3% admission tax supports the General Fund. Lodging and admission taxes have significantly reduced due to the impacts of the COVID-19 on the hospitality and entertainment industry. Hotel occupancy has sharply declined. An interdepartmental team from Finance, Assessing, and Community Development continued to closely monitor hotel industry research and trends throughout 2021 and based on that analysis, revenues budgeted for 2021 were based on a moderate recovery scenario.

Intergovernmental – A major source of intergovernmental revenue in the General Fund is from State aid for the Police pension expenses of \$1.1 million. There is also over \$660,000 received from the State for the Paid-On-Call Volunteer Firefighter's pension that is budgeted in the Fire Pension Special Revenue Fund. Most of the intergovernmental revenue in the budget is for the Public Health Division. There is a total of \$3.8 million budgeted in the General Fund for the Public Health division for intergovernmental revenue for the many grants that fund a large portion of their operations.

Long-Range Financial Plans

The City utilizes long-range financial budget models to detect any future structural funding problems as early as possible. Long-range financial models ensure there is sufficient working capital to support current services and future capital needs. If trends show that working capital is decreasing below required goals, decisions can be made now to find additional revenues, identify reductions in operating expenses, modify future capital investments, and/or reduce or eliminate programs or services. Long-range models are also used to provide financial context for significant policy decisions that would impact future tax levies.

Key Assumptions in General Fund Long-Range Model

Lodging and Admission Taxes

In 2021, the biggest impact on the budget was the significant decline modeled for lodging and admission taxes due to the negative impact on the hospitality and entertainment industry caused by the COVID-19 pandemic. 2021 lodging taxes were budgeted at \$4.4 million less than the 2020 budget and 2021 admission taxes were budgeted at almost \$1 million less than the 2020 budget. The 2021 budgeted revenues for lodging and admission taxes were based on a “worst case” scenario. Fortunately, 2021 actual lodging and admission taxes were \$1.5 million higher than budgeted. For the 2022 budget, a continued moderate increase of these revenues is forecasted. In the long-range model, the lodging and admission taxes are not expected to reach pre-pandemic levels until 2025 based on industry analysis and trends.

Property tax revenues

Property Taxes are the primary source to fund several activities in the City including Public Safety, Public Works, Parks and Recreation, Public Health, and Community Development. An annual property tax levy increase is modeled in future years to cover reasonable downturn scenarios and inflation. This increase will likely be reduced as future budgets are refined through appropriation reductions or revenue increases.

Permits and Business licenses

Permits and business license revenue has been conservatively estimated. However, building permits can fluctuate significantly depending on the reinvestments made by property owners to upgrade existing properties and invest in significant new projects and the strength of the building market.

Program income

Program income is generated by various programs throughout the City. Program income and the corresponding expenditures declined significantly in 2020 due to most of the

Parks and Recreation programs being cancelled because of the pandemic. A modest increase was budgeted for 2021 and for 2022 that number was held relatively flat with a slight increase modeled in future years to account for fee increases.

Appropriations

Appropriation needs are developed by Department Heads and Division Managers after pre-loaded expenses such as salaries, benefits, and internal charges are loaded in budgets. On average, salaries and benefits make up approximately 70% of General Fund expenses. Overall, appropriations in long-term models are projected to increase annually at an average rate of 3%.

Salaries

Salaries are projected to increase by an estimated cost of living plus incentives for performance and step increases. For 2012 through 2019, wage increases averaged 2.5%. In 2020, a 3% increase was budgeted. For 2021 there were no salary increases for most employees due to the budget challenges from the pandemic. The one exception is for police officers and supervisors who settled their 2021 union contracts with the City in February 2020, before the pandemic. With the better-than-expected financial results for year-end 2020 along with a challenging labor market, several employees received a mid-year increase in 2021. 2022 salary budgets included an average increase of 3%. Later years of budget forecasts include wage increases of 2.5% for modeling purposes only.

Health Insurance

The City was facing higher than anticipated increase in health insurance premiums of 9.3% for 2022 which was higher than the 5% historical average increase and made the decision to move from the Public Employees Insurance Program (PEIP) to the Minnesota Health Consortium (MHC) with Medica. MHC premium costs to both the City and employees were lower than the 2022 PEIP rates.

Contingency

A contingency of at least 2.5% of the current year's budgeted expenditures, is included in the model. An estimated unspent amount is included to offset the budget by an amount historically under spent in the General Fund. This is typically due to savings incurred when full-time positions are vacant.

Structural Balance

The General Fund long-term model reflects conservative estimates of revenue and estimates of expenditures based on trends, industry forecasts, and future service level plans. Each year in the long-range budget model shows a balanced budget. Each year the model is updated to include changes in inflation, community growth, program choices, and levels of service. The subsequent modeling provides a financial context to understand funding requirements to maintain quality services. The out-years will be tempered with possible levy limits, program choices, and levels of service.

Budget gaps identified in future years are closed at least a year before budget adoption using cost reduction and/or revenue enhancement methods.

This General Fund model is part of a larger model the City developed to deal with downturns. There are a number of alternatives for increasing revenues and decreasing expenditures that the City will continue to consider. The City has demonstrated successfully how to apply these to work through downturns and to phase out their usage in the upturn to restore fund balances where appropriate. One of the main principles used is conservative budget management is to keep expenditure increases in line with inflation.

General Fund Long-Range Model Years 2022-2026

	2022 Budget	2023 Projected	2024 Projected	2025 Projected	2026 Projected
Property Tax Levy	\$58,228,169	\$60,062,356	\$62,344,726	\$67,644,028	\$71,528,276
Less Delinquent Taxes & Abatements	(\$756,966)	(780,811)	(810,481)	(879,372)	(917,934)
Admissions Tax	\$1,354,391	1,639,975	1,761,386	1,796,614	1,814,580
Lodging Tax	\$6,219,089	7,718,694	8,512,845	9,140,108	9,231,509
Business Licenses	\$1,850,464	1,868,969	1,887,658	1,906,535	1,925,600
Permits	\$3,838,701	3,915,475	3,993,785	4,073,660	4,155,133
Fines	\$500,000	500,000	500,000	500,000	500,000
Program Income	\$2,185,312	2,207,165	2,229,237	2,251,529	2,274,044
Intergovernmental Revenue	\$5,197,686	5,249,663	5,302,159	5,355,181	5,408,733
Interest	\$150,000	150,000	150,000	150,000	150,000
Transfers from Franchise Fees PMP	\$1,351,874	1,351,874	1,351,874	1,392,430	1,392,430
Transfers from Franchise Fees for Trails	\$170,000	170,000	170,000	170,000	170,000
Transfers from South Loop to Police	\$1,959,107	1,872,880	1,779,067	1,677,439	1,567,762
Transfers from Police COT for Admin	\$15,000	15,000	15,000	15,000	15,000
Transfers from Strategic Priorities - Tax Stabilization	\$1,100,000	1,100,000	1,100,000	1,100,000	
Transfers from CARES / ARP Fund	\$950,000	400,000	400,000		
Transfers Other					
Miscellaneous Revenue	\$988,345	998,228	1,008,211	1,018,293	1,028,476
Funding Gap		22,926	24,526	20,410	
REVENUES	85,301,172	88,462,395	91,719,992	97,331,854	100,243,610
City Council	524,816	540,560	556,777	573,481	590,685
Administration	2,925,563	3,013,330	3,103,730	3,196,842	3,292,747
Legal	2,060,920	2,122,748	2,186,430	2,252,023	2,319,584
Finance	1,502,591	1,547,669	1,594,099	1,641,922	1,691,179
Police	28,737,163	29,599,278	30,487,256	31,401,874	32,343,930
Fire	6,765,460	7,568,424	8,395,477	11,447,341	11,790,761
Community Development	10,146,069	10,450,451	10,763,965	11,086,884	11,419,490
Community Services	7,812,069	8,046,431	8,287,824	8,536,459	8,792,552
Parks and Recreation	4,269,197	4,397,273	4,529,191	4,665,067	4,805,019
Public Works	19,726,808	20,318,612	20,928,171	21,556,016	22,202,696
Transfers to Other Funds			0	0	0
Estimated Unexpended	(1,250,000)	(1,300,000)	(1,350,000)	(1,400,000)	(1,450,000)
Total Expenditures	83,220,656	86,304,776	89,482,919	94,957,907	97,798,644
Contingency (2.5% of Total Expenditures)	2,080,516	2,157,619	2,237,073	2,373,948	2,444,966
Expenditures with Contingency	85,301,172	88,462,395	91,719,992	97,331,854	100,243,610

Note: Years 2023-2026 are estimates. Property tax increases modeled above will likely be reduced as future budgets are refined through revenue increases and/or reductions of expenses.



HOPE ON THE HORIZON

ANNUAL BUDGET 2022

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H O P E
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ANNUAL BUDGET 2022

CAPITAL AND
DEBT



Capital Projects

The Capital Improvement Plan (CIP) constitutes the capital improvement plan of the City of Bloomington (City). It is a planning tool based on long-range physical planning and financial projections that forecast the City, the Bloomington Port Authority (Port), and Housing and Redevelopment Authority for the City of Bloomington (HRA) capital needs over a ten-year period as building blocks to help achieve the City's strategic vision and mission. The CIP includes a detailed description of every Capital Project anticipated to be initiated during the ten-year period.

The preliminary draft was presented at the October 11, 2021 City Council Meeting and brought to the Planning Commission in November 2021. The final [2022-2031 Capital Improvement Plan](#) was approved at a Public Hearing during the December 21, 2020 City Council Meeting. The CIP document is approved annually but projects are tracked and updated on a quarterly basis. To view the most recent updates, visit our dedicated CIP page at blm.mn/CIP.

The Capital Budget development process starts with Departments preparing requests for needed projects using the CIP database. Projects can come from the Alternative Transportation Plan, the Park Master Plan, the South Loop Master Plan, the Pavement Management Program, the fifteen-year modeling done for water, sewer and storm water utilities and the facility fund. A Facilities Committee reviews and prioritizes these types of structural needs. Once completed, an analysis of funding requirements and any necessary related prioritization is done by the Executive Management Team.

The cost estimates for each request include capital and operating budget costs that would result from the new or expanded capital facilities improvements and infrastructure. The cost estimates are presented in the CIP document, as is the impact on bonded debt and related debt service and the tax cost impact for various property types. According to the City's CIP Policy, operating costs must be projected and included in operating budget forecasts.

The CIP is reviewed by the Planning Commission for compliance with the Comprehensive Plan. The Mayor and Council then use the compiled information, along with results of public discussion, to decide which projects are to proceed and how they will be funded. The CIP is approved as a plan guide and does not represent approval of any particular project. Individual projects are not given final approval until they are brought back to the City Council for reaffirmation.

Capital projects have expenditures of at least \$50,000 and a useful life of at least four years. Capital project fund expenditures are incorporated into the budget process based on Council appropriation. Individual project budgets are then approved by the Council on a project-by-project basis. The CIP is available on the City's website under Finance.

Capital Improvement Plan Goals

- Maintain a systematic approach to planning and initiating capital projects affording the opportunity to plan the location, timing, and financing of the needed public improvements.
- Development of a realistic program of capital spending with the projected fiscal capability to finance such projects, avoiding sharp changes in the tax levy or bonded indebtedness.
- Enable the City, Port and HRA to evaluate the needs of the entire City on a strategically oriented framework.
- Coordinate the capital needs with the adopted Comprehensive Plan.
- Maintain awareness with the public and private investors of the scope of the City's capital improvements.
- Enhance opportunities for participation in federal and/or state grant and aid programs.

Highlights of 2022 Capital Funding Projects:

Park Development

Normandale Lake Maintenance Building Reconstruction **\$ 1,273,000**

This project is to replace the existing A-frame restrooms building south of Chalet Road parking lot with new restrooms that meet ADA requirements and a new maintenance garage. This is meant to improve maintenance services and provide an enclosed trash/recycling facility.

City Facilities

Fire Station 4 Rebuild **\$ 12,500,000**

The planning phase for the Fire Station 4 replacement began in 2021. The project is scheduled to begin in spring 2022 and complete by 2023. CIP Bonds will be issued to fund this project in spring 2022.

Fire Station 4 will be rebuilt at the same location but will be an energy efficient modern fire and EMS station that accounts for firefighter and citizen safety designed for continuous 24-hour operations to provide a timely, effective response to emergencies.

Sewer, Water, and Storm Water

American Blvd. SOLO Capacity Improvements **\$ 3,800,000**

This project will provide American Blvd sanitary sewer capacity improvement from 28th Ave to 34th Ave, also extending to the east of 34th Ave. This will be the second phase of improvements in the area following behind the 28th Ave and East Old Shakopee Rd sanitary sewer capacity improvements. This work will also include the installation of a Westbound left turn lane on American Blvd at 31st Ave.

Capacity improvements are required for potential future development. This project reduces the health risk due to possible sewer backups that could occur if the system was not expanded to the appropriate capacity given the current Council approved projects and the potential growth in the area. The expansion of the sewer capacity allows for additional growth of both jobs and housing and has a positive impact on the property values and tax base. The sanitary sewer project also reduces the risk of water pollution due to sewage spills and has a positive impact on the quality of life in the community. The project is included in the Comprehensive Plan and the South Loop AUAR along with the Wastewater Comprehensive Sewer Plan. The project cost estimate was updated in July 2021.

Storm Maintenance Asset Renewal/Replacement **\$ 1,700,000**

This project will provide necessary storm sewer replacement, rehab, & renewal to sewers in conjunction with the 2022 Pavement Management Program. With consistent asset renewal, the City is able to better conserve resources and improve drainage in relation with the PMP project. It reduces construction impacts on our residents and businesses by tying the projects together in one comprehensive project and reduces both noise and air pollution that would have occurred had the projects been done separately while also improving water pollution due to the added infrastructure included with the project. The project spot reduces periodic inundation in certain locations and increases property values along streets in Bloomington. In addition, it improves efficiency for City maintenance staffing.

Water System Fac. Tower/Reservoir Restoration **\$ 1,400,000**

This project will provide repair and/or modifications to interior and exterior water distribution of various water storage structures equaling a combined 30 MG. Projects of this nature are required to extend infrastructure.

South Loop

This development district includes Bloomington Central Station and the Mall of America. Funding for projects is provided from business tax revenues dedicated to area improvements. Anticipated 2022 non-routine capital expenditures include:

American Blvd 28th Ave Approach **\$ 475,000**

This concept converts the western northbound through lane to a shared left turn/through lane and the eastern northbound through lane is converted to the right turn lane. The channelized northbound right-turn lane is removed with this concept to improve safety of pedestrians. The 2018 Alternative Urban Areawide Review (AUAR) South Loop Traffic Study identified improvements to better utilize the existing roadway and improve pedestrian safety, based on the 2025 development conditions.

Creative Placemaking **\$ 150,000**

Creative Placemaking which engages artists and other creative people in building vibrant, distinctive, and sustainable communities. It bolsters local economies while

making physical, place-based improvements and leveraging the distinctive character and cultural resources of a place. This is an ongoing project expecting to be funded over the next 10 years and beyond.

Surface Transportation

Normandale Blvd. at 98th St. Safety Improvements **\$ 2,225,000**

This project will provide safety improvements at the intersection of Normandale Blvd and W 98th St., including eliminating channelized right turn islands, modifying existing raised medians, upgrading bike/pedestrian accommodations, and installing traffic signal confirmation lights. These are necessary safety improvements for an intersection with a relatively high number of crashes. With the removal of the channelized right turn islands, it provides a better experience for pedestrian and bicyclists. The project will be coordinated between Hennepin County and Bloomington

W 106th St. at 35W Street Improvement Project **\$ 2,255,000**

Reconstruction of W 106th Street at 35W from Lyndale Ave to Verdi Road. This project will improve safety and operations on this roadway corridor for motorists, pedestrians, and cyclists. The project also includes closure of West Bloomington Freeway at W. 106th Street and construction of a cul de sac 300' north of W. 106th Street. At W. 104th Street, West Bloomington Freeway will have modifications made to accommodate bus alighting and turning movements. MnDOT cost participation is to be included for the construction of a portion of the 35W Ramp connections to W. 106th Street and a portion of the signal system at East Bloomington Freeway. This project will improve safety and operations in the area and these improvements are identified in the Safe Routes to School Plan.

Pavement Management Program

A funding and implementation plan for repair and maintenance of Bloomington roadways was adopted in 1992. Needs are identified, then funding is provided through state aids, assessments, and franchise fees. This program not only strategically plans for repair and replacement, but also maximizes efficiency in the process by identifying the optimum time to replace or repair roads and streets. The original plan spanned three specific areas: reconstruction, overlay and seal coating. In 2015 the City Council approved adding trails to the program.

In 2022 approximately \$7,729,000 will be invested in street reconstruction and \$4,450,000 will be spent on overlaying existing pavement. Operating costs are not significantly impacted because on average the same number of miles are reconstructed and overlaid every year on a long-term schedule keeping costs for street maintenance fairly stable and predictable.

Summary of 2022 Project Costs

2022 Project Totals	
Surface Transportation	\$ 20,068,000
Sewer, Water, and Storm Water	10,660,000
City Facilities	14,385,000
Park Development	2,273,000
South Loop	625,000
Total	\$ 48,012,000

Funding Sources for 2022 CIP Projects

Funding Sources for 2022 Projects	
City Funds	\$19,275,000
Grants	7,914,000
CIP Bonds	12,500,000
PIR Bonds & Assessments	7,329,000
Other Funds	994,000
Total	\$48,012,000

Total Estimated Costs of the ten-year range

Category	Costs 2022-2031
City Facilities	\$ 257,605,000
Park Development	27,995,500
Sewer, Water, and Stormwater	125,348,500
South Loop	27,680,000
Surface Transportation	236,789,000
Total	\$ 675,418,000



HOPE ON THE HORIZON

ANNUAL BUDGET 2022

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Debt Overview

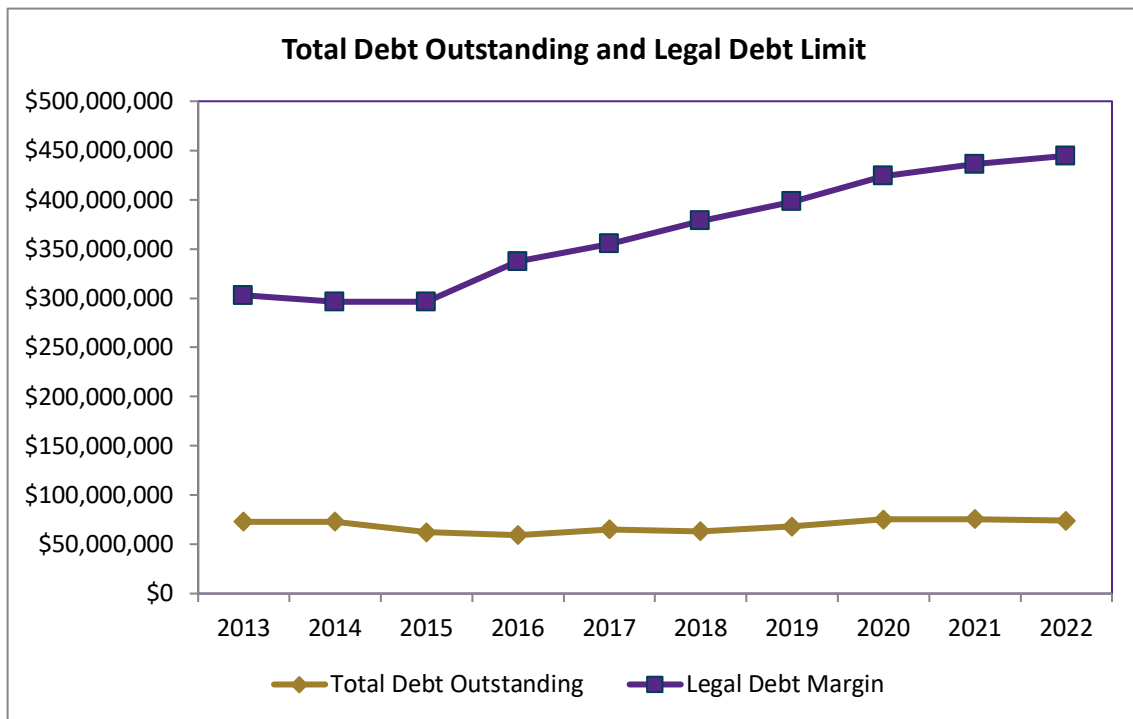
Ongoing positive performance in financial operations and savings from conservative spending assist in reducing the level of annual debt issuance. This results in debt service cost savings and, ultimately, lower debt service levies.

The City issues debt only when projects have a longer life than the term of the borrowing and to reimburse funding for large improvement projects. For more details on the City's debt policy, see the Policies section.

Debt Margin

Minnesota State law limits the amount of General Obligation (GO) debt for any municipality to 3 percent of market value. This limitation provides reasonable assurance of the municipality's ability to pay its obligations. Bloomington's estimated taxable market value for taxes payable year 2022 is \$15,011,175,000. The graph below shows ten years of legal debt limit and total debt outstanding. The space between the debt limit and outstanding debt shows that the City is conservative in the amount of debt issued compared to the statutory limit.

	<u>2022</u>
General Obligation Debt Limit	\$ 450,335,250
Bloomington's Debt Subject to the limit	<u>5,705,000</u>
Debt Margin	<u>\$ 444,630,250</u>



Debt Issuance and Refinancing

The City of Bloomington has been very conservative in its debt issuance practices and holds Moody's Aaa, Standard & Poor's AAA and Fitch Rating Agency's AAA G.O. debt ratings, one of 40 cities to achieve the "Triple Triple A."

General Obligation Debt Issuances During 2021

In June of 2021, the City issued the following debt:

- \$975,000 was an additional draw on the 2019 Taxable General Obligation Tax Increment Revenue Bonds. The proceeds were used to establish another project within the Affordable Housing Trust Fund.

In September of 2021, the City issued:

- \$2,005,000 of General Obligation Charter Bonds. The proceeds were used to finance park improvements within the City.

In November of 2021, the City issued:

- \$4,540,000 of General Obligation Permanent Improvement Revolving Fund Bonds. The proceeds were used for specific development projects and the Pavement Management Program to finance curb and gutter, sidewalk and road surfacing improvement projects within the City.

Anticipated Debt Issues

The City plans to issue Capital Improvement Bonds of up to \$12.5 million in early spring for a fire station. In the fall the City plans to issue Permanent Improvement Revolving Fund debt of approximately \$7.5 million to replenish funds expended for the Pavement Management Program.

The City's total outstanding tax and assessment supported debt on December 31, 2021, was \$61,843,540 for a per capita amount of \$687 (population 89,987). The per capita limit on the City's debt is \$5,004. The refunding issue of 2020 impacts the total debt outstanding because on December 31st the City is required to carry on its books both the debt that is to be refunded and the new debt that will be used to refund. Netting out the refunding and the original debt, the total outstanding tax and assessment supported debt is \$59,868,540 which would be a per capita amount of \$665.

The total debt principal and interest due in 2022 is \$12,094,819 of which \$1,310,107 is borne by the property tax levy. About 54 percent of the currently issued debt will be paid off in five years and over 86 percent in ten years. The ability to retire at least half of a city's debt in ten years is considered a strength.

As outlined in the Capital Improvement Plan, there are many community needs that the City of Bloomington must meet. The future debt capacity will allow the City to issue debt to provide for our community's upkeep and renewal without substantially increasing property taxes for debt service. The manageable level of debt service payments allows the City to target funding to current capital needs.

General Obligation

General Obligation Revenue

- 2017B Water Utility Bonds (2018-2027)
- 2018D Storm Water Utility Bonds “Green Bonds” (2020-2034)
- 2019A Bloomington Ice Garden Charter Bonds (2021-2030)

General Obligation

- 2011 Permanent Improvement Revolving, Forty-Five Series (2013-2031)
 - 2012 Permanent Improvement Revolving, Forty-Six Series (2014-2023)
 - 2012A Permanent Improvement Revolving Refunding. Bonds refunded the 2004 Permanent Improvement Revolving, Thirty-Nine Series (2015-2025)
 - 2013 Permanent Improvement Revolving, Forty-Seven Series (2015-2024)
 - 2013A Permanent Improvement Revolving Refunding. Bonds refunded the 2009 Permanent Improvement Revolving, Forty-Three Series (2015-2030)
 - 2014 Permanent Improvement Revolving, Forty-Eight Series (2016-2025)
 - 2015 Permanent Improvement Revolving, Forty-Nine Series (2017-2036)
 - 2016 Permanent Improvement Revolving, Fifty Series (2018-2037)
 - 2016C Permanent Improvement Revolving Refunding. Bonds refunded the 2007 Series Forty-One and 2008 Series Forty-Two (2019-2029)
 - 2017 Permanent Improvement Revolving, Fifty-One Series (2019-2028)
 - 2017A Charter Bonds (2018-2027)
 - 2018 Permanent Improvement Revolving, Fifty-Two Series (2020-2029)
 - 2018A Charter Bonds (2020-2029)
 - 2019 Permanent Improvement Revolving, Fifty-Three Series (2021-2030)
 - 2019B Charter Bonds (2021-2030)
 - 2020 Permanent Improvement Revolving, Fifty-Four Series (2022-2031)
 - 2021 Permanent Improvement Revolving, Fifty-Five Series (2023-2032)
 - 2021A Charter Bonds (2023-2032)
- Permanent Improvement Revolving Bonds will be retired from special assessments and general property tax levies.

General Obligation Tax Increment

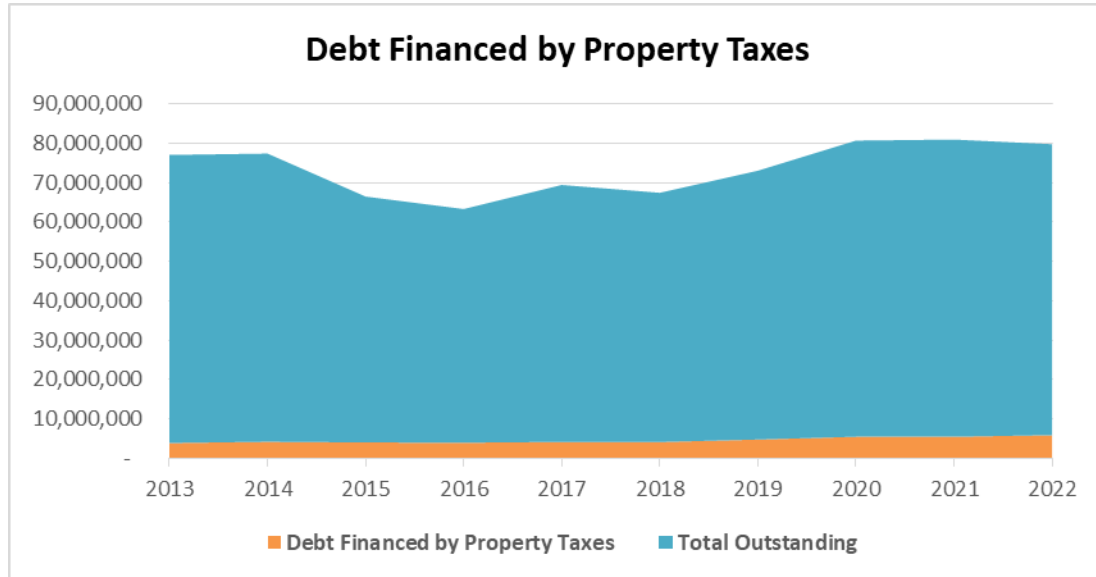
- 2011B Tax Increment Refunding (2014-2032)
- 2016A Tax Increment Bonds (2018-2022)
- 2020B Tax Increment Refunding. Bonds will refund the 2011B Tax Incr. Refunding (2023-2032)

Taxable General Obligation

- 2018B Housing Improvement Bonds (2020-2034)
- 2019C Taxable Tax Increment Revenue (2022-2036)

Total Outstanding City Debt

Not all debt is paid out of property tax receipts. Less than half of the City's debt is paid from the property tax levy. The rest is paid through assessments to properties which benefit from a project, through operating fees from people who seek service from an enterprise activity of the City (water utility fees or ice skating admission for example) and tax increment financing.



Existing Debt Payments

Year	Total		Proprietary Bonds		Tax & Assessment Supported Debt	
	Principal	Interest	Principal	Interest	Principal	Interest
2022	9,865,000	2,229,819	835,000	475,107	9,030,000	1,754,712
2023	7,855,000	1,998,263	875,000	434,932	6,980,000	1,563,331
2024	7,669,430	1,713,045	910,000	391,832	6,759,430	1,321,212
2025	7,627,339	1,430,028	960,000	348,632	6,667,339	1,081,396
2026	6,600,322	1,169,497	990,000	306,707	5,610,322	862,791
2027	6,293,382	941,736	1,035,000	264,189	5,258,382	677,547
2028	5,651,521	739,278	935,000	221,113	4,716,521	518,165
2029	5,134,741	564,649	970,000	185,573	4,164,741	379,076
2030	4,243,042	424,219	995,000	156,046	3,248,042	268,173
2031	3,271,429	321,097	835,000	124,100	2,436,429	196,997
2032	2,544,902	243,644	865,000	90,100	1,679,902	153,544
2033	1,473,463	181,450	895,000	54,900	578,463	126,550
2034	1,517,116	128,998	925,000	18,500	592,116	110,498
2035	525,862	95,671	0	0	525,862	95,671
2036	3,384,659	47,231	0	0	3,384,659	47,231
2037	134,750	3,692	0	0	134,750	3,692
2038	76,582	938	0	0	76,582	938
Total	\$73,868,540	\$12,233,254	\$12,025,000	\$3,071,731	#####	\$9,161,522



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DEPARTMENTAL
INFORMATION



Staffing Levels

The 2022 budget has a total increase of 11 full-time authorized employee positions compared to the 2021 budget. The 2021 budget has 562 full-time authorized positions and the 2022 budget has 573 full-time authorized positions.

During 2021, the Public Health Department added a Community Health worker position that is funded with additional grant revenues. Also in 2021, three full-time positions were eliminated from the budget. The full-time Printshop Coordinator position was changed to a part-time position after a retirement; the Administrative Assistant position in the Fire Department was moved from one full-time position to two part-time positions; and the DWI Police Officer position that had been funded by a specific grant was eliminated when the grant funding ended. The Police Officer in that position moved back to Police General Patrol that is funded in the General Fund.

In the 2022 budget, positions were added at the Ice Garden, Facilities, Public Health, Community Development, Finance, and the Fire Department.

New Full-Time Positions in 2021:	
Community Health Worker (Community Services)	1
	1
Full-Time Positions eliminated from 2022 Budget:	
Printshop Coordinator (moved to Part-Time position)	-1
Grant Supported DWI Police Officer	-1
Administrative Assistant Fire Dept (moved to 2 Part-Time positions)	-1
	-3
New Full-Time Positions in 2022 Budget:	
Ice Garden Maintenance Worker (Parks and Recreation)	1
Facilities Manager (Public Works)	1
Public Health Specialist (Community Services)	1
Planner (Community Development)	1
Building Inspection Aide (Community Development)	1
Office Support Specialist (Community Development)	1
Office Assistant (Finance Utility Billing)	1
Accounting Assistant (Finance Payroll/Purchasing)	1
Grant Coordinator Accountant (Finance)	1
Police Property Room Specialist (moved from Part-Time to Full-Time)	1
Battalion Chiefs (Fire Department - funded by American Rescue Plan for 3 years)	3
	13
Total Change in Full-Time Staffing Levels from 2021 to 2022	11

Position Summary Schedule

Authorized Full-Time Positions

Dept.	Division	2020 Authorized Full-Time	2021 Authorized Full-Time	2022 Authorized Full-Time
ADMINISTRATION				
	CITY CLERK - GENERAL FUND	8	8	8
	CITY MANAGER - GENERAL FUND	4	4	4
	HUMAN RESOURCES - GENERAL FUND	6	6	6
	MOTOR VEHICLE (CITY CLERK) - ENTERPRISE FUND	6	0	0
ADMINISTRATION Total		24	18	18
CITY COUNCIL				
	CITY COUNCIL - GENERAL FUND	1	1	1
CITY COUNCIL Total		1	1	1
COMMUNITY DEVELOPMENT				
	ADMIN - GENERAL FUND	4	3	3
	ASSESSING - GENERAL FUND	13	12	12
	BUILDING & INSPECTIONS - GENERAL FUND	20	20	22
	CREATIVE PLACEMAKING - SPECIAL REVENUE FUND	1	1	1
	ENVIRONMENTAL HEALTH - GENERAL FUND	17	17	17
	PLANNING - GENERAL FUND	10	9	10
COMMUNITY DEVELOPMENT Total		65	62	65
COMMUNITY SERVICES				
	ADMIN - GENERAL FUND	2	2	2
	COMMUNICATIONS - SPECIAL REVENUE FUND	9	8	8
	COMMUNITY OUTREACH & ENGAGEMENT - GENERAL FUND	6	5	5
	PUBLIC HEALTH - GENERAL FUND	25	24	26
	SUPPORT SERVICES (COMMUNICATIONS) - INT. SERV. FUND	1	1	0
COMMUNITY SERVICES Total		43	40	41
FINANCE				
	ADMIN & BUDGET - GENERAL FUND	3	3	3
	FINANCIAL OPERATIONS - GENERAL FUND	20	20	23
	RISK MANAGEMENT - GENERAL FUND	1	1	1
FINANCE Total		24	24	27
FIRE				
	FIRE DEPARTMENT - GENERAL FUND	11	10	13
FIRE Total		11	10	13
INFORMATION TECHNOLOGY				
	INFORMATION TECHNOLOGY - INTERNAL SERVICES FUND	18	17	17
INFORMATION TECHNOLOGY Total		18	17	17

Position Summary Schedule

Authorized Full-Time Positions

Dept.	Division	2020 Authorized Full-Time	2021 Authorized Full-Time	2022 Authorized Full-Time
LEGAL				
	LEGAL - GENERAL FUND	15	13	13
LEGAL Total		15	13	13
PARKS & RECREATION				
	ADMIN - GENERAL FUND	5	5	5
	AQUATICS FUND - ENTERPRISE FUND	1	1	1
	CENTER FOR THE ARTS - ENTERPRISE FUND	1	1	1
	CREEKSIDE COMMUNITY CENTER - GENERAL FUND	4	3	3
	GOLF COURSES - ENTERPRISE FUND	6	5	5
	ICE GARDEN - ENTERPRISE FUND	5	4	5
	RECREATION - GENERAL FUND	5	5	5
PARKS & RECREATION Total		27	24	25
POLICE				
	ADMIN - GENERAL FUND	4	4	4
	POLICE GRANTS - SPECIAL REVENUE FUND	1	1	0
	POLICE OPERATIONS - GENERAL FUND	120	120	120
	POLICE SUPPORT - GENERAL FUND	31	31	32
	PUBLIC SAFETY TECH & EQUIP - INTERNAL SERV. FUND	1	1	1
POLICE Total		157	157	157
PUBLIC WORKS				
	ADMIN - GENERAL FUND	5	5	5
	ENGINEERING - GENERAL FUND	29	28	28
	FACILITIES - INTERNAL SERV FUND	12	12	13
	FLEET & EQUIPMENT - INTERNAL SERV FUND	15	12	12
	MAINTENANCE ADMIN - GENERAL FUND	9	9	9
	PARK MAINTENANCE - GENERAL FUND	28	28	28
	SOLID WASTE UTILITY - ENTERPRISE FUND	1	1	1
	STORM WATER UTILITY - ENTERPRISE FUND	11	11	11
	STREET MAINTENANCE - GENERAL FUND	24	24	24
	WASTE WATER UTILITY - ENTERPRISE FUND	13	13	13
	WATER UTILITY - ENTERPRISE FUND	39	39	39
PUBLIC WORKS Total		186	182	183
COMPONENT UNITS				
	HOUSING & REDEVELOPMENT AUTHORITY	11	11	11
	PORT AUTHORITY	3	3	3
COMPONENT UNITS Total		14	14	14
Grand Total		585	562	574

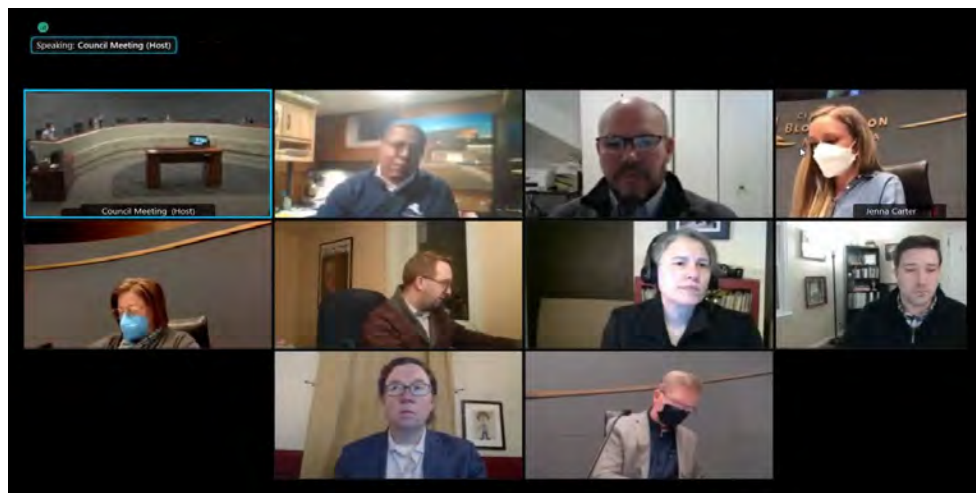
City Council

City Council activities are accounted within the General Fund. The City is governed by an elected, part-time City Council consisting of a Mayor and six Council members, two elected at-large and four elected from separate districts. All legislative power is vested in this Council which appoints a full-time City Manager and citizens to boards and commissions.

Authorized Full-Time Position	2020 BUDGET	2021 BUDGET	2022 BUDGET
ADMINISTRATIVE ASSISTANT	1	1	1
Grand Total	1	1	1

2022 Goals and Objectives

- A I I E E T** Implement a community-based five-year strategic plan.
- A I R** Develop and guide investment in the City, including the adoption of plans and funding strategies to enhance the quality of life in the community.
- A I E S R S I E E T** Continue to provide policy direction and organizational governance on issues of importance to the community including, Environmental Sustainability, Public Health, and Racial Equity and Inclusion.



City Council - General Fund Financial Summary

	2020 Actual	2021 Projected	2022 Budget
Revenues			
Other Revenues	\$ -	\$ -	\$ -
Total Revenues	-	-	-
Expenditures			
Salaries and Benefits	349,720	326,552	338,036
Materials, Supplies, & Services	350,352	363,886	384,045
Total Expenditures	700,072	690,438	722,081
Less Expenses Charged to Other Funds	(197,729)	(196,357)	(197,265)
Net Total Expenditures	\$ 502,343	\$ 494,081	\$ 524,816

Administration

The Administration Department includes the City Manager’s Office, Human Resources Division, and the City Clerk’s Office. Each division within the department serves both internal and external customers.

Dept.	Division	2020 Authorized Full-Time	2021 Authorized Full-Time	2022 Authorized Full-Time
ADMINISTRATION				
	CITY CLERK - GENERAL FUND	8	8	8
	CITY MANAGER - GENERAL FUND	4	4	4
	HUMAN RESOURCES - GENERAL FUND	6	6	6
	MOTOR VEHICLE (CITY CLERK) - ENTERPRISE FUND	6	0	0
ADMINISTRATION Total		24	18	18



The City Manager speaks during the 2021 State of the City video presentation.

Administration - General Fund

Financial Summary

	2020 Actual	2021 Projected	2022 Budget
Revenues			
Program Income	\$ 64,365	\$ 196,963	\$ 150,100
Intergovernmental	70,006	-	-
Transfers from Other Funds	-	125,000	-
Total Revenues	134,371	321,963	150,100
Expenditures			
Salaries and Benefits	2,587,763	2,369,082	2,752,394
Materials, Supplies, & Services	688,322	759,316	841,116
Transfer to Other Funds	53,200	50,000	-
Total Expenditures	3,329,285	3,178,398	3,593,510
Less Expenses Charged to Other Funds	(654,460)	(643,319)	(667,947)
Net Total Expenditures	\$ 2,674,825	\$ 2,535,079	\$ 2,925,563

Administration - City Manager

The City Manager's Office is accounted for within the General Fund. The City Manager leads and manages the daily operations of the City and its various departments in accordance with the policy directives, strategic priorities, and resource allocations of the City Council. This includes community outreach, financial management, and personnel administration, as well as short and long-range planning for City operations, facilities, and amenities.

Authorized Full-Time Position	2020 BUDGET	2021 BUDGET	2022 BUDGET
CITY MANAGER	1	1	1
ASSISTANT CITY MANAGER	1	1	1
RACIAL EQUITY COORDINATOR	1	1	1
EXECUTIVE ASSISTANT	0	1	1
CITY MANAGER'S SECRETARY	1	0	0
Grand Total	4	4	4

2022 Goals and Objectives

- S** Work with the City Council to implement a community-based strategic planning process for the City's next five-year strategic plan.
- S** Develop Community Indicators Dashboard and public-facing outreach to enhance community transparency of City's work.
- S** Initiate a structured organizational Performance Measurement system.
- S** Implementation of the High-Performance Organization learning and development model throughout the organization.



Administration City Manager - General Fund Financial Summary

	2020 Actual	2021 Projected	2022 Budget
Revenues			
Transfers from Other Funds		125,000	
Total Revenues	-	125,000	-
Expenditures			
Salaries and Benefits	\$ 603,970	\$ 630,849	\$ 724,816
Materials, Supplies, & Services	113,225	212,485	206,948
Capital Outlay			
Transfer to Other Funds	53,200	50,000	-
Total Expenditures	770,395	893,334	931,764
Less Expenses Charged to Other Funds	(211,103)	(209,638)	(210,607)
Net Total Expenditures	\$ 559,292	\$ 683,696	\$ 721,157

Administration - Human Resources

The Human Resources Division is also part of the General Fund. This division coordinates staff recruitment and hiring, designs and services employee benefit programs and conducts employee relations activities for all City employees. The HR Division also develops and implements classification and compensation systems, as well as employment rules and policies, that are consistent with the City’s mission, vision, and values.

Authorized Full-Time Position	2020 BUDGET	2021 BUDGET	2022 BUDGET
HUMAN RESOURCES MANAGER	1	1	1
HUMAN RESOURCES REPRESENTATIVE	3	3	3
OFFICE SUPPORT SPECIALIST	2	2	2
Grand Total	6	6	6

2022 Goals and Objectives

- S** Create a HR Strategic Plan to ensure Bloomington remains an employer of choice.
- S** Develop a reporting dashboard for demographic data of applicants and new hires.
- S** Develop and implement a supervisor / manager training cohort to strengthen the skills of leaders in the organization
- S** Reduce time to hire for all staff and streamline recruiting and hiring process.
- S** Successfully negotiate labor agreements with the collective bargaining units and ensure Bloomington’s pay and benefits plans are consistent with market averages/benchmarks
- S** Implement an online performance management system

Performance Measures

Strategic Priority	Performance Measure	2020	2021	2022 Budgeted
High Quality Service Delivery	Percentage of all supervisors to receive 12 hours of training annually			85%
	Maintain an employee turnover rate of <15%			+2.5%
	Decrease the time for recruitment and new hires in the organization (Target 75 days)			<75 days
Inclusion & Equity	Increase percentage of BIPOC staff by 2.5% per year			<15%

Administration Human Resources - Gen. Fund

Financial Summary

	2020 Actual	2021 Projected	2022 Budget
Expenditures			
Salaries and Benefits	\$ 770,543	\$ 697,302	\$ 773,454
Materials, Supplies, & Services	187,548	218,059	274,146
Total Expenditures	958,091	915,361	1,047,600
Less Expenses Charged to Other Funds	(327,790)	(319,323)	(319,323)
Net Total Expenditures	\$ 630,301	\$ 596,038	\$ 728,277

Administration – City Clerk

The activities of the City Clerk’s office which are in the General Fund include elections, business licensing, passports, data governance for all City records, and general data requests. Federal, state, and county elections are held in even-numbered years and city and school district elections are held in odd-numbered years. The City Clerk division also maintains records and provides sales for the Bloomington City Cemetery which is accounted for in the Cemetery Special Revenue Fund.



Authorized Full-Time Position	2020 BUDGET	2021 BUDGET	2022 BUDGET
CITY CLERK	1	1	1
DEPUTY CITY CLERK / LICENSE EXAMINER	1	1	1
DEPUTY CITY CLERK / RECORDS MANAGER	1	1	1
DEPUTY CITY CLERK / ELECTIONS & CEMETERY	1	1	1
LEAD LICENSING SPECIALIST	1	1	1
LICENSING SPECIALIST	2	2	2
RECORDS SPECIALIST	1	1	1
Grand Total	8	8	8

2022 Goals and Objectives

- S** Continue to review and update department/division retention schedules and data inventories, with a goal of submitting at least 10 schedules to the state for approval in 2022.
- S** Continue to refine use of CityView licensing software to maximize efficiency.
- S** Successful implementation of 2022 Redistricting.

2021 Accomplishments

- Implemented Ranked Choice Voting for municipal elections. Developed and rolled out a comprehensive education and awareness campaign for voters and updated training for election judges.
- Developed and implemented Records Management and Data Practices training and tools for employees in a variety of roles and skill levels.
- Conducted a thorough review of Division processes and procedures to enhance operations that consist of fewer in-person interactions and more digital interactions, with the public, license holders, voters, election judges, and co-workers.

Performance Measures

Strategic Priority	Performance Measure	2020	2021	2022 Budgeted
Engagement & Transparency	General Election Voter Turnout	92.4%	26%	75%
	Number of registered voters	55,914	59,000	59,000
	Data requests completed	464	450	450
High Quality Service Delivery	Licenses/permits issued	6,172	6,200	6,200
	Passport applications processed	1,226	2,500	2,550
Community Amenities	Cemetery interments	55	53	57
	Ground lot and columbarium niche purchases	45	52	52

Administration City Clerk - General Fund Financial Summary

	2020 Actual	2021 Projected	2022 Budget
Revenues			
Program Income	\$ 64,365	\$ 196,963	\$ 150,100
Intergovernmental	\$ 70,006	\$ -	\$ -
Total Revenues	134,371	196,963	150,100
Expenditures			
Salaries and Benefits	1,213,250	1,040,931	1,254,124
Materials, Supplies, & Services	387,549	328,772	360,022
Total Expenditures	1,600,799	1,369,703	1,614,146
Less Expenses Charged to Other Funds	(115,567)	(114,358)	(138,017)
Net Total Expenditures	\$ 1,485,232	\$ 1,255,345	\$ 1,476,129

Cemetery

First established in 1858, the Bloomington Cemetery consists of approximately 10 acres just west of the intersection of Lyndale Ave and 104th Street. The oldest portion of the cemetery is listed on the National Register of Historic Places.

Both in-ground burial lots and columbarium niches are available, with preferred pricing for Bloomington residents. The City Clerk’s office provides record keeping for the cemetery and assists families with purchases and scheduling for services. Staff from the Parks Maintenance section of the Public Works Department maintain the cemetery grounds.

In 2021, the City Clerk’s office successfully implemented a new cemetery records and mapping software tool that streamlines recordkeeping and data storage.

2022 Goals and Objectives

- S** Continue to provide compassionate and timely service to individuals and families and excellent caretaking of the cemetery grounds.
- S** Market burial options to the general public and relevant businesses.

Performance Measures

Strategic Priority	Performance Measure	2020	2021	2022 Budgeted
Community Amenities	Cemetery internments	55	53	57
Community Amenities	Ground lot and columbarium niche purchases	45	52	52



Cemetery - Special Revenue Fund Financial Summary

	2020 Actual	2021 Projected	2022 Budget
Revenues			
Program Income	170,450	209,995	200,515
Interest Income	\$ 10,041	\$ (2,121)	\$ 4,700
Total Revenues	180,491	207,874	205,215
Expenses			
Materials, Supplies, & Services	238,385	207,747	222,694
Capital Outlay	-	-	-
Total Expenses	238,385	207,747	222,694
Working Capital			
Net Change	(57,894)	127	(17,479)
Working Capital at Beginning of Year	508,515	450,621	450,748
Working Capital at End of Year	\$ 450,621	\$ 450,748	\$ 433,269

Employee Benefits

The Employee Benefits Fund is an Internal Service Fund that brings in a set, per-employee fee from each Department's operating budget and uses that revenue to fund the core benefits package provided to each full-time employee. This includes the employer-share of medical, dental, life, and disability insurance premiums, as well as tuition reimbursement and health club reimbursement benefits. As a result, departments have a single employee benefits charge and do not need a distinct budget line item for each of these benefits. The employee benefits charge out to each Department is \$17,510 per employee for 2022 which is the same amount as was charged out in 2021.

2022 Goals and Objectives

- S** Stabilize insurance expenses in departmental budgets and moderate large budget spikes due to increases in benefit costs, especially in the area of health insurance.
- S** Establish an organizational wellness committee and achieve a 25% participation in its first year.
- S** Use the wellness programs offered by our independent insurance broker six times per year.

2021 Accomplishments

- The City successfully moved to a new health insurance plan with the Minnesota Health Consortium (MHC) and Medica to avoid 9.2% premium increases in 2021. The City now has access to wellness opportunities to enhance employee well-being through our partnership with MHC and Medica.



Employee Benefits - Internal Service Fund Financial Summary

	2020 Actual	2021 Projected	2022 Budget
Revenues			
Departmental Charges	\$ 10,818,303	\$ 10,446,815	\$ 10,691,504
Intergovernmental		5,476	
Interest Income	56,498	(18,502)	15,000
Other Revenues	133,887	131,817	136,972
Transfers from Other Funds	-	-	-
Total Revenues	11,008,688	10,565,606	10,843,476
Expenses			
Salaries and Benefits	94,563	199,750	230,000
Materials, Supplies, & Services	9,871,954	9,964,265	10,064,538
Total Expenses	9,966,517	10,164,015	10,294,538
Working Capital			
Net Change	1,042,171	401,591	548,938
Working Capital at Beginning of Year	2,296,834	3,339,005	3,740,596
Working Capital at End of Year	\$ 3,339,005	\$ 3,740,596	\$ 4,289,534

Accrued Benefits

The Accrued Benefits Fund is the Internal Service Fund that pays and records the liabilities associated with employee accrued time off - vacation, personal leave, and compensatory time. The possibility of the City going out of existence and needing to fully fund this account to pay all of the employee accrued time off at one time is remote however the goal of this fund is to have enough cash to fully fund the accrued liability. It is currently funded at 90% of the total liability with a long-term plan of being 100% funded in 2032.

Revenues for this fund come from charges to City departments that pay full-time and permanent part-time salaries. Charges are calculated at 3.5% of salaries.

Expenses for this fund come from:

- The year-end conversion of any accumulated personal leave hours over 1,000 hours to either a post-retirement health care savings account (employee self-funded health care) or cash payout.
- Payout of unused vacation, personal leave, and compensatory time to employees leaving service (retirements, terminations, or leaving for new opportunities).
- Year-end accrual to cover future liabilities for employees leaving service with the City.

2022 Goals and Objectives

- S** Be in a fully-funded position by 2032.
- S** Continue providing City employees with fair leave policies to retain and attract good employees.

Accrued Benefits - Internal Service Fund Financial Summary

	2020 Actual	2021 Projected	2022 Budget
Revenues			
Departmental Charges	\$ 1,990,349	\$ 1,978,438	\$ 1,875,467
Interest Income	329,681	(66,203)	157,300
Total Revenues	2,320,030	1,912,235	2,032,767
Expenses			
Salaries and Benefits	3,539,181	2,956,869	2,240,179
Total Expenses	3,539,181	2,956,869	2,240,179
Working Capital			
Net Change	(1,219,151)	(1,044,634)	(207,412)
Working Capital at Beginning of Year	(1,872,131)	(3,091,282)	(4,135,916)
Working Capital at End of Year	\$ (3,091,282)	\$ (4,135,916)	\$ (4,343,328)

Community Development

The Community Development Department supports the long-term vitality of the community. Working together, we're creating a "Community of Choice."

To accomplish this, we will:

- Promote and pursue development and redevelopment of underutilized properties.
- Collaborate on development review activities, maintaining a welcoming environment for businesses, property owners and residents.
- Ensure continued public health and safety through education.
- Educate customers; exercise discretion and fairness; encourage voluntary compliance.
- Create a stronger web presence to provide greater access to City documents.
- Promote the professional development of our staff.
- Improve the quality of life for individuals and families by expanding homeownership and affordable housing opportunities.

Dept.	Division	2020 Authorized Full-Time	2021 Authorized Full-Time	2022 Authorized Full-Time
COMMUNITY DEVELOPMENT				
	ADMIN - GENERAL FUND	4	3	3
	ASSESSING - GENERAL FUND	13	12	12
	BUILDING & INSPECTIONS - GENERAL FUND	20	20	22
	CREATIVE PLACEMAKING - SPECIAL REVENUE FUND	1	1	1
	ENVIRONMENTAL HEALTH - GENERAL FUND	17	17	17
	PLANNING - GENERAL FUND	10	9	10
COMMUNITY DEVELOPMENT Total		65	62	65



Community Development - General Fund Financial Summary

	2020 Actual	2021 Projected	2022 Budget
Revenues			
Program Income	\$ 4,829	\$ 11,385	\$ 5,600
Permits and Licenses	103,675	138,375	395,000
Intergovernmental	24,581	14,855	14,628
Other Revenues	178,486	179,453	170,800
Transfers from Other Funds	-	25,000	-
Total Revenues	311,571	369,068	586,028
Expenditures			
Salaries and Benefits	8,070,904	7,893,528	8,685,314
Materials, Supplies, & Services	1,777,111	1,479,381	1,501,990
Transfer to Other Funds	52,068	-	-
Total Expenditures	9,900,083	9,372,909	10,187,304
Less Expenses Charged to Other Funds	(42,102)	(36,616)	(41,235)
Net Total Expenditures	\$ 9,857,981	\$ 9,336,293	\$ 10,146,069

Community Development – Administration and Special Projects & Initiatives

Administration and Special Projects & Initiatives coordinate the development and implementation of the Department’s strategic priorities and objectives. These activities are located within the General Fund.

Authorized Full-Time Position	2020 BUDGET	2021 BUDGET	2022 BUDGET
DIRECTOR OF COMMUNITY DEVELOPMENT	1	1	1
SPECIAL PROJECTS & INITIATIVES MANAGER	1	1	1
COMM DEV PROJECT COORDINATOR	1	1	1
COMM DEV PROJECT ASSISTANT	1	0	0
Grand Total	4	3	3

2022 Goals and Objectives

- IE ET** Collaborate with City staff to facilitate inclusive conversations and full participation by all residents, increasing well-being for the community.
- AIESRSIET** Continue seeking projects and initiatives to align with the City’s strategic priorities.
- AIESRSIET** Collaborative approach: engage with partner agencies, community organizations, businesses, residents, and other cities in the region to create opportunities for growth.
- IS IE** Support the professional development of our staff.
- AIRSIET** Continue to pursue funding for the support of a Business Resource Center.

Performance Measures

Strategic Priority	Performance Measure	2020	2021	2022 Budgeted
Community Amenities	Seek 5 outside funding opportunities	NA	NA	5
High Quality Service Delivery	Support professional development of managers and supervisors by conducting quarterly team building opportunities	NA	NA	4
Focused Renewal	Work to shape ordinances and policies that direct the growth of the City	NA	NA	6

Community Dev. Admin. Division - General Fund Financial Summary

	2020 Actual	2021 Projected	2022 Budget
Revenues			
Intergovernmental	\$ -	\$ -	\$ -
Other Revenues	21,947	32,917	20,000
Transfers from Other Funds	-	25,000	-
Total Revenues	21,947	57,917	20,000
Expenditures			
Salaries and Benefits	518,484	499,304	511,623
Materials, Supplies, & Services	455,630	212,830	291,267
Transfer to Other Funds	52,068	-	-
Total Expenditures	\$ 1,026,182	\$ 712,134	\$ 802,890

Community Development - Planning

The Planning Division defines and implements future directions for the City through plan preparation and zoning controls. The Division also reviews and prepares recommendations on applications for development, rezoning, use permits and variances, and conducts special studies for the City. These activities are located within the General Fund.

Authorized Full-Time Position	2020 BUDGET	2021 BUDGET	2022 BUDGET
PLANNING MANAGER	1	1	1
SENIOR PLANNER	2	2	2
PLANNER	5	4	5
OFFICE SUPPORT SPECIALIST	1	1	1
PLANNING TECHNICIAN	1	1	1
Grand Total	10	9	10

2022 Goals and Objectives

- A I E S R I E ET** Promote renewal and guide growth to maximize benefits for Bloomington and Bloomington property owners.
- ES R ET** Review development proposals to ensure Comprehensive Plan and Code compliance.
- A I R S ET** Update the Zoning Ordinance as described in the Planning Commission's 2022 Work Plan.
- S** Negotiate and administer City wireless and fiber leases.

Performance Measures

Strategic Priority	Performance Measure	2020	2021	2022 Budgeted
High Quality Service Delivery	Counter Visits (downward trend indicates ability to submit applications and access information online)	322 <i>(COVID Impacted)</i>	336 <i>(COVID Impacted)</i>	750
	Percent of site plan revisions processed administratively (higher number reflects streamlined approval processes)	62.5%	65.9%	67.0%
Engagement & Transparency	Planning Division Website Visits	11,514	8,836	10,000
	Planning Commission E-Subscribers	1,776	1,823	1,900

Community Dev. Planning Div. - General Fund Financial Summary

	2020 Actual	2021 Projected	2022 Budget
Revenues			
Program Income	\$ 4,454	\$ 10,320	\$ 4,600
Intergovernmental	\$ 6,256	\$ -	\$ -
Total Revenues	10,710	10,320	4,600
Expenditures			
Salaries and Benefits	1,165,209	1,128,481	1,263,419
Materials, Supplies, & Services	187,181	179,926	199,800
Transfer to Other Funds	-	-	-
Total Expenditures	\$ 1,352,390	\$ 1,308,407	\$ 1,463,219

Community Development – Building & Inspections

The Building and Inspection Division reviews construction plans for consistency with all states codes, provides guidance to homeowners during the permitting and inspection process and administers the time-of-sale (TOS) inspection program for owner-occupied housing to ensure housing stock within the city continues to be upheld to the program’s safety standards. These activities are located within the General Fund.

Authorized Full-Time Position	2020 BUDGET	2021 BUDGET	2022 BUDGET
BUILDING & INSPECTION MANAGER	1	1	1
BUILDING & INSPECTIONS SUPERVISOR	1	1	1
PLAN CHECK ENGINEER	1	1	1
PROGRAM COORDINATOR	1	1	1
GENERAL INSPECTOR	4	4	4
BUILDING INSPECTOR	2	2	2
ELECTRICAL INSPECTOR	2	2	2
HEATING & VENTILATING INSPECTOR	1	1	1
PLUMBING INSPECTOR	1	1	1
PERMIT TECHNICIAN	2	2	2
BUILDING INSPECTION AIDE	0	0	1
OFFICE SUPPORT SPECIALIST	4	4	5
Grand Total	20	20	22

2022 Goals and Objectives

- S** Issue residential remodeling, plumbing, electrical and mechanical permits on the same day the application is taken in.
- S R** By April 1st, implement City managed Time of Sale program to create more efficiency, equity and consistency.
- S** Complete 85% of all time of sale (TOS) inspections by City inspectors versus private inspectors with the newly implemented program.
- ES** Implement Time of Sale energy disclosure by April 1st.
- S** Complete 98% of all inspections within 48 hours of request.
- S** Complete 90% of all Plan review within 10 working days (electronic plan review).
- ET** Implement a customer satisfaction survey to be delivered to customers to gauge staff service and provide community outreach by March 1st
- S** Continue to have 100% of all field inspections completed on CityView Mobile.
- R** Update the City Code to align with division policies.
- ES** Provide virtual inspection options for minor non-life safety permits.

Performance Measures

Strategic Priority	Performance Measure	2020	2021	2022 Budgeted
High Quality Service Delivery	Perform inspections within 48 hours of time requested	100%	100%	100%
Inclusion & Equity	Perform 60% of Time of Sale inspections by City of Bloomington building inspectors	34%	90%	90%
	Be active participants in the City and Community Developments Racial Equity Action Team	2 Staff Members on CD REAT	3 Staff Members on CD REAT	3 Staff Members on CD REAT
	Make racial equity and inclusion a priority in our division via What's up Cd newsletter contributions and in staff meetings.	100%	100%	100%
Environmental Sustainability	Implementation of the Time of Sale Energy Disclosure	Adopted ordinance 09/2021-effective April 1 st 2022	Adopted ordinance 09/2021-effective April 1 st 2022	Go live April 1st
Engagement & Transparency	Create survey for residents, post permit/post inspections to fill out on experience	Collaborated with COED and HRA to develop survey	Collaborated with COED and HRA to develop survey	Go Live March 1st

Comm. Dev. Building & Inspect. Div. - Gen. Fund Financial Summary

	2020 Actual	2021 Projected	2022 Budget
Revenues			
Permits and Licenses	\$ 103,675	\$ 138,375	\$ 395,000
Other Revenues	14,239	-	-
Total Revenues	117,914	138,375	395,000
Expenditures			
Salaries and Benefits	2,472,200	2,342,954	2,836,819
Materials, Supplies, & Services	462,896	451,153	396,498
Total Expenditures	\$ 2,935,096	\$ 2,794,107	\$ 3,233,317

Community Dev. – Environmental Health

Environmental Health handles inspection and enforcement activities in three program areas all located within the General Fund:

- Minnesota Departments of Health and Agriculture delegate licensing and inspection of **food and lodging establishments, public pools, manufactured home parks and wells** in Bloomington. Plus, contracted inspections in Richfield and **COVID-19** education and outreach to protect the public’s health.
- **Residential and commercial property** complaint and systematic inspections to maintain properties’ appearance and value for those living and working in Bloomington.
- **Rental property** inspection and enforcement to provide safe and well-maintained rental housing.

Authorized Full-Time Position	2020 BUDGET	2021 BUDGET	2022 BUDGET
ENVIRONMENTAL HEALTH MANAGER	1	1	1
ENVIRONMENTAL HEALTH SUPERVISOR	2	2	2
ENVIRONMENTAL HEALTH PROGRAM COORDINATOR	2	2	2
ENVIRONMENTAL HEALTH SPECIALIST	10	10	10
OFFICE SUPPORT SPECIALIST	2	2	2
Grand Total	17	17	17

2022 Goals and Objectives

- SI** Inspect high- and medium-risk food establishments twice per year and low-risk at least once plus all needed follow-up inspections.
- SI** Inspect public pools twice per year and hotels once per year including 10 percent of rooms.
- SI** Inspect all licensed multiple-family rental bldgs. (including 10 percent of units) once per year.
- SI** Inspect all licensed rental single-family homes, condos, townhomes, and duplex units once per year.
- S** Inspect at least 75% of all well permits.
- SI** Investigate all complaints of food or waterborne illness within 24 hours of receiving the complaint.
- SI** Investigate all residential and commercial nuisance and rental complaints within two days.
- SI** Systematically inspect from the street all residential properties at least once per year.

Performance Measures

Strategic Priority	Performance Measure	2020	2021	2022 Budgeted
High Quality Service Delivery	Percent of all open food, lodging and public pool facilities inspected.	100%	100%	100%
	Number of residential, rental, and commercial complaints investigated.	2,874	3,398	3,400
	Percent of all licensed rental single-family homes, condos, townhomes, and duplex units inspected. *Limited by pandemic.	*22%	*83%	100%
Focused Renewal and Inclusion & Equity	Percent of residential properties inspected from the street for maintenance and nuisance city code violations.	100%	100%	100%

Comm. Dev. Enviro. Health Division - Gen. Fund Financial Summary

	2020 Actual	2021 Projected	2022 Budget
Revenues			
Intergovernmental	\$ 18,325	\$ 14,855	\$ 14,628
Other Revenues	142,300	146,536	150,800
Total Revenues	160,625	161,391	165,428
Expenditures			
Salaries and Benefits	2,238,637	2,274,877	2,382,683
Materials, Supplies, & Services	353,566	325,983	333,816
Total Expenditures	\$ 2,592,203	\$ 2,600,860	\$ 2,716,499

Community Development – Assessing

Assessing activities are also part of the General Fund. The City Assessor’s office determines the annual valuation and classification for properties located within Bloomington’s geographic boundaries for the purposes of property taxation. All properties must be valued annually and reviewed once every five years. A Board of Review made up of independent real estate experts holds an annual hearing to rule on valuation disputes brought by owners. Assessing staff also manages appeals on commercial/industrial and apartment properties in Minnesota Tax Court. The Assessor’s Office advises the Bloomington Port Authority and Bloomington Housing Redevelopment Authority on all development projects requesting Tax Increment Financing. Assessing staff also participate in administering Special Assessments and Park Dedication calculations.

Authorized Full-Time Position	2020 BUDGET	2021 BUDGET	2022 BUDGET
CITY ASSESSOR	1	1	1
COMMERCIAL APPRAISAL SUPERVISOR	1	1	1
RESIDENTIAL APPRAISAL SUPERVISOR	1	1	1
COMMERCIAL PROPERTY APPRAISER	5	4	4
RESIDENTIAL PROPERTY APPRAISER	3	3	3
ASSESSMENT ASSISTANT	2	2	2
Grand Total	13	12	12

2022 Goals and Objectives

- S** Complete field review and revaluation of required 20% of residential and commercial-industrial parcels annually per State Statute.
- IE** Participate in the City’s Welcome Bag Initiative.
- S** Track improvements and changes to properties completed during the year.
- S** Ensure statistical measurements of accuracy and equalization for both residential and commercial assessments remain within the targets set by the Department of Revenue. We especially want the Median Ratio (Sales Ratio) to be 95% or more in the ratio between a property sale and the Assessor’s estimated market value. State guidelines say that ratio should be 90% to 105%.



Performance Measures

Strategic Priority	Performance Measure	2020	2021	2022 Budgeted
High Quality Service Delivery	MN 273.01 All real property subject to taxation shall be listed and at least one-fifth of the parcels listed shall be appraised each year with reference to their value on January 2 preceding the assessment so that each parcel shall be reappraised at maximum intervals of five years.	Reviewed 6,200 out of approx.. 30,100 parcels or 20.6%	Reviewed 6,103 out of approx.. 30,100 parcels or 20.3%	To review 6,020 out of approx.. 20% of 30,100 parcels or 20%
	Ensure statistical measurements of accuracy and equalization across all property assessments as set by the Department of Revenue. The Median Ratio (Sales Ratio) between a property sale and the Assessor's estimated market value should be between 90% to 105%.	Median Ratios for: Residential 95.4%, Apartments 98.4% Commercial 93.6% and Industrial 95.2%	Median Ratios for: Residential 95.4%, Apartments 95.8% Commercial 96.7% and Industrial 96.2%	Median Ratio for each property segment to be at 95.0%
Engagement & Transparency	Publish Annual Property Assessment Report, implemented online property database	Published Annual Assessment and implemented online property database	Published Annual Assessment and Online Property Data Live on Web	Publish Annual Assessment

Comm. Dev. Assessing Division - General Fund Financial Summary

	2020 Actual	2021 Projected	2022 Budget
Revenues			
Program Income	\$ 375	\$ 1,065	\$ 1,000
Other Revenues	-	-	-
Total Revenues	375	1,065	1,000
Expenditures			
Salaries and Benefits	1,676,374	1,647,912	1,690,770
Materials, Supplies, & Services	317,838	309,489	280,609
Transfer to Other Funds	-	-	-
Total Expenditures	1,994,212	1,957,401	1,971,379
Less Expenses Charged to Other Funds	(42,102)	(36,616)	(41,235)
Net Total Expenditures	\$ 1,952,110	\$ 1,920,785	\$ 1,930,144

Creative Placemaking

The Creative Placemaking Fund is a Special Revenue Fund with revenue transferred from the South Loop Capital Improvement Fund. Creative Placemaking is an evolving field that works to build vibrant, distinctive, and sustainable communities through the arts. It engages artists and stakeholders in building social fabric and local economies while making physical, place-based improvements, leveraging the distinctive character and creative and cultural resources of each place.

Authorized Full-Time Position	2020 BUDGET	2021 BUDGET	2022 BUDGET
DIRECTOR OF CREATIVE PLACEMAKING	1	1	1
Grand Total	1	1	1

2022 Goals and Objectives

- I A** Engage artists, designers, and performers in building social fabric and making place-based improvements throughout the year.
- I R I E ET** Engage the community to enhance pride of place and community, building on local assets and local character to strengthen the social and civic fabric.
- I R ET** Facilitate the Creative Placemaking Commission to maintain the momentum to sustain Creative Placemaking well into the future in the South Loop and all of Bloomington by following practical visioning and action plan documents.
- I I E ET** Distribute handbooks to Bloomington Artists to build local capacity: *Work of Art: Business Skills for Artists* curriculum and *Handbook for Artists Working in Community*.
- I ET** Partner with Minnesota Valley National Wildlife Refuge on Luminary Hike Event in February.
- I** Participate in Ice Sculpture Exploration event in February to promote South Loop District.
- I A** Creative Sparks: Three sculptures installed in spring or summer at Bloomington Central Station Park.
- I A ET** Fire Station #3 project: open 40 plots in community garden in April. Select artist/landscape designer by July to design seating, signage, and native landscaping for site – followed by engagement to inform final design.
- I** Creative Happy Hour or other event in the summer at Bloomington Central Station Park (tentative depending on COVID-19 restrictions and guidelines).
- I I E ET** South Loop History Report Presentation to Community.
- I I E ET** Continue to develop “Grand and Colorful Places to Play” project budget and scope. With a focus on artists and projects that reflect Indigenous and Native American history in the area.
- I I E ET** Public Art Workshop for Artists to build local capacity, in the fall/winter of 2022.
- I A** Maintenance of all public art, install artwork plaques.
- I** Develop scope for next round of Creative Sparks program.
- I** Continued promotion of South Loop Public Art Audio Tour in the Otocast App.
- I R** 86th & Nicollet (neighborhood focus area): revise project scope, implement by fall.

2021 Projects Completed

- Participation in MN Ice Exploration Event in February.
- Released and promoted South Loop Guidebook Audio Tour for Otocast App.
- 6 ARTBOX designs installed. Artists: Robyn Brower, Luis Fitch, John C. Gerber, Shakuntala Maheshwari, Jose Rebollo, and Leah Yellowbird.
- Creative Sparks: Call for art process; 4 artists selected; 3 contracts finalized; 1 project installed (Kalopsia Bench by Daniela Bianchini).

- Create art plaques for all artwork. Install 3 new posts.
- Participated in Mall of America’s Minnesota Made Art Fair in August.
- *WE Mural* installed with a Sunset Block Party in September. Curated by Ua Si Creative. Artists: Andrés Guzmán and Xee Reiter, City Mischief featuring Thomasina Topbear and Tom Jay, Marlena Myles, Martzia Thometz, Reggie LeFlore, and Ua Si Creative.
- South Loop History Report complete.
- Partnered with the Minnesota Valley National Wildlife Refuge and other city departments on engagement, planning, and coordination of Old Cedar Avenue Bridge Celebration in October.
- *The Goldfinch*, by Donald Lipski installed in December.

Performance Measures

Strategic Priority	Performance Measure	2020	2021	2022 Budgeted
Inclusion & Equity	Creative Placemaking - Percentage of BIPOC Artists/Artist Teams commissioned for public art projects meets or exceeds Bloomington BIPOC population (About 30%).	N/A*	67%	40%
Community Image	Creative Placemaking - Art Tour App – location views	N/A*	2,777	4,000
Community Amenities	Creative Placemaking – Old Cedar Avenue Bridge AR Tour Views	15,163	29,326	38,123

**No public art projects were installed in 2020. The Art Tour App had also not yet been released.*

Blooming Ribbon



Creative Spark project, “Blooming Ribbon,” by Kao Lee Thao



Creative Spark project, “Street Seat,” by Greg Mueller



WE Mural, detail, curated by Ua Si Creative, section by Andrés Guzmán and Xee Reiter.



Kalopsia Bench, by Daniela Bianchini.



The Goldfinch, by Donald Lipski.



Elements of Minnesota – Huichol Style, Artbox design by Jose Rebollo.

Creative Placemaking - Special Revenue Fund Financial Summary

	2020 Actual	2021 Projected	2022 Budget
Revenues			
Interest Income	\$ 12,651	\$ (2,341)	\$ -
Other Revenues	-	-	-
Transfers from Other Funds	430,233	510,000	430,000
Total Revenues	442,884	507,659	430,000
Expenses			
Salaries and Benefits	94,550	105,574	110,187
Materials, Supplies, & Services	52,750	272,933	153,113
Capital Outlay	149,500	166,400	166,700
Transfer to Other Funds	-	-	-
Total Expenses	296,800	544,907	430,000
Working Capital			
Net Change	146,084	(37,248)	-
Working Capital at Beginning of Year	489,170	635,254	598,006
Working Capital at End of Year	\$ 635,254	\$ 598,006	\$ 598,006

South Loop Revolving Development Services Fund

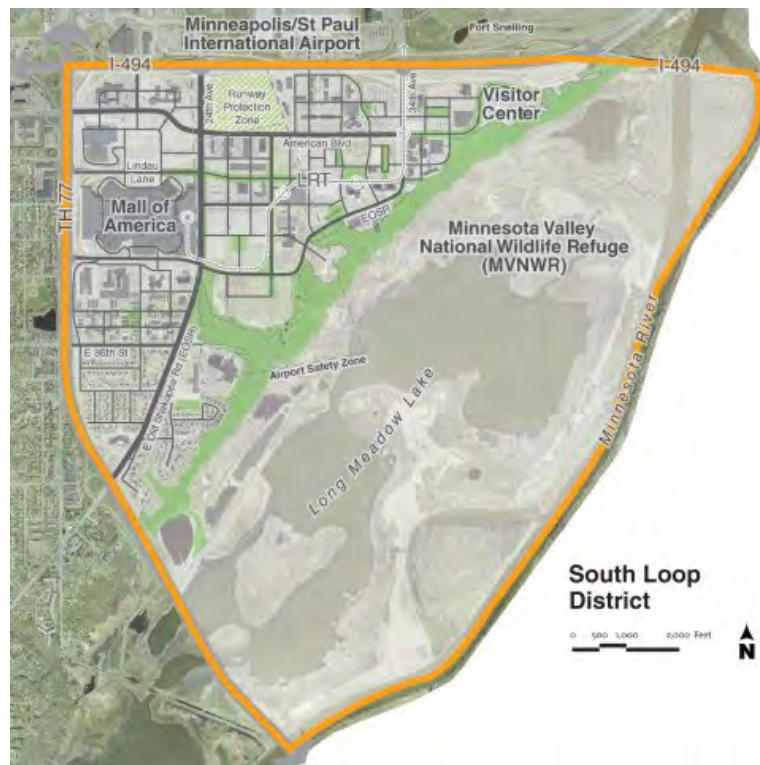
The South Loop Revolving Development Services Special Revenue Fund is supported by a 65 percent building permit surcharge in the South Loop District. The purpose of this fund is to expedite development in the South Loop District, mainly by removing the often, time-intensive studies needed to entitle a site.

2022 Goals and Objectives

- R A S** To conduct planning studies such as for traffic and transportation, water and sanitary sewer utility services, parking, signage, natural resources and storm water management in the South Loop District.
- R A S** To plan for capital improvement projects to support South Loop District Plan goals.
- R A S** To plan and develop programs to conserve and protect resources such as energy, surface and subsurface water, and existing infrastructure.

Performance Measures

- Continued development of software that controls digital message signs and other intelligent traffic assets in the District.
- Continued work on Blue Line enhancements that included improvements to signal equipment and infrastructure along the Blue Line to improve running time for LRT and reduce delay for cars at intersections along the tracks.



Aerial view of South Loop

South Loop Revolving Dev. - Special Rev. Fund Financial Summary

	2020 Actual	2021 Projected	2022 Budget
Revenues			
Program Income	\$ 123,772	\$ 39,151	\$ 345,000
Interest Income	8,176	(1,889)	2,900
Total Revenues	131,948	37,262	347,900
Expenses			
Salaries and Benefits	2,835	3,491	30,000
Materials, Supplies, & Services	15,000	25,000	180,000
Total Expenses	17,835	28,491	210,000
Working Capital			
Net Change	114,113	8,771	137,900
Working Capital at Beginning of Year	282,177	396,290	405,061
Working Capital at End of Year	\$ 396,290	\$ 405,061	\$ 542,961

Community Services

The mission of the Community Services Department is informing, engaging and striving to enhance people's lives in the community. This is accomplished by providing programs and services that enrich the lives of all who live and work in Bloomington.

The department oversees the Public Health, Community Outreach and Engagement and Communications divisions. Since 2020, Community Services has led the City's response to the COVID-19 pandemic, including delivering public health services, messaging, and outreach to the community.

The award-winning *Bloomington Briefing* and *Insider* newsletters, government and public access cable television facilities, City web sites, social media and other activities of the Communications Division are supported through a Special Revenue fund. The Communications Division also supervises Support Services, which includes the Information Desk, Print Shop, and Mailroom. All three are accounted for in an Internal Services Fund. All other Community Services activities are located in the General Fund.

Dept.	Division	2020 Authorized Full-Time	2021 Authorized Full-Time	2022 Authorized Full-Time
COMMUNITY SERVICES				
	ADMIN - GENERAL FUND	2	2	2
	COMMUNICATIONS - SPECIAL REVENUE FUND	9	8	8
	COMMUNITY OUTREACH & ENGAGEMENT - GENERAL FUND	6	5	5
	PUBLIC HEALTH - GENERAL FUND	25	24	26
	SUPPORT SERVICES (COMMUNICATIONS) - INT. SERV. FUND	1	1	0
COMMUNITY SERVICES Total		43	40	41

Community Services - General Fund Financial Summary

	2020 Actual	2021 Projected	2022 Budget
Revenues			
Program Income	\$ 795,957	\$ 1,095,215	\$ 1,025,237
Permits and Licenses			
Intergovernmental	2,946,893	4,240,971	3,878,808
Interest Income			
Other Revenues	8,965	5,777	2,000
Transfers from Other Funds	-	-	-
Total Revenues	3,751,815	5,341,963	4,906,045
Expenditures			
Salaries and Benefits	3,647,638	4,318,956	5,043,813
Materials, Supplies, & Services	2,602,399	2,594,973	2,768,256
Total Expenditures	6,250,037	6,913,929	7,812,069
Less Expenses Charged to Other Funds	-	-	-
Net Total Expenditures	\$ 6,250,037	\$ 6,913,929	\$ 7,812,069

Community Services – Administration

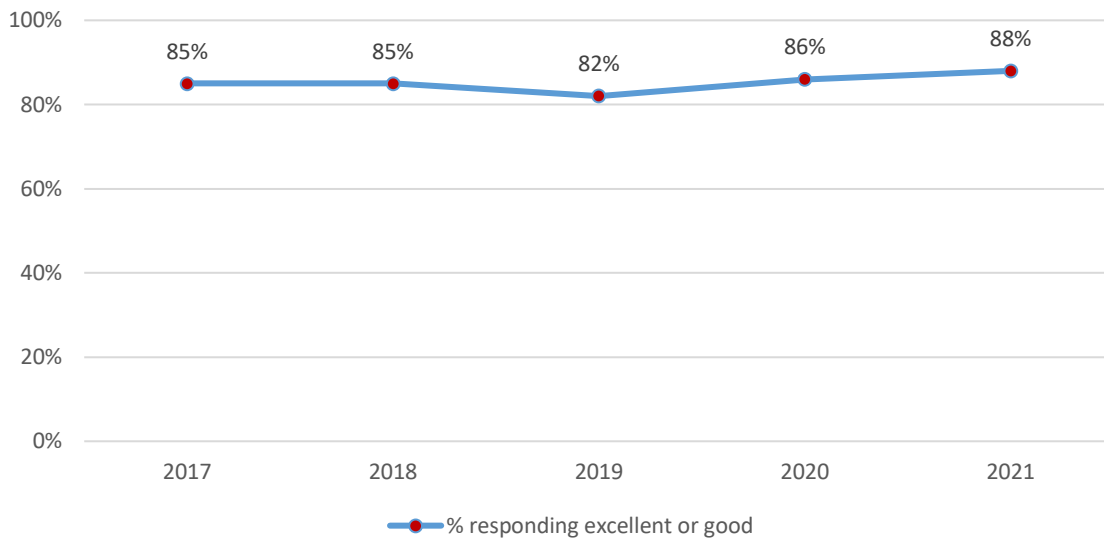
The Community Services Administration provides managerial support to its divisions. This activity is accounted for within the General Fund.

Authorized Full-Time Position	2020 BUDGET	2021 BUDGET	2022 BUDGET
DIRECTOR OF COMMUNITY SERVICES	1	1	1
ADMINISTRATIVE ASSISTANT	1	1	1
Grand Total	2	2	2

2022 Goals and Objectives

- SET** By April 2022, complete public participation activities on a community-based strategic planning process titled *Bloomington. Tomorrow. Together.* and incorporate input into the City’s new five-year strategic plan.
- SIET** By April 2022, expand the City’s outreach and engagement capacity by hiring a new Community Outreach and Engagement Manager.
- SET** By August 2022, measure resident satisfaction with City services and amenities via the eleventh annual National Community Survey™ (*see below*).
- SAET** Through November 2022, educate state legislators and residents on the capital improvement projects recommended for funding via a proposed local option sales tax.
- SIET** Through December 2022, continue to lead the City’s local response to COVID-19 with vaccination clinics, community messaging and outreach.

Customer Service Provided by City of Bloomington Employees
2021 National Community Survey™



Comm. Services Admin. Division - General Fund Financial Summary

	2020 Actual	2021 Projected	2022 Budget
Revenues			
Intergovernmental	\$ 570	\$ -	\$ 12,500
Total Revenues	570	-	12,500
Expenditures			
Salaries and Benefits	\$ 283,328	\$ 287,851	\$ 294,943
Materials, Supplies, & Services	72,843	64,559	75,457
Total Expenditures	356,171	352,410	370,400
Less Expenses Charged to Other Funds	-	-	-
Net Total Expenditures	\$ 356,171	\$ 352,410	\$ 370,400

Community Services – Community Outreach and Engagement

The Community Outreach and Engagement Division is a leader for equity and inclusion. The division’s mission is “involving community, influencing greatness.” The division uses innovative and authentic approaches to facilitate, engage and connect internal and external stakeholders. Staff serve as advocates and change agents to ensure the community is considered, accounted for and heard in the development and delivery of programs and services.

Authorized Full-Time Position	2020 BUDGET	2021 BUDGET	2022 BUDGET
COMM OUTREACH & ENGAGEMENT MANAGER	1	1	1
COMM OUTREACH COORDINATOR	4	4	4
OFFICE SUPPORT SPECIALIST	1	0	0
Grand Total	6	5	5

022 Goals and Objectives

- S ET** By February 2022, clarify and update expectations for providing liaison support to City departments to ensure public participation by communities most impacted by the City’s decisions and activities.
- ET** By June 2022, roll out an authentic process for engagement using the International Association of Public Participation’s public participation spectrum, training up to 75 employees to ensure better decisions that incorporate the interests and concerns of all affected stakeholders and meet the needs of the decision-making body.
- ET IE** By December 2022, host and facilitate up to 10 events and activities designed to provide an opportunity for community members to connect with one another and develop a shared sense of community.
- ET IE** By December 2022, build a minimum of five new, authentic relationships with community groups.
- S ET IE** By December 2022, complete policy development on volunteer management, language access and the board and commission process.



Performance Measures

Strategic Priority	Performance Measure	2020	2021	2022 Budgeted
Engagement & Transparency	Percent of residents who rate opportunities to participate in community matters as excellent or good in the National Community Survey™	64%	67%	70%
	Number of subscribers/projects on the City's digital engagement platform (Let's Talk Bloomington)	82/19	715/30	1,500/50
Inclusion & Equity	Percent of City board and commission applicants that identify as Black, Indigenous or People of Color (BIPOC)	25%	20%	25%
	Percent of BIPOC applicants selected to serve on City boards and commissions	N/A	44%	45%
	Percent of residents who rate the openness and acceptance of the community toward people of diverse backgrounds as excellent or good in the National Community Survey™	61%	68%	69%

Comm. Svcs. Outreach & Engage. Div. - Gen. Fund Financial Summary

	2020 Actual	2021 Projected	2022 Budget
Revenues			
Program Income	\$ -	\$ -	\$ -
Intergovernmental	-	-	8,000
Other Revenues	2,750	4,650	-
Transfers from Other Funds	-	-	-
Total Revenues	2,750	4,650	8,000
Expenditures			
Salaries and Benefits	686,616	609,558	689,741
Materials, Supplies, & Services	325,968	267,877	338,857
Total Expenditures	\$ 1,012,584	\$ 877,435	\$ 1,028,598

Community Services – Public Health

Mission – To engage the community in promoting, protecting and improving the health of all.

Vision – A healthy community empowered by our locally based support and services.

As a nationally accredited Community Health Board, the City of Bloomington receives state and federal dollars as well as property tax dollars, fees and insurance reimbursement to promote, protect and improve the health of all. The Public Health Division is responsible for “administration and implementation of programs and services to address the areas of public health responsibility” as defined in the Local Public Health Act (Chapter 145A of Minnesota Statutes). As a nationally accredited health department, Public Health fulfills its statutory requirements through four program areas:

- **Clinic Services:** includes Women, Infants and Children Clinic (WIC), immunizations, and follow-up investigations on infectious disease cases.
- **Family Health:** includes home visits for eligible families, population-based support for older adults, and follow-up on vulnerable adult referrals.
- **Population Health and Planning:** includes health in all policies, emergency preparedness, planning, Statewide Health Improvement Partnership (SHIP), community health assessments/community health improvement plans, and accreditation.
- **Administration Services:** includes accounting, contract administration, data support and office administration.

Public Health has provided the above services to Edina and Richfield under contract since 1977. The Advisory Board of Health studies issues affecting the health of residents and makes recommendations to City Council as they perform their duties as a Community Health Board.

Authorized Full-Time Position	2020 BUDGET	2021 BUDGET	2022 BUDGET
PUBLIC HEALTH ADMINISTRATOR	1	1	1
ASSISTANT PUBLIC HEALTH ADMIN	1	1	1
PUBLIC HEALTH PROGRAM MANAGER	3	2	2
PUBLIC HEALTH NURSE SUPERVISOR	1	1	1
ACCOUNTANT	1	1	1
PUBLIC HEALTH NURSE	7	7	7
PUBLIC HEALTH SPECIALIST	6	6	7
COMMUNITY HEALTH WORKER	0	0	1
OFFICE SUPERVISOR	1	1	1
COMMUNICATIONS SPECIALIST	1	1	1
CONTRACTS COORDINATOR	1	1	1
ACCOUNTING ASSISTANT	1	1	1
OFFICE ASSISTANT	1	1	1
Grand Total	25	24	26

2022 Goals and Objectives

- S** By April 2022, develop an interim strategic plan for Public Health’s work post pandemic, recognizing that many health issues facing the community have fundamentally changed.
- S** By June 2022, adopt a workforce development plan that centers the wellbeing of Public Health staff and prepares them for the changes facing public health.
- S** By June 2022, successfully transition evidence-based home visiting models from Healthy Families America to Maternal Early Childhood Sustained Home Visiting Program.
- S** By December 2022, launch a mobile immunization/WIC clinic that meets families where they are in the community.
- S** By December 2022, provide City leadership with a roadmap for collaborative health and housing strategies across City departments.

Performance Measures

Strategic Priority	Performance Measure	2020	2021	2022 Budgeted
High Quality Service Delivery	Percent of birth parents who are screened for maternal depression on a quarterly basis as part of prenatal home visits	86%	82%	90%
	Percent of authorized WIC caseload met by the City's WIC program on a quarterly basis	99%	95%	95%



Comm. Services Public Health Div. - Gen. Fund Financial Summary

	2020 Actual	2021 Projected	2022 Budget
Revenues			
Program Income	\$ 795,957	\$ 1,095,215	\$ 1,025,237
Intergovernmental	2,946,323	4,240,971	3,858,308
Other Revenues	6,215	1,127	2,000
Total Revenues	3,748,495	5,337,313	4,885,545
Expenditures			
Salaries and Benefits	2,677,694	3,421,547	4,059,129
Materials, Supplies, & Services	2,203,588	2,262,537	2,353,942
Total Expenditures	\$ 4,881,282	\$ 5,684,084	\$ 6,413,071

Communications

The Communications Fund is a Special Revenue Fund. This Division of Community Services is a full-service communications shop that uses multiple communications vehicles devoted to educating and informing the community. The Division cablecasts and webcasts City Council and other meetings, produces news magazine shows and videos, maintains the City’s websites, social media, operates public access television and generates the monthly *Briefing*. The Communications Division also oversees the City’s cable television franchises. The Communications Division fund is supported by cable franchise fees.

Authorized Full-Time Position	2020 BUDGET	2021 BUDGET	2022 BUDGET
COMMUNICATIONS ADMINISTRATOR	1	1	1
WEB COORDINATOR	2	2	2
COMMUNICATIONS SPECIALIST	2	2	2
COMMUNICATIONS SPECIALIST BCAT	1	0	0
GRAPHICS PRODUCTION SPECIALIST	1	1	1
SENIOR PRODUCTION SPECIALIST	1	1	1
VIDEO PRODUCTION SPECIALIST	1	1	1
Grand Total	9	8	8

2022 Goals and Objectives

- SI** Undertake an online communications strategic planning review that will assess current and future social media, website, email and third party services to determine effectiveness, best practices and future direction for the City’s online communications beginning January 2022.
- SIIE** Provide education, outreach and communication for a variety of larger initiatives including the Bloomington Sales Tax initiative, Bloomington. Tomorrow. Together community-based strategic planning and achievement summary for One Bloomington beginning January 2022.
- SIIE** Continue coordinating and delivering important safety communications to the community related to COVID-19 and its effects on the City budget and operations.
- SIIE** Reconfigure the Communications TV studio to accommodate new production styles to provide for better flexibility in using the space for a variety of productions. The project includes removal of old sets, replacement of all of the more than 30-year old incandescent, hot-burning, high-energy lights with new much cooler and efficient sustainable LED lights, and the retirement of older equipment and other items by June 2022.
- SI** Launch the new Digital Asset Management system that will house images in a central hub for employees to access beginning January 2022.

Strategic Priority	Performance Measure	2020	2021	2022 Budgeted
Engagement & Transparency	Percent of residents who rate the City's public information services as excellent or good in the National Community Survey	77%	80%	82%
Community Image	Percent of residents who rate Bloomington's overall image or reputation as excellent or good in the National Community Survey (City Council goal: 85%)	79%	75%	80%
Inclusion and Equity	Average accessibility score for the City's website as measured by SiteImprove's accessibility scorecard (goal: 90)	67	75	85



Communications - Special Revenue Fund

Financial Summary

	2020 Actual	2021 Projected	2022 Budget
Revenues			
Property Taxes	\$ 250,000	\$ 175,000	\$ 295,000
Franchise & PEG Fees	1,309,315	1,302,125	1,304,000
Program Income	79,828	83,383	75,200
Interest Income	1,566	(1,499)	500
Transfers from Other Funds	320,353	211,772	211,772
Total Revenues	1,961,062	1,770,781	1,886,472
Expenses			
Salaries and Benefits	1,019,459	1,068,537	1,129,923
Materials, Supplies, & Services	704,196	722,089	732,519
Capital Outlay	49,194	134,965	80,000
Total Expenses	1,772,849	1,925,591	1,942,442
Working Capital			
Net Change	188,213	(154,810)	(55,970)
Working Capital at Beginning of Year	347,313	535,526	380,716
Working Capital at End of Year	\$ 535,526	\$ 380,716	\$ 324,746

Support Services

The Support Services Fund is an Internal Services Fund supervised by the Communications Division in the Community Services Department. Support services includes the City's print shop, mail room, and information desk functions. The print shop is staffed by one part-time employee, while the mail room and information desk are each staffed by two part-time employees. Support service activities are supported by user fees to departments.

Goals and Objectives

- S** Assess how the pandemic and/or its evolution into an endemic may affect operations in all three support services domains.
- S** Assess print shop activities to determine how moving from a full-time to a part-time position has affected costs, revenues and service levels.
- S** Undertake a publicity campaign to ensure that City employees are familiar with support services operations, especially print shop and mail room services, and to encourage continued and increased use of these services.
- S** Create a standard pricing sheet to provide better transparency regarding print shop pricing. Share the pricing sheet with other cities with the aim of providing them print shop services.

2021 highlights

- Created a new position, communications supervisor, reporting to the communications administrator, and placed support services staff under the supervision of the new position.
- Hired and trained a part-time print shop coordinator upon the retirement of the previous full-time employee.
- Printed and delivered many requests for COVID-19 safety protocol signage and other pandemic-related materials, often on short notice.
- Answered between 70 and 150 calls per day and served as a critical resource and point of contact for residents during the continuing pandemic.
- Provided consistent mailroom delivery operations through building openings and closures and other changes related to City staff working from home.



Support Services - Internal Service Fund Financial Summary

	2020 Actual	2021 Projected	2022 Budget
Revenues			
Departmental Charges	\$ 489,973	\$ 489,066	\$ 501,092
Interest Income	4,626	(1,073)	2,000
Other Revenues	6,495	6,048	6,400
Transfers from Other Funds	1,070	-	-
Total Revenues	502,164	494,041	509,492
Expenses			
Salaries and Benefits	224,638	219,273	209,846
Materials, Supplies, & Services	246,462	240,222	311,976
Capital Outlay	-	-	-
Total Expenses	471,100	459,495	521,822
Working Capital			
Net Change	31,064	34,546	(12,330)
Working Capital at Beginning of Year	184,033	215,097	249,643
Working Capital at End of Year	\$ 215,097	\$ 249,643	\$ 237,313

Finance

The activities of Finance are located within the General Fund. The Finance Department provides financial services for the City as well as the City’s two component units - the Port Authority and the Housing and Redevelopment Authority. Financial services include accounting, audit, budget, cash management, investing, general billing, utility billing, accounts payable, purchasing, payroll, and risk management. The Finance department provides monthly financial reports to the City Council and Executive Leadership Team and is responsible for submitting required reports to the Office of the State Auditor and Hennepin County throughout the year. Through conservative financial management and long-term planning, the City of Bloomington maintains the highest possible bond ratings possible “Triple AAA” bond ratings from Standard & Poor’s, Moody’s, and the Fitch Rating Agency.

Dept.	Division	2020 Authorized Full-Time	2021 Authorized Full-Time	2022 Authorized Full-Time
FINANCE				
	ADMIN & BUDGET - GENERAL FUND	3	3	3
	FINANCIAL OPERATIONS - GENERAL FUND	20	20	23
	RISK MANAGEMENT - GENERAL FUND	1	1	1
FINANCE Total		24	24	27

Finance Department Vision

“We are a team of dedicated professionals whose diverse strengths are used to create the positive, responsible, and accountable environment necessary to accomplish an accurate and transparent accounting of public funds and provide exceptional customer service for our internal and external customers.”

The following [reports are published annually](#) by the Finance Department:

- Comprehensive Annual Financial Report (Certificate of Achievement for Excellence in Financial Reporting received for 50 years)
- Popular Annual Financial Report (Award for Outstanding Achievement in Popular Annual Financial Reporting received for 22 years)
- Annual Budget Document (Distinguished Budget Presentation Award received for 26 years)
- Ten Year Capital Improvement Plan

Performance Measures

Strategic Priority	Performance Measure	2020	2021	2022 Budgeted
High Quality Service Delivery	Percentage of contractor construction payments processed by EFT as opposed to check.	0%	0%	5%
	Percentage of outstanding Accounts Receivable invoices that are more than 18 months past due.	14%	12%	10%
	Percentage increase in on-line utility payment transactions	29%	20%	19%
	Percentage increase in Utility customers that receive bills on-line (paperless)	32%	23%	18%
Inclusion & Equity	Percentage of Vendors that are awarded thru the competitive process who are classified as small, minority-owned, or women-owned	1%	1%	3%
Engagement & Transparency	Number of Public Engagement and Outreach Budget Events	6	4	8



*The City of Bloomington Finance Department GFOA Triple Crown Winners!
(Annual Financial Report, Popular Annual Financial Report, and Budget Document)*

Finance - General Fund Financial Summary

	2020 Actual	2021 Projected	2022 Budget
Revenues			
Program Income	\$ -	\$ -	\$ -
Intergovernmental	12,638	-	-
Other Revenues	494,272	233,625	92,500
Total Revenues	506,910	233,625	92,500
Expenditures			
Salaries and Benefits	2,544,033	2,592,369	2,965,714
Materials, Supplies, & Services	616,194	530,996	655,258
Total Expenditures	3,160,227	3,123,365	3,620,972
Less Expenses Charged to Other Funds	(2,012,437)	(1,961,275)	(2,118,380)
Net Total Expenditures	\$ 1,147,790	\$ 1,162,090	\$ 1,502,592

Finance – Administration and Budget

The Administration and Budget division provides financial management and advice to the City Council, City Manager, and Departments with a focus in capital financing, budget coordination, and debt management. Administration coordinates the City’s capital improvement plan, annual budget document, and numerous reports required by the State and County throughout the year. The City’s annual budget process includes more than 30 individual funds.

In 2021, an emphasis was placed on building on the transparency and public engagement in the budget process that began in 2020. Both virtual and in-person events were held to engage residents and obtain feedback on the budget. A new budget site on the City’s website was created for easy access to all budget information including videos, presentations, documents, and links to recorded budget discussions at City Council meetings. Feedback was also obtained through the City’s new digital engagement website called “Let’s Talk Bloomington.”



Budget Manager Kari Carlson explaining the 2022 Preliminary Property Tax Statement in a video published on the City’s Budget website and on social media in November 2021

Authorized Full-Time Position	2020 BUDGET	2021 BUDGET	2022 BUDGET
CHIEF FINANCIAL OFFICER	1	1	1
BUDGET MANAGER	1	1	1
OFFICE COORDINATOR	1	1	1
Grand Total	3	3	3

2022 Goals and Objectives

- S** Provide excellent financial services to internal and external customers.
- S** Prepare accurate and transparent financial reports based on industry best practices.
- S** Take all appropriated budgets to City Council for approval by year end.
- S** Earn the Distinguished Budget Award from the Government Finance Officers Association.
- S** Publish the Annual Budget Document by March 6, 2022 (90 days after the Final Budget and Tax Levy approved by the City Council)
- S** Publish the Popular Comprehensive Annual Financial Report (PAFR) by June 30.

- ET** Determine 2023 Budget approach that includes a communication plan for educating the public on property tax valuation and a community engagement plan
- A I R S** Compile and present Ten-Year Capital Improvement Plan (CIP) for approvals.

2021 Accomplishments



The City of Bloomington was one of seven recipients of the Government Finance Officers Association 2021 Award for Excellence in Government Finance. Bloomington was selected from entries representing a diverse set of governments. The Government Finance Review magazine featured the City's work with an article titled "Transforming public engagement amid a budget crisis." The article highlights the work of the Community Budget Advisory Committee in 2020 following the impact of the COVID-19 pandemic on Bloomington's tourism and entertainment industry and the resulting multi-million dollar shortfall in the City's budget.

- Maintained highest bond rating possible from three rating agencies:
 - Moody's – Aaa, since 1998
 - Standard and Poor's – AAA, since 2000
 - Fitch Rating Agency - AAA, since 2004
- Received the GFOA Distinguished Budget Award for the 26th consecutive year and streamlined the process for creating the document using functionality from the City's ERP software.
- Received the GFOA Award for Outstanding Achievement in Popular Annual Financial Reporting for the 22nd year.
- Published the 10-Year Capital Improvement Plan (2022-2031) and published in coordination with approval of the 2022 Operating Budget.
- Coordinated, analyzed, and presented 2022 budgets to the City Council for all appropriated funds – the Final Budget and Tax Levy was approved by the City Council December 6, 2021.
- The City issued \$2,005,000 of General Obligation Charter bonds for park improvements.
- The City issued \$4,540,000 of General Obligation PIR bonds for the Pavement Management Program.

Finance Admin. and Budget Div. - General Fund Financial Summary

	2020 Actual	2021 Projected	2022 Budget
Revenues			
Intergovernmental	\$ 12,638	\$ -	\$ -
Other Revenues	334,767	87,899	-
Total Revenues	347,405	87,899	-
Expenditures			
Salaries and Benefits	464,530	472,858	495,211
Materials, Supplies, & Services	137,866	99,476	127,196
Total Expenditures	602,396	572,334	622,407
Less Expenses Charged to Other Funds	(283,475)	(281,339)	(284,799)
Net Total Expenditures	\$ 318,921	\$ 290,995	\$ 337,608

Finance – Financial Operations

The Accounting Division manages and records the day-to-day accounting of the City’s transactions, including audit, payroll, accounts receivable, centralized purchasing, investments, accounts payable, utility billing, cash receipts, and general accounting. The division prepares an analysis of the monthly financial statements for executive leadership and City Council. They prepare the Annual Comprehensive Financial Report which has received the annual GFOA award since 1970. The Audit function monitors the City tax on lodging, admissions, and liquor sales.

Authorized Full-Time Position	2020 BUDGET	2021 BUDGET	2022 BUDGET
FINANCE MANAGER	1	1	1
ASSISTANT FINANCE MANAGER	1	1	1
ACCOUNTANT	3	3	4
AUDITOR	1	1	1
CUSTOMER BILLING SUPERVISOR	1	1	1
PURCHASING AGENT	1	1	1
ACCOUNTING ASSISTANT	5	5	6
OFFICE SUPPORT SPECIALIST	2	2	2
PAYROLL SPECIALIST	1	1	1
PURCHASING SPECIALIST	1	1	1
OFFICE ASSISTANT	3	3	4
Grand Total	20	20	23

2022 Goals and Objectives

- S Provide quality accounting and related financial services to all City departments.
- S Publish the Annual Comprehensive Financial Report (ACFR) by June 30.
- S Report accurate and transparent monthly financial statements in an easily understood format to both internal and external users by the following month end.
- S Update the Purchasing division processes so that all bid, performance, and payment bonds are completed electronically.
- S Invest public funds in such a manner that all daily cash flow needs are met and the portfolio yield does not fall below 25 basis points of a U.S. Treasury obligation of comparable duration.
- S Produce vendor checks every week, submit purchase orders to vendors within two days of receiving requisitions from departments, maintain accurate records, monitor grants and capital assets for compliance with internal and external policies, process payroll bi-weekly and provide financial system assistance to users.
- S A successful ACFR and CARES funding/single audit of our financials.
- S Create a city credit card service fee program with input from several divisions and update PCI compliance.
- S Update Utility Billing software, including security profiles and service order workflow.
- S Complete 8-10 Liquor, Lodging, and Admission audits.
- S Update City Ordinances and Sales Tax Audit procedures in order for the City to collect lodging taxes from online travel companies depending on State of Minnesota legislation.

2021 Accomplishments

- Received Certificate of Achievement for Excellence in Financial Reporting for last 50 years.
- Continued Certificate of Deposit investing in community banks to promote lending to residents and businesses and earn market interest rates while being fully collateralized.
- Successfully upgraded the City's ERP software to a new version in September 2020.
- Investments yielded more than 25 basis points over the U.S. Treasury bonds.
- Collected an additional \$65,883 of local liquor, lodging, and admission (LLA) sales tax revenue identified as underpaid local taxes through the completion of 9 LLA audits.
- Implemented accounts payable invoice electronic approvals in the City's ERP software.
- Issued 552 purchase orders, advertised 77 solicitations on the website, and started 77 procurement activities which include bids, requests for proposals and quotes, contracts and contract amendments.
- Utility Billing increased online utility payment transactions of 20% and accounts that signed up to receive utility bills online increased by 33%.
- Utility Billing handled 20,868 customer service telephone calls in 2021 compared to 21,475 in 2020.
- Cash management handled 6,257 customer service telephone calls in 2021 compared to 7,755 in 2020.
- Successfully transitioned all employees to electronic timecards.

Finance Operations Division - General Fund

Financial Summary

	2020 Actual	2021 Projected	2022 Budget
Revenues			
Program Income	\$ -	\$ -	\$ -
Other Revenues	159,505	145,726	92,500
Total Revenues	159,505	145,726	92,500
Expenditures			
Salaries and Benefits	1,976,828	2,016,952	2,362,865
Materials, Supplies, & Services	446,982	406,297	495,308
Total Expenditures	2,423,810	2,423,249	2,858,173
Less Expenses Charged to Other Funds	(1,584,063)	(1,531,095)	(1,693,189)
Net Total Expenditures	\$ 839,747	\$ 892,154	\$ 1,164,984

Finance – Risk and Litigation Management

Risk Management provides risk management support to all operating divisions of the City.

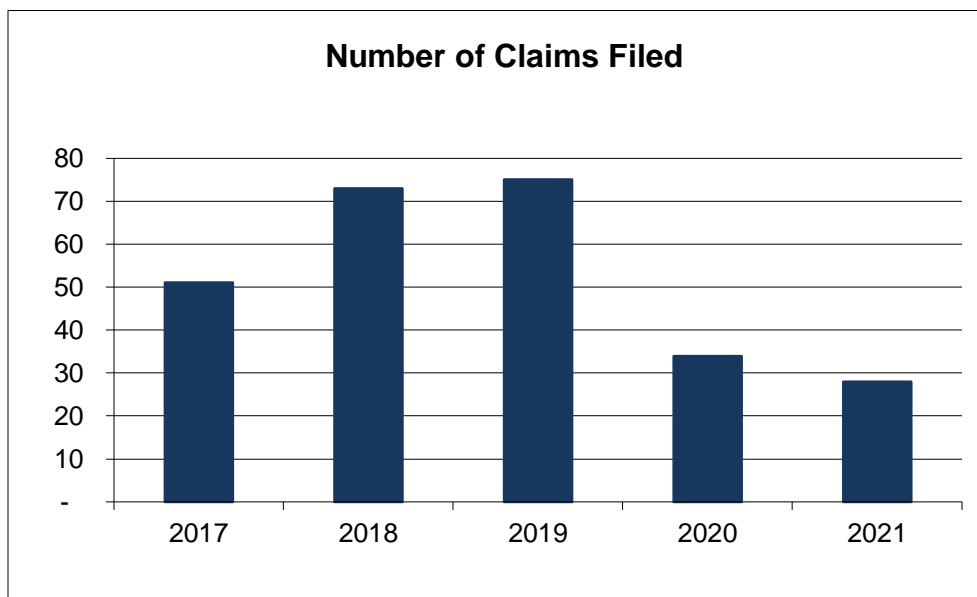
Authorized Full-Time Position	2020 BUDGET	2021 BUDGET	2022 BUDGET
RISK AND LITIGATION MANAGER	1	1	1
Grand Total	1	1	1

2022 Goals and Objectives

- A S** Complete required insurance renewals and provide necessary reports to City Council.
- I S** Continue working with the City-wide Safety Committee to implement required safety training and improve overall employee safety. Goals include the re-write and implementation of the City-wide Blood Borne Pathogen program.
- I S** Provide an insurance training/refresher course for City employee who work with certificates of insurance.
- S** Review the current litigation hold process, including document retention requirements.

2021 Accomplishments

- Renewed insurance policies for 2021.
- The City-wide Safety Committee completed the Infectious Agents and Blood Borne Pathogen program and program summary.
- Risk Management played an integral part in the City’s numerous COVID-19 internal and external response plans.
- Implemented severe weather guidelines.



Finance Risk Mgmt. Division - General Fund

Financial Summary

	2020 Actual	2021 Projected	2022 Budget
Expenditures			
Salaries and Benefits	\$ 102,675	\$ 102,559	\$ 107,638
Materials, Supplies, & Services	31,346	25,223	32,754
Total Expenditures	134,021	127,782	140,392
Less Expenses Charged to Other Funds	(144,899)	(148,841)	(140,392)
Net Total Expenditures	\$ (10,878)	\$ (21,059)	\$ -

Self-Insurance

The Self-Insurance Fund is an Internal Service Fund that pays all costs related to the administration of the City's self-insured workers' compensation program, including costs associated with hiring a Third Party Administrator (TPA) and reinsurance premiums assessed by the Workers Compensation Reinsurance Association (WCRA), as required by law. In addition, this fund pays the insurance premiums for the City's property/casualty insurance program, made up of municipal liability, auto, and property coverage obtained through the League of Minnesota Cities Insurance Trust (LMCIT), as well as all claims payments and expenses incurred by LMCIT on the City's behalf subject to each policy's deductible.

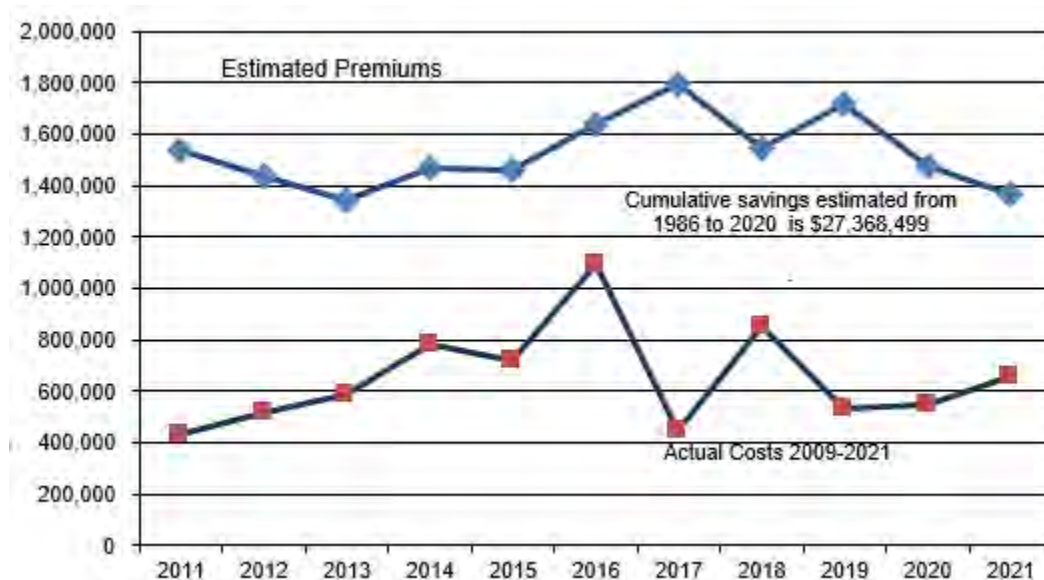
2022 Goals and Objectives

- S** Protect the City's assets and minimize costs of insurance.
- S** Provide departments with reports on claims twice a year, discuss claims and claim prevention.
- S** Continue work with the City's insurance broker and TPA to evaluate coverage and investigate possible premium savings.

2021 Accomplishments

Received a dividend from the League of Minnesota Cities Insurance Trust of \$149,393.

**Cost Savings Resulting from Self-Insurance
Worker's Compensation Costs Self-Insured Plan
Compared to Estimated Insurance Premium Costs**



Self Insurance - Internal Service Fund

Financial Summary

	2020 Actual	2021 Projected	2022 Budget
Revenues			
Departmental Charges	\$ 2,234,794	\$ 2,240,711	\$ 2,195,231
Interest Income	136,950	(25,297)	100,000
Other Revenues	28	-	-
Total Revenues	2,371,772	2,215,414	2,295,231
Expenses			
Materials, Supplies, & Services	1,429,639	1,783,590	2,360,392
Transfer to Other Funds	500,000	-	-
Total Expenses	1,929,639	1,783,590	2,360,392
Working Capital			
Net Change	442,133	431,824	(65,161)
Working Capital at Beginning of Year	4,086,885	4,529,018	4,960,842
Working Capital at End of Year	\$ 4,529,018	\$ 4,960,842	\$ 4,895,681

Fire Department

The operational activities of the Fire Department are located within the General Fund. Purchases of equipment are accounted for in the Public Safety Technology and Equipment Internal Service Fund. The Fire Department has 12 full-time authorized positions and 110 paid-on-call firefighters. The department operates out of six fire stations and uses the latest in firefighting equipment including engines, ladders, and other specialty units. Fire Prevention is an integral part of providing fire safety through code enforcement and education. Firefighters install battery operated smoke detectors or replace batteries in detectors for homeowner occupied homes that need them upon request.

The Fire Department responded to 4781 calls for service in 2021. These ranged from water rescues and vehicle extrications to structural fires, medical emergencies, and hazardous materials emergencies. The receipt of the 911 call to arrival time 90% of the time is 12 minutes with an effective response force of three. This means that 90% of the time we are on scene and operating for an emergency call within 12 minutes of the 911 call with at least three personnel. The first unit arrives on scene (usually a Chief Officer) 90% of the time in 8 minutes 15 seconds from the time of the 911 call. Four of the six fire stations operate duty crews Monday thru Friday 0800-1700. All firefighters are required to meet training standards annually.



Operations and Training

Fire Operations encompasses emergency response, dispatching, building and equipment maintenance and repair. Fire department operations also includes equipment research and development of new methods and technology to improve emergency response and performance. Fire department training includes all aspects of training and exercising the fire suppression forces to include maintaining certifications, maintaining and improving existing response skills, and training and implementing new tactics and procedures as they are identified and validated. Three new Battalion Chiefs positions were added at the end of 2020. These positions will bring a much-needed addition to the Fire Department Command staff and will assist in response, training, fire prevention, recruitment and hiring, and equipment maintenance.

Fire Prevention

Fire prevention staff inspects all new construction and renovation of commercial, industrial and multi-family residential structures to ensure fire code compliance. Fire inspectors inspect all properties, except single-family dwellings, to verify continued compliance with the fire code. Fire prevention staff collects annual data on storage and use of hazardous material within the city and verifies annual maintenance of all fire alarm and fire sprinkler systems. Fire inspectors investigate all fires in Bloomington to determine cause and origin and work with the Police Department to investigate arson cases. The division promotes fire prevention education and training and oversees the school fire education programs and Fire Department open house. The Fire Marshal participates in the City's multi-department Development Review Committee.

Emergency Management

Fire, Police, and Public Health staff work together to provide a multi-layered emergency management capability for the City. Fire, Police, and Public Health Command Staff have emergency management and incident management training.

The Emergency Operations Plan (EOP) and Continuity of Operations Plan (COOP) are both plans that have had extensive review by all City Departments and are updated and revised annually. The City's emergency early warning capability is also a multi-department effort with Fire, Police, Public Works and Information Technology all working to implement the Everbridge notification system to alert residents and visitors to hazard information.

Authorized Full-Time Position	2020 BUDGET	2021 BUDGET	2022 BUDGET
FIRE CHIEF	1	1	1
BATTALION CHIEF	0	0	3
ASSISTANT FIRE CHIEF/FIRE MARSHAL	1	1	1
ASSISTANT FIRE CHIEF/OPERATIONS & TRAINING	1	1	1
DEPUTY FIRE CHIEF	1	1	1
FIREFIGHTER/FIRE INSPECTOR 2	2	2	2
FIREFIGHTER/FIRE INSPECTOR 1	2	2	2
ADMINISTRATIVE ASSISTANT	1	1	0
EMERGENCY VEHICLE TECHNICIAN	1	0	0
OFFICE SUPPORT SPECIALIST	1	1	1
Grand Total	11	10	12

2022 Goals and Objectives

Fire Department:

- S Provide fire prevention services and fire education to residents, businesses, and visitors.
- S Respond to fires, hazardous materials incidents, medical emergencies, rescues, and other calls for assistance.
- S Preserve and protect life, property, and the environment against injury and damage from fires, hazardous materials incidents, natural and manmade disasters, and other incidents occurring within the City of Bloomington
- S The goal is to respond with a minimum of three and arrive to calls within 7 minutes 30 seconds of the 911 call 90% of the time. This will require additional resources that may take more time to put into place than available in 2022.

Operations and Training:

- S Respond to all emergency calls for service in 7 minutes 30 seconds or less from time of the 911 call.
- S Response of 15 firefighters within 9 minutes 30 seconds to structure fires where fire attack hose lines are deployed.
- S Provide quality training to firefighters to meet or exceed Federal and State training requirements
- S Continue to work with dispatch to achieve call processing time to meet or exceed NFPA standard from receipt of 911 call to dispatch of resources.
- S Continue to maintain equipment for emergency response to prolong life and effectiveness.

Fire Prevention:

- S Issue the majority of the fire sprinkler and fire alarm permits within five business days.
- S Inspect a majority of designated high-risk occupancies each year.
- S Inspect 45% of existing commercial, industrial, and multi-family residential properties.
- S Resolve the majority of known fire code violations within 30 days.
- S Investigate complaints within one business day.
- S Respond to a majority of fire scenes within 24 hours of a report by the Police Department or Fire Operations.
- S Minimize the number of incendiary and suspicious fires through education and effective investigations
- S Minimize the number of incendiary and suspicious fires through education and effective investigations.
- S Continue to conduct home safety survey inspections in owner-occupied single-family homes with an emphasis on residents over age 55.
- S Conduct fire education programs for business and resident groups upon request:
 - o Assist and monitor fire education and fire drills at all schools.
 - o Assist and monitor the Fire Department open house.
- S Facilitate and coordinate fire department truck visits, smoke detector installations, car seat installation, station tours and other programs

Emergency Management:

- S Review and revise the City's Emergency Operations Plan annually.
- S Review and revise the City's Continuity of Operations Plan annually.
- S Maintain the operational readiness capabilities of the City's Emergency Operations Center.
- S Conduct inter-departmental training for EOC operations.
- S Increase awareness and participation of the public in the City's Everbridge notification system.

- S Maintain and continue to update the emergency early warning siren system.
- S Maintain alternative redundant or resilient communications capability for use during disasters impacting the City's normal communications channels.

Performance Measures

Strategic Priority	Performance Measure	2020	2021	2022 Budgeted
High Quality Service Delivery	Percent of calls responded to within 7 minutes and 30 seconds (goal of 90%)	62%	61%	60%
	# of lives lost in structure fires	0	1	0 est.
	# of civilian injuries due to fires	3	1	2 est.
	% of time that at least 15 firefighters arrive at structure fires in 9 minutes or less (goal of 90%)	40%	25%	25%
High Quality Service Delivery	Total inspections completed (annual, follow up inspections, building final, fire alarm testing, rough-in, tanks)	2323	528 (Existing Building Data Only)	1800 est.
	Inspect 25% of existing commercial, industrial and multi-family residential properties each year.	343 (26%)	321 (24%)	340
	# of smoke alarms installed/batteries replaced	9	10	8
	# of inventories of hazardous materials stored and used in commercial properties	90	100	90
	Resolve majority of known fire code violations within 30 days. # Known - # resolved		236	
	Investigate complaints within one business day. # complaints investigated	65	63	
	Respond to majority of fire call follow up within one business day of the request from the Police Department or Fire Operations. # of call follow up			50
	Conduct fire cause and origin investigations. # conducted	67	53	60

	Minimize the number of incendiary and suspicious fires through education and effective investigations. # of education events			Planned
Engagement & Transparency	Conduct fire education programs for business and resident groups upon request. # programs conducted.	COVID	COVID	
	Assist and monitor fire education and fire drills at all schools. # drills	COVID	COVID	4
	Expand fire education program to include persons over age 55.	COVID	COVID	Planned
	Develop fire education programs and materials in multiple languages.	Unable to undertake	Unable to undertake	Planned
High Quality Service Delivery	Home Safety Survey Inspections – Owner occupied single family homes	COVID	COVID	
Engagement & Transparency	Deliver life safety information to the public. # of deliveries	COVID	COVID	
	# of school programs delivered each year	COVID	COVID	
	Events where risk reduction/fire safety literature is delivered each year	COVID	COVID	
High Quality Service Delivery	Car Seats installation and safety checks performed by car seat technicians	42	45	40
	# of hazardous materials facilities routinely preplanned	COVID	COVID	
	# of commercial/industrial properties routinely preplanned	COVID	COVID	
	# of firefighter injuries (first report)	27	22	
	# of workdays lost due to injury (lost/restricted)	51	252/143	
	# of Department personnel that take advantage of tuition reimbursement to continue their education.	1	1	1

# of personnel who attend outside training/education	13	18	10
# of Officers in attendance at Officer/Staff meetings	4	4	7
# Officers attending quarterly trainings	20	20	20
# hours firefighter training delivered	10,000	11,276	10,000

Fire Department

- From receipt of the 911 call to arrival time 90% of the time is 12 minutes for first arriving unit with 3 personnel. This is considerably longer than our goal of 7 minutes 30 seconds for the first arriving unit with 3 personnel.

Operations and Training

- Responded to 4782 calls for service.
- Emergency response time from receipt of the 911 call to arrival time 90% of the time with a crew of 3 is 12 minutes (goal is 7 minutes 30 seconds 90%).
- Responded with 15 or more firefighters within 9 minutes 30 seconds 25% of the time to all structure fires where fire attack hose lines were deployed (goal is 90%).
- Provided 11,276 hours of training for current firefighters to meet Federal and State requirements.
- Provided 1432 hours of live fire training attempting to meet Federal and State requirements. This effort was a significant improvement from 2020 and was facilitated by the use of the old Days Inn hotel for acquired structure fire training.
- Coordinated with auto-aid and mutual aid partners to maintain capability for large incident response.
- Represented the Fire Department in ongoing operations of the Tri-Tech/Central Square Computer Aided Dispatch (CAD) system.
- 12 new recruits were added to the Department in 2021.

Fire Prevention

- Performed 2323 inspections (annual, building final, fire alarm testing, rough-in, tanks)
- Annual inspections done at 321 buildings out of approximately 1340 properties.
- Conducted 53 cause and origin fire investigations including follow-ups with an 83% clearance rate (not including cases pending).
- Completed 3 Home Safety Survey Inspections in owner-occupied single-family homes.
- Conducted 12 safety presentations at K-12 schools, businesses, senior living facilities and other venues.

Emergency Management

- Performed monthly checks on the City's 22 emergency warning sirens.
- Assisted maintaining the Everbridge emergency notification system for residents to sign up for alerts.
- Assisted maintaining and updated senior staff alert notifications as part of the Everbridge implementation.
- Maintained and exercised communications capabilities for use during disasters.

The following table shows the Call to Arrival time 90% Performance with an effective response force of 3.

Table 1— 2021 Fire Department Incident Response Time

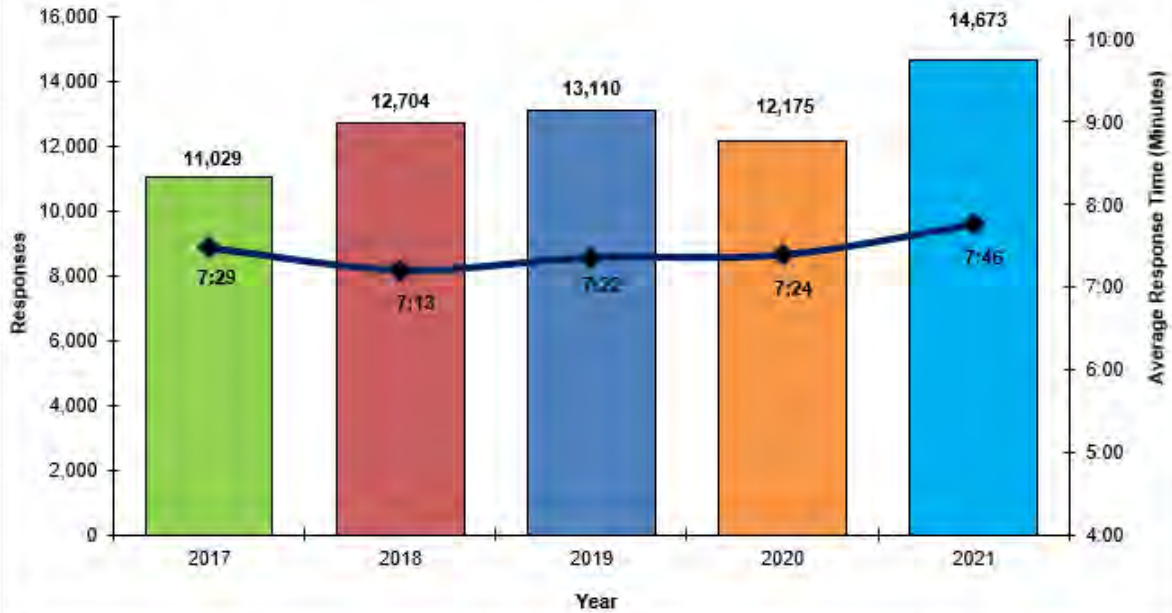
	Goal Time 90% of the time	% Of Time Goal Met	Actual 90% Time of Goal
Alarm Processing	1:30	75%	2:00
Response	6:00	60%	10:00
Call to Arrival	7:30	65%	12:00

City of Bloomington EMS Response

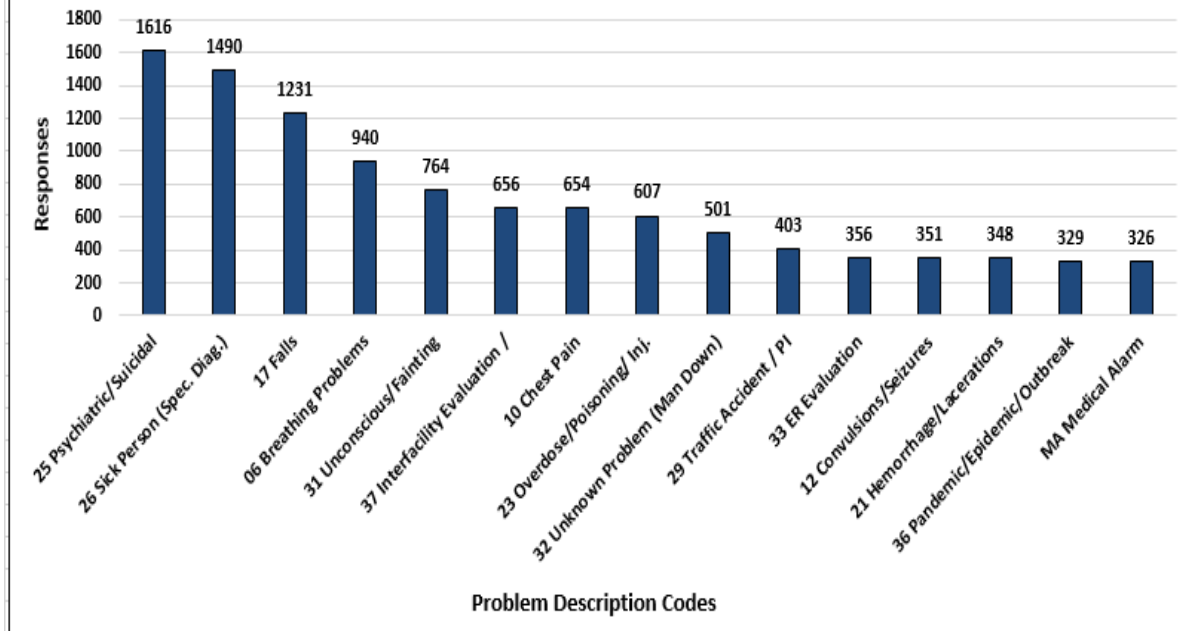
This report includes a breakdown of all calls responded to by Allina Health EMS within the City of Bloomington during the calendar year 2021. Calls for service are categorized into emergency, non-emergency, response times for such calls, and Hennepin County Ordinance requirements on average. As with previous reports we have included the five year history of calls and average response time trend line. Additionally included by category are the top fifteen calls overall, emergency response calls, and nonemergency response calls within the city.

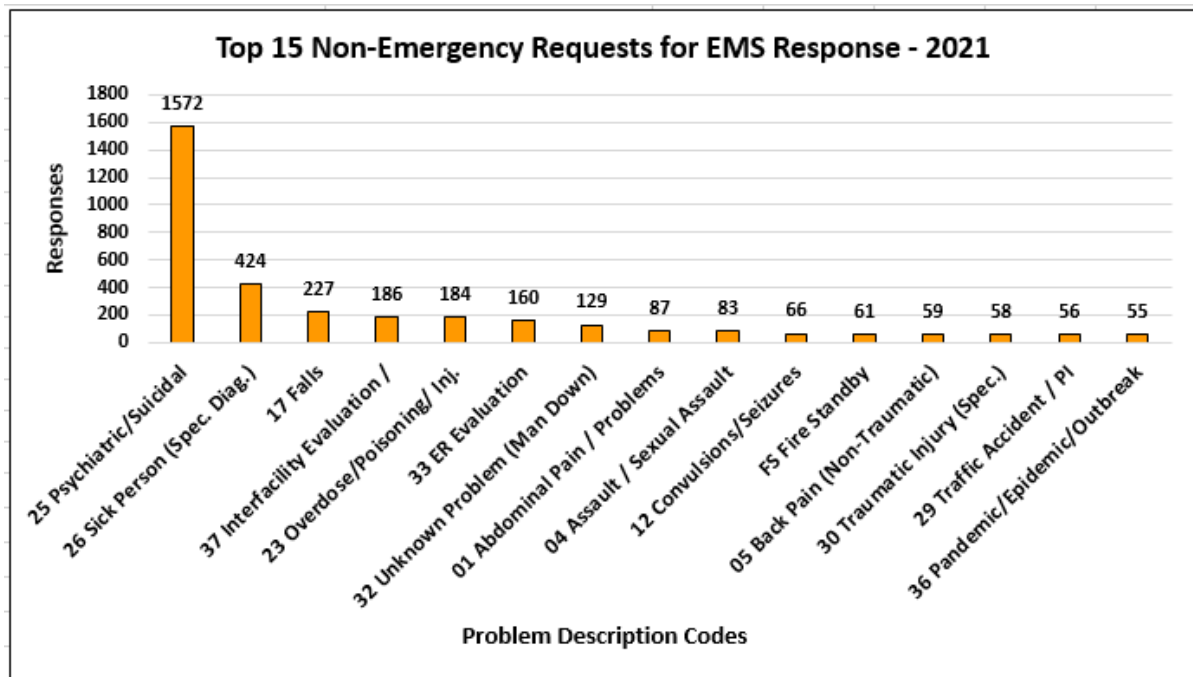
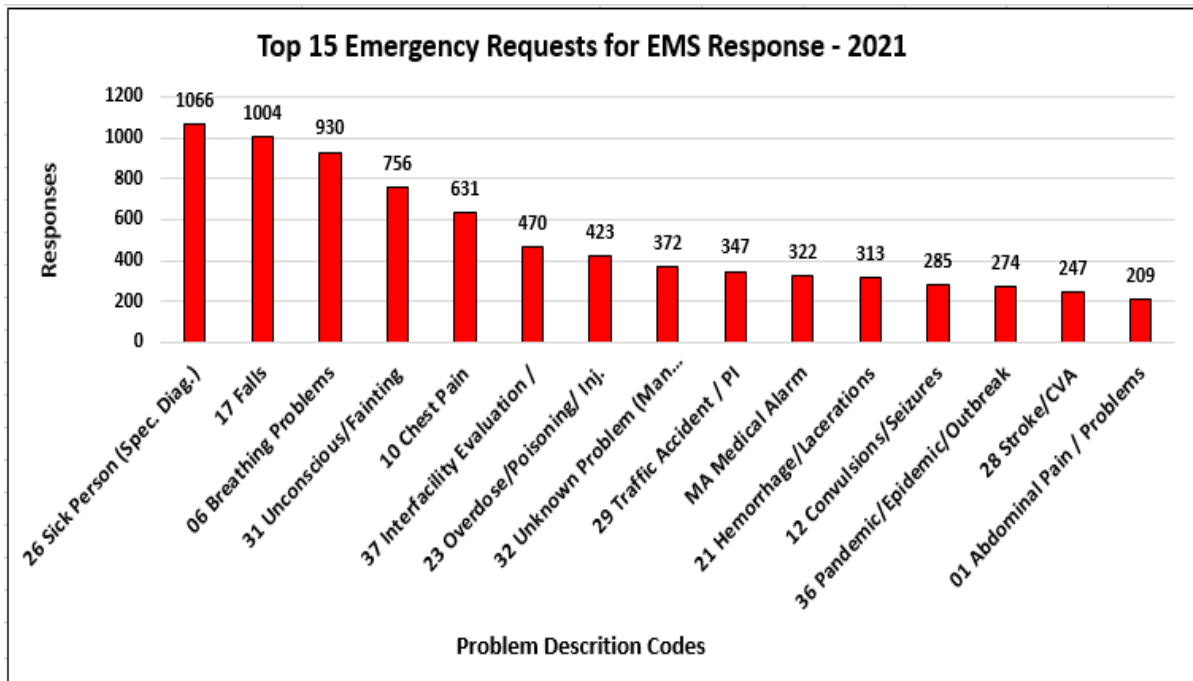
- **2021 – Total Priority – Responses (911) = 14,673**
 - Total Emergency Responses (Red Lights / Siren) = 10,436
 - Total Non-Emergent (Routine Response) = 4,237
- **2021 – Average Response Time for all calls Emergent or Routine = 8:51**
 - Emergent Responses = 10,436 - Response Time = 6:57
 - Non-Emergent Responses = 4,237 Non-Emergent Response time = 10:32
- **Hennepin County Ordinance compliance = 84.3.5% (Under 10:59)**
 - Hennepin County Ordinance requires all emergency 911 EMS calls to be responded to in under 10:59, 80% on average.

2021 City of Bloomington - All EMS Calls



City of Bloomington Top 15 Requests for EMS Response - 2021





2021 was a continued response to the pandemic as EMS responses changed considerably with an increase in pandemic-sick person calls, behavioral health, and overdose calls. Allina Health EMS (AHEMS) and partner EMS agencies saw increases in call volumes as high as 20-30 percent and in some cases 40 percent when we were seeing spikes in Covid cases throughout the metro area and a return to more normal lifestyle verses Covid lock down volumes. These increases are compounded with staffing shortages due to Covid restrictions of personnel each day. We continue to work through continuity plans that address deployment strategies to ensure adequate coverage for emergency response.

Fire - General Fund Financial Summary

	2020 Actual	2021 Projected	2022 Budget
Revenues			
Intergovernmental	\$ 119,202	\$ 87,959	\$ -
Other Revenues	6,100	400	-
Transfers from Other Funds			400,000
Total Revenues	125,302	88,359	400,000
Expenditures			
Salaries and Benefits	2,726,949	2,673,623	4,020,921
Materials, Supplies, & Services	2,500,899	2,560,948	2,729,539
Capital Outlay	58,164	-	15,000
Transfer to Other Funds	-	104,000	-
Total Expenditures	\$ 5,286,012	\$ 5,338,571	\$ 6,765,460

Fire Pension Fund

The Fire Pension Fund is a Special Revenue Fund for accumulating revenue to pay annual Fire Pension obligations. The City of Bloomington has a Paid-On-Call Fire Department. After 20 years of service, Paid-On-Call firefighters are eligible to receive a pension from the Bloomington Fire Department Relief Association (BFDRA).

Each year, an independent actuary calculates the fire pension liability due to the BFDRA two years in the future based upon their financial activities. The annual fire pension obligation is impacted by market volatility of the investment returns, the police officers salary rates, and firefighter demographics. If the annual accrued liability funding ratio is under 120% funded, State statute requires that the City send an annual contribution in addition to State Fire Aid money.

In 2021, we were obligated to contribute \$1,379,113. In 2022, based on the investment performance at the end of 2020 the Accrued Funding Ratio was 127.82% resulting in no required contribution. Historically, Bloomington will continue to contribute the Fire State Aid in 2022.

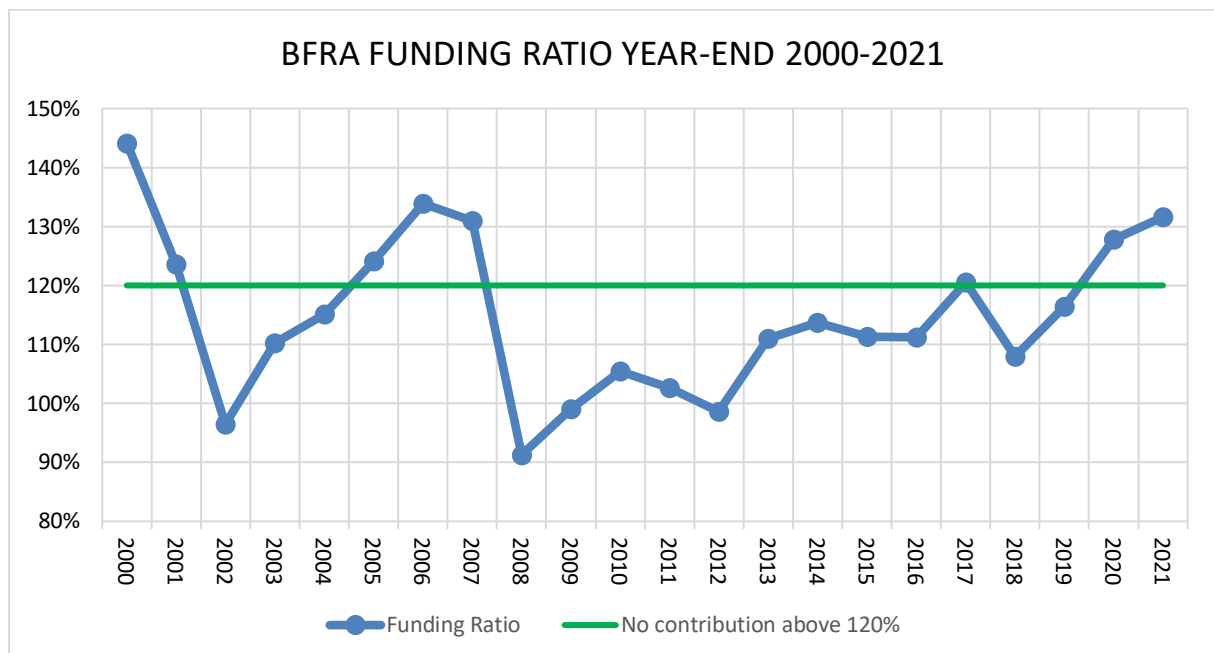
Fire Pension revenue is received from the following sources: State aid, property tax levy, and transfers from the General Fund and/or Strategic Priorities

2022 Goals and Objectives

- S Build a reserve within the Fire Pension fund to provide current and future pension obligation contributions without causing property tax levy volatility.

Performance Measures

- Working Capital balance of the Fire Pension fund was above the Working Capital Goal of \$2,500,000.



Fire Pension - Special Revenue Fund

Financial Summary

	2020 Actual	2021 Projected	2022 Budget
Revenues			
Property Taxes	\$ 1,050,000	\$ 1,050,000	\$ 1,050,000
Intergovernmental	649,689	672,339	662,748
Interest Income	109,603	(22,672)	49,385
Bond Proceeds	-	-	500,000
Transfers from Other Funds	500,004	-	-
Total Revenues	2,309,296	1,699,667	2,262,133
Expenses			
Salaries and Benefits	2,541,359	1,379,113	662,748
Transfer to Other Funds	-	500,000	-
Total Expenses	2,541,359	1,879,113	662,748
Working Capital			
Net Change	(232,063)	(179,446)	1,599,385
Working Capital at Beginning of Year	4,797,817	4,565,754	4,386,308
Working Capital at End of Year	\$ 4,565,754	\$ 4,386,308	\$ 5,985,693

Public Safety - Technology and Equip.

The Public Safety Technology and Equipment Fund is an Internal Service Fund that has the following six activities:

- Radios
- Mobile Digital Computers (MDC's)
- Body Worn Cameras
- Police Small Equipment
- Fire Small Equipment
- Fire Large Equipment

Radios (Police and Fire):

Portable and dash mounted radio operations are scheduled for replacement every 8-10 years. The Police Department and Fire Department use the majority of the City's radios. However, Public Works and Public Health also use radios in their operations. Charges for operations are internally charged to all four of these departments, but charges for replacement are only charged to Police, Fire, and Public Works and build up working capital balance for future equipment purchase. Public Health purchases their own replacement radios.

MDC's (Police and Fire):

Mobile Digital Computers are located in Public Safety vehicles to communicate with dispatch and access Public Safety databases. They are scheduled to be replaced every 4 years. Charges for operations and replacement are charged to Police and Fire and build up working capital balance for future equipment purchases.

Body Worn Cameras (Police):

Body worn cameras is a new activity in this fund. The initial purchase, implementation, and training of body worn cameras had multiple funding sources including grant and forfeiture funds. Charges for on-going data storage fees are funded from a transfer from Police forfeiture funds and from a transfer of funds from the IT department.

Police Small Equipment:

The Police small equipment activity purchases equipment such as tasers, tactical vests, guns, and other equipment on a replacement schedule of 5-15 years depending on the item. Consistent replacement charges to Police in the General Fund are the revenue for this activity and build up working capital balance for future equipment purchases.

Fire Small Equipment:

The Fire small equipment activity purchases equipment such as fire hoses, gear, and rescue equipment on a varying replacement schedule. Charges to Fire in the General Fund are the revenue for this activity and build up working capital balance for future purchases.

Fire Large Equipment:

The Fire large equipment activity purchases large equipment such as large ladder trucks. Revenues come from the Fire Department activity in the General Fund.

Authorized Full-Time Position	2020 BUDGET	2021 BUDGET	2022 BUDGET
RADIO COMMUNICATIONS TECHNICIAN	1	1	1
Grand Total	1	1	1

2022 Goals and Objectives

- S** Maintain a reliable and efficient communications system for Public Safety.
- S** Maintain adequate, consistent internal charges to fund future purchases of Public Safety equipment without causing large variances in the General Fund.
- S** Implementation of planned Fire Department MDC upgrades.
 - Inventory of 40 Police Department MDC's is current with next purchases scheduled in 2024 for approximately \$235,040.
 - Inventory of 81 Fire Department portable radios is current with next purchases scheduled in 2024 for approximately \$480,000.
 - Inventory of 38 Public Works portable radios is current with next purchases scheduled in 2025 for approximately \$141,741.
 - Inventory of 24 Fire Department MDC's is current with the next purchases scheduled for 2025 for approximately \$128,000
 - Inventory of 175 Police Department portable radios is current with next purchases scheduled in in 2026 for approximately \$1,173,000.
 - Inventory of 48 Fire Department mobile radios is current with next purchases scheduled in 2028 for approximately \$253,000.
 - Inventory of 82 Police Department mobile radios is current with next purchases scheduled in 2028 for approximately \$513,000.

Public Safety Tech & Equip - Internal Service Fund

Financial Summary

	2020 Actual	2021 Projected	2022 Budget
Revenues			
Departmental Charges	\$ 1,178,389	\$ 1,178,389	\$ 1,178,389
Intergovernmental	108,466	18,594	-
Interest Income	76,995	(16,797)	40,000
Other Revenues	18,420	77,938	-
Transfers from Other Funds	667,261	171,245	150,000
Total Revenues	2,049,531	1,429,369	1,368,389
Expenses			
Salaries and Benefits	78,471	106,579	115,071
Materials, Supplies, & Services	829,634	847,450	485,602
Capital Outlay	1,396,861	892,512	160,000
Transfer to Other Funds	-	-	-
Total Expenses	2,304,966	1,846,541	760,673
Working Capital			
Net Change	(255,435)	(417,172)	607,716
Working Capital at Beginning of Year	3,852,583	3,597,149	3,179,977
Working Capital at End of Year	\$ 3,597,149	\$ 3,179,977	\$ 3,787,693

Information Technology

The Information Technology (IT) Fund is an Internal Services Fund that contains the City’s IT Department. The IT Department provides the City with computer hardware and software and coordinates the networking and communications of systems in accordance with the City’s Information Technology Strategic plan.

A cross functional Information Technology Steering Committee (ITSC) meets monthly to ensure that technology governance is coordinated and efficient, leading to decreased costs and complexity at the City. The ITSC addresses cross-organizational items having significant short and long-term informational technology impact for the City’s employees and community.

The IT Department’s resources include the total hours available for services to City operating departments, as well as funding for hardware, software, and training.

Authorized Full-Time Position	2020 BUDGET	2021 BUDGET	2022 BUDGET
CHIEF INFORMATION OFFICER	1	1	1
INFORMATION TECH SUPERVISOR	3	3	3
IT SYSTEMS ENGINEER	1	1	1
NETWORK ENGINEER	1	1	1
DATABASE ADMINISTRATOR	1	1	1
IT SYSTEMS ADMINISTRATOR II	2	2	1
APPLICATIONS ADMINISTRATOR II	1	2	2
IT SYSTEMS ADMINISTRATOR I	4	2	2
APPLICATIONS ADMINISTRATOR I	3	2	3
DESKTOP ADMINISTRATOR	1	1	1
DESKTOP SUPPORT SPECIALIST	0	1	1
Grand Total	18	17	17

2022 Goals and Objectives

- SA** Provide technology expertise, equipment, software, and services to meet Council’s Goals by:
 - Adopting a new 5 Year IT strategic plan to cover years 2022-2026.
 - Concentrating efforts to secure the City’s technology systems.
 - Implementing additional systems to support Council’s strategic objectives.
- S** Completing the implementation of Cloud solutions for Office 365 and SharePoint.
- ES** Implementing initiatives defined in the Geographic Information Systems (GIS) strategic plan to enhance functions & activities City-wide.
- S** Implement new software for the Environmental Health Division for food inspection and code enforcement.
- S** Review existing policies and procedures. Identify and implement necessary changes.
- S** Continue to provide exceptional service to support the City’s departments in technology.

Performance Measures

Strategic Priority	Performance Measure	2020	2021	2022 Budgeted
High Quality Service Delivery	Total Completed Tickets	4977	3637	3750
	Ticket Time of Completion - time to resolve 80% of the tickets	4 Hours	5 Hours	4 Hours
	End Users per IT Support Employees	32:1	33:1	33:1
	% Employees Completed Security Training	65%	88%	95%
	Security Maturity Model Scores	0.4	0.75	1
	GIS Maturity Model Scores	2.5	2.6	3.1
	Project Management Maturity Model Scores (PMI Scale)	Level 1	Level 2	Level 3
	Budgeted Maintenance Costs to Actual	96%	98%	100%

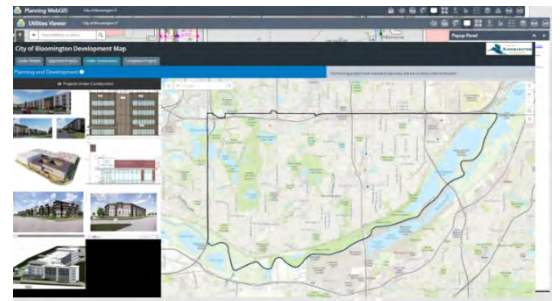
IT Supports and Secures the City's Information and Infrastructure

- More than Four Million e-mails were processed in 2021.
- 27% of e-mail messages rejected as spam and nearly 25,000 messages containing viruses were stopped from entering the City's network.
- IT processed 3762 requests for service in 2021, approximately 3% over the 2021 projection.

GIS Strategic Plan

The City developed a GIS Strategic Plan to ensure a focused and collaborative approach to geographical information systems. The plan includes:

- Governance – establishing a GIS Steering Committee
- Communication – GIS Education and Outreach
- Technology – GIS/System Integration Evaluation, Solution Standards
- Data – establishing Metadata Standards, Minimizing data silos
- Workforce Development – department Level Workforce Development Plans



IT Supports More Than 200 Applications

The City's 10 departments have a wide range of technology needs and IT supports more than 200 software applications to ensure business operating needs can be met. These range from permitting and license solutions to enterprise resource planning (ERP) to public safety systems. Software maintenance and support represents about 1/3 of the City's IT budget. City staff is continually evaluating the use of its software applications to minimize redundant solutions and to maximize effectiveness.

Information Technology - Internal Service Fund Financial Summary

	2020 Actual	2021 Projected	2022 Budget
Revenues			
Departmental Charges	\$ 5,737,892	\$ 6,106,593	\$ 6,207,523
Interest Income	39,655	(10,703)	10,000
Other Revenues	2,993	5,579	-
Transfers from Other Funds	139,349	-	-
Total Revenues	5,919,889	6,101,469	6,217,523
Expenses			
Salaries and Benefits	1,939,719	2,175,493	2,427,723
Materials, Supplies, & Services	3,401,185	3,320,355	3,997,223
Capital Outlay	194,217	58,032	200,000
Transfer to Other Funds	264,092	261,772	261,772
Total Expenses	5,799,213	5,815,652	6,886,718
Working Capital			
Net Change	120,676	285,817	(669,195)
Working Capital at Beginning of Year	2,252,065	2,372,741	2,658,558
Working Capital at End of Year	\$ 2,372,741	\$ 2,658,558	\$ 1,989,363

Legal

The Legal Department is within the General Fund. The City Attorney’s Office provides legal counsel to the City Council, Advisory Boards and Commissions, the City Manager, and other City departments, and prosecutes non-felony criminal offenses occurring within the City.

Authorized Full-Time Position	2020 BUDGET	2021 BUDGET	2022 BUDGET
CITY ATTORNEY	1	1	1
DEPUTY CITY ATTORNEY - CIVIL	1	1	1
DEPUTY CITY ATTORNEY - PROSECUTION	1	1	1
ASSISTANT CITY ATTORNEY-CIVIL	2	2	2
ASSISTANT CITY ATTORNEY-PROSECUTION	4	4	4
OFFICE SUPERVISOR	1	0	0
CRIME VICTIM LIAISON	1	1	1
PARALEGAL	2	2	2
LEGAL ADMINISTRATIVE ASSISTANT	1	0	0
OFFICE SUPPORT SPECIALIST	0	1	1
OFFICE ASSISTANT	1	0	0
Grand Total	15	13	13

2022 Goals and Objectives

- S I IE** Create and maintain a highly collaborative, aligned, focused, positive, and professional work environment that promotes employee growth and satisfaction while providing convenient, accessible, and expert legal services to City Departments, staff, elected and appointed officials, and other government entities;
- S I IE** Promote justice, access to justice for victims of crimes, and enhance public safety through locally accountable, fair, and effective criminal prosecution and community outreach;
- S I IE** Deliver timely, high quality, accessible, and cost-effective legal counsel to City Departments;
- S I** Minimize the City’s exposure to claims and lawsuits through staff safety and other training, regular review and revision of policies and procedures, and proactive case management;
- S I ES IE** Deploy and promote the use of technology to improve and enhance access to justice; fair and effective criminal prosecution; and timely review, exchange, and execution of documents;
- S A I ES IE R** Draft, negotiate, and review agreements, policies, and programs that address the City’s interests and protect its assets.
- S A I ES IE R** Advise and support City Departments’ efforts to bring about high-quality, innovative, and collaborative development;
- S A I ES IE R** Advise and support City Departments’ efforts to shape the ordinances, policies, and plans that direct the City’s growth, development, and renewal;

- S A I E S I E R** Advise and support City Departments’ efforts to develop, review, and revise their policies to promote staff development; increase compliance with city objectives; and enhance the overall public experience;
- S A I E S I E R** Advise and support City Departments’ efforts to protect the quality and safety of City residents, neighborhoods, licensed establishments, and other businesses through outreach, screening, education, communication, and enforcement actions;
- S I I E** Advise and support efforts to train and educate City Departments to improve and streamline requests, responses, and access to public records; and
- S I A E S I E R** Support City Departments and outside agencies’ efforts to facilitate multi-modal transportation.

Performance Measures

Strategic Priority	Performance Measure	2020	2021	2022 Budgeted
Community Amenities	Draft, negotiate, and review agreements and related documents that address the City’s interests and protect its assets	568 waivers, releases, agreements leases and contracts	826	850
Community Image	Promote justice, access to justice for victims of crimes, and enhance public safety through locally accountable, fair, and effective criminal prosecution and community outreach	Opened 3885+ criminal cases	3555	4000
Environmental Sustainability	Use technology to efficiently and sustainably execute documents	834 DocuSign* documents	1,132	1,200
Focused Renewal	Advise and support City Departments’ efforts to shape the ordinances, policies, and plans that direct the City’s growth, development, and renewal	Prepared, reviewed, and finalized 409 resolutions, ordinances, & public hearing notices	430	440
High Quality Service Delivery	Advise and support City Departments’ efforts to develop, review, and revise their policies to promote staff development; increase compliance with city objectives; and enhance the overall public experience	Prepared, reviewed and finalized 141 other city documents and policies	156	175

Inclusion & Equity	Promote justice, access to justice for victims of crimes, and enhance public safety through locally accountable, fair, and effective criminal prosecution and community outreach	645 letters to crime victims	810	1200
Engagement & Transparency	Provide public with legal notice of upcoming city actions	131 published notices	130	140

**Since deployment in March 2020: DocuSign reports the City has saved 2,811 pounds of wood (8 trees), 8,277 gallons of water, 6,598 pounds of carbon and 457 pounds of waste (8 trash cans).*

Legal - General Fund Financial Summary

	2020 Actual	2021 Projected	2022 Budget
Revenues			
Program Income	\$ 15,570	\$ 10,390	\$ 8,000
Intergovernmental	64,319	81,405	-
Other Revenues	9,750	-	-
Total Revenues	89,639	91,795	8,000
Expenditures			
Salaries and Benefits	1,984,689	1,970,442	2,047,870
Materials, Supplies, & Services	336,828	276,961	408,395
Transfer to Other Funds	44,500	-	-
Total Expenditures	2,366,017	2,247,403	2,456,265
Less Expenses Charged to Other Funds	(397,055)	(382,688)	(395,345)
Net Total Expenditures	\$ 1,968,962	\$ 1,864,715	\$ 2,060,920

Parks and Recreation

The Parks and Recreation Department has activities within the General Fund, Enterprise Funds, and a Special Revenue Fund. Administration, Recreation, and the Creekside Community Center activities are located within the General Fund. The Golf Courses, Ice Garden, Aquatics, and Center for the Arts are all in separate Enterprise Funds. Park grant revenue is in a Special Revenue Fund. Parks and Recreation oversees 97 parks and recreational facilities for users to enjoy. The department provides recreational opportunities through programs and facilities offering a wide variety of opportunities for people of all ages and abilities.

Dept.	Division	2020 Authorized Full-Time	2021 Authorized Full-Time	2022 Authorized Full-Time
PARKS & RECREATION				
	ADMIN - GENERAL FUND	5	5	5
	AQUATICS FUND - ENTERPRISE FUND	1	1	1
	CENTER FOR THE ARTS - ENTERPRISE FUND	1	1	1
	CREEKSIDE COMMUNITY CENTER - GENERAL FUND	4	3	3
	GOLF COURSES - ENTERPRISE FUND	6	5	5
	ICE GARDEN - ENTERPRISE FUND	5	4	5
	RECREATION - GENERAL FUND	5	5	5
PARKS & RECREATION Total		27	24	25



Parks and Recreation - General Fund Financial Summary

	2020 Actual	2021 Projected	2022 Budget
Revenues			
Program Income	\$ 112,785	\$ 369,201	\$ 713,075
Other Revenues	541,839	568,545	610,810
Transfers from Other Funds	-	-	-
Total Revenues	654,624	937,746	1,323,885
Expenditures			
Salaries and Benefits	1,936,697	1,939,652	2,477,256
Materials, Supplies, & Services	6,624,129	7,150,228	1,860,464
Capital Outlay	-	-	7,000
Total Expenditures	8,560,826	9,089,880	4,344,720
Less Expenses Charged to Other Funds	(59,137)	(57,089)	(75,523)
Net Total Expenditures	\$ 8,501,689	\$ 9,032,791	\$ 4,269,197

Parks and Recreation – Administration

Administration provides leadership, planning, budgeting, and training to support to all its divisions.

Authorized Full-Time Position	2020 BUDGET	2021 BUDGET	2022 BUDGET
DIRECTOR OF PARKS & RECREATION	1	1	1
DEPUTY DIRECTOR OF PARKS & RECREATION	1	1	1
ASSISTANT DIRECTOR OF PARKS & PARK PROJECTS	1	1	1
COMMUNICATIONS SPECIALIST	1	1	1
ADMINISTRATIVE ASSISTANT	1	1	1
Grand Total	5	5	5

2022 Goals and objectives

- A R S** Implement financial planning, process, and education campaign for a Bloomington Sales tax to support the development of new facilities and update existing facilities in the next five years including an updated clubhouse to the Dwan Golf Course, updates to Bloomington Ice Garden and the performance hall at the Center for the Arts.
- A S** Begin a Geographic Information System project to provide a park asset inventory and condition rating, operationalize Equity Prioritization Model, and inform program delivery
- AIRSIE** Service Area Plan that includes concept plans for eight parks and the completed plans for park renovation of Bryan Park
- A R S** Develop a park shelter building design standard concept.
- A R S** Complete a Natural Resources Management Plan
- A R S** Complete construction of Normandale Lake Restroom and Maintenance building
- S ET** Create a donations and naming policy

Performance Measures

Strategic Priority	Performance Measure	2020	2021	2022 Budgeted
Inclusion & Equity	Park projects evaluated with equity tool	n/m	n/m	10%
Engagement & Transparency	Community participation in the Service Area/Bryant Park Planning process that is representative of the population	n/m	n/m	50% complete
Engagement & Transparency	Resident support of Bloomington Sales Tax for all new facilities is received	n/m	n/m	100% complete

Environmental Sustainability	8 parks have a prioritized natural resources strategy	n/m	50% complete	100% complete
Focused Renewal	Inventory of park assets, condition, combined with natural resources and programing data that is integrated with existing software programs	n/m	n/m	50% complete
Environmental Sustainability	Natural resources funding is programed according to the Plan to restore natural areas to achieve a healthy, diverse and balanced park system	n/m	n/m	100% complete

n/m = not measured

Parks and Rec. Admin. Div. - General Fund Financial Summary

	2020 Actual	2021 Projected	2022 Budget
Revenues			
Program Income	\$ 1,273	\$ 5,666	\$ 2,560
Other Revenues	504,288	511,908	535,710
Total Revenues	505,561	517,574	538,270
Expenditures			
Salaries and Benefits	959,382	851,495	893,662
Materials, Supplies, & Services	372,147	351,674	554,916
Total Expenditures	1,331,529	1,203,169	1,448,578
Less Expenses Charged to Other Funds	(59,137)	(57,089)	(75,523)
Net Total Expenditures	\$ 1,272,392	\$ 1,146,080	\$ 1,373,055



Parks and Recreation –Recreation

Parks and Recreation focuses on preserving, managing, and programming the City’s vast parks system of 3,700 acres for the enjoyment of people of all ages and abilities. The division provides a wide range of activities for all ages, from highly competitive individual and team sports to youth summer programming to community wide special events to self-directed leisure activities.

Authorized Full-Time Position	2020 BUDGET	2021 BUDGET	2022 BUDGET
RECREATION MANAGER	1	1	1
RECREATION SUPERVISOR	3	3	3
OFFICE SUPPORT SPECIALIST	1	1	1
Grand Total	5	5	5

2022 Goals and Objectives

- S IE** Improve seasonal hiring process including the utilization of online learning management system and NeoGov onboarding software
- S** Update leases for joint field use agreements
- S** Finalize agreement with the School District regarding Galaxy program and other joint initiatives
- S IE** Enhance and develop new volunteer opportunities in programs
- S IE** Partner with Three Rivers Park District to provide new programming for underserved youth
- S** Create plan for utilization of fat tire bikes in programming

Performance Measures

Strategic Priority	Performance Measure	2020	2021	2022 Budgeted
High Quality Service Delivery	Participants in youth summer programs such as Camp Kota, Summer Adventure Playgrounds, The View and Mini View	N/A+	229*	400
	Participants in adaptive recreation programs including adaptive softball and adaptive dances	N/A+	25	30
	Percent of Arts in the Parks shows with a corporate sponsor	N/A**	N/A**	30%
	Percent of community survey respondents that rated the overall quality of parks and recreation opportunities as excellent or good	89%	89%	90%
	Percent of community survey respondents that rated the overall quality of recreation programs or classes as excellent or good	78%	86%	87%
	Registration fee revenue for adult sport leagues	N/A+	\$179,853.46	\$ 185,000

*The View, Mini View and Camp Kota were cancelled in 2021 due to staffing shortages

**Sponsorships were not solicited in 2021 due to COVID-19 impacts

+Most programs were cancelled due to COVID-19 restrictions

Parks and Rec. Recreation Div. - Gen. Fund

Financial Summary

	2020 Actual	2021 Projected	2022 Budget
Revenues			
Program Income	\$ 69,207	\$ 334,573	\$ 615,564
Other Revenues	\$ 37,459	\$ 56,689	\$ 75,000
Total Revenues	106,666	391,262	690,564
Expenditures			
Salaries and Benefits	\$ 532,969	\$ 726,177	\$ 1,152,980
Materials, Supplies, & Services	\$ 6,085,321	\$ 6,330,886	\$ 787,989
Total Expenditures	\$ 6,618,290	\$ 7,057,063	\$ 1,940,969

Parks and Recreation – Creekside Community Center

The Creekside Community Center is home to active adult programming and various community partner organizations and activities. It is a facility in which the community can gather to connect with their friends and neighbors while participating in a variety of programs.

Authorized Full-Time Position	2020 BUDGET	2021 BUDGET	2022 BUDGET
CREEKSIDE COMMUNITY CENTER MANAGER	1	1	1
RECREATION COORDINATOR	1	0	0
OFFICE SUPPORT SPECIALIST	1	1	1
MAINTENANCE WORKER	1	1	1
Grand Total	4	3	3



2022 Goals and Objectives

- S** Develop a new educational program series and create new special events held quarterly
- S** Add a new fitness class aimed at all ages of adults
- ES** Implement organics collection in partnership with Public Works
- S** Develop a business plan with program cost recovery goals

Performance Measures

Strategic Priority	Performance Measure	2020*	2021**	2022 Budgeted
High Quality Service Delivery	Operating revenue as a % of operating expenses	6.9%	3.4%	10%
	Program registration fee revenue for active adult programming	\$3,734	\$5,196	\$12,000
	Number of overall class participants	988	1155	1500
	Number of on-going active adult programs	41	35	35
	Number of special events	1	9	16

*Based on 2.5 months of programming

** Based on 6 months of programming after facility closure of 15 months

Parks and Rec. Creekside Division - Gen. Fund Financial Summary

	2020 Actual	2021 Projected	2022 Budget
Revenues			
Program Income	\$ 42,305	\$ 28,962	\$ 94,951
Other Revenues	92	(52)	100
Total Revenues	42,397	28,910	95,051
Expenditures			
Salaries and Benefits	444,346	361,980	430,614
Materials, Supplies, & Services	166,661	467,668	517,559
Capital Outlay	-	-	7,000
Total Expenditures	611,007	829,648	955,173
Less Expenses Charged to Other Funds	-	-	-
Net Total Expenditures	\$ 611,007	\$ 829,648	\$ 955,173

Park Grants Special Revenue

The Park Grants Special Revenue Fund receives “Lottery-in-lieu-of-sales tax” revenues from the State’s Environment and Natural Resources Fund along with “Legacy” revenues from the State’s Parks and Trails Fund. These revenues are restricted to use for operational and maintenance costs associated with the Hyland-Bush-Anderson lakes Regional Park Reserve.

Examples of operational and maintenance expenditures funded by these revenues include:

- Normandale Lake Band Shell repairs
- Prairie restorations
- Picnic shelter repairs
- Trail and parking lot maintenance
- Bush Lake facility improvements



2022 Goals and Objectives

- A** Maintain the safety and viability of regional parks in the City.
- A** Utilize funds to address operational and maintenance needs in the park reserve as shown by the park asset inventory.
- A** Work with the other Metropolitan Regional Parks agencies to lobby the Legislature for continued Lottery-in-Lieu-Of operations and maintenance funding.
- ES** Natural resource restorations – Undertake improvement projects within the Park Reserve.
- A** Focus fund expenditure on equipment and services that support the active usage of the park reserve.

Performance Measures

- Replace restroom building and maintenance garage near Normandale Lake.
- Completed the Tierney Woods trail project.



Park Grants - Special Revenue Fund Financial Summary

	2020 Actual	2021 Projected	2022 Budget
Revenues			
Intergovernmental	\$ 445,303	\$ 57,378	\$ 129,492
Interest Income	4,795	(286)	3,000
Other Revenues			
Transfers from Other Funds	977	-	-
Total Revenues	451,075	57,092	132,492
Expenses			
Salaries and Benefits	68,297	33,518	41,740
Materials, Supplies, & Services	377,636	24,107	140,013
Total Expenses	445,933	57,625	181,753
Working Capital			
Net Change	5,142	(533)	(49,261)
Working Capital at Beginning of Year	75,673	80,815	80,282
Working Capital at End of Year	\$ 80,815	\$ 80,282	\$ 31,021

Parks and Recreation – Golf Courses

The Golf Enterprise Fund includes two golf courses operated by the City of Bloomington: Dwan and Hyland Greens via an operating agreement with the Three Rivers Park District.



Dwan Golf Course

Dwan Golf Course is an award-winning 18-hole regulation length golf course that is home to a wide variety of weekly leagues and groups. In 2020, Dwan re-imagined the tee options to align with the new USGA world handicap system. Dwan offers three tee options for men playing to a Par of 68 and two tee options for women playing to a Par of 70. Dwan has seen a resurgence in interest in golf over the past two seasons and recorded its highest rounds played total in 2021 since 2005. In addition, Dwan collected its highest gross revenue in the history of the operation of the facility.

Hyland Green Golf Course

The City of Bloomington entered into a three-year operating agreement for Hyland Greens with the Three Rivers Park District commencing in 2021. The City of Bloomington and the Three Rivers Park District are co-promoting lesson series for youth, beginners and adults in 2022.

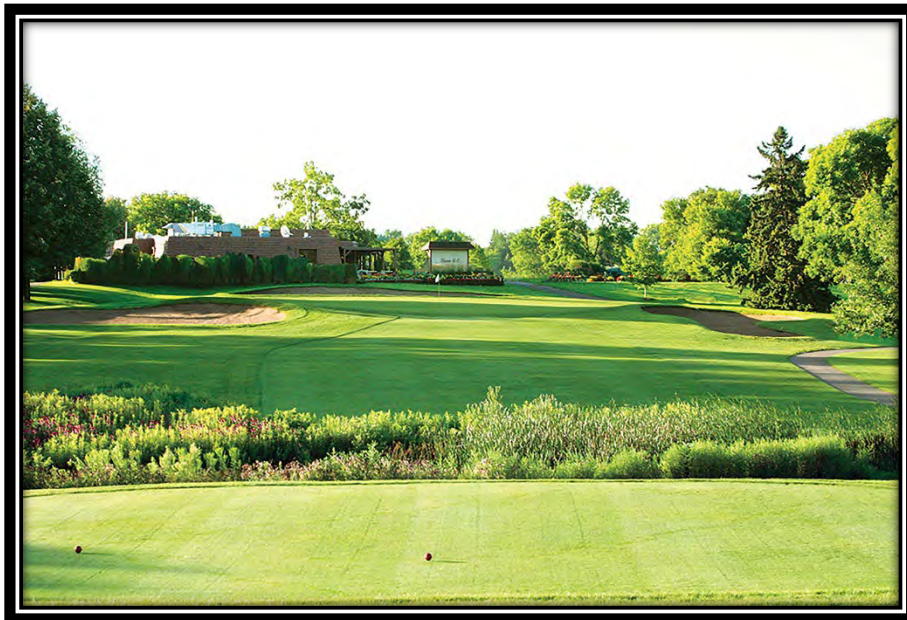
Authorized Full-Time Position	2020 BUDGET	2021 BUDGET	2022 BUDGET
GOLF COURSE MANAGER	1	1	1
ASSISTANT GOLF COURSE MANAGER	1	1	1
GOLF COURSE MAINTENANCE SUPERINTENDENT	1	1	1
ASSISTANT GOLF COURSE MAINTENANCE SUPERINTENDENT	1	1	1
MAINTENANCE WORKER	2	1	1
Grand Total	6	5	5

2022 Goals and Objectives

- IS** Improve playability of the Bunkers at Dwan.
- IS** Expand Golf Course food and Beverage offerings.
- IES** Institute online payment option for annual Patron card renewals and new Patron card sales and upgrade credit card processor to ensure smoother transactions.
- AIRS** Work with the Three Rivers Park District on co-marketing lesson programs at Hyland Greens Golf Course.
- I** Design, replace and install new golf course tee signage.
- AESR** Continue to advance the process of clubhouse replacement and golf course upgrade.

Performance Measures

Strategic Priority	Performance Measure	2020	2021	2022 Budgeted
Community Amenities	Maintain Total number of rounds	45,000* Pandemic surge	50,501	41,500
	Total gross golf course revenue	1,412,639	1,824,543	1,565,978
	Operating revenue as percent of operating expense.	100	113	N/A



Golf Courses - Enterprise Fund Financial Summary

	2020 Actual	2021 Projected	2022 Budget
Revenues			
Property Taxes	\$ 300,000	\$ 161,343	\$ 161,343
Program Income	1,411,212	1,818,386	1,565,978
Other Revenue	89	6,307	-
Interest Income	1,770	(2,990)	1,000
Transfers from Other Funds	29,488	-	-
Total Revenues	1,742,559	1,983,046	1,728,321
Expenses			
Salaries and Benefits	1,006,915	988,076	979,574
Materials, Supplies, & Services	597,902	663,939	607,503
Capital Outlay	8,545	36,542	65,000
Total Expenses	1,613,362	1,688,557	1,652,077
Working Capital			
Net Change	129,197	294,489	76,244
Working Capital at Beginning of Year	94,876	224,073	518,562
Working Capital at End of Year	\$ 224,073	\$ 518,562	\$ 594,806

Parks and Recreation – Ice Garden

The Ice Garden Enterprise Fund is the fund that accounts for the operations of the Bloomington Ice Garden or “BIG”. BIG has three rinks (one of them Olympic-sized) with a total seating capacity of 2,500 as well as dry land training facilities. The rinks are used primarily for youth and high school hockey and figure skating. BIG also hosts 20-25 special events annually including hockey tournaments and figure skating competitions. The rinks also offer public skating as well as open hockey. Skating lessons are offered for both youth and adults by professionally trained instructors.

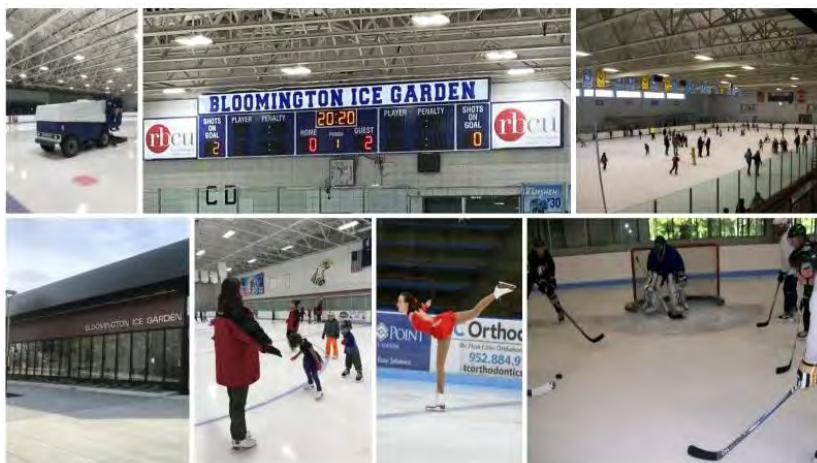
Authorized Full-Time Position	2020 BUDGET	2021 BUDGET	2022 BUDGET
ICE GARDEN MANAGER	1	1	1
ASSISTANT ICE GARDEN MANAGER	1	1	1
ICE GARDEN MAINTENANCE SUPT	1	1	1
ICE GARDEN MAINTENANCE SUPV	1	0	0
MAINTENANCE WORKER	1	1	2
Grand Total	5	4	5

2022 Goals and Objectives

- A I R** Establish cost recovery goal for Skate School
- A I S** Hire new Ice Garden Assistant Manager
- A I S** Hire an additional Maintenance Worker
- A I** Complete an RFP Architect/Engineering Services BIG Renovation Project.
- A I** Transition concession operations to the City
- A S** Continue discussions for a new advertising agreement with Bloomington Area Hockey Association (BAHA)
- A I S** Purchase a replacement Zamboni

Performance Measures

Strategic Priority	Performance Measure	2020	2021	2022 Budgeted
Community Amenities	Operating Revenue as a percent of Operating Expense	88%	94%	95%
	Percentage of Prime Ice Sold	62%	71%	75%
	Total Revenue	\$1,189,916	\$1,600,000	\$1,975,547



Ice Garden - Enterprise Fund

Financial Summary

	2020 Actual	2021 Projected	2022 Budget
Revenues			
Property Taxes for Debt Service	203,517	202,887	202,047
Property Taxes for Operations	89,769	84,465	80,000
Program Income	848,616	1,295,139	1,680,500
Other Revenue	48,015	9,988	12,000
Intergovernmental	-	-	-
Interest Income	6,114	(2,973)	1,000
Transfers from Other Funds	32,149	-	-
Total Revenues	1,228,180	1,589,506	1,975,547
Expenses			
Salaries and Benefits	619,044	745,742	892,461
Materials, Supplies, & Services	659,121	700,922	810,665
Capital Outlay	(13,735)	61,468	150,000
Debt Service	53,845	168,599	190,326
Total Expenses	1,318,275	1,676,731	2,043,452
Working Capital			
Net Change	(90,095)	(87,225)	(67,905)
Working Capital at Beginning of Year	514,696	424,601	337,376
Working Capital at End of Year	\$ 424,601	\$ 337,376	\$ 269,471

Parks and Recreation – Center for the Arts

This Enterprise Fund accounts for the revenues and expenses of the Bloomington Center for the Arts (BCA) which provides high quality arts and cultural experiences for residents, patrons, and participants. With venues such as the Schneider and Black Box Theaters, and painting and clay classrooms, the Center for the Arts is a magnet for people looking for enriching experiences in the arts.

Authorized Full-Time Position	2020 BUDGET	2021 BUDGET	2022 BUDGET
ARTS CENTER MANAGER	1	1	1

2022 Goals and Objectives

- A I E S** Research and develop fee structure for Resident Arts Orgs, partner organizations and BFAC that charges per use as well as by attendance at performances.
- S** Setup and begin taking online reservation requests through RecTrac from the seven resident arts organizations.
- S** Revise lease agreements for seven resident arts organizations to reflect two-year agreements renewed in even years. These two-year agreements will coordinate with a two-year scheduling cycle for facility use.
- I S** Conduct quarterly meetings with Bloomington Fine Arts Council and other resident arts groups.
- A R S** Plan and implement Black Box renovations and enhancements to make it more usable for general rentals and small performances and events. (Carry-over from 2021 CIP Projects)
- A I S** Replace sound system and speakers in the Schneider Theater. (Carry-over from 2021 CIP Projects)
- A I S** Replace lighting system in the Schneider Theater.
- A I S** Install an assisted listening system in the Schneider and Black Box Theaters to increase access and inclusiveness and provide for a better participant experience.
- A I S** Replace Schneider Theater arbor ropes and rigging system.

Performance Measures

Strategic Priority	Performance Measure	2020	2021	2022 Budgeted
Community Amenities	Make BCA facilities more useable and competitive (# paid rentals)	19	55	55
	Maximize rentals in Black Box multi-use space.	21	25	25
	Total number of in-kind hours (resident groups and city partners).	3929	4109	12894

Center for the Arts - Enterprise Fund

Financial Summary

	2020 Actual	2021 Projected	2022 Budget
Revenues			
Property Taxes	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000
Program Income	10,483	6,385	20,000
Other Revenue	48,046	21,358	105,000
Interest Income	13,748	(3,544)	15,000
Transfers from Other Funds	1,681	1,000,000	-
Total Revenues	1,073,958	2,024,199	1,140,000
Expenses			
Salaries and Benefits	143,743	214,382	267,642
Materials, Supplies, & Services	898,048	765,843	787,425
Capital Outlay	29,125	95,431	395,000
Total Expenses	1,070,916	1,075,656	1,450,067
Working Capital			
Net Change	3,042	948,543	(310,067)
Working Capital at Beginning of Year	870,790	873,832	1,822,375
Working Capital at End of Year	\$ 873,832	\$ 1,822,375	\$ 1,512,308

Parks and Recreation – Aquatics

The Aquatics Enterprise Fund includes the Bloomington Family Aquatic Center and Bush Lake Beach.

Bloomington Family Aquatic Center

The Bloomington Family Aquatic Center is an eight lane, 50-meter lap pool with a zero-depth entry. The zero-depth entry includes three tot-slides and water play features. The diving well has a one-meter diving board, a climbing wall, and a drop slide. The facility also has two looping water slides and a concessions operation.

Bush Lake Beach

Bush Lake Beach is a key component of the Hyland-Bush-Anderson Lakes Regional Park Reserve that provides exceptional outdoor recreation opportunities. The paid parking lot off of East Bush Lake Road provides access to a designated swimming area, indoor restrooms, fishing docks, a playground, volleyball court, picnic shelter, and access to several walking and hiking trails.

Authorized Full-Time Position	2020 BUDGET	2021 BUDGET	2022 BUDGET
RECREATION SUPERVISOR	1	1	1

2022 Goals and Objectives

- S** Implement Red Cross Aquatic Examiner Service at Bloomington Family Aquatic Center
- A I S** Planning for the replacement of Docks/Fishing Piers.
- A** Select consultant for filter replacement project in 2023.
- A S I E** Install ADA door buttons and water bottle filler station at BFAC.

Performance Measures

Strategic Priority	Performance Measure	2020	2021	2022 Budgeted
High Quality Service Delivery	Percent of available park shelter rental dates sold	N/A*	77%	79%
	Percent of season pass holder survey respondents that were overall satisfied or highly satisfied with the Bloomington Family Aquatic Center	N/A*	89%	90%

*Park shelter rentals and the Bloomington Family Aquatic Center were closed in 2020 due to COVID-19 restrictions



Aquatics - Enterprise Fund

Financial Summary

	2020 Actual	2021 Projected	2022 Budget
Revenues			
Property Taxes	\$ 1,226,000	\$ 515,000	\$ 515,000
Program Income	35,274	355,790	284,386
Other Revenue	-	1,070	315
Intergovernmental	27,299	23,124	21,357
Interest Income	5,399	(4,285)	5,000
Transfers from Other Funds	8,016	-	-
Total Revenues	1,301,988	890,699	826,058
Expenses			
Salaries and Benefits	106,894	313,969	337,983
Materials, Supplies, & Services	1,026,042	358,070	396,889
Capital Outlay	-	-	100,000
Total Expenses	1,132,936	672,039	834,872
Working Capital			
Net Change	169,052	218,660	(8,814)
Working Capital at Beginning of Year	401,534	570,587	789,247
Working Capital at End of Year	\$ 570,587	\$ 789,247	\$ 780,433

Police Department

A primary amount of the Police Department activities are within the General Fund and there are also police activities within other funds. There are six Special Revenue Funds for tracking forfeitures, grants, and other revenues that are restricted or committed to expenditures for specific purposes within the Police Department. There is a separate Enterprise Fund for Contractual Services for Police Officer overtime that is billed to outside vendors, as well the Public Safety Technology and Equipment Fund which is an Internal Service Fund for purchases and operations of radios, mobile digital computers, body worn cameras, and other Police Department equipment as well as Fire Department equipment.

The Bloomington Police Department employs 158 people, of which 123 are sworn officers. The Police Department provides safety within our community, prevents crime through an easily recognizable presence, engagement with our community, enforces state and local laws fairly and aggressively and provides crime prevention programs. The Patrol Division provides 24-hour-a-day service to the community by responding to crimes, traffic accidents, medical emergencies, fires, public safety hazards, domestic disputes, providing proactive policing, and meeting other community needs. More than 166,408 emergency and non-emergency phone calls are logged into the dispatch center annually. Of these, 49,576 are emergency (911) calls coming into the dispatch center, but not all of these calls result in a request for police services. Other Police Department units include the South Loop Unit, SWAT, Bomb Squad, Crisis Negotiators, Traffic Investigations Unit, Crime Prevention and Community Policing, K-9 Unit, Emergency Management, Police Reserves and Animal Control. The specialty units use already authorized staff as needed. The Police Department oversees the Police Special Revenue, Contractual Police and Public Radio funds which are proprietary funds. The South Loop Unit is paid for through liquor and lodging taxes dedicated to South Loop Unit expenses.

Dept.	Division	2020 Authorized Full-Time	2021 Authorized Full-Time	2022 Authorized Full-Time
POLICE				
	ADMIN - GENERAL FUND	4	4	4
	POLICE GRANTS - SPECIAL REVENUE FUND	1	1	0
	POLICE OPERATIONS - GENERAL FUND	120	120	120
	POLICE SUPPORT - GENERAL FUND	31	31	32
	PUBLIC SAFETY TECH & EQUIP - INTERNAL SERV. FUND	1	1	1
POLICE Total		157	157	157
Grand Total		157	157	157



Police - General Fund Financial Summary

	2020 Actual	2021 Projected	2022 Budget
Revenues			
Program Income	\$ 217,400	\$ 229,442	\$ 260,500
Intergovernmental	220,055	292,055	204,250
Other Revenues	21,735	17,863	-
Transfers from Other Funds	-	-	550,000
Total Revenues	459,190	539,360	1,014,750
Expenditures			
Salaries and Benefits	21,743,207	21,732,634	22,897,238
Materials, Supplies, & Services	5,953,129	5,941,598	6,167,302
Capital Outlay	-	-	-
Transfer to Other Funds	-	30,000	-
Total Expenditures	27,696,336	27,704,232	29,064,540
Less Expenses Charged to Other Funds	(327,377)	(327,377)	(327,377)
Net Total Expenditures	\$ 27,368,959	\$ 27,376,855	\$ 28,737,163

Police - Administration

Police Administration provides overall administrative support to the Police Department and comprehensive emergency management support for the City. Resource allocations and decisions within the Police Department are largely guided by our Strategic Plan focus areas: Youth, Community Outreach/Engagement, Training, and Technology.

Authorized Full-Time Position	2020 BUDGET	2021 BUDGET	2022 BUDGET
CHIEF OF POLICE	1	1	1
DEPUTY CHIEF OF POLICE	2	2	2
ADMINISTRATIVE ASSISTANT	1	1	1
Grand Total	4	4	4

2022 Goals and Objectives

- S** Plan and coordinate the provision of high quality public safety services to the community at an affordable price while internally incorporating the HPO model of leadership.
- S** Continue to strive to keep BPD staff healthy and safe during the pandemic. Adjust procedures and provide PPE that keeps staff members healthy and protected. Continue to partner with BFD on our responses to medicals where our front line staff is routinely exposed to COVID-19.
- IE** Provide training to all staff members on the procedural justice model of policing which is based on the four key principles of voice, neutrality, respect and trust.
- S** Seek grant opportunities to assist with traffic safety issues such as seat belt use, speeding and impaired driving by increasing enforcement efforts; enhance public safety by engaging and educating the community to deter crime and reduce crashes.
- S** Identify problem addresses through the P.R.O.T.E.C.T. program and utilize collaborative efforts with other City departments to resolve issues associated with these properties. During the pandemic this will include continued focus on calls for police services at hotels and other hot spots identified along American Boulevard.
- S** Continued development and training on response to calls involving mental health and persons in crisis. Continue to expand the number of Crisis Intervention Trained (CIT) Officers. Collaborate and add a second embedded social worker to our response and services provided to people in crisis or struggling with addiction.
- S** Complete a review of our response procedures to mental health and crisis calls for service and determine the most effective follow up response using our two imbedded social workers and a best practice approach to these difficult and challenging calls for service.
- IE** Complete the transition of our Community Service Officer program to a Cadet program which will better prepare employees to becoming police officers. This program will also offer the opportunity to provide greater diversity in our staff.
- I** Build upon the current Department Wellness programs by establishing a Peer Support Team and offering a family wellness seminar for staff and their significant others.

Performance Measures

Strategic Priority	Performance Measure	2020	2021	2022 Budgeted
Inclusion & Equity	Increase the diversity of police officers with the Pathways to Policing program and a new Cadet program	2	2	4

- Continued to monitor goals and measurable objectives for the Police Department, using Police Department's Strategic Plan focus areas previously identified. These objectives include directing patrols based on statistics showing problems areas; conducting high visibility traffic enforcement in known crash areas; and using technology to deter crime and apprehend criminals in areas of increased criminal activity.
- The department joined the West Command Mobile Field Force which is a collaboration of Law Enforcement agencies in Hennepin County that train and deploy to assist all communities in Hennepin County by providing safety and security during potential civil unrest.
- With the assistance of IS and Finance we completed the transition to a electronic timecard system for the entire department.
- Completed the transition of having 40mm less lethal launchers in each police squad and we also completed the transition to 9mm handguns. We also added another less lethal tool by deploying pepperball launchers being available for those officers trained in its use.

Police Admin. Division - General Fund

Financial Summary

	2020 Actual	2021 Projected	2022 Budget
Revenues			
Other Revenues	\$ -	\$ -	\$ -
Total Revenues	-	-	-
Expenditures			
Salaries and Benefits	800,344	758,551	896,838
Materials, Supplies, & Services	274,833	275,809	316,890
Total Expenditures	1,075,177	1,034,360	1,213,728
Less Expenses Charged to Other Funds	(3,093)	(3,093)	(3,093)
Net Total Expenditures	\$ 1,072,084	\$ 1,031,267	\$ 1,210,635

Police - Operations

Police Operations provides twenty-four hour, seven-day a week response to requests for officer assistance, including crimes, traffic accidents, medical emergencies and neighborhood problems. The Investigative activity provides follow-up investigation to all reported crimes and proactively investigates narcotics, vice, liquor and tobacco violations. Special Operations provides support for high-risk operations with highly trained and specially equipped tactical, hostage negotiation and bomb squad units. Five patrol and one Special Investigations Unit K-9 teams and Crime Scene Technicians are also part of the Patrol response resources.



Authorized Full-Time Position	2020 BUDGET	2021 BUDGET	2022 BUDGET
COMMANDER	5	5	5
SERGEANT	18	18	18
POLICE OFFICER	97	97	97
Grand Total	120	120	120

2022 Goals and Objectives

- S** Expand upon the embedded social worker program by adding an additional social worker to respond to individuals who survived an overdose, however, are suffering from chemical dependency.
- S** Continue Crisis Intervention training, and expand our resources to aid our mental health response to those in crisis.
- S** Work with neighborhoods and businesses to identify and solve problems such as repeat calls for service.
- S** Reduce number of reported stolen vehicles in 2022 through auto theft prevention education.
- S** Focus efforts to recover stolen vehicles through the use of both stationary and mobile Automatic License Plate Reader technology (ALPR) in 2022.
- I** Continue Community Engagement Events at each of our elementary schools, Safe Summer Night events, Holiday Helpers, School Lunch Service, and other activities that will provide a positive contact between patrol officers and our youth.
- S** Continued evaluation of patrol areas in order to improve service and efficiency to the community.
- S** Maintain a vigorous Field Training Program that emphasizes strong training ethics for 6-9 new officers in 2022.
- IE** Field Training of “Pathways to Policing” officer(s) to prepare them for patrol duty.
- S** Continue to work towards zero deaths (TZD) and decrease the number of traffic crashes resulting in injury through aggressive traffic and impaired driving enforcement, with the continuation of a grant funded DUI Enforcement Officer.
- S** Continue to work towards zero deaths (TZD) and decrease the number of traffic crashes resulting in injury through aggressive traffic and impaired driving enforcement by continuing to use a grant funded DUI Enforcement Officer which is in the second year of the grant.
- S** Continue to monitor canine deployments and use by utilizing canine specific software to track and monitor training, use and deployments to ensure the canine unit is providing the best service to the community.

- S** Educate local businesses on the updated laws to prevent the distribution of alcohol and tobacco products to underage persons.
- S** Continue to educate hotel/hospitality groups on narcotics and human trafficking to prevent these activities at local hotels.
- S** Replace a retired K9 with a new handler and dog attending school mid to late 2022.
- S** Continue to evaluate the deployment hours of our patrol K9's to best suit the needs of patrol officers and citizens.
- S** Continue to expand on the use of our UAV program to better serve the community, and officers.
- I** Continue to inform parents, teachers and social workers how to identify youth drug trends.
- S** Continue to provide evening and weekend investigative staff to the public with scheduled Investigative Division personnel beyond traditional business hours and Saturdays.
- ES** Increase the number of hybrid vehicles to our fleet.

Performance Measures

Strategic Priority	Performance Measure	2020	2021	2022 Budgeted
High Quality Service Delivery	Clearance rate of crimes reported	52%	54%	56%
Enviromental Sustainability	Number of hybrid police vehicles	0	1	2

- Used technology to recover 224 stolen vehicles in 2021, resulting in 165 arrests.
- Provided auto theft prevention education throughout several different types of communication.
- Currently 18,468 homes, 449 watch groups, 719 Block Captains in the Neighborhood Watch group.
- Received 166,408 calls to the dispatch center in 2021 and 49,576 of these were 911 calls.
- Responded to 64,904 requests for Police services in 2021.
- The BPD canine unit, consisting of five dual patrol / detector dogs and one single purpose detector dog deployed 298 times in 2021 averaging 25 deployments per month.
- Canine unit members trained a total of 2068 hours combined in 2021 and certified in patrol requierments, along with narcotics and explosives detection.
- Restructured the police canine program to provide more coverage during daytime hours.
- Continue to utilize our Police Canines to detect hazards and apprehend criminals. K9 program was restructured to cover hours between 1100-0700.
- The departments UAV was deployed 20 times in 2021 to assist with locating missing or endangered citizens, and to enhance officer safety when searching for dangerous individuals.
- Worked 288 traffic enforcement details that resulted from citizen complaints and traffic crash data.
- Deployed speed trailers to over 77 different locations throughout the City based upon citizen complaints. We purchased 2 additional trailers to keep up with that demand.
- The Traffic Investigation Unit conducted 478 traffic related investigations. 312 of those cases were Hit and Run Investigations.

- Continue to work towards zero deaths (TZD) and decrease the number of traffic crashes resulting in injury through aggressive traffic and impaired driving enforcement. Conducted 33 impaired driving details as well as an additional 67 details for speeding and other traffic related offenses.
- Evaluation of patrol areas in order to improve service and efficiency to the community was initiated by forming a micro business to evaluate patrol area incidents, calls for service, and reports.
- Provided education to alcohol and tobacco licensed establishments in lieu of traditional compliance details due to COVID-19 related orders.
- Updated the P.R.O.T.E.C.T. (Proactive Objectives Targeting Emerging Crime Trends) Program to respond to problem addresses which included addressing a large increase in calls at several hotels and businesses along American Boulevard.
- Bomb Squad responded to 27 bomb related calls, provided bomb sweeps and assistance to the MSP Airport. .
- SWAT Team was activated 8 times for high risk warrants and individuals barricaded within a structure.

5 year Crime Statistics

Category	2017	2018	2019	2020	2021	5-year average
Homicide	1	2	4	6	1	2.8
Rape	47	51	53	71	40	52
Robbery	33	44	61	70	74	56
Aggravated Assault	66	68	86	158	147	105
Burglary	178	161	180	235	247	200
Theft	2,334	2,310	2,620	2,435	2,580	2,456
Vehicle Theft	141	134	166	277	307	205
Arson	12	5	17	13	16	12.6

Police Operations Division - General Fund Financial Summary

	2020 Actual	2021 Projected	2022 Budget
Revenues			
Program Income	\$ 172,433	\$ 181,590	\$ 213,000
Intergovernmental	110,909	156,675	87,500
Other Revenues	20,540	14,323	-
Transfers from Other Funds	-	-	550,000
Total Revenues	303,882	352,588	850,500
Expenditures			
Salaries and Benefits	16,793,152	16,749,631	17,553,380
Materials, Supplies, & Services	3,872,336	3,932,834	3,935,414
Capital Outlay	-	-	-
Transfer to Other Funds	-	30,000	-
Total Expenditures	20,665,488	20,712,465	21,488,794
Less Expenses Charged to Other Funds	-	-	-
Net Total Expenditures	\$ 20,665,488	\$ 20,712,465	\$ 21,488,794

Police – Support

The Police Support division consists of the professional standards unit, the police records unit, dispatch operations, property and evidence control, crime prevention, and animal control functions. These activities support the operational units of the Police Department.

Authorized Full-Time Position	2020 BUDGET	2021 BUDGET	2022 BUDGET
CIVILIAN SERVICES MANAGER	1	1	1
ACCOUNTANT	0	1	1
CRIME ANALYST	1	1	1
DISPATCH SUPERVISOR	1	1	1
CRIME PREVENTION COORDINATOR	1	1	1
POLICE DATA COORDINATOR	1	1	1
CIVILIAN POLICE DISPATCHER	13	13	13
LEAD POLICE RECORDS SPECIALIST	1	1	1
ACCOUNTING ASSISTANT	1	0	0
ANIMAL CONTROL COORDINATOR	1	1	1
POLICE RECORDS SPECIALIST	9	8	8
PROPERTY CONTROL SPECIALIST	1	1	2
INFORMATION ASSISTANT	0	1	1
Grand Total	31	31	32

2022 Goals and Objectives

- S** Encourage predictive policing and directed patrols by providing daily information to department personnel and advising of high priority areas.
- S** Continue to support Business Watch initiatives to help local businesses improve the safety of customers and employees and work to reduce crime.
- S** Continue to support Neighborhood Watch and National Night Out as a way to communicate with residents and improve their safety and quality of life.
- IE** Continue to expand community engagement efforts, Coffee with a Cop, Safe Summer Nights, Kids to Cops and others and add new types of engagement opportunities such as Front Yard Conversations.
- S** Continue to increase the number of officers receiving the 40 hour Crisis Intervention (C.I.T.)/De-escalation training. Continue to partner with social services to improve response and follow-up to persons in crisis/mental health calls including adding an additional embedded social worker.
- I** The 2020 Police Citizens Academy was cancelled because of COVID but we plan to hold a Citizens Academy at a later date in 2021.
- S** Joint training(s) with the owner agencies of the South Metro Public Safety Training Facility (SMPSTF).



Performance Measures

Strategic Priority	Performance Measure	2020	2021	2022 Budgeted
Engagement & Transparency	Average time to process, track and fulfill public data requests	2.29 days (1734 requests)	0.89 days (2970 requests)	0.79 days (3100 requests)

- Entered 13,247 police reports into the record management system (RMS).
- Implemented Patrol Online training for all officers to more efficiently provide mandated training while creating opportunity for additional training as desired.
- Met state-mandated training objectives for all personnel:
 - 48 continuing law enforcement credits every three years.
 - Other mandated training, such as Use of Force, Pursuit Driving and Community Policing
- Completed Physical Fitness Assessments on all sworn personnel.
- Partnered with a local school and significantly increased participation in the New Americans Academy.
- Continued to hold monthly Multi-Cultural Advisory Board meetings to discuss current issues and sought feedback from the Multi-Cultural Advisory Board regarding new and updated police policies.
- Made adjustments to community engagement events to ensure they were compliant with COVID-19 restrictions, this included adding new events such as Front Yard Conversations and increased the department's use of social media such as Q & A with BPD video segments.
- Property and Evidence room received 12,777 property items that were held as evidence. This room currently holds over 57,000 pieces of evidence and averages 40 pieces received each day.
- Continued to expand the Coffee With a Cop program, organized Back to School and Holiday Shoppers in Blue program and continued holding monthly events at various locations around the city.
- Increased our Twitter followers, and expanded other social media efforts, including the use of NextDoor, added a Bloomington Police Department Facebook page to better connect with the community.
- All sworn personnel received 10 hours of Crisis Intervention/De-escalation training.

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Police Support Division - General Fund Financial Summary

	2020 Actual	2021 Projected	2022 Budget
Revenues			
Program Income	\$ 44,967	\$ 47,852	\$ 47,500
Intergovernmental	109,146	135,380	116,750
Other Revenues	1,195	3,540	-
Total Revenues	155,308	186,772	164,250
Expenditures			
Salaries and Benefits	4,149,711	4,224,452	4,447,020
Materials, Supplies, & Services	1,805,960	1,732,955	1,914,998
Total Expenditures	5,955,671	5,957,407	6,362,018
Less Expenses Charged to Other Funds	(324,284)	(324,284)	(324,284)
Net Total Expenditures	\$ 5,631,387	\$ 5,633,123	\$ 6,037,734

Police Grants

The Police Grant Special Revenue Fund contains grants that the Police Department pursues from both Federal and State sources as a means of enhancing enforcement efforts, community outreach and engagement, response to homeland security and/or terrorism, and on-going training in the above areas. The majority of the budgets for both grant and donation revenues and expenditures are brought separately to the City Council at the time that the grant is awarded or donation is received. All expenditures in this fund are reimbursed through a grant or spent from a donation. Police donations and related expenditures toward activities such as National Night Out and the Canine Unit are also recorded in this fund.

The grants included in this fund include:

- Bomb Squad
- Community Block–Justice Assistance Grants
- Auto Theft Prevention
- Toward Zero Death
- High Intensity Drug Trafficking Areas
- Minnesota Department of Health (ODMAP Response)
- National Highway Traffic Safety Administration (This grant is funding one additional full-time Police Officer.)
- Urban Areas Security Initiative (UASI) (this is a pass through grant from Hennepin County)
- Coronavirus Emergency Supplemental Funding (CESF)

Authorized Full-Time Position	2020 BUDGET	2021 BUDGET	2022 BUDGET
POLICE OFFICER	1	1	0
Grand Total	1	1	0

2022 Goals and Objectives

- S** Improve quality of life in our community through an aggressive approach to reducing and preventing crime through partnerships and community engagement/education efforts.

Performance Measures

- Conducted a proactive strategy to reduce auto theft through public education and enforcement initiatives.
- Deployed crime suppression cameras to areas that showed an increase in crime.
- Bloomington Officers worked 100 Toward Zero Death (TZD) details in 2021. Details included 33 DWI, 27 Seatbelt, 20 Speed, 18 Distracted, 2 “Move-Over” to locate and arrest impaired drivers and enforce other traffic laws such as the Trooper Ted Foss “Move-Over” and Seatbelt laws.
- Secured \$35,000 in Federal High Intensity Drug Trafficking Area (HIDTA) grant funding used specifically to combat drug trafficking in Bloomington.
- Utilized the CESF Grant to purchase additional PPE and sanitizer supplies in response to COVID-19. Utilized the CESF Grant to purchase a reporting interface giving citizens the ability to file low level police reports online, reducing in person contact.

Police Grants - Special Revenue Fund

Financial Summary

	2020 Actual	2021 Projected	2022 Budget
Revenues			
Intergovernmental	\$ 434,194	\$ 544,203	\$ -
Donations	16,275	19,435	-
Interest Income			
Other Revenues		2,350	-
Transfers from Other Funds	-	-	-
Total Revenues	450,469	565,988	-
Expenses			
Salaries and Benefits	226,980	138,180	-
Materials, Supplies, & Services	78,603	72,835	-
Capital Outlay	147,500	354,973	-
Transfer to Other Funds	-	-	-
Total Expenses	453,083	565,988	-
Working Capital			
Net Change	(2,614)	-	-
Working Capital at Beginning of Year	2,614	-	-
Working Capital at End of Year	\$ -	\$ -	\$ -

DWI Forfeiture Fund

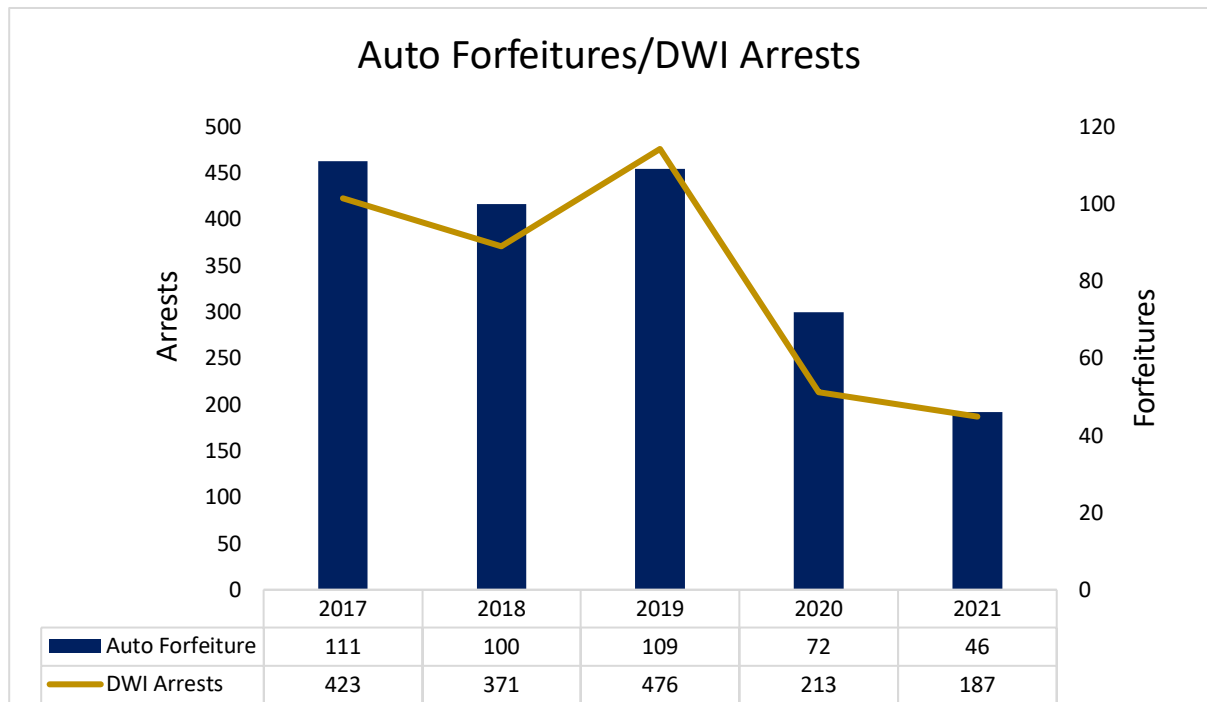
This DWI fund accumulates proceeds from the sale of vehicles seized in DWI arrests and forfeited in accordance with State law and through court order. Police costs for enforcement and a portion of Legal costs are accounted for in this fund.

2022 Goals and Objectives

- S** Reduce internal costs associated with DWI enforcement to provide additional resources for DWI enforcement.
- S** Continue efforts to seize vehicles uniformly and fairly under the DWI forfeiture law.
- S** Internally account for expenses associated with DWI forfeitures to assure proper allocation of expenses.
- S** To remove access to vehicles for repeat DWI offenders according to due process.

Performance Measures

- Processed 46 DWI forfeited vehicles with 187 DWI arrests, a 26% decrease in DWI related arrests from 2020.



DWI Forfeiture - Special Revenue Fund

Financial Summary

	2020 Actual	2021 Projected	2022 Budget
Revenues			
Forfeitures	\$ 34,484	\$ 58,025	\$ 40,000
Interest Income	9,744	(2,160)	1,000
Total Revenues	44,228	55,865	41,000
Expenses			
Salaries and Benefits	13,521	13,248	18,664
Materials, Supplies, & Services	17,766	22,539	39,480
Transfer to Other Funds	-	-	-
Total Expenses	31,287	35,787	58,144
Working Capital			
Net Change	12,941	20,078	(17,144)
Working Capital at Beginning of Year	432,448	445,389	465,467
Working Capital at End of Year	\$ 445,389	\$ 465,467	\$ 448,323

Enhanced 911

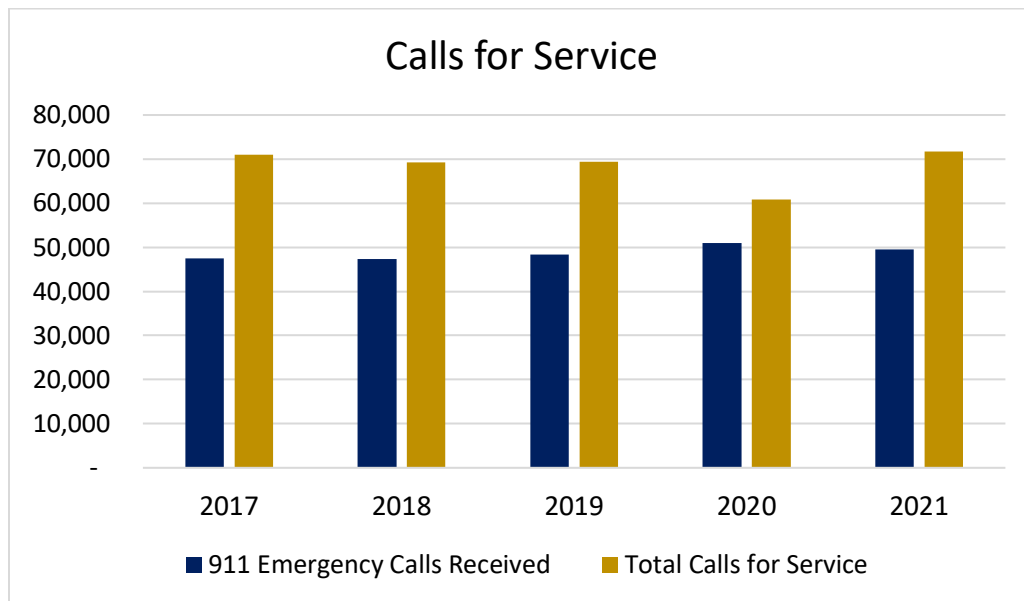
The Enhanced 911 Special Revenue Fund receives funding from the 911 service fees charged to telephone customers. The funds are used for implementation, operation, maintenance, enhancement, and expansion of 911 service, including acquisition of necessary equipment.

2022 Goals and Objectives

- S** Maintain and improve communications center staffing, training and equipment
- S** Fill Dispatch Supervisor position
- S** Implement recommendations from service assessment in the areas of hiring, retention, quality assurance and data driven decision-making.

Performance Measures

- Service assessment completed and reviewed
- Streamlined hiring process to reduce hiring lead-time
- Implemented digital fire paging



Note: Calls for service include any request for police action which originates outside the Police Department, from 911, non-emergency lines and walk-ins. This includes calls for service to the Mall of America.

911 calls include any call for police action, information or "pocket dials" from cell phones that come through the 911 system.

Enhanced 911 - Special Revenue Fund Financial Summary

	2020 Actual	2021 Projected	2022 Budget
Revenues			
Intergovernmental	\$ 111,689	\$ 149,481	\$ 223,378
Interest Income	582	(262)	100
Other Revenues			
Transfers from Other Funds			
Total Revenues	112,271	149,219	223,478
Expenses			
Salaries and Benefits			
Materials, Supplies, & Services	82,234	117,896	118,234
Capital Outlay	25,988	-	-
Transfer to Other Funds	45,000	30,000	50,000
Total Expenses	153,222	147,896	168,234
Working Capital			
Net Change	(40,951)	1,323	55,244
Working Capital at Beginning of Year	57,971	17,020	18,343
Working Capital at End of Year	\$ 17,020	\$ 18,343	\$ 73,587

Federal Department of Justice Drug Forfeiture

The Federal Department of Justice (DOJ) Drug Forfeiture Special Revenue Fund separately tracks equitable sharing drug forfeiture funds from the DOJ Equitable Sharing Program. Expenditures in this fund must comply with the *Guide to Equitable Sharing for State, Local, and Tribal Law Enforcement Agencies* published by the U.S. Department of Justice and the U.S. Department of the Treasury. DOJ forfeitures are kept in a separate fund and bank account from other City funds in compliance with U.S. Department of Justice guidelines.

2022 Goals and Objectives

- S Use DOJ drug-forfeited equitable sharing funds to cover law enforcement expenses allowed by the DOJ equitable sharing program.
- S Continue to conduct specialized training for narcotics related law enforcement activities such as hotel/motel and motor vehicle interdiction.

Performance Measures

- Officers assigned to the Drug Enforcement Agency investigated several cases that resulted in seizing considerable sums of assets involved in drug trafficking. From those assets, the City of Bloomington received approximately \$36,000.00 for involvement.
- Removed illicit drugs worth approximately \$1,753,786.75 from the community.

DRUG FORFEITURE ACTIVITY

	2019		2020		2021	
	# of Grams	Est. Street Value	# of Grams	Est. Street Value	# of Grams	Est. Street Value
Marijuana	134,016.47	\$1,340,164.70	9,733.20	\$145,998.00	47,579.52	\$713,692.80
Methamphetamine	4,775.86	\$477,586.00	13,542.89	\$1,354,289.00	10,776.97	\$1,077,697.00
Crack (Rock) Cocaine 2019 Data Fentanyl 2020 and 2021 Data	38.82	\$3,882.00	55.95	\$11,190.00	454.55	\$90,910.00
Cocaine	2,765.91	\$276,591.00	981.65	\$112,889.75	1016.23	\$116,866.45
Heroin	582.48	\$116,496.00	646.2	\$129,420.00	707.33	\$141,266.00
TOTAL	142,179.54	\$2,214,719.70	24,959.89	\$1,753,786.75	60,534.60	\$2,140,432.25

Federal DOJ Drug Forfeiture - Special Rev. Fund Financial Summary

	2020 Actual	2021 Projected	2022 Budget
Revenues			
Forfeitures	\$ 38,990	\$ 26,081	\$ 30,000
Interest Income	(0)	-	-
Other Revenues			
Transfers from Other Funds	-	-	-
Total Revenues	38,990	26,081	30,000
Expenses			
Salaries and Benefits	-	-	-
Materials, Supplies, & Services	-	-	15,000
Capital Outlay	-	16,317	-
Total Expenses	-	16,317	15,000
Working Capital			
Net Change	38,990	9,764	15,000
Working Capital at Beginning of Year	246,840	285,830	295,594
Working Capital at End of Year	\$ 285,830	\$ 295,594	\$ 310,594

Federal Treasury Drug Forfeiture

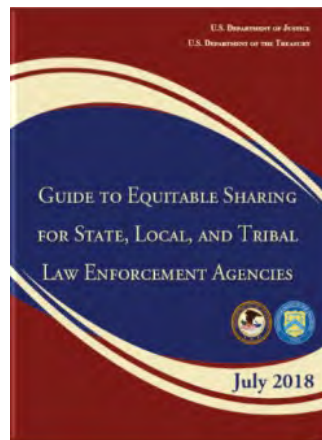
The Federal Department of Treasury (DOT) Drug Forfeiture Special Revenue separately tracks equitable sharing drug forfeiture funds from the DOT Equitable Sharing Program. Expenditures in this fund must comply with the *Guide to Equitable Sharing for State, Local, and Tribal Law Enforcement Agencies* published by the U.S. Department of Justice and the U.S. Department of the Treasury. DOT forfeitures are kept in a separate fund and bank account from other City funds in compliance with U.S. Department of Treasury guidelines.

2022 Goals and Objectives

- S** Use DOT drug-forfeited equitable sharing funds to cover law enforcement expenses allowed by the DOT equitable sharing program.

Performance Measures

- In 2021 we received \$26,081.42 in forfeitures from the Department of Treasury drug forfeiture fund.



State Drug Forfeiture

This State Drug Forfeiture Special Revenue Fund accumulates proceeds from the sale of assets (proceeds or instrumentality of criminal enterprises) seized in drug related arrests under State laws. The funds must be used for law enforcement purposes.

2022 Goals and Objectives

- S** Use drug-forfeited assets to cover law enforcement expenses that are not funded by the taxpayers.

Performance Measures

- Due to COVID, the Hennepin County Courts system dramatically reduced the number of cases that were brought to trial. As a result, BPD did not receive any funding from State drug forfeitures.

Fed. Treasury Drug Forfeiture - Special Rev. Fund Financial Summary

	2020 Actual	2021 Projected	2022 Budget
Revenues			
Forfeitures	\$ 1,791	\$ 2,056	\$ -
Interest Income	(90)	(10)	-
Transfers from Other Funds	-	-	-
Total Revenues	1,701	2,046	-
Expenses			
Salaries and Benefits	-	-	-
Materials, Supplies, & Services	10	110	150
Capital Outlay		16,850	
Transfer to Other Funds			
Total Expenses	10	16,960	150
Working Capital			
Net Change	1,691	(14,914)	(150)
Working Capital at Beginning of Year	81,884	83,575	68,661
Working Capital at End of Year	\$ 83,575	\$ 68,661	\$ 68,511

State Drug Forfeiture - Special Revenue Fund

Financial Summary

	2020 Actual	2021 Projected	2022 Budget
Revenues			
Forfeitures	\$ (3,100)	\$ 190	\$ 5,000
Interest Income	6,297	(1,144)	1,000
Other Revenues		24,000	-
Transfers from Other Funds			
Total Revenues	3,197	23,046	6,000
Expenses			
Materials, Supplies, & Services		56,409	35,000
Transfer to Other Funds	50,000	50,000	50,000
Total Expenses	50,000	106,409	85,000
Working Capital			
Net Change	(46,803)	(83,363)	(79,000)
Working Capital at Beginning of Year	319,478	272,675	189,312
Working Capital at End of Year	\$ 272,675	\$ 189,312	\$ 110,312

Contractual Police Services

The Contractual Police Service Fund is an Enterprise Fund that accounts for the expenses and related revenues for Police Contractual Overtime (COT). The Bloomington Police Department provides contractual services to businesses that are holding special events or functions that require police assistance beyond that which would normally be provided. The businesses receiving contractual police assistance are billed directly from the City for the cost of the police overtime plus related fringe benefits and overhead. This fund allows for better comparability of basic police services with other communities since the expenses are separate from the General Fund.

2022 Goals and Objectives

- S** Meet requests for levels of police service without burdening the taxpayer. Users of extra police service pay the actual costs and related expenses such as the Mall of America paying for high visibility foot patrol details.
- S** Provide reimbursable police services to enhance public safety during special events.

Performance Measures

- 1,003 events were scheduled for Contractual Police Services as compared to 887 events in 2020.
- The total number of scheduled events included 1,598 officer positions and 31 supervisor positions.
- The business with the largest number of COT events in 2021 was Walmart. Walmart contracted for 1 officer each day January through July, and two officers each day beginning in July through the remainder of the year.



Contractual Police Services - Enterprise Fund Financial Summary

	2020 Actual	2021 Projected	2022 Budget
Revenues			
Program Income	\$ 557,513	\$ 796,831	\$ 550,000
Intergovernmental	-	-	-
Total Revenues	557,513	796,831	550,000
Expenses			
Salaries and Benefits	475,279	681,298	515,804
Materials, Supplies, & Services	15,314	15,314	19,196
Transfer to Other Funds	67,828	100,220	15,000
Total Expenses	558,421	796,832	550,000
Working Capital			
Net Change	(908)	(1)	-
Working Capital at Beginning of Year	-	(908)	(909)
Working Capital at End of Year	\$ (908)	\$ (909)	\$ (909)

Public Works

The Public Works Department is responsible for well-maintained streets and infrastructure in the City of Bloomington. It is responsible for infrastructure, an efficient transportation network, maintenance to parks and buildings, and provides utility services to residents and businesses. Along with activities in the General Fund, Public Works has four Utility Enterprise Funds (Water, Wastewater, Storm Water, and Solid Waste) as well as two Internal Service Funds – the Facilities and Park Maintenance Fund and the Fleet Equipment Fund.

Dept.	Division	2020 Authorized Full-Time	2021 Authorized Full-Time	2022 Authorized Full-Time
PUBLIC WORKS				
	ADMIN - GENERAL FUND	5	5	5
	ENGINEERING - GENERAL FUND	29	28	28
	FACILITIES - INTERNAL SERV FUND	12	12	13
	FLEET & EQUIPMENT - INTERNAL SERV FUND	15	12	12
	MAINTENANCE ADMIN - GENERAL FUND	9	9	9
	PARK MAINTENANCE - GENERAL FUND	28	28	28
	SOLID WASTE UTILITY - ENTERPRISE FUND	1	1	1
	STORM WATER UTILITY - ENTERPRISE FUND	11	11	11
	WASTE WATER UTILITY - ENTERPRISE FUND	13	13	13
	WATER UTILITY - ENTERPRISE FUND	39	39	39
PUBLIC WORKS Total		186	182	183
Grand Total		186	182	183



Public Works - General Fund Financial Summary

	2020 Actual	2021 Projected	2022 Budget
Revenues			
Program Income	\$ 15,094	\$ 25,822	\$ 100
Permits and Licenses	38,435	64,234	30,000
Intergovernmental	-	17,100	-
Other Revenues	90,462	281,328	54,935
Transfers from Other Funds	-	170,000	-
Total Revenues	143,991	558,484	85,035
Expenditures			
Salaries and Benefits	8,003,282	7,711,623	11,660,960
Materials, Supplies, & Services	6,639,958	7,484,402	11,342,945
Capital Outlay	63,887	47,424	213,000
Transfer to Other Funds	737,501	-	-
Total Expenditures	15,444,628	15,243,449	23,216,905
Less Expenses Charged to Other Funds	(3,525,327)	(3,326,916)	(3,490,097)
Net Total Expenditures	\$ 11,919,301	\$ 11,916,533	\$ 19,726,808

Public Works - Administration

The administration division provides support to all of its divisions. This includes supervision, planning, accounting, safety training, the garbage and recycling program and liaison for sustainability efforts.

Authorized Full-Time Position	2020 BUDGET	2021 BUDGET	2022 BUDGET
DIRECTOR OF PUBLIC WORKS	1	1	1
DEPUTY DIRECTOR PUBLIC WORKS	1	1	1
ACCOUNTANT	1	1	1
SUSTAINABILITY COORDINATOR	1	1	1
OFFICE COORDINATOR	1	1	1
Grand Total	5	5	5

2022 Goals and Objectives

- ES** Work with the Sustainability Commission, City Council, and staff to develop and administer an annual work plan for sustainability initiatives.
- ES** Work with staff across the City to develop the benchmarking metrics to maintain GreenSteps Cities Level 5 designation.
- ES** Work with the City Council and Sustainability Commission to implement Time of Sale Energy Disclosure and Large Business Energy Benchmarking.
- S IE** Coordinate organizational development efforts including monthly meetings of the Public Works Leadership Team, quarterly supervisor trainings, racial equity initiative activities, and continued High Performance Organization training.
- S** Maintain and support a comprehensive safety program for the department including monthly meetings of the Public Works Safety Health Committee.

Performance Measures

Strategic Priority	Performance Measure	2020 Actual	2021 Projected	2022 Budgeted
Environmental Sustainability	Develop and administer an annual work plan for sustainability initiatives	2020 Work Plan developed and completed	2021 work plan developed and completed	2022 Work Plan developed and completed
Environmental Sustainability	Earn GreenStep Cities designation	Achieved Level 4 designation	Achieved Level 5 designation	Maintain Level 5 designation
Environmental Sustainability	Implement Time of Sale Energy Disclosure Program		Ordinance Adopted	Approximately 1500 households will track efficiency metrics at time of sale
Environmental Sustainability	Implement Large Business Energy Benchmarking		Ordinance Adopted	Approximately 200 Business with over 100,000 sq.ft.

				will benchmark energy use
High Quality Service Delivery	Coordinate organizational development efforts including monthly meetings of the Public Works Leadership Team, quarterly supervisor trainings, racial equity initiative activities, and continued High Performance Organization training.	Coordinated 11 monthly meetings of the PW Leadership team; 4 quarterly Supervisor Trainings; 3 Racial Equity Action Team Meetings; 3 Virtual HPO Webinars	Coordinate 12 monthly meetings of the PW Leadership Team; 4 quarterly Supervisor Trainings; 12 Racial Equity Action Team Meetings	Coordinate 12 monthly meetings of the PW Leadership Team; 4 quarterly Supervisor Trainings; 12 Racial Equity Action Team Meetings
	Maintain and support a comprehensive safety program for the department including monthly meetings of the Public Works Safety Health Committee.	Coordinated 11 monthly meeting of the PW Safety Health Committee; Completed 3 safety campaigns	Coordinate 12 monthly meetings of the PW Safety Health Committee; conduct 4 Safety Campaigns	Coordinate 12 monthly meetings of the PW Safety Health Committee; conduct 4 Safety Campaigns



- Sustainability initiatives resulted in increased participation in Home Energy Squad visits; Low Income Energy Squad Visits; new households enrolled in Windsource; business irrigation audits; and new households participating in the Adopt a Drain Program.
- Sustainability initiatives also resulted in the achievement of GreenSteps Cities Level 5 designation.
- The City Council adopted polices and ordinance changes for the Time of Sale Energy Disclosure and Large Business Benchmarking Programs. Staff began implementation of the new programs.
- The Public Works Leadership Team met monthly and coordinated quarterly training for all Public Works Supervisors.
- The Public Works Health and Safety Committee led the efforts to update 3 major safety programs and completed 3 successful safety campaigns.

Public Works Admin. Division - General Fund Financial Summary

	2020 Actual	2021 Projected	2022 Budget
Revenues			
Program Income	\$ 1,257	\$ -	\$ -
Intergovernmental		17,100	
Total Revenues	1,257	17,100	-
Expenditures			
Salaries and Benefits	731,613	741,829	770,865
Materials, Supplies, & Services	215,844	213,023	316,279
Total Expenditures	947,457	954,852	1,087,144
Less Expenses Charged to Other Funds	(572,832)	(479,635)	(479,635)
Net Total Expenditures	\$ 374,625	\$ 475,217	\$ 607,509

Public Works – Engineering

The Engineering Division provides design and construction inspection for the City’s streets, bridges, water supply, sanitary and storm sewer drainage systems, sidewalks/bikeways, trails, water resource projects and traffic signal systems. It manages more than 15,000 signs, 144 traffic signal systems (including those of the county and others that City doesn’t own), the construction of approximately 12-13 miles of reconstructed or overlaid streets per year and other local and regional projects.

Authorized Full-Time Position	2020 BUDGET	2021 BUDGET	2022 BUDGET
CITY ENGINEER	1	1	1
SENIOR CIVIL ENGINEER	1	1	1
TRAFFIC & TRANSPORT ENGINEER	1	1	1
CIVIL ENGINEER	5	4	4
PROFESSIONAL LAND SURVEYOR	1	1	1
SENIOR ENGINEERING TECHNICIAN	5	5	5
GIS SPECIALIST	1	1	1
ENGINEERING TECHNICIAN	12	12	12
GIS TECHNICIAN	1	1	1
OFFICE SUPPORT SPECIALIST	1	1	1
Grand Total	29	28	28

2022 Goals and Objectives

- IRS** Renew the City’s transportation and utility infrastructure throughout 2022 in a cost-effective manner to accommodate forecasted growth and to keep costs affordable.
- AIRS** Continue to pursue infrastructure improvements that support the Complete Streets Policy of the City by constructing appropriate facilities throughout 2022.
- IS ET** Start the process of reviewing speed limits for local residential roads
- RS IE** Continue to engage the public by use of Let’s Talk Bloomington and other methods like the Briefing.
- RS IE** Continue to address ADA needs in the community by updating the ADA Transition Plan along with the installation and upgrading of existing right-of-way facilities with construction plans throughout 2022.



Performance Measures

Strategic Priority	Performance Measure	2020 Actual	2021 Actual	2022 Projected
Community Image	Average street pavement condition rating on the Pavement Condition Index (PCI)	78.4	79.7	77.8
Inclusion & Equity	Number of ADA Accessible Pedestrian Ramps Replaced	139	119	140
Engagement & Transparency	Number of Public Meetings/Attendees	11/187	18/663	10/220

- Under the Pavement Management Program (PMP) reconstructed 4.08 miles of pavement (at \$1.44 million per mile) and overlaid 9.63 miles of pavement (at \$550,000 per mile).
- Installed 1 accessible pedestrian ramps, upgraded 119 accessible pedestrian ramps.
- Installed 250 linear feet of sidewalk, replaced 5660 linear feet of existing sidewalk. Installed 4,785 linear feet of trail, replaced 15 linear feet of existing trail.
- Bike/Ped Enhancements: France Avenue at 108th Street School Crossing added curb bump outs. Bush Lake Road Pedestrian Crossing partnered with Hennepin County to reconstruct crosswalk with added pedestrian refuge island and Rapid Reflecting Flashing Beacon (RRFB) enhanced signage
- Spot safety improvements: E. 98th Street at Chicago Avenue realigned intersection. W. 86th Street at Lyndale Avenue intersection reconstruction to close the gap for the W. 86th Street bike route
- Held 18 neighborhood project meetings, 7 in conjunction with other agencies for regional projects plus two celebrations for significant project completions of the Old Cedar Ave Bridge and the I-35W Minnesota River Bridge. With the continuing pandemic, staff held several meetings outside with social distancing or electronic Webex meetings and created eight Let's Talk Bloomington project pages



Public Works Engineering Division - Gen. Fund Financial Summary

	2020 Actual	2021 Projected	2022 Budget
Revenues			
Program Income	\$ 13,837	\$ 25,822	\$ 100
Permits and Licenses	38,435	64,234	30,000
Other Revenues	9,568	183,206	350
Total Revenues	61,840	273,262	30,450
Expenditures			
Salaries and Benefits	3,382,598	3,349,084	3,543,858
Materials, Supplies, & Services	766,981	718,712	961,698
Capital Outlay	18,976	16,850	34,000
Transfer to Other Funds	737,501	-	-
Total Expenditures	4,906,056	4,084,646	4,539,556
Less Expenses Charged to Other Funds	(2,540,770)	(2,436,877)	(2,313,942)
Net Total Expenditures	\$ 2,365,286	\$ 1,647,769	\$ 2,225,614



HOPE ON THE HORIZON

ANNUAL BUDGET 2022

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Public Works – Maintenance Admin.

Maintenance administration plans, schedules, and coordinates maintenance programs and activities with other City departments and manages 4,301 streetlights (929 City owned).

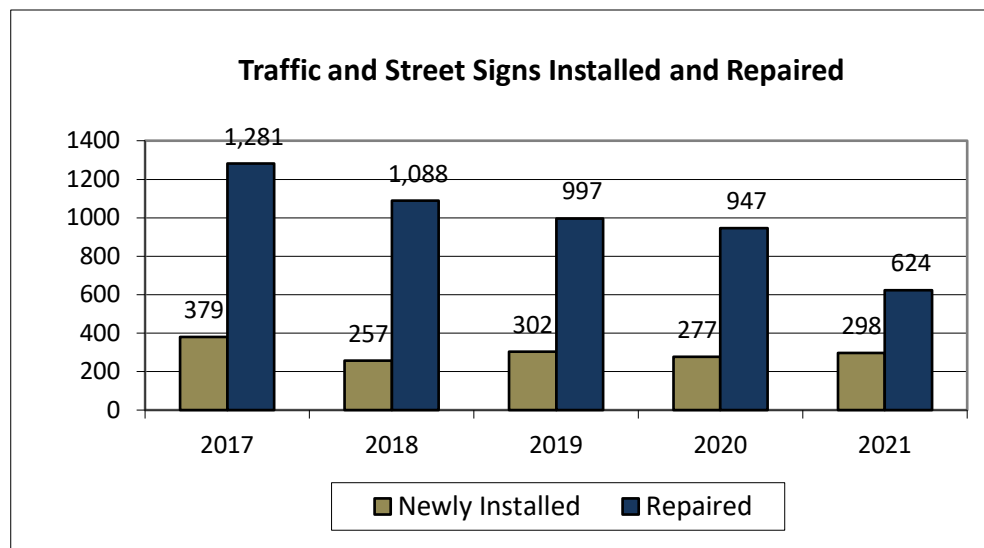
Authorized Full-Time Position	2020 BUDGET	2021 BUDGET	2022 BUDGET
MAINTENANCE SUPERINTENDENT	1	1	1
TRAFFIC MAINTENANCE SUPERVISOR	1	1	1
SIGNAL /INSTRUMENTATION TECH	3	3	3
TRAFFIC TECHNICIAN I	1	1	1
OFFICE SUPPORT SPECIALIST	2	2	2
TRAFFIC TECHNICIAN I	1	1	1
Grand Total	9	9	9

2022 Goals and Objectives

- S** Repaint all traffic markings on City roadways on an annual basis.
- S** Replace traffic signage on City roadways to conform to retro reflectivity standards.
- S** Provide maintenance on traffic signal systems for the safety of the public by performing yearly preventative maintenance and responding to trouble calls.
- S** Provide streetlight services for the safety of the public by maintaining and responding to outages within three days.

2021 Performance Measures

- Repaired 624 traffic and street signs
- Installed 298 new traffic and street signs



Public Works Maint. Admin. Div. - Gen. Fund

Financial Summary

	2020 Actual	2021 Projected	2022 Budget
Revenues			
Other Revenues	\$ 80,894	\$ 97,694	\$ 54,585
Total Revenues	80,894	97,694	54,585
Expenditures			
Salaries and Benefits	1,315,981	1,088,318	1,216,471
Materials, Supplies, & Services	1,706,694	1,507,544	1,597,210
Capital Outlay	28,640	28,096	29,000
Total Expenditures	\$ 3,051,315	\$ 2,623,958	\$ 2,842,681

Public Works - Park Maintenance

The budget for 2022 Parks Maintenance Funds have changed from a single Internal Service fund to ten General Fund budgets. These funds pay for the costs associated with the maintenance of City parkland, park buildings and natural resources restoration and management.

Authorized Full-Time Position	2020 BUDGET	2021 BUDGET	2022 BUDGET
ASSISTANT MAINTENANCE SUPERINTENDENT	1	1	1
PARK MAINTENANCE SUPERVISOR	2	2	2
PARKEEPER	25	25	25
Grand Total	28	28	28

2022 Goals and Objectives

AS To support strategic priorities through efficient and sustainable operation and planned maintenance Park facilities by:

- Implement action steps from Park System Master Plan
- Completing Park Maintenance and Operations service assessment and plan microbusiness
- Begin park inventory data analysis and GIS development project that will help us understand, protect our Park system and plan the future.

AS Participate in the capital improvement process to prioritize and cost out improvements to Park facilities to prepare the Capital Improvement Plan to go to the City Council in March.

ES Explore improved maintenance options that are environmentally sustainable and financially responsible by:

- Continue efforts to minimize the impact of EAB by planting 400 trees from our gravel bed nursery.
- Converting more turf parkland into more self - sustaining native prairie plant communities.
- Evaluate trash and recycling collection program for City Parks.
- Complete a Natural Resources Restoration and Management Prioritization Plan

IE Begin Service area planning work that balances park amenities and experiences to help bring equity to the Park system.



Public Works Parks Maint. Div. - Gen. Fund

Financial Summary

	2020 Actual	2021 Projected	2022 Budget
Expenditures			
Salaries and Benefits	-	-	3,385,221
Materials, Supplies, & Services	-	823	3,227,806
Capital Outlay	-	-	150,000
Total Expenditures	-	823	6,763,027
Less Expenses Charged to Other Funds	-	-	(285,097)
Net Total Expenditures	\$ -	\$ 823	\$ 6,477,930

Public Works – Street Maintenance

Street Maintenance provides street sweeping, snow plowing and street repair. This includes the Pavement Management Program which attempts to maximize the life of streets by replacing and repairing pavement at the most beneficial time.

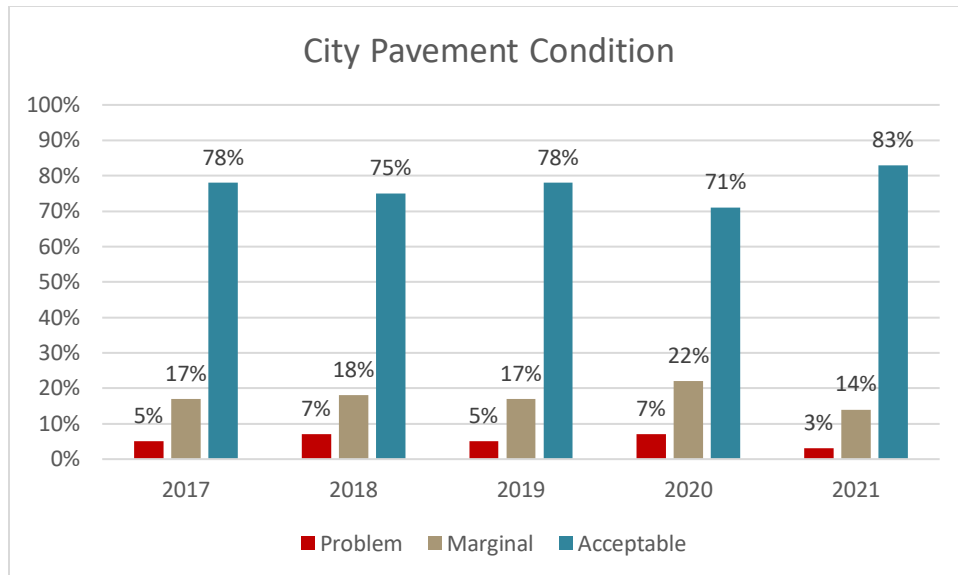
Authorized Full-Time Position	2020 BUDGET	2021 BUDGET	2022 BUDGET
ASSISTANT MAINTENANCE SUPT	1	1	1
STREET MAINTENANCE SUPERVISOR	1	1	1
EQUIPMENT OPERATOR	17	17	17
EQUIPMENT OPERATOR I	5	5	5
Grand Total	24	24	24

2022 Goals and Objectives

- S** Maintain roadways such that at least 90 percent are rated above problem condition status, per the City’s Pavement Management Program condition rating system.

2021 Results of Performance Measures

- For 2021, 97 percent of roadways are above problem condition.



Public Works Street Maint. Div. - Gen. Fund

Financial Summary

	2020 Actual	2021 Projected	2022 Budget
Revenues			
Other Revenues	\$ -	\$ 428	\$ -
Transfers from Other Funds	-	170,000	-
Total Revenues	-	170,428	-
Expenditures			
Salaries and Benefits	2,573,090	2,532,392	2,744,545
Materials, Supplies, & Services	3,950,439	5,044,300	5,239,952
Capital Outlay	16,271	2,478	-
Total Expenditures	6,539,800	7,579,170	7,984,497
Less Expenses Charged to Other Funds	(411,725)	(410,404)	(411,423)
Net Total Expenditures	\$ 6,128,075	\$ 7,168,766	\$ 7,573,074

Public Works – Water Utility

The Water Utility Fund is an Enterprise Fund that accounts for the revenues and costs related to the operation, maintenance, and renewal of the City-owned water system. The City strives to provide an uninterrupted supply of water, which meets or exceeds all federal and state quality standards, at a rate that ensures long-term sustainability of the water system. Revenues and expenditure activities within the fund include the following: administration, customer service, supply and treatment, and distribution and storage.

Authorized Full-Time Position	2020 BUDGET	2021 BUDGET	2022 BUDGET
UTILITIES SUPERINTENDENT	1	1	1
ASSISTANT UTILITIES SUPT	1	1	1
CIVIL ENGINEER	2	2	2
CUSTOMER SERVICE SUPERVISOR	1	1	1
WATER QUALITY SUPERVISOR	1	1	1
UTILITY CONTROLS & INSTRUMENTAT	1	1	1
LABORATORY ANALYST	1	1	1
UTILITY SERVICE SPECIALIST	3	3	3
SENIOR UTILITY OPERATOR	6	6	6
UTILITY OPERATOR	16	16	16
OFFICE SUPPORT SPECIALIST	3	3	3
Grand Total	39	39	39

2022 Goals and Objectives

- ES S** Provide uninterrupted supply of softened potable water which meets or exceeds all state and federal standards at a rate that is affordable.
- R** Provide sustainable renewal of water system infrastructure, maximizing asset life and minimizing risk while maintaining established levels of service.
- S** Provide timely, state-certified analytical laboratory water testing services to the public and neighboring communities.

Performance Measures

Strategic Priority	Performance Measure	2020	2021	2022 Budgeted
Community Image and High Quality Service Delivery	Fire Hydrants Inspected ensuring operation and availability	100%	100%	100%
High Quality Service Delivery	Operating cost per 1 million gallons of water produced	\$1,528	\$1,1283	\$1,400
	Water quality analyses performed	21,055	21,087	22,000

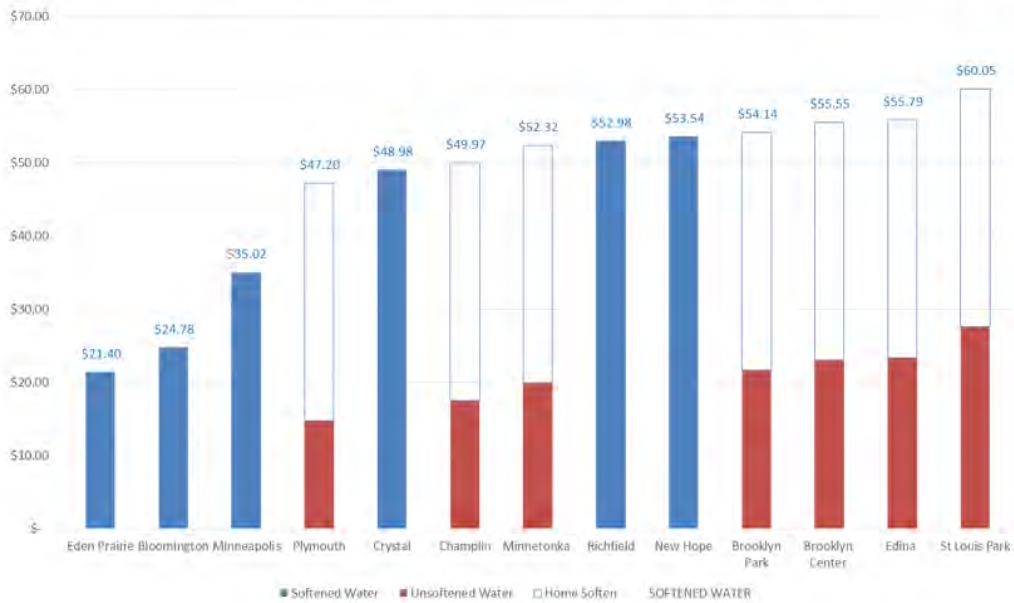
Environmental Sustainability and High Quality Service Delivery	Watermain break repairs	29	19	30
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- Performed 9,512 hydrant inspections ensuring proper operation and emergency availability.
- Repaired 19 watermain breaks.
- Produced 2.6 billion gallons of water and delivered a total of 3.7 billion gallons of high-quality softened water to customers.
- Received 9,785 samples and performed 21,087 laboratory tests to ensure water quality standards.

Water Rate Comparisons

Bloomington’s costs to provide softened water to customers continues to be one of the lowest in the area. The comparison below is calculated based on usage of 6,000 gallons per month of water flow. Bloomington continues to provide high quality, award-winning, softened water at a relatively low cost.

2021 Residential Softened Water Rates



Water Utility - Enterprise Fund

Financial Summary

	2020 Actual	2021 Projected	2022 Budget
Revenues			
Utility Fees	\$ 14,717,004	\$ 15,870,328	\$ 16,698,767
Other Revenue	732,656	727,290	360,000
Interest Income	67,048	(37,429)	50,000
Transfers from Other Funds	25,463	386,000	2,613,100
Total Revenues	15,542,171	16,946,189	19,721,867
Expenses			
Salaries and Benefits	3,973,026	3,895,410	4,169,090
Materials, Supplies, & Services	9,285,235	9,149,439	11,355,866
Capital Outlay	1,444,077	1,813,535	2,885,000
Debt Service	131,681	123,761	131,469
Total Expenses	14,834,019	14,982,145	18,541,425
Working Capital			
Net Change	708,152	1,964,044	1,180,442
Working Capital at Beginning of Year	5,606,663	6,314,815	8,278,859
Working Capital at End of Year	\$ 6,314,815	\$ 8,278,859	\$ 9,459,301

Public Works – Wastewater Utility

The Wastewater Utility Fund is an Enterprise Fund that accounts for the City-owned wastewater collection system and the interceptor and treatment charges from the Metropolitan Council Environmental Services (MCES). The objective of the Wastewater Utility is to provide sanitary service capacity and sufficient maintenance to minimize system blockages and infiltration/inflow. The sanitary sewer infrastructure spans 359 miles of pipes, with 28 lift stations, thousands of manholes and serves over 25,000 customers.

Authorized Full-Time Position	2020 BUDGET	2021 BUDGET	2022 BUDGET
UTILITIES SUPERVISOR	1	1	1
MAINTENANCE WORKER	1	1	1
SENIOR UTILITY OPERATOR	5	5	5
UTILITY OPERATOR	5	5	5
MAINTENANCE WORKER	1	1	1
Grand Total	13	13	13

2022 Goals and Objectives

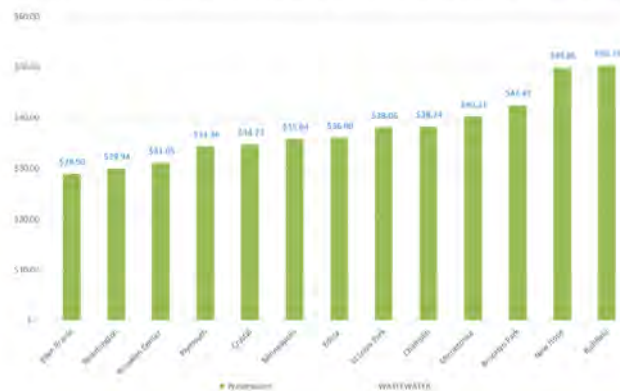
- ES S** Provide needed sanitary sewer capacity while minimizing system blockages and infiltration/inflow.
- R** Provide sustainable renewal of wastewater system infrastructure, maximizing asset life and minimizing risk while maintaining established levels of service.

Performance Measures

Strategic Priority	Performance Measure	2020	2021	2022 Budgeted
High Quality Service Delivery	Sanitary Sewer Inspection (miles)	32	32	30
Environmental Sustainability	Manhole rehabilitation and reconstruction to reduce I & I	220	324	250
Environmental Sustainability & High Quality Service Delivery	Number of public sewer system blockages per 10,000 connections	3.6	4.8	4.0

- Inspected over 32 miles of sanitary sewer main.
- Cleaned over 207 miles of sanitary sewer main.
- Reconstructed 324 sanitary manholes reducing infiltration/inflow.
- Responded to 12 mainline system blockages due to roots or other “non-flushable” material.

2021 Residential Wastewater Rates



Wastewater Utility - Enterprise Fund

Financial Summary

	2020 Actual	2021 Projected	2022 Budget
Revenues			
Utility Fees	\$ 12,264,871	\$ 12,873,600	\$ 13,150,611
Other Revenue	430,355	434,466	318,000
Intergovernmental	-	-	-
Interest Income	141,512	(28,823)	58,000
Transfers from Other Funds	326,443	309,000	-
Total Revenues	13,163,181	13,588,243	13,526,611
Expenses			
Salaries and Benefits	1,926,211	1,756,710	2,115,349
Materials, Supplies, & Services	9,667,414	9,114,231	9,846,435
Capital Outlay	1,276,583	903,569	1,200,000
Total Expenses	12,870,208	11,774,510	13,161,784
Working Capital			
Net Change	292,973	1,813,733	364,827
Working Capital at Beginning of Year	8,852,675	9,145,648	10,959,381
Working Capital at End of Year	\$ 9,145,648	\$ 10,959,381	\$ 11,324,208

Public Works – Storm Water Utility

The Storm Water Utility Fund is Enterprise Fund that provides for the operations, maintenance and improvements to the City-owned storm sewer system through a storm utility fee charged to property owners. Objectives of the storm water utility include protecting structures and the public from storm water damage caused by surface water runoff, providing wetland protection, and compliance with the Minnesota Pollution Control Agency’s municipal storm water permitting program. The fee is intended to recover costs associated with meeting permit requirements and providing storm water utility service to residents and commercial establishments in a fair and equitable manner. The storm sewer infrastructure spans nearly 300 miles of mainline pipes and catch basin leads, with 6 lift stations, 300 ponds, 4,977 manholes and 9,607 catch basins.

Authorized Full-Time Position	2020 BUDGET	2021 BUDGET	2022 BUDGET
WATER RESOURCES MANAGER	1	1	1
CIVIL ENGINEER	1	1	1
STREET MAINTENANCE SUPERVISOR	1	1	1
SENIOR ENGINEERING TECHNICIAN	2	2	2
WATER RESOURCES SPECIALIST	1	1	1
EQUIPMENT OPERATOR	5	5	5
Grand Total	11	11	11

2022 Goals and Objectives

- ES** Update the City’s Storm Water Pollution Prevention Program for compliance with re-issued Municipal Separate Storm Sewer System permit by October 1, 2022.
- ES S** Respond and consult with city property and business owners as needed to provide guidance on drainage, erosion control, and pond aesthetics within 48 hours.
- ES** Initiate and complete data gathering process to detail strategies for meeting the Penn Lake Total Maximum Daily Load requirements and updating the lake management plan.
- ES** Provide water quality related educational material and promote storm water best management practices through the use of videos, printed materials, website, and social media outlets.
- R** Provide sustainable renewal of storm system infrastructure by completing winter Pond Maintenance Project by May 31, 2022, and a summer Storm Sewer Maintenance project by October 31, 2022.



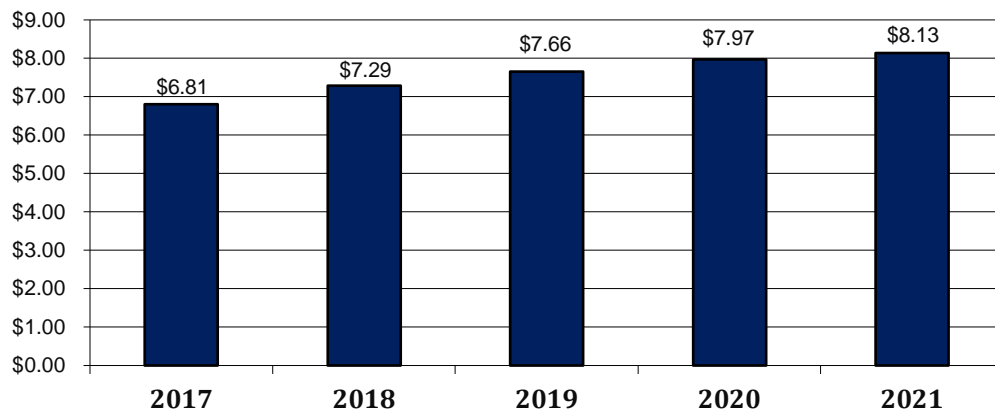
Performance Measures

Strategic Priority	Performance Measure	2020	2021	2022 Budgeted
Focused Renewal	Storm sewer junctions (Catch basins and Maintenance holes) inspected ensuring operation and identifying maintenance needs	613	550	500
Environmental Sustainability	Inspection, maintenance, and cleaning of structural storm water best management practices	316	327	330
Environmental Sustainability	New Adopt-a-Drain participants from the city	63	39	35
Environmental Sustainability	Surface water bodies sampled for water quality parameters	27	33	30
Focused Renewal	Miles of storm sewer mainline pipe inspected	8.4	8.2	8

- Completed construction of the 2021-901 Storm Sewer Maintenance Project (photo at right), and the 2020-902 Pond and Storm Sewer Maintenance Project Continued ongoing cooperation with Nine Mile Creek Watershed District on management strategies for Normandale Lake, including Carp removal in 2021.
- Completed a city code update to the Storm Water Pond Aeration Ordinance on June 14, 2021.
- Built, programed, and deployed 6 DIY monitoring units to collect water quality information on 6 Bloomington wetland water bodies during open water season 2021.
- Submitted permit application and received permit coverage from the Minnesota Pollution Control Agency for the re-issued Municipal Separate Storm Sewer System General Permit
- Bloomington Adopt-a-Drain program: 39 new users adopted 69 new drains in 2021; 672 total drains adopted by 376 participants across the city who reported 5,368 lbs. of debris removed during 2020 (Adopt-a-Drain data provided by Hamline University).



Storm Water Utility Cost per Month for Single-Family Home



Storm Water Utility - Enterprise Fund Financial Summary

	2020 Actual	2021 Projected	2022 Budget
Revenues			
Utility Fees	\$ 6,911,234	\$ 6,990,653	\$ 7,089,841
Other Revenue	168,018	123,806	117,222
Intergovernmental	10,000	15,000	-
Interest Income	282,237	(59,767)	87,000
Bond Proceeds	52,507	30,491	-
Transfers from Other Funds	1,396	-	-
Total Revenues	7,425,392	7,100,183	7,294,063
Expenses			
Salaries and Benefits	1,554,387	1,653,949	1,486,647
Materials, Supplies, & Services	1,554,458	1,567,205	1,839,925
Capital Outlay	2,620,777	2,069,712	3,255,000
Debt Service	922,521	803,953	1,018,313
Total Expenses	6,652,143	6,094,819	7,599,885
Working Capital			
Net Change	773,249	1,005,364	(305,822)
Working Capital at Beginning of Year	13,231,441	14,004,690	15,010,055
Working Capital at End of Year	\$ 14,004,690	\$ 15,010,055	\$ 14,704,233

Public Works – Solid Waste Utility

This fund accounts for the City-wide garbage, recycling, and yard waste program; the spring Curbside Cleanup; forestry and removal of diseased trees (such as Emerald Ash Borer infested trees); clean-ups after major storm events, and private property Environmental Health abatements.

Authorized Full-Time Position	2020 BUDGET	2021 BUDGET	2022 BUDGET
PUBLIC WORKS PROJECT COORDINATOR	1	1	1
Grand Total	1	1	1

2022 Goals and Objectives

- S** Administer the residential garbage and recycling collection program and continue to ensure residents receive excellent customer service.
- ES S** Implement new bulky item management program approved in 2021 to manage bulky items more sustainably. Program elements include transitioning Curbside Cleanup to an every other year program with limited items accepted, a recycling drop-off event, community reuse swap events, and potential for a regular collection of reusable bulky items from the curb throughout the year.
- ES S** Implement a Citywide curbside organics recycling program. Provide robust education on new organics program.
- ES** Provide outreach and education to residents regarding the City’s organics recycling drop-offs.
- ES** Work with the Sustainability Commission to continue to divert more waste from incineration and landfilling through recycling and composting and encouraging waste reduction and reuse.
- ES** Provide outreach and education to residents regarding how to recycle right, including mailing a new annual recycling guide.

Performance Measures

Strategic Priority	Performance Measure	2020	2021	2022 Budgeted
High Quality Service	Estimated number of households signed up for organics recycling	NA	NA	25% of residential households with City-contracted solid waste services (5,450 households)
Environmental Sustainability	Estimated tons of residential organics diverted from garbage	NA	NA	500 tons

- Coordinated garbage and recycling service to approximately 22,000 households.
- Conducted community feedback and recommendations for managing hard to dispose of bulky items in a more sustainable and cost-effective method. Received feedback from over 1,500 residents.

- City Council approved plan for managing bulky items in a more sustainable way. Plan includes transitioning Curbside Cleanup to every other year program with limited items accepted, a recycling drop-off event, community reuse swap events, and potential for a regular collection of reusable bulky items from the curb throughout the year.
- Distributed over 400 organics kitchen collection containers for residents at events. Containers help residents easily collect organics at home to bring to the City’s organics drop-offs.
- Hosted two internal City Organics Recycling workshops. Developed an online Organics training for City staff.
- Signed up an additional 257 households to use the organics recycling drop-offs, bringing total registered users to 1,937 households.

Monthly Solid Waste and Recycling Rates

Service	2021	2022
City Garbage and Recycling, including taxes and fees for a resident with a medium garbage cart	\$22.26	\$22.78
City Organics Recycling	NA	\$5.50
Curbside Cleanup Fee	\$4.42	\$4.42



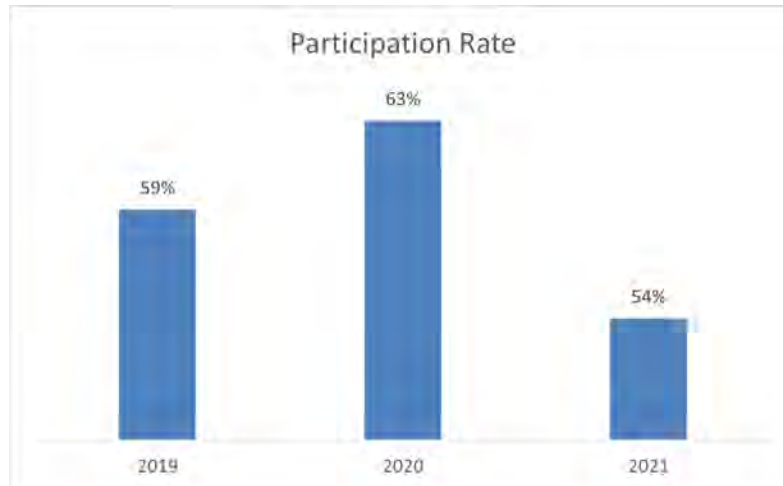
Public Engagement on Organics at the Farmers Market



Promotional organics kitchen collection containers provided to residents to help them get started recycling organics at home.

2019 - 2021 Curbside Cleanup Statistics

During Curbside Cleanup, residents can place appliances, brush, scrap metal and trash at their curb and the City contracts with the Consortium of Haulers to make one pass through each neighborhood to pick it up. Large appliances, brush and scrap metal are collected separately for recycling, and all other material is collected and landfilled. Funding for this program comes from the utility fee shown above per month per household.



Solid Waste Utility - Enterprise Fund Financial Summary

	2020 Actual	2021 Projected	2022 Budget
Revenues			
Property Taxes	\$ 185,000	\$ 185,000	\$ 185,000
Utility Fees	7,720,842	7,778,053	9,338,676
Other Revenue	100,091	160,960	769,500
Intergovernmental	109,705	122,690	284,376
Interest Income	27,399	(468)	20,100
Bond Proceeds	-	-	-
Transfers from Other Funds	-	-	-
Total Revenues	8,143,037	8,246,235	10,597,652
Expenses			
Salaries and Benefits	227,592	279,584	259,676
Materials, Supplies, & Services	7,819,320	7,941,703	10,283,778
Capital Outlay	-	3,150	-
Transfer to Other Funds	309,000	309,000	-
Total Expenses	8,355,912	8,533,437	10,543,454
Working Capital			
Net Change	(212,875)	(287,202)	54,198
Working Capital at Beginning of Year	2,158,070	1,945,196	1,657,994
Working Capital at End of Year	\$ 1,945,196	\$ 1,657,994	\$ 1,712,192

Facilities Maintenance

The Facilities Fund is an Internal Service fund that pays for the costs related to capital repair and maintenance of the main City buildings, fire stations and cemetery property. Revenues are from internal department charges.

Authorized Full-Time Position	2020 BUDGET	2021 BUDGET	2022 BUDGET
ASSISTANT MAINTENANCE SUPERINTENDENT	1	1	1
FACILITIES MANAGER	0	0	1
FACILITIES MAINTENANCE SUPERVISOR	1	1	1
SERVICE TECHNICIAN	9	9	9
MAINTENANCE WORKER	1	1	1
Grand Total	12	12	13

2022 Goals and Objectives

AS To support strategic priorities through efficient and sustainable operation and planned maintenance of the City's buildings by:

- Implement Facilities Operations and Maintenance Organizational Study during 2022
- Onboard Facilities Manager

AS Participate in the capital improvement process to prioritize and cost out improvements to City facilities to prepare the Capital Improvement Plan to go to the City Council in March.

ES Explore improved maintenance options that are environmentally sustainable and financially responsible by:

- Evaluate utility data and usage to identify buildings to improve
- Use a sustainability lens when planning maintenance projects

Performance Measures

Strategic Priority	Performance Measure	2020	2021	2022 Budgeted
High-quality Service Delivery	Develop Performance Measures	n/a	n/a	TBD

Facilities - Internal Service Fund Financial Summary

	2020 Actual	2021 Projected	2022 Budget
Revenues			
Departmental Charges	\$ 13,115,333	\$ 12,664,566	\$ 6,385,194
Interest Income	309,074	(68,872)	150,000
Other Revenues	115,801	37,825	-
Bond Proceeds	-	-	11,000,000
Transfers from Other Funds	289,490	684,000	1,000,000
Total Revenues	13,829,698	13,317,519	18,535,194
Expenses			
Salaries and Benefits	3,842,446	4,120,786	1,457,432
Materials, Supplies, & Services	5,277,291	6,239,625	3,176,844
Capital Outlay	2,244,519	793,007	12,130,000
Debt Service	648,776	641,387	-
Transfer to Other Funds	-	-	-
Total Expenses	12,013,032	11,794,805	16,764,276
Working Capital			
Net Change	1,816,666	1,522,714	1,770,918
Working Capital at Beginning of Year	12,786,373	14,603,039	16,125,753
Working Capital at End of Year	\$ 14,603,039	\$ 16,125,753	\$ 17,896,671

Fleet Maintenance Fund

The Fleet Maintenance Fund is an Internal Service Fund that pays for the costs related to the operations, maintenance, repair, and replacement of City vehicles and equipment. Departments are charged for vehicles used by their department. Part of the internal fee is to pay for operations; the other part is allocated for the replacement of the equipment. Any new equipment or additions to the Fleet are funded by the requesting department

Authorized Full-Time Position	2020 BUDGET	2021 BUDGET	2022 BUDGET
FLEET MANAGER	1	1	1
FLEET MAINTENANCE SUPERVISOR	1	1	1
FLEET SPECIALIST	1	0	0
FLEET TECHNICIAN	10	9	9
OFFICE SUPPORT SPECIALIST	1	1	1
PARTS ROOM ATTENDANT	1	0	0
Grand Total	15	12	12

2022 Goals and Objectives

- I R** Replace the vehicle wash system
- ES** Expand EV charging stations for fleet vehicles
- S** Utilize usage data and work with end user departments
- S** Improve sidewalk plow safety

Performance Measures

Strategic Priority	Performance Measure	2020	2021	2022 Budgeted
High-quality Service Delivery	Turnaround Time - % of repairs completed in < 24hrs Industry standard is 70%	70%	70%	70%
	Percentage of work orders that are proactive, not reactive	56%	58%	60%
Environmental Sustainability	Number of diesel units on last tier emissions	35	31	28

2021 Accomplishments

- Replaced obsolete fuel management system
- Replaced obsolete telematics system with current gen technology
- Recalculated optimal life cycles for vehicle classes
- Purchased property for replacement garage building location
- Implemented monthly reports to user departments for increased cost transparency
- “By the numbers”
 - 572 Vehicles serviced and maintained
 - \$40 million value of fleet
 - 3.2 million miles traveled annually
 - 270,135 gallons of fuel (10% reduction from 2020)
 - 114 different classes of vehicles
 - 3529 services and repairs performed
 - \$830,000 parts needed for service and repairs



Fleet Maintenance - Internal Service Fund

Financial Summary

	2020 Actual	2021 Projected	2022 Budget
Revenues			
Departmental Charges	\$ 7,617,830	\$ 7,467,791	\$ 7,089,140
Intergovernmental	-	-	-
Interest Income	99,128	(21,383)	58,400
Other Revenues	181,118	244,341	250,000
Transfers from Other Funds	35,320	-	-
Total Revenues	7,933,396	7,690,749	7,397,540
Expenses			
Salaries and Benefits	1,609,756	1,343,676	1,453,499
Materials, Supplies, & Services	3,429,666	3,490,520	3,637,961
Capital Outlay	3,303,085	2,044,060	2,609,841
Transfer to Other Funds	-	41,245	-
Total Expenses	8,342,507	6,919,501	7,701,301
Working Capital			
Net Change	(409,111)	771,248	(303,761)
Working Capital at Beginning of Year	5,131,533	4,722,422	5,493,670
Working Capital at End of Year	\$ 4,722,422	\$ 5,493,670	\$ 5,189,909

Housing and Redevelopment Authority

The Housing and Redevelopment Authority in and for the City of Bloomington (HRA) mission is to help provide affordable housing opportunities for those who are not adequately served by the marketplace, coordinate the City's efforts to preserve existing neighborhoods and promote development and redevelopment that enhances Bloomington. The HRA accomplishes its mission through various programs: rental assistance, housing rehabilitation loans, first-time home buyer assistance and other development and redevelopment programs. Funding comes from federal, state, regional and local sources. The HRA is governed by a five-member board appointed by the Mayor with the approval of City Council.

Authorized Full-Time Position	2020 BUDGET	2021 BUDGET	2022 BUDGET
HRA ADMINISTRATOR	1	1	1
HRA PROGRAM MANAGER	1	1	1
HOUSING & REDEVELOPMENT ANALYST	1	1	1
PROGRAM SPECIALIST II	5	5	5
PROGRAM SPECIALIST I	1	1	1
OFFICE SUPPORT SPECIALIST	1	1	1
OFFICE ASSISTANT	1	1	1
Grand Total	11	11	11

2022 Goals and Objectives

- I** Acquire and demolish blighted homes for homeownership redevelopment opportunities
- ES** Support residential energy efficient policy and programs efforts through coordination and implementation
- R** Continue mixed income housing redevelopment with a focus on 30% - 50% AMI unit creation
- R** Provide home improvement loan programs and activities prioritizing those not adequately served by the marketplace
- R** Ongoing planning and assistance for future redevelopment opportunities in commercial nodes
- R** Support implementation and administration of the Opportunity Housing Ordinance
- S** Complete organizational high-quality services need assessment
- S** Release Customer Service Experience Survey for ongoing customer feedback
- S** Maintain highest possible utilization of Section 8 Voucher Programs as funding permits
- S** Begin technological software update for internal and external service delivery
- IE** Continue to expand affordable home ownership opportunities through community partnerships and programs
- IE** Strengthen engagement and service delivery in and with underserved and culturally specific communities

Performance Measures

Strategic Priority	Performance Measure	2020	2021	2022 Projected
High Quality Service Delivery	Maintain highest possible utilization of Section 8 Voucher Programs and expand where funding permits	530 vouchers	550 vouchers	565 vouchers
Focused Renewal and/or Inclusion and Equity	Affordable Housing - Affordable housing as compared to the City Comp Plan Goal	508 units	133 units	141 units
	Strengthen service delivery, access, and engagement with culturally specific communities		15%	40%
Inclusion and Equity	Implement and expand home ownership opportunities and partnerships – including down payment assistance programming and affordable homeownership development		10%	50%
	Collect and analyze data for programs and services – including stakeholder surveys		15%	50%

Component Unit - Housing & Redev. Authority

Financial Summary

	2020 Actual	2021 Projected	2022 Budget
Revenues			
Property Taxes	\$ 2,618,219	\$ 2,783,845	\$ 2,718,683
Intergovernmental	6,597,466	5,799,102	6,560,397
Interest Income	54,680	(1,606)	20,000
Other Revenues	1,253,939	1,777,290	1,255,168
Bond Proceeds	-	-	-
Transfers from Other Funds	-	-	-
Total Revenues	10,524,304	10,358,631	10,554,248
Expenses			
Salaries and Benefits	1,278,773	1,288,701	1,424,272
Materials, Supplies, & Services	8,429,814	7,935,334	9,057,943
Capital Outlay	-	-	72,033
Transfer to Other Funds	500,000	500,000	-
Total Expenses	10,208,587	9,724,035	10,554,248
Working Capital			
Net Change	315,717	634,596	-
Working Capital at Beginning of Year	10,428,142	10,743,859	11,378,455
Working Capital at End of Year	\$ 10,743,859	\$ 11,378,455	\$ 11,378,455

Port Authority

The Port Authority is a component unit of the City of Bloomington. It was created to provide a coordinated, cost-effective approach for redevelopment within defined development districts that may be established throughout the City. This goal is accomplished in many cases through the use of Tax Increment and/or Revenue Bonds, issued as needed for redevelopment. The Port Authority's boundaries encompass the entire City of Bloomington and commissioners are appointed by the Mayor and confirmed by the City Council. The Port Authority has limited taxing powers (including a levy that has not been used to date), but has extensive authority to issue bonds or notes for public improvements and redevelopment. These are subject to approval by the City Council prior to issuance. The City guarantees some Port Authority debt and contracts staff to the Port Authority for administration.

2022 Key Projects:

Mall of America (MOA) expansion, Development of former Ramada/Thunderbird site, development of former Interstate Diesel and Alpha V parcels, Rosa and American Square apartment projects, and further development at Bloomington Central Station.

Authorized Full-Time Position	2020 BUDGET	2021 BUDGET	2022 BUDGET
PORT AUTHORITY ADMINISTRATOR	1	1	1
ECONOMIC DEVELOPMENT ANALYST	2	2	2

2022 Goals and Objectives

- AR** To facilitate sustainable development and redevelopment, especially in the South Loop District where it can be served by transit, encourage short trip lengths, promote biking and walking and reduce vehicle miles traveled.
- RS** Oversee debt in a conservative manner to assure repayment and adequate resources.
- RS** Make community investments that in turn encourage private investments consistent with the City's sustainability objectives.

Performance Measures

Strategic Priority	Performance Measure	2020	2021	2022 Budgeted
Focused Renewal and Inclusion & Equity	Affordable Housing - Affordable housing as compared to the City Comp Plan Goal	508	128	141
Inclusion and Equity	Creative Placemaking - Percentage of BIPOC Artists/Artist Teams hired for public art projects	N/A	67%	50%
Community Image	Creative Placemaking - Art Tour APP - subscriptions	N/A	50	200
Community Amenities	Creative Placemaking - OCAB Visitors, AR Tour Views	14800	TBD	TBD

Component Unit - Port Authority Financial Summary

	2020 Actual	2021 Projected	2022 Budget
Revenues			
Other Revenues	560,000	450,000	630,000
Total Revenues	560,000	450,000	630,000
Expenses			
Salaries and Benefits	349,613	358,459	382,500
Materials, Supplies, & Services	244,836	178,033	220,159
Capital Outlay			
Transfer to Other Funds			
Total Expenses	594,449	536,492	602,659
Working Capital			
Net Change	(34,449)	(86,492)	27,341
Working Capital at Beginning of Year	39,435	4,986	(81,506)
Working Capital at End of Year	\$ 4,986	\$ (81,506)	\$ (54,165)



HOPE ON THE HORIZON

ANNUAL BUDGET 2022

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ANNUAL BUDGET 2022

GLOSSARY



Glossary

Accrual Basis – The basis of accounting under which revenues are recorded when earned and expenditures are recorded as soon as they result in liabilities for benefits received, regardless that the receipt of cash or the payment of cash may take place in another accounting period.

Adopted Budget – The financial plan of revenues and expenditures for a fiscal year as adopted by the City Council.

Appropriation – A specific amount of money authorized by the City Council, generally during adoption of the annual budget, used to make expenditures for specific purposes.

AR&LE – (Adaptive Recreation and Learning Exchange) A Parks and Recreation program that offers recreation, leisure and community education designed to meet the needs of people with disabilities.

Assessed Valuation – A value established by the City Property Appraiser for all real or personal property for use as a basis for levying property taxes.

Audit – An official inspection of an individual's or organization's accounts, typically by an independent body.

Balanced Budget – When expenditures are exactly offset by an equal amount of revenue.

Bond – A written promise to pay a sum of money on a specific date at a specified interest rate as detailed in a bond resolution.

Budget – Line item revenue estimates and appropriations adopted by City Council for the following year.

Budget Adjustment – A revision to the adopted budget occurring during the affected fiscal year as approved by the City Council by an amendment or a transfer.

Budget Calendar – The schedule of key dates involved in the process of adopting and executing an adopted budget.

Capital Outlay – Purchases of fixed assets that have a value of \$10,000 or more, and a useful life of more than four years.

Carry-Over – Re-appropriation of budget authority for an expenditure to the following year to allow completion of a project. Carry-overs require City Council approval.

CBAC (Community Budget Advisory Committee) - In an effort to ensure budget discussions reflect community preferences, the City Council appointed a Community Budget Advisory Committee in May 2020 in the extraordinary circumstance of the

economic challenge created by the COVID-19 pandemic. The committee was comprised of nine residents who had previous knowledge of City government and finances and tasked with making 2021 budget recommendations to the City Council.

Certified Levy – Total tax levy of a jurisdiction which is certified to the County Auditor.

CIP (Capital Improvement Program) – A ten-year plan for proposed capital improvements. Also called Community Investment Plan.

City Council – The elected body of members making up the legislative arm of local government in Bloomington.

Contingency (or Undesignated Appropriations) – Budget for expenditures which cannot be placed in departmental budgets, primarily due to uncertainty about the level or timing of expenditures when the budget is adopted. The contingency fund also serves as a hedge against shortfalls in revenue.

COVID – “COVID-19” or “Coronavirus Disease 2019” is the disease caused by the coronavirus SARS-CoV-2. Symptoms of COVID-19 include cough, fever, and shortness of breath. It is extremely contagious and caused a worldwide pandemic that began in March 2020. While the disease only causes mild to moderate illness in some people, in others it has caused life-threatening pneumonia and death.

Deficit – The excess of expenditures over revenues.

Department – Basic organizational unit of City government responsible for carrying out related functions. Larger departments are subdivided in to divisions.

Depreciation - A reduction in the value of an asset with the passage of time, due in particular to wear and tear.

Division – Basic organizational unit of City government that is functionally unique in its service delivery. Larger departments are subdivided in to divisions.

DOJ (Department of Justice) – Federal executive department of the United States government responsible for the enforcement of the law and administration of justice.

DWI (Driving While Intoxicated) – Driving, operating, or being in physical control of a motor vehicle while: under the influence of alcohol or drugs; knowingly under the influence of a hazardous substance that affects the body and substantially impairs driving abilities; having a blood alcohol concentration of .08% or greater; or having any amount of a Schedule I or II drug, except marijuana, in the body.

EBT (Electronic Benefit Transfer) - A method of electronically issuing food stamp benefits.

Encumbrance – An account used to record the estimated amount of purchase orders or contracts chargeable to an appropriation. The account is credited when goods or services are received and the actual expenditure of the appropriation is known and recorded.

Enterprise Fund – A fund in which the services provided are financed and operating similarly to those of a private business enterprise, i.e., through user fees.

Estimated Market Value - Represents the selling price of a property if it were on the market. Estimated market value is converted to tax capacity before property taxes are levied.

Expenditure (Expense) – Decreases in financial resources other than through interfund transfers.

Fiscal Disparities – The program created by the Metropolitan Fiscal Disparities Act which shares growth in the commercial-industrial tax base in the seven-county metropolitan area. Forty percent of the value of new commercial-industrial development since 1971 is pooled and redistributed among 300 taxing districts to address uneven business development throughout the region.

Five-Year Model – A planning tool used to assess the opportunities and challenges of future budget years based on scenarios of the current budget year.

FTE (Full-Time Equivalent) – Equivalent of one employee working fulltime, or 2,080 hours per year. An FTE can be filled by any number of employees whose combined hours total 2,080 per year.

Fund – An independent fiscal and accounting entity which is segregated for the purpose of performing specific activities or achieving certain objectives.

Fund Balance – Difference between fund assets and fund liabilities (the equity) in governmental funds. Fund balances will be classified as reserved or unreserved.

Reserved Fund Balance - Legally segregated for a specific use. They are not available for discretionary appropriation.

Unreserved Fund Balance - The portion of fund balance that is not reserved. Represents resources that can be used for any purpose of the fund they are reported in.

Designated Funds - Establish tentative plans for, or restrictions on, the future use of financial resources.

Undesignated Fund Balance - The funds remaining after reduction for reserved and designated balances.

In addition, many of the special funds have restricted use, depending on the legal restrictions governing the levy of the funds they contain. Examples are the Debt Service Fund and the Capital Projects Fund.

GASB (Governmental Accounting Standards Board) – It is the highest source of accounting and financial reporting guidance for state and local governments.

General Fund – The governmental accounting fund supported by ad valorem (property) taxes, licenses and permits, service charges and other general revenues to provide city-wide operating services.

GFOA (Government Financial Officers' Association) – The professional association of state and local finance officers in the United States who are dedicated to the sound management of government financial resources. The association sets program standards for the GFOA's Certificate of Achievement for Excellence in Financial Reporting.

GIS (Geographic Information Services) – A computer system for capturing, storing, checking, and displaying data related to positions on Earth's surface.

Governmental Fund – A grouping used in accounting for tax-supported activities completed by the government.

Indirectly Funded Amount – The portion of appropriations not funded by program revenues such as fees and grants. This portion is funded from shared revenues such as property tax, intergovernmental revenues or a City-wide fee not directly attributable to any one program.

Levy – To impose taxes, special assessments, or service charges or the amount of those taxes, assessments or charges.

Local Performance Aid – A state program for cities and counties that is intended to provide an incentive for local governments to develop and maintain performance measurement systems.

Let's Talk Bloomington - The City of Bloomington's interactive website for community conversations.

LMCIT (League of Minnesota Cities Insurance Trust) - A self-insured membership cooperative formed by Minnesota cities.

LRT (Light Rail Transit) – Passenger transportation on rails with a current terminus at the Mall of America.

Major Account Series – Three classifications of expenditures made by the City include:

Salaries, wages and benefits - Costs relating to employees or temporary help, including fringe benefits.

Materials, supplies and services - Costs relating to articles of a non-durable nature such as office supplies, professional and technical services, utilities and maintenance, operations and City support services.

Capital Outlay - Costs of durable goods such as furniture and equipment.

Major Program – The eight departments in the City of Bloomington government: Legal, Human Resources, Finance, Police, Fire, Community Development, Community Services and Public Works and one Technical Services Group.

Major Fund – A fund whose revenues, expenditures/expenses, assets, or liabilities (excluding extraordinary items) are at least 10 percent of corresponding totals for all governmental or enterprise funds and at least 5 percent of the aggregate amount for all governmental and enterprise funds.

Market Value Credit – Started in 2002, this is the primary State program for property tax relief. The State remits a portion of sales and income taxes to local government to assist in keeping property taxes down.

MCES (Metropolitan Council Environmental Services) - The joint waste treatment facility for the metro area.

MOA (Mall of America) – Nation’s largest retail and entertainment complex located in Bloomington.

Modified Accrual Basis – Under the modified accrual basis of accounting, revenues are recognized in the period in which they become available and measurable, and expenditures are recognized at the time a liability is incurred pursuant to appropriation authority.

National Community Survey™ - A benchmarking survey that provides a comprehensive picture of resident perspectives on community livability, performed by the National Research Center of Boulder, Colorado.

Net Assets – The equity associated with general government less liabilities.

One Bloomington - In 2016, the City Council created a plan, One Bloomington, to guide the City. The original plan included six strategic priorities. In 2019, the Council added a seventh: Engagement and Transparency. The mission statement of “One Bloomington” is as follows: We are a community that includes all residents, working together to accomplish the same goals. We live in different neighborhoods, but we’re not defined by boundaries. We are united, not by sameness, but by our desire to build a strong community that we can all enjoy. We are One Bloomington.

Operating Budget – Financial plan for the fiscal year which authorizes proposed personnel complements, expenditures and the revenues to finance them.

PMP (Pavement Management Program) – This is an 80-year street overlay and construction plan that provides for the systematic maintenance and replacement of streets based on schedules that indicate the most cost-effective timeframe. The Council has adopted the first 20 years of the plan.

PEG Fees (Public, Educational, and Governmental Fees) –Public, Educational, and Governmental Access programming is supported by the PEG fee that is assessed to each cable subscriber. Funds can only be used to finance the production of PEG Access programming.

PEIP (Public Employees Insurance Program) – The health insurance benefit program offered to City employees.

Program – Within each Department are several divisions or programs in the City, each charged with carrying out a specific function.

Proprietary Fund – A business-like fund of a state or local government. For example, enterprise fund and internal service fund.

Proposed Budget – Budget as submitted by the City Manager to the City Council.

Racial Equity Business Plan - In October, 2020, the City Council unanimously adopted its first Racial Equity Business Plan. This plan is an evolving document to guide the City's racial equity work. It was developed by the Racial Equity Coordinator in collaboration with the City's Executive Leadership Team.

Retained Earnings – The profits that a company has earned to date, less any dividends or other distributions to investors.

RFP (Request for Proposals) – A request for proposal is a document that solicits proposal, often made through a bidding process, by an agency or company interested in procurement of a commodity, service, or valuable asset, to potential suppliers to submit business proposals.

Special Revenue Fund – An account established by a government to collect money that must be used for a specific project. These funds provide an extra level of accountability and transparency to taxpayers that their tax dollars will go toward an intended purpose.

Strategic Priorities – Refers to the funds available for allocation to one-time or capital projects not funded through the budget process. These funds can be allocated from a direct levy or from any surplus that may result at the end of the budget year.

Tax Capacity – City tax base for the purpose of levying property taxes. Properties are multiplied by a Statutory rate which converts into the tax base (see also Tax Classification Rate).

Tax Capacity Rate – Tax rate applied to tax capacity in order to generate property tax revenue. The rate is obtained by dividing the property tax levy by the available tax capacity.

Tax Classification Rate – Rates at which estimated market values are converted into the property tax base. The classification rates are assigned to properties depending on their type (residential, commercial, farm, etc.) In some cases there are two tiers of classification rates with the rate increasing as the estimated market value increases.

TIF (Tax Increment Financing) – Financing tool originally intended to combat severe blight in areas which would not be redeveloped “but for” the availability of government subsidies derived from locally generated property tax revenues.

TPA (Third Party Administrator) – Claims processor for certain employee benefits.

Truth-In-Taxation – Procedures adopted by the 1989 Minnesota Legislature intended to improve accountability in the adoption of the budget and property tax levy of local governments. These procedures are revised annually.

WCRA (Workers’ Compensation Reinsurance Association) – Insurance coverage that protects the City from catastrophic workers’ compensation losses.

WIC (Women, Infants and Children) A nutrition and breastfeeding program that serves pregnant women, new mothers, babies, and young children. Nutrition education and counseling are the cornerstones of this public health program.

Working Capital – Current assets minus current liabilities. This measure is used as a gauge in determining appropriate fund balances.

