

HOPE ON THE HORIZON

Administration Department
2023 Budget Request
Monday, November 21, 2022

CITY OF BLOOMINGTON
MINNESOTA

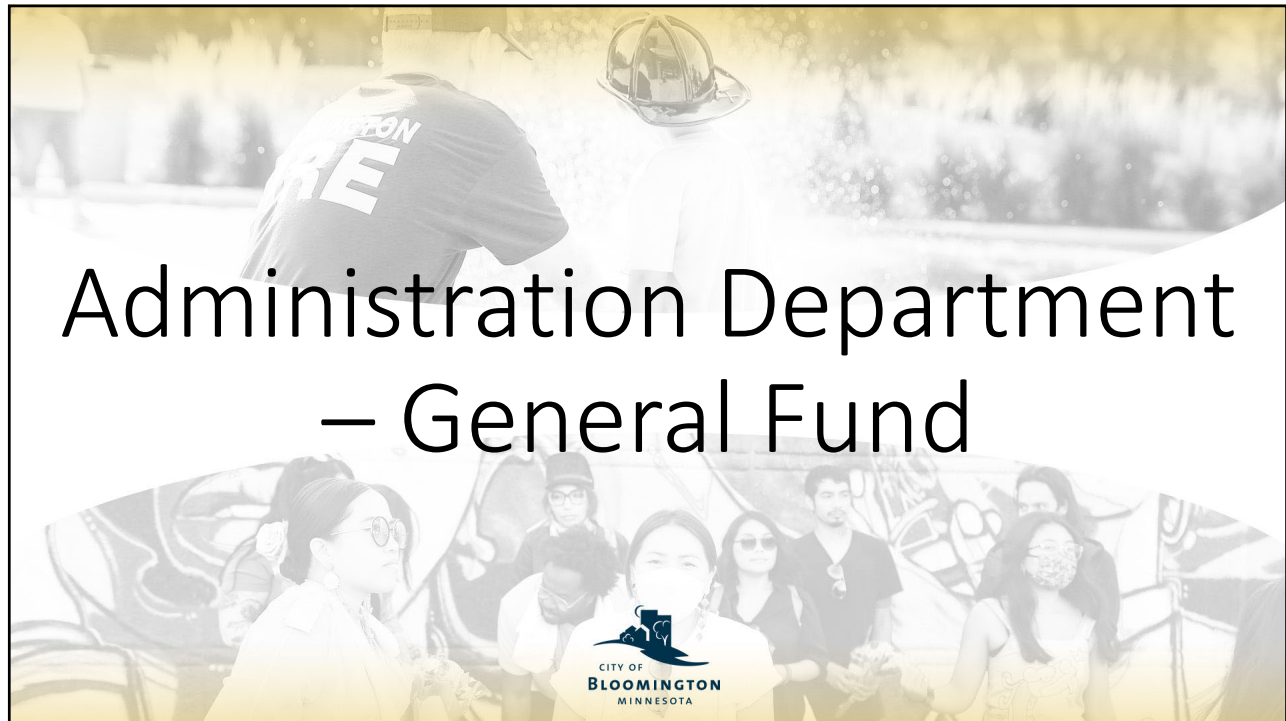
Administration Department
– General Fund

Internal Service Funds:
Employee Benefits and
Accrued Benefits

Focus Topics

Discussion

CITY OF BLOOMINGTON
MINNESOTA



Administration Department – General Fund

ADMINISTRATION DEPARTMENT

City Manager's Office / City Council
Office of Racial Equity, Inclusion, and Belonging
Human Resources
City Clerk's Office

2023 Preliminary Administration Budget Request

Expense Category	2022 Budget	2023 Budget	Difference
Salaries & Benefits	3,090,430	3,329,962	239,532
Materials & Supplies	60,150	61,325	1,175
Equipment leases	24,758	21,500	-3,258
Services	562,775	854,135	291,360
Internal expenses (i.e. Facilities & IT)	577,478	612,418	34,940
Chargeback to non-General Funds	-865,212	-972,026	-106,814
TOTAL	3,450,379	3,907,314	456,935

CITY MANAGER'S OFFICE & CITY COUNCIL

Leads and manages the daily operations of the City 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.



*4 Full-Time Employee
1 Part-time Employee
7 Elected Officials*

2023 Budget Request = \$1,182,687

OFFICE OF RACIAL EQUITY, INCLUSION, & BELONGING (OREIB)

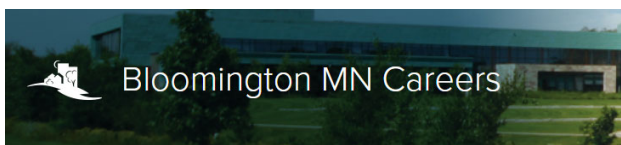
- Equity and inclusion are strategic priorities for the City of Bloomington
- Investing in equity and inclusion improves individual lives and generates broad community benefits
- The City's work to advance racial equity focuses:
 - internally (workforce, culture, and equitable programs and practices)
 - externally (capacity building and disparity reduction)
- OREIB sustains the equity and inclusion work and embeds it in the fabric and culture of the organization



2 Full-Time Employees
2023 Budget Request = \$263,051

HUMAN RESOURCES

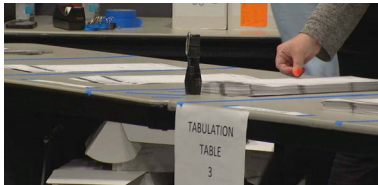
- Coordinates staff recruitment and hiring
- Designs and services employee benefit programs
- Provides various trainings to employees
- Seeks opportunities to be a “Best Employer” in the recruitment and retention of employees
- Conducts employee relations activities for all City employees
- Develops and implements classification and compensation systems
- Implements employment rules and policies that are consistent with the City’s mission, vision, and values
- Negotiates collective bargaining agreements and labor/management relations



6 Full-Time Employees
1 Part-Time Employee
2023 Budget Request = \$1,005,652

CITY CLERK'S OFFICE

- Activities 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
- 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.



8 Full-Time Employees
1 Part-Time Employee
 2023 Budget Request = \$1,455,924

Internal Service Funds: Employee Benefits and Accrued Benefits



Employee Benefits Fund

- Uses a per-employee fee from each department’s operating budget to fund the core benefits package provided to each full-time employee.
- Employee Benefits include:
 - Health insurance
 - Dental insurance
 - Life Insurance
 - Disability Insurance
 - Tuition reimbursement
 - Health club reimbursement
- The employee benefits charge out to each Department is \$17,510 per employee for 2023 which is the same amount as was charged out in 2022.



Employee Benefits Fund

EMPLOYEE BENEFITS - FUND 7400

DE DESCRIPTION	2020 ACTUAL	2021 ACTUAL	2022 ESTIMATE	2023 BUDGET REQUEST	2024 CONCEPTUAL BUDGET	2025 PROJECTED	2026 PROJECTED
REVENUES:							
DEPARTMENT CHARGES	10,383,661	9,988,859	10,184,890	10,570,110	10,535,090	11,272,546	12,174,350
EMPLOYEE WITHHOLDINGS	434,651	457,957	670,949	729,944	755,003	781,347	818,761
COBRA / RETIREES REVENUE	120,179	122,435	122,972	652,000	658,750	665,938	673,453
OTHER REVENUES (STATE REIMB, GRANTS, INTEREST)	70,196	1,819	25,000	65,000	65,000	65,000	65,000
TOTAL REVENUES	11,008,688	10,571,070	11,003,811	12,017,054	12,013,843	12,784,830	13,731,563
EXPENSES:							
MEDICAL	8,961,134	9,103,433	9,005,869	10,585,965	11,424,799	11,360,977	11,473,921
DENTAL	532,860	646,311	655,495	661,891	668,900	675,589	682,344
LIFE	157,527	163,742	137,026	138,157	139,478	140,873	142,282
LONG TERM DISABILITY	109,849	108,286	115,829	119,304	122,883	126,569	130,367
TUITION REIMBURSEMENT	59,189	64,110	204,750	210,000	215,250	220,500	225,750
OTHER EXPENSES	145,958	130,242	175,570	258,664	263,820	267,059	270,927
TOTAL EXPENSES	9,966,516	10,216,124	10,294,539	11,973,980	12,835,131	12,791,567	12,925,591
TOTAL GAIN (LOSS)	1,042,171	354,946	709,273	43,074	(821,288)	(6,736)	805,972
	100%	85%	101%	99%	102%	101%	109%
TOTAL WORKING CAPITAL BALANCE	3,339,005	3,693,951	4,403,224	4,446,298	3,625,910	3,618,274	4,424,246
TOTAL WORKING CAPITAL GOAL	3,330,543	4,351,344	4,357,878	4,497,832	3,569,594	3,565,964	4,077,133



Accrued Benefits Fund

- Pays and records the liabilities associated with employee accrued time off:
 - Vacation
 - Personal leave
 - Compensatory time



- Goal of this fund is to have enough cash to fully fund the accrued liability in accordance with State auditor and credit rating agency guidelines.
- Fund is currently funded at 78%, with long-term plan of 100% funded in 2033
- 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
- 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.



Accrued Benefits Fund

ACCRUED BENEFITS - FUND 7450

	2019	2020	2021	2022	2023	2024	2025	2026
DESCRIPTION	ACTUAL	ACTUAL	ACTUAL	E STIMATE	BUDGET REQUE ST	CONCEPTUAL BUDGET	PROJECTED	PROJECTED
REVENUE S:								
DEPARTMENTAL CHARGES	2,164,401	1,990,349	1,978,438	2,037,791	2,035,174	2,096,230	2,201,041	2,333,104
INTEREST	377,202	329,681	(66,203)	157,300	148,200	153,100	158,300	164,000
TOTAL REVENUE S	2,541,603	2,320,030	1,912,235	2,195,091	2,183,374	2,249,330	2,359,341	2,497,104
EXPENSE S:								
ACCRUED BENEFITS PAID FULL TIME EMPLOYEES	1,716,089	1,789,928	2,460,240	1,725,000	1,800,000	1,854,000	1,909,620	1,966,909
ACCRUED BENEFITS PAID PART TIME EMPLOYEES	824	2,203	10,648	2,500	5,000	5,150	5,305	5,464
CHANGE TO RESERVE	853,955	1,747,050	485,981	512,679	450,000	463,500	477,405	491,727
TOTAL EXPENSE S	2,570,868	3,539,181	2,956,869	2,240,179	2,255,000	2,322,650	2,392,330	2,464,099
GAIN / (LOSS)	(29,266)	(1,219,151)	(1,044,634)	(45,088)	(71,626)	(73,320)	(32,988)	33,004
TOTAL NET POSITION	(1,872,131)	(3,091,282)	(4,135,916)	(4,181,004)	(4,252,629)	(4,325,949)	(4,358,938)	(4,325,933)
DETAIL OF NET POSITION	88%	83%	78%	78%	78%	79%	79%	80%
CURRENT ASSETS	14,320,745	14,871,295	14,307,354	14,815,564	15,313,836	15,827,509	16,399,125	17,054,871
LIABILITIES	16,192,876	17,962,577	18,443,270	18,996,568	19,566,465	20,153,459	20,758,063	21,380,804
EXCESS (DEFICIENCY)	(1,872,131)	(3,091,282)	(4,135,916)	(4,181,004)	(4,252,629)	(4,325,949)	(4,358,938)	(4,325,933)





Focus Topics

City Clerk – Licensing Specialist Positions

- (This proposal is **not** currently included in 2023 Preliminary Budget)
- Currently, there is one part-time licensing specialist working 28 hours per week.
- Proposal would be to increase this part-time licensing specialist position to a full-time position (adding 12 hours) and adding an additional part-time licensing specialist at 15 hours per week. (Total cost: \$69,885)
- Benefits:
 - 1) It allows the City to provide additional passport appointments for an estimated increased revenue of \$50,000.
 - 2) The additional hours build capacity for licensing staff to focus on community inclusion efforts, for example: translated passport services, translated licensing materials and licensing outreach activities.
 - 3) An additional staff person allows for better coverage and more flexibility during times when staffing is limited (i.e. elections, vacations, sick leaves). Adequate coverage of the City Clerk's Office counter is critical. In addition to the 70 passport appointments currently offered per week, the City Clerk's counter has an average of 70 additional customer walk-ins a week.



Human Resources – HR Representative

(This position *is* currently included in 2023 Preliminary Budget)

- Currently, there are two full-time HR Representatives
- Workload has steadily increased over the last few years.
- Increased demand for hiring is expected to grow by 50% in 2023.
- HR has completed 137 recruitment processes that resulted in the hire of a new FT or PT employee (as of 11/14/2022)
- Total hires for all of 2021 totaled 86.
- City hired 222 new election officials and approximately 100 seasonal/interns.



Human Resources – Office Support Specialist

(This position is *not* currently included in 2023 Preliminary Budget)

- Assist with digital transformation of HR systems and processes, including:
 - HR Analytics Dashboard
 - Increased wellness initiatives
 - Employee and supervisor training
 - Employee onboarding
 - Development of pathway programs
 - Updating and using technology to improve employee orientation

