



Budget Presentation Award



GOVERNMENT FINANCE OFFICERS ASSOCIATION

Distinguished BudgetPresentation Award

PRESENTED TO

City of Bloomington Minnesota

......

For the Fiscal Year Beginning

January 1,2018

Christopher P. Morrill

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, 2018.

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.

March 15, 2019

Dear reader,

Point of view is a powerful thing. When we were getting started on the Budget Book this year, we found inspiration in the form of the photo contest the City started on social media last summer. Every person who submitted a picture highlighted something different about Bloomington. From beaches and sunsets to families and friends, so many different perspectives were represented. It was fun to see the snapshots people chose to represent their summer and their community.

Here at the City, our focus is on maintaining a strong financial foundation that sets the stage for delivering exemplary City services.

The City is proactive and deliberate about maintaining that foundation and the level of service we provide to residents and those who choose to visit or do business in Bloomington. We're on the right track, according to the most recent resident survey conducted by the City.

This is the seventh year in a row that the National Citizen Survey™ was conducted in Bloomington. The survey makes it possible for cities to compare their results with up to 500 communities nationwide. At least four out of five residents gave "excellent" or "good" ratings to the overall image to Bloomington, their neighborhood as a place to live, the city as a place to raise children and the community's overall appearance.

This document presents the City's approved 2019 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 of the 2019 budget. To determine the current levy and to consider the City's long-term financial stability, five-, 10- and 15-year budget models were used.

Find this document on our website along with more detailed financial information from the 2018 Comprehensive Annual Financial Report at blm.mn/financialreports.

Lori Economy-Scholler Chief Financial Officer

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INTRODUCTION

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City of Bloomington

City Council

Mayor



Gene Winstead
Term Expires January 2020

Council Members



Tim Busse – At Large Term Expires January 2020



Nathan Coulter – At Large Term Expires January 2022



Dwayne Lowman – District I Term Expires January 2020



Shawn Nelson – District II Term Expires January 2020



Jack Baloga – District III Term Expires January 2022



Patrick Martin – District IV Term Expires January 2022

Executive Management Team

Executive Management

James D. Verbrugge, City Manager Kris Wilson, Assistant City Manager

Community Development ------Eric Johnson, Director Community Services ------Diann Kirby, Director

Finance -----Lori Economy-Scholler, Chief Financial Officer

Fire -----Ulysses Seal, Fire Chief

Information Technology ------Amy Cheney, Chief Information Officer Legal ------Melissa Manderschied, City Attorney

Parks and Recreation ------Ann Kattreh, Director Police ------Jeff Potts, Police Chief

Public Works ------Karl Keel, Director

Mission Statement

Community Vision

To build and renew the community by providing services promoting renewal and guiding growth in an even more sustainable, fiscally sound manner.

Council's Goals and Strategies

Bloomington's vision recognizes that the City needs to grow and operate in a healthy, sustainable manner that meets the needs of today without reducing the ability of future generations to meet their own needs.

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 -

- 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.

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.

High Quality Service Delivery - 5

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

Inclusion and Equity –

- 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.

Organization Mission

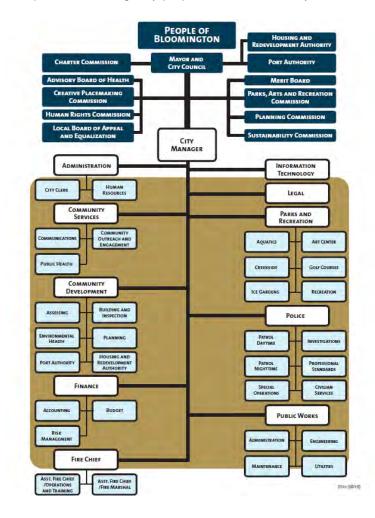
A professional, productive, learning organization that builds and renews the community by providing quality services at an affordable price.

Organization Structure and Chart

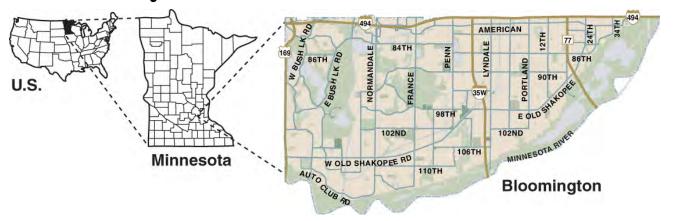
A home rule charter was adopted in November 1960. The City is a Council-Manager form of municipal government. The Council is comprised of the Mayor and six Council Members who serve four-year terms; the Mayor and two members are elected at large, the rest are elected by district. The City Manager, the 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 eight departments, each with a director 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 several divisions managed by program managers who report to the directors. Descriptions of each program, its objectives and budget are also in this document.

Cross-functional teams study, prioritize and implement projects throughout the year. For example, the Steering Committee, comprised of the City Manager and Department Directors, meets on citywide information systems, assessing and licensing policy, and operational matters. Other teams focus on issues such as neighborhood cleanup compliance, capital planning, liquor code enforcement, transportation, emergency preparedness and facility needs, among others.



Community Profile



Bloomington, the fifth largest city in Minnesota, has an expansive hospitality industry, diverse manufacturers and major retailers. The Mall of America, the largest enclosed mall in the United States, employs approximately 10,000 people. 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.

City Statistics -

Area - 38.3 sq. miles (24,540 acres)

City Bond Ratings

Aaa Moodv's

AAA Standard & Poor's

AAA Fitch

One of only 37 cities out of more than 19,500 municipal governments in the U.S. that have achieved triple-A ratings from all three agencies.

Total Jobs in Bloomington - 89,189 (2nd Quarter 2017)

Housing - Total Units - 39,808

89.4 Percent Single-Family Homes Owner Occupied

21,629 Single-family Detached Units (June Met Council number)

6,851 Single-family Attached Units

11,251 Multiple-family Units

58 Mobile Homes and Trailers

19 Commercial/Industrial Living Units

Population (United States Census Bureau) - 85,866 (Bureau of Labor Statistics)

Median Age – 42.7 (2010 Census Bureau's American Community Survey)

National Unemployment Rate – 3.8% (October, 2017)

Minnesota Unemployment Rate – 2.8% (October, 2017)

City of Bloomington Unemployment Rate - 2.1% (October, 2017)

Public Safety -

Emergency Outdoor Warning Sirens - 22

Emergency Vehicle Pre-emption Systems – 121

Fire Protection – 6 Stations

125 Volunteer, paid on call, firefighters (175 authorized positions)

Chief and 2 Assistant Chiefs, 4 Fire Inspectors/Firefighters

ISO Class 3

Police Protection - 1 Central Station, 1 Satellite Station at Mall of America

123 Sworn Officers

Educational Institutions -

Colleges -6

Academy College - 149 Students

Bethany Global University - 410 Students

National American University – 474 Students

Normandale Community College (part of Minnesota State Colleges and University System) offering Baccalaureate degree options through Metro

State University and Mankato State University – 14,993 Students

Northwestern Health Sciences University - 915 Students

Rasmussen College - 867 Students

Independent School District #271 – 10,143 Students (2016/17 Enrollment)

10 Elementary Schools - 4,425 Students

3 Middle Schools -2,425 Students

2 Senior High Schools -3,293 Students

Parochial Schools – 5 with a total enrollment of 1064 students

Elections -

56,126 Registered Voters - 2018 General Election

46,063 Ballots Cast - 2018 General Election

82.1 Percent Voting

55.821 Registered Voters – 2017 General Election

14.038 Ballots Cast - 2017 General Election

25.1 Percent Voting

Utilities -

Municipal Sewer System - Metropolitan Council Environmental Services

25,269 Connections

355 Miles of Sanitary Sewer Mains

8.0 Million Gallons Average Daily Flow

28 Sanitary Lift Stations

Municipal Water System - City of Bloomington Water Plant (6 wells) -

14 Million Gallons per Day Water Treatment Plant Capacity

413 Miles of Water Mains

Augments production by purchasing City of Minneapolis treated water up to 30 million gallons per day with 2 million gallons per day average minimum purchase required

25,303 Connections

10.1 Million Gallons Daily Average Consumption

44 Million Gallons System Capacity

4,712 Public and Private Fire Hydrants

7,220 Water Distribution Valves

Storm Sewer - 241 Miles

Sidewalks - 232 Miles on Street Right-of-Way

Streets - 342 Local Center Lane Miles

29.84 County Center Lane Miles 21.14 State Center Lane Miles

Street Lights - 4,456

Traffic Signal Installations - 144

Recreation -

925 Acres of City parks, playgrounds and playfields -

97 parks, 80 baseball/softball fields, 31 soccer fields, 7 football fields, 35 outdoor basketball courts, 53 tennis courts, 32 park buildings, 15 picnic shelters,

24.35 miles of park trails and sidewalks, 53 playgrounds

3,789 Acres of parks and open spaces -

575 acres of playlots, neighborhood parks and playfields, 1,677 acres of conservation areas and ponds, 204 acres of special use areas, and 1,331 acres of large urban parks and regional parks

1,268 acres of regional park lands owned and operated by Three-Rivers Park District

4,211 acres in the Minnesota River Valley Wildlife Refuge owned and operated by the United States Fish & Wildlife Service and the Minnesota Department of Natural Resources

163 Acres of golf courses (two courses) and ice arena (three indoor rinks)

2019 Budget Calendar

April 16 - May 30, 2018	Prepared payroll projections for 2019 and 2020. Internal Service fund charges reviewed and loaded into budget. Schedules completed for space and occupancy charges, equipment replacement, Information Systems charges, radio fees, postage, insurance, phone and audit charges.
May 31 – June 1	Budget Kickoff meetings with all departments and program managers
May 31 – June 22	Departments load requested budget into budget module in MUNIS. Budget lockout is June 22.
June 25 – July 15	Budget editing by Budget Team. Aquatics and Art Center submit budgets to determine levy required. Revenue producing programs evaluate fees.
June 25 – July 27	City Manager meets with General Fund department and budget staff to review requests. City Manager meets with other fund managers and budget staff to review requests.
August 13	Update City Council on preliminary budget work; get guidance on preliminary levy and General Fund budget. Discussion on budget and levy.
September 10	City Council adopts preliminary 2019 tax levy and General Fund budget for 2019.
September 25	Preliminary tax levy and budget certified to Hennepin County.
September, October, November	Internal Service Fund and Special Revenue Fund budgets presented to the City Council for approval.
October, November	Utility budgets due October 10. Public hearings on utility rate changes November 19. Enterprise Fund budgets presented to the City Council for approval.
December 3	Property tax levy public hearing.
December 17	Final 2019 budget and tax levy approval by City Council.
December 19	Final 2019 levy and General Fund budget certified to Hennepin County.

City Manager's Budget Message



City Council Strategic Priorities 2017 - 2020

- 1. Community image
- 2. Focused renewal
- 3. Equity and inclusion
- 4. Environmental sustainability
- 5. Community amenities
- 6. High-quality service delivery

Bloomington in Focus

The old adage is true: A picture is worth a thousand words. Seeing a snapshot of a family kicking up water at Bush Lake Beach at sunset or a kid sitting in the sun poolside eating a red Popsicle can conjure up memories and give us a peek into how people experience their community.

We kicked off a photo contest on our Facebook page last summer and quickly received a wave of resident submissions. There were beautiful landscape photos and images of people enjoying Bloomington amenities with friends and family. Seeing Bloomington—a place where I spend so much of my time—through someone else's lens reminded me just how many points of view there are to consider. All of these different perspectives tie in directly with the work I, and all City employees, do from day to day. We're working hard with the goal of providing services that meet resident and stakeholder needs.

It made me take time to think about how I see myself showing up here and how important it is to take a look at a familiar place from a new perspective. Seeing the people, places and progress in Bloomington clearly is what inspired our theme this year: Bloomington in Focus.

From providing fun recreation programs and beautiful parks to ensuring safe neighborhoods with the work of police officers and firefighters, providing high-quality services is one of the many ways City employees show up in the picture of life in Bloomington.

That is reflected in the City Council's One Bloomington strategic priorities, at left, with high-quality service delivery. Responsible fiscal management is a high-quality City service that builds the foundation for the City to run smoothly and provide effective, innovative programs and services to residents.

The City's Annual Budget for fiscal year 2019 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.

Strategic Direction

City of Bloomington employees, residents and businesses continue to work together to achieve the City's objectives in land use, housing, transportation, open space and public safety. The City's stakeholders enjoy high-quality, affordable services, a financially strong organization and productive City operations. This budget is built around these goals:

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

- Support the Environmental Sustainability Commission's work plan for energy conservation and efficiency and habitat restoration.
- Maintain and update water reports.
- Create a solid waste diversion plan.

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.

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.

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.
- Partnering with Artistry, local businesses and area artists to bring public art such as murals and sculptures to Bloomington as part of creative placemaking.
- Engaging with residents on social media through Nextdoor, Instagram,
 Facebook and Twitter.

Renewing Community

In 2018, the City collected more than \$4 million in permit fees for more than \$443 million in new development and property renovations. For 2019 \$3.7 million is budgeted. The City's budget dedicates resources to implement plans for three key growth districts to create higher density, mixed-use and transit-oriented housing, hotel and commercial development. The development district strategy also protects and enhances established single-family neighborhoods.

The following projects, most directly meeting the City's strategic renewal objective, were approved and are currently under construction:

- The Fenley, a six-story, 402-unit apartment building with 40 units affordable at 80 percent area median income (AMI).
- 108 Place Apartments, a three-story, 42-unit apartment building with all units affordable at 60 percent AMI.

- Opus Senior Apartments, a five-story, 186-unit senior independent and assisted living facility.
- Penn Place Apartments, a four-story, 43-unit apartment building with all units affordable at 60 percent AMI.
- Friendship Village expansion with 93 independent senior units and a 140-bed senior health center.
- Cambria Suites Hotel, a 164-room hotel with a restaurant, banquet space and a separate attached 7,400-square-foot restaurant.
- Holiday Inn Express, a five-story, 171-room hotel.
- Tru/Home2Suites, a four-story, dual flag 182-room hotel.
- Drury Inn, a nine-story, 214-room hotel with a 7,000-square-foot restaurant.
- Hyatt House, a four-story, 151-room extended stay hotel.
- Element by Westin, a seven-story, 144-room hotel.
- HOM Furniture Expansion, a two-story, 103,000-square-foot retail expansion.
- A new transit station at Mall of America.
- Whirleyball, a two-story, 35,700-square-foot entertainment facility and restaurant.
- RBCU—Old Shakopee, a new credit union.
- RBCU—Lyndale, a two-story, 12,700-square-foot office expansion.
- Fire Station 3, a new two-story, 29,800-square-foot fire station.

Meeting Demands for Quality City Services

Whether it's safe roads, neighborhoods or tap water, you don't have to look far to find signs of high-quality City services in Bloomington. Resident and business satisfaction with those services and the City in general remained high in 2018, according to the National Citizen Survey™.

The results show that Bloomington continues to have strong livability scores. Ninety-three percent of residents who responded to the National Citizen Survey™ said that Bloomington is an excellent or good place to live. Eight in 10 business owners rated Bloomington as an excellent or good place to do business. Ninety-four percent of residents and 86 percent of businesses would recommend Bloomington to others.

With a 90 percent approval rating, the City's drinking water ranked first among its peer cities for the fifth year in a row and 10th among all jurisdictions posted nationwide. Even with rate increases for 2019, Bloomington ranks second lowest in combined water and sewer rates of thirteen local municipalities.

Bloomington remains in the top 25 percent of benchmark communities nationwide for resident approval of the value of services for taxes paid despite a 10 percent drop from 2017 to 63 percent.

The strength of the city's economy, police and safety are critical issues respondents identified as priorities moving forward. Nine out of 10 respondents reported feeling safe in Bloomington's neighborhoods and shopping areas.

To ensure Bloomington remains an innovative community, the City Council reviews and prioritizes all property tax-supported City services annually. The most critical services, such as public safety and infrastructure, entail 70 percent of the City's total expenditures. Community safety, planning and maintenance services as well as quality of life services, such as arts and recreation programs, constitute approximately 15 percent each of homeowner's monthly City property tax dollar.

Many arts and recreation services generate significant user revenue. In addition, these services help reduce public safety costs and add to the health and well-being of all Bloomington residents. A median value home owner will pay \$10.76 in property tax per month in 2019 to support all Parks and Recreation programming and park maintenance costs in the General Fund.

The City has also continued to strengthen itself as an employer of choice for top quality candidates. The City's financial strength and long-term strategy of staffing at levels it can carry through a normal economic downturn allows the City to continue to maintain its current quality service levels.

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 32 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.

Local Outlook

Current engagement, future outlook

With visioning sessions, innovative engagement strategies and plenty of paintbrushes, a group of artists, City employees, students and residents set out to illustrate a snapshot of life in Bloomington on a wall near Wright's Lake Park. The process that took the mural from a collection of ideas to something that represents many of the diverse experiences in our city wrapped up last summer and spanned more than a year.

The Wright's Lake Park mural is more than an impressive piece of collaborative artwork. It's part of a larger neighborhood improvement project that focused extra resources for housing rehab, sidewalks and park improvements in the area.

The mural is vivid and bright. It includes elements that represent Bloomington's expansive park system with its lakes, trails and acres of green space. It shows images of students who worked on the project playing. One section features a mother carrying her child and another shows an elderly couple taking a walk. When we got started on this Creative Placemaking project, we wanted the community to take pride and see themselves in the finished piece.

That idea connects with many other projects the City took on in 2018. We are working to ensure that all community stakeholders have channels and the ability to see themselves in the process of local governance. See what else is happening in Creative Placemaking in the Special Revenue Funds section of this document.

One way we sought further engagement with residents in 2018 was holding a series of town hall forums. These were new events for the City and were meant to create more personal connections with the City Council. Councilmembers each led a forum in their district and spoke with constituents about what was going on at the City and projects on the horizon. More than 200 residents attended and were actively engaged. There are three more planned in 2019.

As an organization, we've been working on initiatives to make Bloomington an example of inclusion and equity. In 2018, all staff went through three mandatory racial equity training sessions. The training covered topics like institutional racism, the history of race in America and ways we can address implicit biases and make progress. The City has also been intentional in hiring new employees that reflect the diverse community we serve as well as working to diversify advisory commissions. With a more representative staff, boards and commissions, we take a big step forward to ensure all perspectives are considered and represented in City decision making.

One of these hiring practices is the Pathways to Policing program. In 2017, the Bloomington Police Department explored new avenues to build a more diverse staff that better reflects the growing diversity of the community. Pathways removes common barriers to nontraditional candidates. It offers law enforcement training for candidates who have at least an associate's degree, allowing them to complete training in four months rather than two years. In 2017, three new officers started with Pathways. BPD hired two officers through Pathways in 2018 and plan to recruit more in 2019.

The City also completed a service evaluation of three different work groups in the organization. The findings of this review led to the creation of a Community Outreach and Engagement Division. Staff in this new division will focus on building meaningful relationships with residents and other stakeholders in Bloomington. They'll ensure that everyone knows about and can access what the City has to offer. Another core function of the division will be to make sure all people who want a voice in their government know how to get involved.

We're also taking steps to engage our employees in new ways and increase efficiency at work. Three hundred and twenty employees have completed High Performance Organization (HPO) training and at least 80 more are scheduled to complete it in 2019. 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.

Environmental sustainability is one of the Council's six strategic priorities. The City's Sustainability Commission has made significant strides in this area in 2018. Bloomington was recognized as a GreenStep City last year and received SolSmart Gold designation recognizing the City's overall sustainable practices and ease of solar panel installation respectively.

We also launched a new organics recycling program in 2018 with two drop-off sites open from dawn until dusk. More than 750 residents signed up for the program. The items recycled are converted into nutrient-rich compost and used in development and road construction projects. The Commission and Xcel Energy have also worked together on a Partners in Energy committee that started a series of business energy tours. The tours gave insight into energy efficiency operations at places like IKEA, Donaldson and Quality Bicycle Products. Event organizers aimed to connect Bloomington businesspeople and provide examples of workable ways to save energy in the office. The Commission was granted \$160,000 in 2019 to continue work on energy efficiency and conservation in City facilities, residences and businesses and electric vehicle charging stations.

One of Bloomington's most used natural areas is Normandale Lake. Visitors to the area have often complained of the smell and the amount of algae and weeds in the water. In an effort to improve water quality, the City and the Nine Mile Creek Watershed District drained the lake in 2018. The goal is to reduce invasive curly-leaf pondweed by freezing the seeds over the winter and reducing algal bloom by applying an alum treatment in the exposed lake bottom in the spring.

The City has also made significant strides in the community amenities priority of the One Bloomington plan. Parks and Recreation completed several park improvement projects last year in Westwood, Sunrise and Valley View Parks. \$483,000 is budgeted in 2019 to continue making improvements to neighborhood parks. Bloomington Ice Garden will also undergo arena renovations in 2019, including improvements to the entry and locker rooms making the facility more safe and appealing.

City staff and representatives from the community center task force have been working to determine the details of a potential new community center including location, partners, funding, staffing and programming. Construction is scheduled to start in 2021 with completion in 2022.

In the area of focused renewal, the City has a neighborhood initiative program that focuses City and Housing and Redevelopment resources in a specific area of Bloomington. The focus neighborhoods in 2017 and 2018 were south of American Boulevard, west of Old Cedar Avenue, north of 90th Street and east of Pleasant Avenue. The initiative provides resources for housing rehab, sidewalks and park improvements and loans for curb appeal enhancements. The City also has additional loan programs available citywide for home and exterior improvements. \$715,000 was set aside for these initiatives in 2018 with a similar amount planned for 2019. The HRA's new focus neighborhood for 2019 is south of American Boulevard west of Pleasant Avenue and east of I-35W.

I-35W had some renewal of its own in 2018. Crews started construction on the replacement of the bridge over I-35W at 106th Street last summer. This project is scheduled to wrap up in 2021. Other major roadways in Bloomington were also improved. The new westbound entrance ramp on East Bush Lake Road and I-494 opened in the fall. The interchange has been without a westbound on-ramp since its construction in 1960. The new ramp will relieve traffic problems in the area and assist in more efficient operation of the already congested interchange at TH 100/I-494.

The City also secured more than \$200 million from the Minnesota Department of Transportation Corridors of Commerce program to finish long-needed work on the I-35W and I-494 interchange. Improvements at the interchange will clear up congestion and are scheduled to begin in 2021. Additional Engineering time is budgeted in 2019 to "ramp" up for this project.

Bloomington Housing Market

The value of the median home rose from \$246,400 to \$256,900, a 4.3 percent increase. In the past 20 years, the median home value has increased an average of 5.9 percent annually. This is despite six years in a row of declining value that started in 2008 following the last recession. The 2019 median value of \$256,900 has now surpassed the previous highpoint of \$247,900 set in 2007. A strong development cycle continues for hotel and multifamily properties. In 2019, the City expects continued tax base growth, with greatest inflationary strength coming from the residential and multifamily sectors.

Key Budget Opportunities

The 2019 Budget analysis of key organizational budget opportunities is as follows:

Health Insurance

The City's Insured Benefits Fund is modeled out 10 years. Funding accrues in this fund when rate increases are low and is used to help fund charges to departments when rate increases spike. The City is required to go out for bids for health insurance coverage every five years. The City last went out for bids in 2016 for 2017 premiums. A rate increase of ten percent was imposed for 2018. Along

with the rate increase came the imposition of certain taxes through the Affordable Care Act (ACA) which pushed the increase to a little less than 12 percent. The premium increase for 2019 is 10 percent. The City will go out for bids on health insurance coverage again in 2019 for 2020 rates. There are new companies in the Minnesota marketplace so the City will work to ensure we are getting the best value for taxpayer dollars.

Pavement Management Program

The Pavement Management Program was established in 1992 and has been used to maximize efficiency in street repair and replacement of the City's roadways ever since. In 2016, the City expanded the program with the collection of franchise fees. With the expansion of franchise fees, existing trails are maintained and street overlay maintenance is fully funded. Bloomington residents will pay \$7.50 per household per month on their utility bills in franchise fees. Eighty-six percent of Hennepin County taxpayers pay franchise fees. After needs are identified, funding is provided through State aids, assessments, the City's annual levy and franchise fees for PMP projects.

Staff Changes

Many key positions were filled in 2018. The City hired a new Community Development Director, City Engineer, Human Resources Manager and a Golf Course Manager. Five new positions are in the budget for 2019. The City has hired/will hire a grant-funded DWI Enforcement Police Officer, a mental health caseworker in the Police Department, a Sustainability Coordinator, a Civil Engineer for work on Interstate 494 and an IT Supervisor. With the reorganization of the Human Services Division, and the addition of a Parks and Recreation Department, the Human Services Manager, the Creekside Community Center Coordinator and the Parks and Recreation Manager were replaced with an Outreach and Engagement Manager, Creekside Manager and Parks and Recreation Director. Five information technology staff previously assigned to the Public Works Department are now covered with the rest of the IT staff in the IT Department.

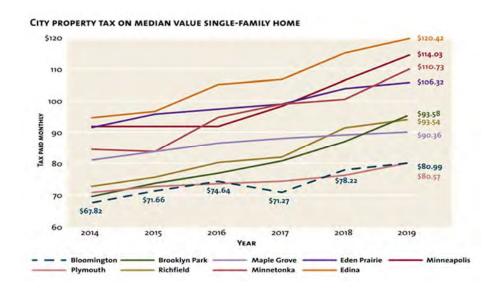
Council 2019 Budget Policy Decision

In September, the City Council approved a preliminary levy of \$62,194,421 for 2019, a 6.5 percent increase from 2018. It also approved a preliminary general operating fund budget of \$74,972,475, a 3.3 percent increase from the 2018 budget. The City Council adopted a reduced property tax levy of \$61,756,432, an increase of 5.75 percent. The general operating fund budget increased 3.76 percent from 2018.

In Minnesota, local governments set a total property tax dollar amount instead of a tax rate as is done in some other states. Following state law, this is prorated to each property based on the property's value. With this property tax levy, the City's share of 2019 total residential property taxes is 30 cents out of every tax dollar paid. The remaining amount goes to the county, school district and other taxing districts. Prorated 2017 home sales reflected the increase in value and are the basis for the 2018 assessment for taxes payable in 2019.

General Fund Support through Property Tax

In 2019, the tax-supported cost of City services for owners of median-valued homes of \$256,900 will be \$80.99 per month. The total cost of services for a median-valued home, which includes property taxes, franchise fees, water and sewer and solid waste, is \$135.90. This cost remains lower than 11 of 12 neighboring peer communities in the Twin Cities.



The City used multiyear modeling to track revenue and expenditures to predict upcoming trends for 2018. City staff also uses a 10-year planning model that considers both the short-term and future needs of the community to recommend a preliminary levy. The City continues to be cost effective in providing quality services that meet public demand. In a 2018 resident survey, 63 percent of respondents thought that the value of City services for taxes paid was excellent or good.

The increase in monthly cost from 2018 is driven in part by health insurance costs, mandated PERA contributions for police and fire employees and MNLARS impact on Motor Vehicle licensing—all factors outside the City's control. Since 1999, the City's annual base property tax levy increase has averaged 4.07 percent on existing properties.



Conclusion

As one of only 37 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 budget for fiscal year 2019 will maintain the City's strong financial foundation and continue to move the City toward its long-term goals. One of these goals is focusing on the people, places and progress in our community. By looking at Bloomington from a new point of view, we can discover new ideas and ways to serve residents, businesses and stakeholders even better.

BUDGET OVERVIEW

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2019 Budget Summary – All Funds (except Capital Funds)

REVENUES				
	2017 Actual	2018 Budget	2018 Estimate	2019 Budget
Property Taxes				-
General Fund	\$46,764,991	\$48,815,256	\$48,666,170	\$50,898,546
Debt Service	4,077,765	4,136,391	4,060,246	4,776,430
Other Funds	2,854,795	3,489,325	3,489,325	4,157,606
Other Taxes	9,393,619	8,800,463	10,470,315	9,180,583
Special Assessments	3,038,657	3,429,811	3,068,532	3,793,625
Permit/Licenses	5,658,372	5,667,070	6,925,737	6,087,752
Fines	1,243,454	1,000,000	885,262	910,000
Intergovernmental	5,045,820	4,471,085	5,026,919	4,727,564
Program Income	45,813,963	48,011,302	48,463,843	50,005,621
Interest	1,055,369	555,579	2,392,032	831,782
Cable Franchise	1,496,364	1,538,000	1,417,042	1,458,000
Other Revenue	11,211,127	18,218,277	26,805,498	16,241,238
Utility Fees	37,015,284	40,840,056	38,321,471	43,400,701
Subtotal	\$174,669,580	\$188,972,615	\$199,992,392	\$196,469,448

2019 Does not include tax abatement levy of \$950,000 or Strategic Priorities levy of \$500,000.

2018 Does not include tax abatement levy of \$996,907 or Strategic Priorities levy of \$535,037

2017 Does not include tax abatement levy of \$936,328 or Strategic Priorities levy of \$295,000.

EXPENDITURES

	2017 Actual	2018 Budget	2018 Estimate	2019 Budget
Staffing				
Salaries and Wages	\$ 49,872,705	\$ 52,985,544	\$ 52,672,539	\$ 54,727,606
Benefits	20,317,611	21,400,193	21,662,716	21,396,644
Operating Expenses				
Professional/Technical Services	3,196,454	4,032,326	3,592,541	3,652,316
Utilities/Maintenance	24,719,228	28,068,102	26,894,650	29,084,065
Operations	11,277,240	12,669,244	12,153,634	14,073,200
City Support Services	31,165,033	33,192,459	33,216,079	33,914,440
Materials/Supplies	10,709,147	12,664,915	13,238,760	11,932,609
Capital Outlay	9,731,030	21,534,599	16,764,565	27,870,240
Debt Service	10,595,463	14,714,976	14,780,203	11,107,831
Transfer Out	(2,541,305)	(3,180,814)	(506,291)	(3,144,449)
Estimated Unexpended		(1,941,326)		(1,769,937)
	\$169,042,606	\$196,140,218	\$194,469,396	\$202,844,565

2019 Budget Summary – All Funds

As noted in other sections of this document, the budget is a blueprint for City services and plans for fiscal year 2019.

The purpose of the budget is to communicate the financial plans of the City and its allocation of resources. This document expresses priorities, goals, plans and targets. The budget is an implementation plan to achieve the City's goals and objectives.

Two-Year Budget

Budgets are adopted for the General Fund, Special Revenue Funds, Enterprise Funds and Internal Service Funds. The City of Bloomington has a two-year budget cycle. The 2019 Budget and related property tax levies were approved by the City Council and certified to Hennepin County in December, 2018. The 2020 Budget and related levies were approved in concept by the City Council at that time. During 2019, the conceptual 2020 Budget will be reviewed and refined, where necessary, before adoption by the City Council and certification to the County in December, 2019.

Adopted 2019 Budget

The 2019 Budget Summary schedule is shown on page 29. The budgeted revenues, including transfers in, for all funds total \$196,469,448. Appropriations for all funds total \$202,005,216. The \$5,535,768 differential comes from existing fund balances or retained earnings used for planned capital expenditures and to bring balances in line with fund goals, as appropriate.

The General Fund is balanced, with revenues equaling expenditures. The expenditure budget includes a contingency of \$1,879,284, 2.5 percent of the proposed budgeted expenditures as required by the City's Charter, which is available for emergencies or unanticipated costs or opportunities.

The Special Revenue Funds' revenue budget of \$6,607,538 is \$1,131,902 more than budgeted expenditures of \$5,475,636. Most of this is due to levying \$1,050,000 to build up a reserve to cover pension obligations for volunteer firefighters in future years.

The Enterprise Funds' budgets with revenues of \$55,235,709 and expenses of \$59,133,779 result in a net decrease to fund balance of \$3,898,070. Most of the decrease is due to a major storm water project for flood control.

The \$1,385,379 decrease in the Internal Service Funds results from revenues of \$51,569,055, less than expenses of \$52,954,434. Most of this difference is due to an increased investment in equipment and facilities and a transfer out of the Self-Insurance Fund. Most of these funds use a 10-year or 15-year model to manage fee increases and predict the health of each fund.

Revenues

Excluding Internal Service Funds and Capital Project Funds, the largest sources of revenue are described below. The largest five categories account for 87 percent of the revenue budget.

Property Taxes - The largest source of revenue is property taxes of \$59,832,582 comprising 41 percent of total City revenues. Property taxes are levied for several different City purposes. The largest portion of property tax is used in the General Fund to support general taxpayer services such as public safety, community planning, street maintenance, fire response and park and recreation programs. Property taxes are also levied to pay debt service and tax abatement and to support recreational facilities, the Fire Pension Fund, expanded Briefing publication, Motor Vehicle Licensing services, forestry, sustainability and community strategic priorities initiatives supported by the City Council.

The City Council sets a total dollar levy. State law dictates the distribution over the tax base by property value. For 2019 this levy is allocated across the tax base according to market values set at the beginning of 2018 from sales data gathered from October 2016 to September 2017 and property classification rates. This process is set out in State Statute.

Utility Fees - Utility fees for water, sewer, storm water and solid waste account for \$43,400,701 of the City's revenues or 30 percent. Fees are charged for purchase of water and sewer service, storm water management and the City-wide recycling and solid waste programs. Rates are determined by calculating the amount of funding needed to cover operations and future capital costs less any other operating revenue, grants or intergovernmental funds predicted to be received by each utility operation. Tier One and Tier Two water rates were increased by 9.0 percent for 2019 with a cap for Tier One water rates of 6,000 gallons per month. Utility funds are modeled out 15 year to keep rates in line with operating and capital needs.

This is the sixth year of state-mandated conservation fees in the Water and Wastewater funds which lowers rates for low volume users and raises them for higher volume users. Most of the increase in water rates for 2019 is to fine tune the rates to match the cost of operation. This is still a work in progress, but the more data collected over time the better we can match revenues and expenditures. Changing to conservation rates shifted residential wastewater rates from a set rate to a volume rate based on winter usage with an established minimum. Wastewater rates increase by 4.0 percent in 2019 to prepare for future increases by the Metropolitan Council Environmental Services (MCES) which treats the City's wastewater and increased capital costs to replace worn out infrastructure.

Program Income – Program income for all budgeted funds except Internal Service Funds is \$7,399,796, or five percent of revenue. Program income includes funds received from fee-supported services such as green fees, pool admissions, sport team fees, and health examination fees. Fees are reviewed every year and usually increased to match the cost of service provision annually. The City Council reviewed justification for these increases which, in most cases, was to catch up to the cost of providing the service.

Lodging and Admission Taxes – These taxes account for \$9,180,583 of City revenues, or six percent. Lodging taxes of seven percent are collected from the sale of hotel and motel lodging accommodations and related services of which three percent goes to the City General Fund, two percent to the Port Authority and two percent to the Bloomington Visitors and Convention Bureau. An admissions tax of three percent is collected on every entertainment event in the City including theater tickets and cover charges at entertainment venues.

Other Revenue/Transfers/Interest – This revenue of \$7,671,308 includes cell tower rentals, donations, refunds, bond proceeds, interest and operating transfers from other funds and accounts for five percent of revenue. A major contributor to this type of revenue is the City's Port Authority which collects liquor and lodging

fees in the area around the Mall of America and transfers in funding to reimburse the City for things such as infrastructure projects and police operations. In 2018 a \$9.67 million bond issue for a storm water project also contributes to this total.

Permits and License Fees – Permits and license fees of \$6,087,752 account for four percent of total revenues. Permits are required for most construction projects and major remodeling projects. Licenses are required for certain businesses such as taxi cabs and locations selling liquor or beer and for cats and dogs in the City.

Intergovernmental Revenue – Intergovernmental revenue of \$4,702,564 includes state aid for Police and Fire retirement and grants for health and public safety programs.

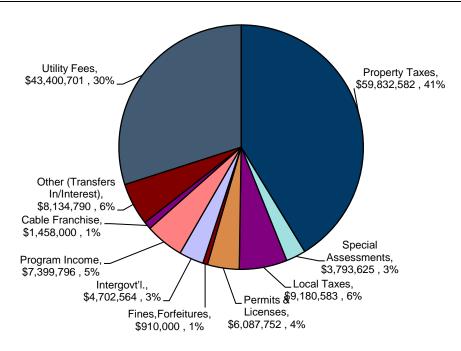
Special Assessments – These funds are collections from specific projects that require a payment from the affected taxpayer, such as street reconstruction, which is charged 25% to the homeowner on that street. This revenue is budgeted in 2019 at \$3,793,625, three percent of total revenue.

Fines, Forfeitures, Penalties – These funds are the City's share of police patrol traffic citations and other funding coming from the court system. The 2019 budget for this revenue of \$910,000 is one percent of total revenue.

Cable Franchise Fee – This funding is paid by the cable television franchise participants in the City of Bloomington based on gross receipts of Cable TV services (but no fee on internet service over same cable network). The budget of \$1,458,000 is one percent of total revenue.

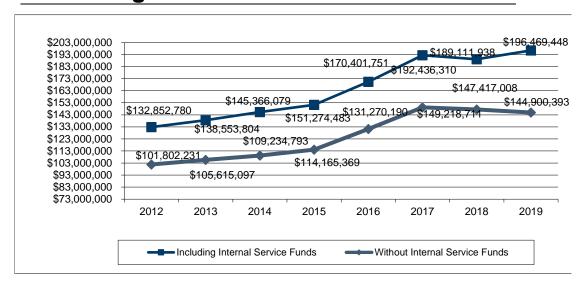
2019 Budgeted Revenues

All Budgeted Funds (Except Capital and Internal Service Funds)

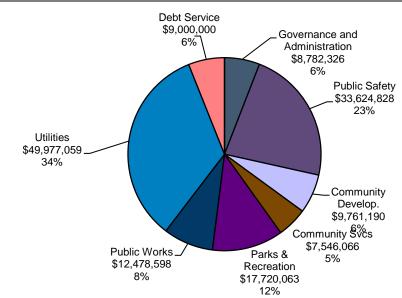


Total budgeted revenues for all funds equal \$196,469,448. Excluding internal service funds and capital projects, total revenues equal \$144,900,393 as shown in the chart by major source.

Total Budgeted Revenues

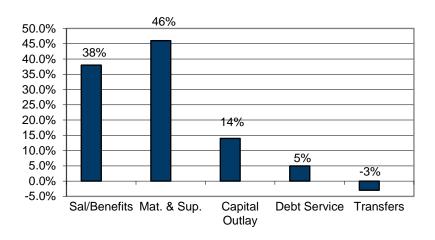


2019 Budgeted Appropriations



Total appropriations for all funds except capital projects equal \$201,844,565. Not including Internal Service Funds, total appropriations equal \$148,890,131. Major programs and funds, excluding Internal Service funds, are shown in the graph above.

All Funds – Appropriations by Categories



The City's expenditures are budgeted in five major spending categories: salaries and benefits, materials and supplies, capital, debt service and transfers. This chart shows the breakdown of expenditures by spending category for all funds. For the General Fund alone, Salaries and Benefits are 68 percent of the budget and Materials and Supplies are 40 percent of the budget before the Estimated Unspent amount is credited.

Tax Base

Market values used to calculate 2019 taxes increased by 5.2 percent from 2018. Market values are not used directly to calculate tax. Market values and state mandated classification rates are used only to distribute the dollar amount of levy requested.

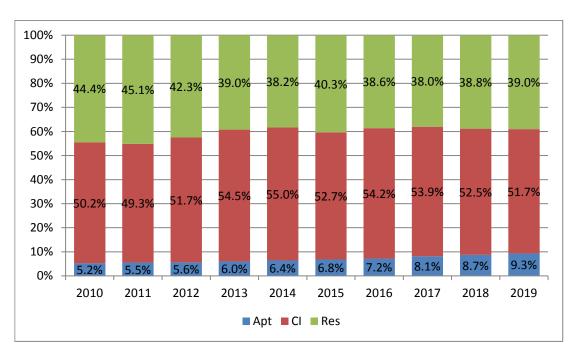
Tax capacity for the City increased by 5.1 percent from 2018 with residential tax capacity increasing by 5.6 percent, apartment tax capacity increasing by 13.0 percent and commercial and industrial tax capacity increasing by 3.6 percent.

The proportional share of tax burden borne by various property types is constantly changing based on relative changes in market value for each class of property.

Tax Capacity (\$ in billions)



Total market value showed declines from 2009 to tax payable year 2014 dropping from \$11.8 billion to \$9.9 billion. For 2019 value increased to \$13.5 billion. Market values are determined according to State statute. Property sales from October 2016 through September 2017 were used as the basis for valuation statements which were issued in early 2018 for property taxes paid in 2019. This process is set out in State statute.



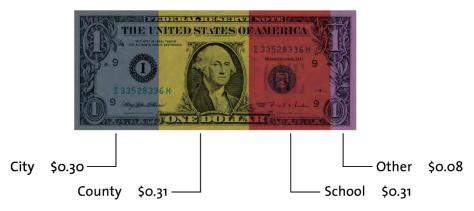
The City of Bloomington is fortunate to have a relatively large commercial and industrial (CI) tax base which illustrates its very competitive business climate. A healthy mixture of residential and commercial property helps to protect the local economy from shifts in tax base the way a well-diversified portfolio protects an investor from market fluctuations.

Taxes Payable 2019

This graphic illustrates the total tax for a residential property as shared by the taxing jurisdictions. Only 30 percent of the total tax is levied for City activities.

Residential

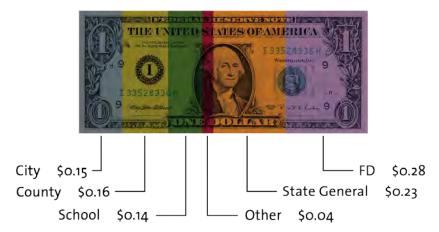
Dividing up the tax dollar (payable 2019)



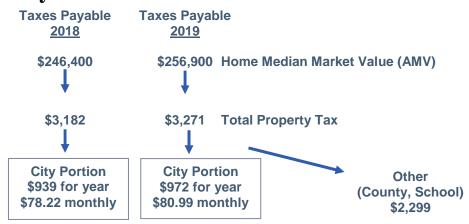
This graphic illustrates the total tax for a commercial property. For every total tax dollar, 15 cents comes to the City.

Commercial/Industrial

Dividing up the tax dollar (payable 2019)



City Services



The City's levy is allocated against the tax base along with the levies for the school district, county and other local governments. A median value home in Bloomington pays on an assessed market value determined in 2018 of \$256,900. Homestead properties receive favorable tax treatment with a value exclusion applied before the tax levy is apportioned.

Total taxes of \$3,271 are shared by local governmental agencies based on each taxing district's adopted levy.

The City's share of property taxes of \$972 annually equals \$80.99 per month on a median value home in Bloomington.

City Allocation of Property Tax Resource

The net tax cost by service expenditure amount was calculated by crediting related revenues against the appropriate expenditures and allocating the local taxes against the remaining balances. Net monthly property tax costs for budgeted years 2017, 2018 and 2019 are as follows:

City Service	<u>2017</u>	<u>2018</u>	<u>2019</u>
Police	\$23.66	\$25.23	\$27.50
Public Works	14.33	14.84	14.46
Community Services	2.23	2.60	2.69
Parks and Recreation	13.17	14.97	14.80
Debt and Capital	7.39	8.13	8.76
Fire	6.52	7.74	7.90
Strategic Priorities	0.43	0.79	0.76
Motor Vehicle	0.00	0.00	0.19
Community Develop.	3.44	<u>3.96</u>	3.93
	\$71.17	\$78.26	\$80.99

City Council Established General Fund Service Priorities

The City Council prioritized the tax supported programs of the City as shown below. The cost shown is the net property tax cost to the median value single family home totalling \$80.99 per month.

Tier I services, the highest priority, include mostly public safety and City infrastructure programs. Tier II includes mostly community safety, planning, prevention and maintenance programs. Tier III is generally made up of quality of life programs.

	TIER I PUBLIC SAFETY AND INFRASTRUCTURE		TIER II COMMUNITY SAFETY, PLANNING, PREVENTION AND MAINTENANCE		:
Police Patrol (including EMS)	\$20.83	Engineering	\$ 3.23	General Recreation	\$ 3.30
Street Maintenance	7.09	Environmental Health	2.09	Public Health	1.31
Police Investigation	5.53	Community Planning	1.83	Aquatics	1.81
Capital/Debt	8.76	Emergency Preparedness	0.16	Cultural & Special Events	0.77
Fire Suppression	5.18	Crime Prevention	1.03	Center for Arts	1.22
Bomb Squad	0.09	Parks Maintenance	5.36	Strategic Priorities	0.76
Fire Pension	<u>1.61</u>	Community Outreach & Engagement	1.38	Golf	0.46
		Street and Traffic Lights	3.61	Artistry	<u>0.31</u>
		Creekside	1.33		
		Fire Marshall/Fire Prevention	0.99		
Total	<u>\$49.09</u>		<u>\$ 21.01</u>		<u>\$9.94</u>
Note: unranked levy components include: Motor Vehicle	\$0.19	Communications	<u>\$0.23</u>	Forestry/Sustainability	<u>\$0.53</u>

City Service and Community Investment and Renewal Costs

Taxes are allocated to taxpayers based on property value. However, the cost of most City services is often independent of the value of the property receiving the service.

- Police and Fire send the same emergency response and provide the same prevention service regardless of whether the property is a one-story ranch style or a three-story walkout.
- Public Works provides the same level of snow removal, street maintenance and street repair to a home valued at \$200,000 on an 80-foot lot as to a home valued at \$500,000 on an 80-foot lot.
- Parks Maintenance and Parks and Recreation programming are a function of the people who use the services, not the value of the property on which these people live.

Another factor related to City cost is community renewal and infrastructure replacement. Bloomington is an older community and older communities have larger renewal and infrastructure replacement costs than their faster growing suburban neighbors.

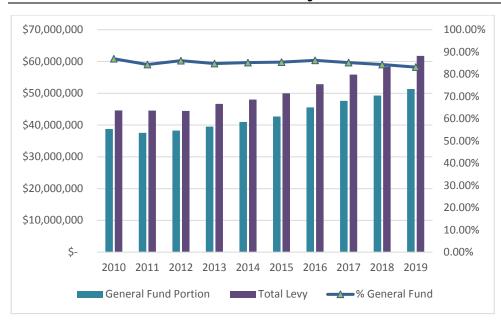
Levy Components

The dollars levied in 2019 by levy category as compared to the 2018 levy are illustrated in the following table:

		Curre	ent % Increase (Decrease)
<u>Fund</u>	<u>2018</u>	<u>2019</u>	Over 2018
General	\$49,275,894	\$51,372,396	4.25%
Debt Service	4,136,391	4,776,430	15.47
Tax Abatement	996,907	950,000	(4.71)
Communications	0	150,000	
Motor Vehicle Licensin	ng 0	125,000	
Forestry/Sustainability	0	348,000	
Recreation Facilities	2,489,325	2,484,606	(0.19)
Fire Pension	1,000,000	1,050,000	5.00
Strategic Priorities	500,000	500,000	0.00
Total	<u>\$58,398,517</u>	\$61,756,432	5.75%

The City's general fund levy increased from 2018 to 2019 by 4.25 percent or \$2,096,502. The 2019 General Fund budget includes a 3.76 percent increase from 2018.

General Fund Portion of Levy



The average increase in the gross levy over the past fifteen years is 4.05 percent; the past ten years is 3.63 percent; and the past five years is 5.15 percent.

Changes in Fund Balance

Fund balance is defined as the difference between a fund's assets and liabilities. Adequate fund balance is necessary to have funds for emergency or unexpected events, to enhance the City's financial position and bond ratings, to provide cash for operations prior to receipt of tax revenues and to maximize investment earnings.

Fund Name	Est. YE 2018 Fund Balance	2019 Revenues	2019 Expenditures	Ending Balance	% Change
Health Special Revenue	\$ 187,797	\$1,042,431	\$1,075,673	\$154,555	(17.7%)
Police Special Revenue	3,767,081	2,732,254	1,456,587	5,042,748	33.9%
Communications	341,203	1,993,876	2,022,668	312,411	(8.4%)
South Loop Development	99,594	100,150	70,277	129,467	30.0%
Park Grants	21,450	94,373	217,100	(101,277)	(572.2%)
Placemaking	290,351	430,274	430,000	290,625	0.1%
Cemetery	526,796	214,180	203,331	537,645	2.1%
Water	38,844,033	15,814,755	15,340,259	39,318,529	1.22%
Wastewater	16,516,802	14,343,668	13,529,136	17,331,334	4.93%
Storm Water	44,568,495	6,900,591	11,878,109	39,590,977	(11.2%)
Solid Waste	1,817,263	8,935,779	9,229,555	1,523,487	(16.2%)
Golf	45,517	2,010,462	2,018,346	37,633	(17.3%)
Ice Garden	604,625	3,058,540	3,000,648	662,517	9.6%
Art Center	578,925	1,191,489	1,247,492	522,922	(9.7%)
Aquatics	193,956	1,550,408	1,478,097	266,267	37.3%
Police Contractual	0	615,000	615,000	0	0.0%
Motor Vehicle	159,342	815,017	797,137	177,222	11.2%
Information Technology	2,496,394	5,858,693	5,852,091	2,502,996	0.3%
Fleet Maintenance	14,313,846	8,216,049	8,942,469	13,587,426	(5.1%)
Support Services	160,319	549,047	563,185	146,181	(8.8%)
Public Safety Radio	604,630	807,174	487,061	924,743	52.9%
Self-Insurance	4,446,662	2,296,924	2,709,042	4,034,544	(9.3%)
Employee Benefits	2,041,210	11,711,932	11,945,068	1,808,074	(11.4%)
Accrued Benefits	(1,737,236)	2,083,303	1,890,136	(1,544,069)	(11.1%)
Facilities & Parks	47,967,753	20,045,933	20,565,382	47,448,304	(1.1%)
General Fund	30,732,723	75,280,716	75,280,716	30,732,723	0.0%

Explanation of Changes in Fund Balance Greater Than 10%

<u>Health Special Revenue</u> – Public Health is drawing down the balance of reimbursement grants.

Police Special Revenue - There is a \$1,050,000 levy and a transfer in of \$750,000 to build up reserves in the Fire Pension Fund.

South Loop Development – Permit revenue is expected to exceed staff salaries and consultant activities for 2019.

Park Grants - There was a grant in 2018 which was more than expenses incurred. That revenue will be carried over to fund expenses in 2019.

Storm Water – A large, multi-year project was financed in 2018 with a bond issue. Expenses greater than the 2019 revenue will come from the remainder of that bond issue.

<u>Solid Waste</u> – This fund is using a portion of fund balance to replace ash trees in a planned response to the Emerald Ash Borer, and to help pay for the Curbside Cleanup Program in the spring.

<u>Golf</u> – The golf courses are undergoing several changes under the new Golf Course Manager including adding punch cards, closing the clubhouse grill during the winter and enhancing the playability of the courses. During this time they are drawing a small amount from fund balance to see how these shifts affect revenue and expenditures.

Aquatics – A realignment of tax support to the recreational facilities resulted in more revenue for the Aquatics programs.

<u>Motor Vehicle</u> – Property tax support has been added to this fund to cover revenue from customer transactions lost in the migration to a new state-wide computer system that has been plaqued with problems.

<u>Public Safety Radio</u> – Fees to this internal service fund remain steady, but there are no planned purchases of portable, mobile or mobile data computers for 2019.

Employee Benefits - Fund balance is drawn down to smooth out a large rate increase in health insurance premiums.

Accrued Benefits - Expenses to pay retirees and others leaving for other opportunities were more than the expected payouts.

Working Capital Balances (Current assets less current liabilities)

Fund Name	Basis	Justification	Formula (if any)	Current Recommended Balance	Estimated 12/31/18 Working Capital	Estimated 12/31/19 Working Capital
General Fund	35-40% of General Fund expenditures or revenues for the following year.	Cash flow – 1 st half of property taxes are not received until June.	\$75,280,716 x 40%	\$30,112,286	\$32,302,877	\$32,302,877
Public Health Funds State Incentive Grant	Operates on a reimbursement basis – funds must be expended to receive grant revenue. At year-end current assets equal current liabilities. No working capital.	Generally Accepted Accounting Principles		\$0	\$120,019	\$86,777
Police Special Revenue Funds	DWI Forfeiture	Emergencies/Squad Car Cameras	Lump Sum	\$88,000	\$358,276	\$365,839
	Enhanced 911	Emergency repairs, future replacement	Lump Sum	\$40,000	\$83,133	\$70,084
	Drug Forfeitures			\$0	\$653,173	\$594,173
	Police Grants			\$0	\$(16,509)	\$(16,509)
	Fire Pension	Next year obligation	Lump Sum	<u>\$2,000,000</u> \$2,128,000	\$2,669,802 \$3,747,875	\$3,966,500 \$4,980,087
Communications	Possible change in regulated services source of funds; a reserve kept to allow budget amendment if necessary.	Cash flow – Franchise fee is distributed quarterly and is subject to significant fluctuations. To avoid borrowing, a substantial balance is needed Capital replacement	3 month cash flow	\$365,000	\$284,332	\$255,540
				<u>\$139,000</u>		
	Lump Sum			\$504,000		
South Loop	Permit surcharges are collected to fund studies that take place prior to project approval. No working capital	Saving for next Alternative Urban Area-Wide review (AUAR)		\$200,000	\$80,052	\$109,925

Fund Name	Basis	Justification	Formula (if any)	Current Recommended Balance	Estimated 12/31/18 Working Capital	Estimated 12/31/19 Working Capital
Park Grants	Track grants for regional park maintenance from State of Minnesota via Met Council	Approximately two times annual grant amount for repairs or replacements	Lump Sum	\$125,000	\$271,301	\$148,574
Creative Placemaking	Funding for unexpected opportunities		Lump Sum	\$50,000	\$27,391	\$27,665
Cemetery	Accumulate funds for future real estate purchase and capital projects	To be prepared for a lot purchase and capital improvements	Perpetual Care Capital Land Purchase	\$325,000 \$75,000 \$150,000	\$559,926	\$570,775
Water Utility	Two months of customer revenue	Cash flow	\$14,784,000 x 2/12	\$2,464,000 +		
	Lump Sum	Emergency repairs		\$500,000		
	System replacement	Reinvestment for Asset Management		\$600,000 +		
	Long-term capital needs	Lump Sum		\$3,500,000 \$7,064,000	\$4,038,888	\$4,496,180
Wastewater Utility	Two months of customer revenue	Cash flow	\$13,566,000 x 2/12	\$2,261,000 +		
	Lump Sum	Emergency repairs		\$500,000		
	Long-term capital needs	Reinvestment for Asset Management Lump Sum		+ \$5,633,000 \$8,394,000	\$4,958,145	\$5,755,965
Storm Water Utility	Two months of customer revenue	Cash flow	\$6,480,000 x 2/12	\$1,080,000 +		
	Lump Sum	Emergency repairs		\$1,000,000		
	Lump Sum	Long-term capital needs: PMP & Maintenance projects		+ \$2,245,554 +		
	Lump Sum	Storm water system upgrades NPDES requirements		\$3,295,537		
		Точаноглоню		\$7,621,091	\$14,052,846	\$9,067,463
Solid Waste Management	60% of the Neighborhood Clean-up Program cost	Funding from Hennepin County may be substantially reduced or eliminated.	\$1,040,000 x 60%	\$624,000		

Fund Name	Basis	Justification	Formula (if any)	Current Recommended Balance	Estimated 12/31/18 Working Capital	Estimated 12/31/19 Working Capital
Solid Waste Management (continued)	Reserve for tree disposal, storm clean-up and hazardous waste			\$295,850		
	One month garbage	Billing expense		\$429,167		
	Tree Replacement	\$800 Per Tree + take down	\$0	\$350,000		
	40% remaining budgeted operating expenses	Reserve for cash flow to draw from rather than raise rates if funding is	\$735,000 x 40%	<u>\$294,000</u>		
	- 1	cut.		\$1,993,017	\$2,198,777	\$1,905,000
Motor Vehicle	3 months of budgeted operating expenses	Operating expenses cash flow	\$797,000 x 3/12	\$199,000	\$175,275	\$193,155
Information Systems	1 month user charges	Cash Flow Equipment	\$4,002,000 x 1/12	\$333,000 +		
	Lump Sum	replacement (major components)		<u>\$559,572</u> \$892,572	\$1,670,816	\$1,677,418
Support Services	1 Month user fees	Cash flow		\$56,100	\$123,658	\$109,520
	Capital	Upcoming purchase		<u>\$17,857</u> \$73,957		
Accrued Compensation Fund	Enough assets to offset liability	Generally Accepted Accounting Principles		\$0	(\$1,633,047)	(\$1,439,881)
Self-Insurance Fund	Amount cited in Actuarial Report as minimum to cover losses	Guard against significant impact of large claims		\$1,772,000	\$3,806,407	\$3,399,605
Insured Benefits Fund	One Month's Premiums	Operating Expenses – multi- year modeling need	\$11,945,000 ÷ 12	\$995,422		
	Reserve for Premium Increases	, , ,		\$1,000,000 \$1,995,422	\$2,086,023	\$1,852,887
Radio Fund	One month operating revenue	Cash flow – multi- year modeling need	\$556,000 ÷ 12	\$46,000 +		
	Lump sum	To purchase MDT's/Radios		<u>\$300,000</u>		
				\$346,000	\$124,914	\$445,027

Fund Name	Basis	Justification	Formula (if any)	Current Recommended Balance	Estimated 12/31/18 Working Capital	Estimated 12/31/19 Working Capital
Equipment	Operations & Maintenance One month of charges	Cash flow for operations and inventory replacement	\$4,227,000 / 12	\$352,000 +	\$1,948,677	\$1,180,861
	Lump Sum	Fuel contingency		200,000		
	Replacement – One year of charges	Flexibility to reduce charges in economic downturn		\$2,818,000 +	\$2,566,731	\$3,059,833
	Fire Equipment Replacement — 2 years of charges to Fire Dept. for replacement	Build funds for replacement	\$600,000 x 2	\$1,200,000 +	\$1,373,245	\$1,092,888
	Small Fire Equipment	Build funds for replacement	Next year's purchases	\$300,640	\$60,059	\$75,700
	Small Police Equipment	Build funds for replacement	Next year's purchases	<u>\$45,841</u> \$4,916,481	<u>\$44,059</u> \$5,992,771	\$37,070 \$5,446,352
Recreational Facilities Funds	Aquatics facilities	Operations		\$205,650 +	\$191,669	\$263,980
	Ice Garden – Lump sum; 2 Months Operating	Capital Improvements; Cash Flow;		\$145,000 \$108,991	\$657,559	\$715,450
	Expenses; Debt Service	Debt payments		\$160,000		
	Art Center – 12 months of selected budgeted operating expenses Lump Sum	Cash Flow Furniture, fixtures,		\$292,500 + \$100,000	\$ 595,455	\$539,452
	Golf courses – Operations; Contingency;	equipment Cash flow Emergency repairs		+ \$442,000 \$480,000	ψ000,400	ψ000, 1 02
	Capital	Scheduled capital		\$48,000 \$1,982,141	<u>\$22,132</u> \$1,466,815	<u>\$14,247</u> \$1,533,129
Facility Replacement & Maintenance	Maintenance 1 or 2 months' budgeted operating revenues or expenditures	Cash flow – multi- year modeling need		\$1,255,000 +	\$3,326,643	\$3,220,865
	Replacement Lump Sum	Minimize future debt of facility replacement		<u>\$7,128,804</u> \$8,383,804	\$7,276,688 \$10,603,331	\$6,863,017 \$10,083,882

General Fund Ten-Year Budget Projection

The City utilizes a ten-year budget model for its General Fund to assist in long-term strategic planning and to detect any future structural funding and property tax levy problems as early as possible. This model is also used to provide financial context for significant policy decisions such as the impact of major increases in pavement management and the effect an increase in bonding will have on the levy. This section looks at these projections and the assumptions made in developing these projections.

Revenues

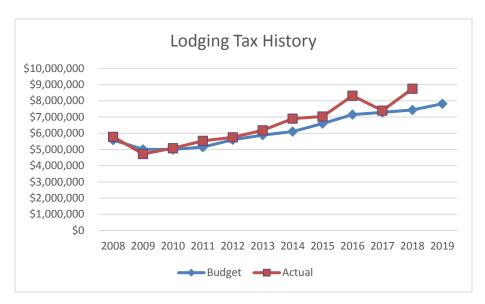
In 2019, revenues are budgeted to increase from the 2018 budget by 3.76 percent. In the ten year model, the first five years of which are shown later in this section, revenues are projected to increase each year from 2019 to 2028 at rates ranging from 3.28 percent to 4.14 percent with an average increase of 4.00 percent.

Market Value Tax Base Growth - Projected market value tax base growth is used as a guide in keeping property tax increases to a reasonable level. Market values increased by an average of 6.5 percent over the past 5 years (since 2014).

Property tax revenues are the primary source to fund a number of activities in the City including Public Safety, Public Works and Community Services. An annual property tax levy increase is modeled in the succeeding ten years to cover reasonable downturn scenarios. This increase will likely be reduced as future budgets are refined through appropriation reductions or revenue increases.

Admission taxes of 3 percent are collected from businesses for amusement parks, movie and nightclub admissions. The budget model shows these revenues stay flat based on the 2019 budget through 2028.

Lodging taxes are extremely sensitive to market downturns as shown in the chart below. The collection in 2013 surpassed the collection in 2008, prior to the economic downturn. The 2018 estimate shows a rebound from the most recent economic slowdown. A 5.11 percent growth rate is expected for 2019 with a 2 percent growth projected out to the later years of the model.



Business licenses are fairly consistent in quantity each year except for animal licenses which changed from annual to lifetime in 2018. Fees for each license type are generally increased to reflect inflation. The license fees budget decreased by 1.21% from the 2018 budget to account for the decrease in animal license revenue and a decrease in taxicab license revenue (possibly due to ridesharing popularity). Business license revenue is modeled to increase by 2.75% for 2020 and then increase by 2.0 percent through 2028.

Permits includes building permits, which can fluctuate significantly depending on the reinvestments made by property owners to upgrade existing properties and invest in significant new projects. Some delay occurs between when permits are paid for in one year and the inspection activity for that permit which can occur in the succeeding year or a few years later for larger projects. Permit fee revenue is budgeted in 2019 to increase by 16.3% from the 2018 budget based on the strength of the building market in 2019 and an increase in some fees to recover costs. Permit revenue is budgeted to increase by 0.3 percent in 2020 and 2.3% each year after that through 2028.

Court fines are generated from traffic and other violations of the law. This revenue is reduced by \$100,000 from 2018. Revenue for this category is budgeted to remain flat through 2028 based on the historical growth rate of this revenue.

Program income is generated by various programs throughout the City. The volume of activity may fluctuate depending on the weather (for seasonal operations) and the cost of services. The budget for 2019 shows a 5.48 percent decrease from the 2018 budget. Program revenue is reduced another 1.65 percent in 2020 and expected to remain flat through 2028 based on the historical performance of this revenue.

Intergovernmental revenues increase 11.92 percent in the 2019 budget from the 2018 budget with an increase in state aid for public safety training and public health home visits. Funding for 2020 is decreased by 1.37 percent and remains flat through 2028 based on the uncertainty of this funding source.

Interest is scheduled to increase by 2.5 percent from the 2018 budget. Interest earnings are expected to maintain a growth rate of 2.5 percent based on projections of interest rates and cash balances with a policy change to require more fund balance adopted in 2016.

Appropriations

Appropriation needs are developed by the responsible program manager after certain fixed costs such as salaries, benefits and internal charges are forecast. On average, salaries and benefits make up approximately 68 percent of General Fund service costs.

Overall, appropriations in the model are projected to increase annually at a rate of 4.00 percent through 2028.

Salaries are projected, as well as most other expenses, to increase by an estimated cost of living plus incentives for merit and step increases. For 2012 through 2018 wage increases of 1.0, 2.5, 2.0, 2.5, 2.5, 2.75 and 2.55 percent were appropriated. In 2019 a 3.0 percent increase was budgeted. The later years of the model include wage increases for modeling purposes only.

Health and dental costs had a rate decrease for 2017 of 6.5 percent after the City went out for bids. For 2018, the City received a 12 percent increase in premiums and increased the HRA and HSA City contribution from \$1,750 to \$1,800 and deductibles for these plans were raised from \$2,600 for single to \$2,700 and from \$5,200 for family to \$5,400. A 15 percent increase was budgeted for 2019. The City maintains the Insured Benefits Internal Service Fund to help smooth out the variability of health and other benefit insurance costs. The long-term plan is for this Internal Service fund to help level out the effect of steep rate increases, especially to the General Fund. Departmental charges were set in earlier years to build a reserve for anticipated premium increases. That reserve was tapped from 2015 through 2018 to cover part of the premium increases. The budget shows the fund being tapped through 2021 as well.

Downturn Strategy Recovery – Part of the City's strategy for dealing with the loss of revenue during economic downturns is to reduce expenditures to the Internal Service Funds and put limits on General Fund expenditures. Another strategy implemented in prior years was to keep open positions vacant longer than normal.

Contingency - A contingency of at least 2.5 percent of the current year's budgeted expenditures, as required by the City's Charter, is included in the model. An estimated unspent estimate is included to offset the budget by an amount historically under spent in the general fund as a whole.

Structural Balance

The General Fund long-term model is a reflection of conservative estimates of revenue and expenditures (keeping non-property taxes slightly less than spending and expenditures at assumed inflation levels) and shows a balanced budget for all years. Each year the model is adapted 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. In reality, the out-years will be tempered with possible levy limits, program choices and policy influenced levels of service.

During the past 24 years that this model has been used, budget gaps identified have always been closed at least a year or two before budget adoption through the employment of cost reduction and/or revenue enhancement methods.

This General Fund model is part of a larger model the City developed in 1998 to deal with cyclical downturns. As explained in several sections of this document, there are a number of alternatives for increasing revenues or 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 restoring fund balances where appropriate. One of the main principles used is conservative budget management to keep expenditure increases in line with inflation plus community growth. The City expanded this model from five years to ten years starting in 2018. This longer term model will enhance the City's planning capacity to identify economic cycles and levy projections further into the future.

General Fund Model

REVENUES	2019	2020	2021	2022	2023
Property Tax	\$51,372,396	\$53,636,952	\$56,636,434	\$59,764,893	\$63,028,129
Less Delinq. & Abatements	(673,850)	(687,327)	(701,074)	(715,095)	(729,397)
Delinquent Collections	200,000	200,000	200,000	200,000	200,000
Admissions Tax	1,360,583	1,360,583	1,360,583	1,360,583	1,360,583
Hotel-Motel Tax	7,820,000	7,976,400	8,135,928	8,298,647	8,464,619
Business Licenses	1,962,952	2,016,958	2,057,297	2,098,443	2,140,412
Permits	3,708,800	3,719,825	3,805,381	3,892,905	3,982,442
Court Fines	750,000	750,000	750,000	750,000	750,000
Program Income	1,948,383	1,916,296	1,916,296	1,916,296	1,916,296
Intergovernmental Rev.	2,627,606	2,591,606	2,591,606	2,591,606	2,591,606
Interest Earnings	84,856	86,977	89,152	91,381	93,665
Transf. from Other Funds	1,150,000	1,150,000	1,150,000	1,150,000	1,150,000
South Loop Revenue	1,916,642	1,969,585	1,878,171	1,779,500	1,673,219
Cell Phone Tower Rental	494,398	511,684	524,476	537,588	551,028
All Other	557,950	548,660	567,863	587,738	608,309
Total Revenues	\$75,280,716	\$77,748,199	\$80,962,113	\$84,304,484	\$87,780,910
APPROPRIATIONS	2019	2020	2021	2022	2023
AFFROFRIATIONS	2019	2020	2021	2022	2023
City Council/Com.	\$676,802	\$697,967	\$725,886	\$754,921	\$785,571
Administration	2,485,342	2,698,284	2,806,215	2,918,464	3,035,203
Legal	1,729,813	1,687,537	1,755,038	1,825,240	1,898,250
Finance	1,193,578	1,218,391	1,267,127	1,317,812	1,370,524
Police	26,850,131	27,811,190	28,923,638	30,080,583	31,283,806
Fire	E 444 064				
	5,444,964	5,495,234	5,715,043	5,943,645	6,181,391
Community Develop.	9,478,648	5,495,234 9,738,231	5,715,043 10,127,760	5,943,645 10,532,871	6,181,391 10,954,185
Community Develop.	9,478,648	9,738,231	10,127,760	10,532,871	10,954,185
Community Develop. Community Services	9,478,648 4,552,296	9,738,231 4,719,081	10,127,760 4,907,844	10,532,871 5,104,158	10,954,185 5,308,324
Community Develop. Community Services Parks and Recreation	9,478,648 4,552,296 9,987,811	9,738,231 4,719,081 10,173,434	10,127,760 4,907,844 10,580,371	10,532,871 5,104,158 11,003,586	10,954,185 5,308,324 11,443,730
Community Develop. Community Services Parks and Recreation Public Works	9,478,648 4,552,296 9,987,811 12,771,984	9,738,231 4,719,081 10,173,434 13,168,363	10,127,760 4,907,844 10,580,371 13,695,098	10,532,871 5,104,158 11,003,586 14,242,901	10,954,185 5,308,324 11,443,730 14,812,617
Community Develop. Community Services Parks and Recreation Public Works Offset for Est. Unspent	9,478,648 4,552,296 9,987,811 12,771,984 (1,769,937)	9,738,231 4,719,081 10,173,434 13,168,363 (1,594,706)	10,127,760 4,907,844 10,580,371 13,695,098 (1,554,507)	10,532,871 5,104,158 11,003,586 14,242,901 (1,512,802)	10,954,185 5,308,324 11,443,730 14,812,617 (1,469,532)

Notes: Years 2020-2023 are estimates.

To honor space concerns, only the first five years of the ten year model are shown on this page.

Operating Fund Crosswalk

This matrix shows the relationship between functional units and funds. For example, the Police Department has some authorized appropriations in the General Fund, in the Police Contractual Enterprise Fund and in several Special Revenue Funds.

	Administration of Fund							
Operating Fund	Police	Fire	Public Works	Community Development	Community Services	Parks & Recreation	Finance	General Government
General Fund	Х	Х	Х	X	Х	Х	Х	Х
Enterprise Funds Water Wastewater Storm Water Solid Waste Golf Course Ice Garden Art Center Aquatics Police Contractual Motor Vehicle	X		X X X			X X X		X
Special Revenue Funds Health Grants Drug Forfeiture Enhanced 911 DUI Forfeiture Other Police Grants Pension Residual South Loop Revolving Development Communications Parks Grants Cemetery Placemaking	X X X X	x		x	x x x	X		x

Staffing

8	2015 Authorized	2016 Authorized	2017 Authorized	2018 Authorized	2019 Authorized
Administration	Full-Time	Full-Time	Full-Time	Full-Time	Full-Time
Administration	0	0 4	0 4	3	17 0
City Manager	3		-		_
Community Development	51	51	52	51	64
Community Services	40	40	40	36	25
Finance	22	23	24	24	24
Fire Protection	9	9	9	10	10
General Govt/ City Council	1	1	1	1	1
Human Resources	6	6	6	6	0
Legal	12	12	13	13	13
Parks and Recreation	0	0	0	0	11
Police	150	155	155	154	156
Public Works	66	66	67	67	66
Technical Services Group	20	21	21	21	0
GENERAL FUND TOTAL	380	388	392	386	387
Communications	8	9	9	9	9
Creative Placemaking	0	0	0	1	1
Public Health	8	6	6	7	7
South Loop Development	5	5	5	5	5
Special Revenue	21	20	20	22	22
Motor Vehicle	6	6	6	6	6
Golf	11	11	11	8	8
Ice Garden	4	4	4	4	4
Art Center	2	2	2	2	2
Aquatics	1	1	1	1	1
Solid Waste Mgt.	1	1	1	1	1
Storm Water Utility	12	12	12	12	12
Water/Wastewater Utilities	54	54	54	54	53
Enterprise	91	91	91	88	87
Equipment Pool	15	15	15	15	15
Facilities & Parks Maint.	39	40	40	40	40
Information Systems	13	13	13	13	18
Radio Operations	1	1	1	1	1
Support Services	3	3	3	1	1
Internal Service	71	72	72	70	75
Housing and Redevelopment	10	10	10	10	10
Port Authority	3	3	4	4	4
TOTAL ALL	576	584	589	580	585

^{*}Administration includes 3 from City Manager, 6 from Human Resources and 8 from Technical Services; Community Development added 13 from Technical Services; Parks and Recreation includes 11 from Community Services.

GENERAL FUND — FUND 1001

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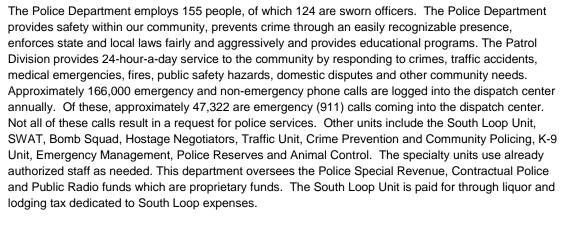
Dep	Department Number			
Total General Fund Budget Summary		53		
Direct Service Departments				
Public Safety – Police	45	54 - 61		
Public Safety – Fire	50	62 - 69		
Community Development	55	70 - 81		
Community Services	60	82 - 89		
Parks and Recreation	61	90 - 97		
Public Works	65	98 - 107		
Administrative Service Departme	nts			
General Government	10	108 - 113		
Administration	20	114 - 121		
Legal	25	122 - 123		
Finance	35	124 - 131		
Contingency		132 - 133		

TOTAL GENERAL FUND BUDGET SUMMARY

48,815,256 8,800,463 5,176,070 850,000 2,340,656 1,949,404 82,786 3,377,574 1,042,029	\$ 48,815,256 8,800,463 5,176,070 850,000 2,549,250 1,949,404 82,786 3,483,994 1,057,680	\$ 48,696,336 10,470,315 6,276,516 719,742 2,685,128 1,805,873 583,160 3,701,072	\$ 50,898,546 9,180,583 5,671,752 750,000 2,627,606 1,948,883
8,800,463 5,176,070 850,000 2,340,656 1,949,404 82,786 3,377,574 1,042,029	8,800,463 5,176,070 850,000 2,549,250 1,949,404 82,786 3,483,994	10,470,315 6,276,516 719,742 2,685,128 1,805,873 583,160	9,180,583 5,671,752 750,000 2,627,606 1,948,383
5,176,070 850,000 2,340,656 1,949,404 82,786 3,377,574 1,042,029	8,800,463 5,176,070 850,000 2,549,250 1,949,404 82,786 3,483,994	10,470,315 6,276,516 719,742 2,685,128 1,805,873 583,160	9,180,583 5,671,752 750,000 2,627,606 1,948,383
850,000 2,340,656 1,949,404 82,786 3,377,574 1,042,029	850,000 2,549,250 1,949,404 82,786 3,483,994	719,742 2,685,128 1,805,873 583,160	5,671,752 750,000 2,627,606 1,948,383
850,000 2,340,656 1,949,404 82,786 3,377,574 1,042,029	850,000 2,549,250 1,949,404 82,786 3,483,994	719,742 2,685,128 1,805,873 583,160	750,000 2,627,606 1,948,383
2,340,656 1,949,404 82,786 3,377,574 1,042,029	2,549,250 1,949,404 82,786 3,483,994	2,685,128 1,805,873 583,160	2,627,606 1,948,383
1,949,404 82,786 3,377,574 1,042,029	1,949,404 82,786 3,483,994	1,805,873 583,160	1,948,383
3,377,574 1,042,029	3,483,994		04.050
1,042,029		3,701,072	84,856
	1,057,680		3,066,642
72,434,238		1,249,495	1,052,348
	72,764,903	76,187,637	75,280,716
	25 000 044	22 200 500	22 200 040
35,693,952	35,698,344	36,028,506	36,933,848
13,470,288	13,476,091	14,012,716	14,352,254
1,548,629	1,631,497	1,565,047	1,789,954
3,584,835	3,656,325	3,550,591	3,667,830
1,507,621	1,416,670	1,203,875	1,503,450
20,138,243	20,126,693	20,381,495	20,617,414
2,899,946	3,482,719	2,980,215	2,886,548
92,000	164,055	140,257	102,000
2,114,941	2,962,708	1,145,763	1,879,284
81,050,455	82,615,102	81,008,465	83,732,582
(6,555,891)	(6,555,891)	(6,162,863)	(6,681,929)
(1,941,326)	(1,941,326)	-	(1,769,937)
(1,011,020)	72,553,238	74,845,602	75,280,716
72,553,238	-	1,342,035	-
	30,942,840	30,942,840	32,284,875
		\$ 32,284,875	\$ 32,284,875
72,553,238	\$ 30,942,840		\$ 31,295,600
	30,942,040		

Public Safety - Police

Activities
Administration
Patrol
Investigations
Special Operations
Professional
Standards
Support Services





86 percent of residents say they feel safe in Bloomington.

94 percent of residents surveyed said they feel safe in their neighborhood.

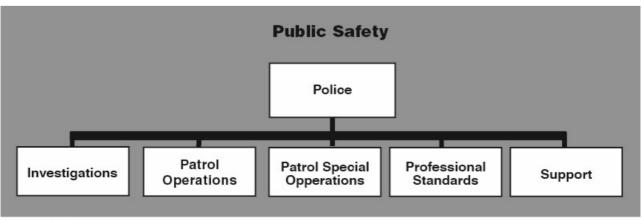
Expenditures	FY2018 Original Budget	FY2019 Approved Budget	Percent Change		
Salaries/Wages/Benefits	\$20,077,238	\$21,106,535	5.1%		
Materials/Supplies/Services	5,732,796	6,061,438	5.7%		
Capital	0	0	0.0		
Expenses Charged to Others	(345,584)	(317,842)	(8.0)		
	\$25,464,450	\$26,850,131	5.4%		

 Authorized Full-Time
 FY2017
 FY2018
 FY2019

 Police
 155
 154
 156

POLICE BUDGET SUMMARY Revenues and Expenditures								
	2017 ACTUAL	2018 ORIGINAL BUDGET	2018 AMENDED BUDGET	2018 ESTIMATED	2019 BUDGET			
Revenues								
Program Income Intergovernmental	\$ 298,838 148,861	\$ 321,684 78,000	\$ 327,184 190,500	\$ 157,238 199,348	\$ 296,500 154,750			
TOTAL REVENUES	447,699	399,684	517,684	356,586	451,250			
Expenditures Staffing								
Salaries and Wages	14,105,302	14,499,322	14,586,822	14,533,687	15,076,744			
Benefits	5,547,175	5,577,916	5,577,916	5,595,687	6,029,791			
Operating Expenditures								
Professional and Technical Services	92,341	108,172	108,172	79,106	94,172			
Utilities and Maintenance	308,427	357,184	321,312	251,686	327,519			
Operations	263,537	238,198	225,998	218,508	332,360			
City Support Services	4,314,657	4,580,365	4,580,365	4,578,324	4,857,338			
Materials and Supplies	543,637	448,877	483,049	480,485	450,049			
Transfer Out	42,000							
TOTAL EXPENDITURES	25,217,076	25,810,034	25,883,634	25,737,483	27,167,973			
Less Expenses Charged to Other Funds	(336,588)	(345,584)	(345,584)	(345,588)	(317,842)			
NET TOTAL EXPENDITURES	\$ 24,880,488	\$ 25,464,450	\$25,538,050	\$ 25,391,895	\$ 26,850,131			

	2017	2018	2019
Property tax cost of service for median value home per month:			
Police	\$22.88	\$25.23	\$27.48



211b (02/12)

The Police department hired 5 new officers in 2018 and plan to hire 5-7 new officers in 2019. Most of

the new hires

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.

2019 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.
- 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.
- 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.
- Update our Use of Force Policy and training program by year-end based on recommendations from subject matter experts and a continuous review of court rulings.
- Continued development and training on response to calls involving mental health and persons in crisis. Expand the number of Crisis Intervention Trained (CIT) Officers. Collaborate and embed a Mental Health Professional to our response and services provided to people in crisis. Crisis Intervention Policy roll-out.
- Complete roll out of Body Worn Camera program by first quarter.
- Creation of the Volunteer in Police Service (VIPS) Program and Policy.
- S Response to Sexual Assault training and Policy creation.

2018 Results

- 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.
- All supervisors as well as several other members of the Police Department have completed the High Performing Organization (HPO) leadership and management training.
- Provided security for Super Bowl LII events that took place in the City of Bloomington.
- Expanded the number of Crisis Intervention Trained (CIT) officers, training provided to 20 additional
 officers
- Completed field testing & evaluation of Body Worn Cameras. A vendor was selected and a contract was signed.

Expenditures	FY2018	FY2019	
	Original	Approved	Percent
	Budget	Budget	Change
Salaries/Wages/Benefits	\$ 804,106	\$ 838,107	4.2%
Materials/Supplies/Services	115,028	291,003	153.0
Expenses Charged to Others	(2,915)	(3,003)	3.0

Authorized Full-Time	FY2017	FY2018	FY2019
	4	4	4

\$ 916,219

\$1,126,107

23.0%

 Administrative Assistant
 1
 1
 1

 Chief of Police
 1
 1
 1

 Deputy Chief of Police
 2
 2
 2

POLICE ADMINISTRATION BUDGET SUMMARY Revenues and Expenditures

	2017 ACTUAL	2018 ORIGINAL BUDGET	2018 AMENDED BUDGET	2018 ESTIMATED	2019 BUDGET
Revenues					
Intergovernmental	\$ 10,000	\$ 40,000	\$ 40,000	\$ 52,370	\$ -
TOTAL REVENUES	10,000	40,000	40,000	52,370	
Expenditures Staffing					
Salaries and Wages	575,710	593,076	593,076	567,417	610,007
Benefits	220,109	211,030	211,030	213,374	228,100
Operating Expenditures					
Professional and Technical Services	810	-	-	41	-
Utilities and Maintenance	-	-	-	-	
Operations	24,282	10,477	10,477	9,045	10,477
City Support Services	94,079	100,862	100,862	100,620	276,837
Materials and Supplies	17,120	3,689	3,689	4,265	3,689
TOTAL EXPENDITURES	932,110	919,134	919,134	894,762	1,129,110
Less Expenses Charged to Other Funds	(2,832)	(2,915)	(2,915)	(2,916)	(3,003)
NET TOTAL EXPENDITURES	\$ 929,278	\$ 916,219	\$ 916,219	\$ 891,846	\$ 1,126,107

Activities

Patrol Investigations Special Operations

Police - Operations

The Patrol Division 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 K-9 teams and Crime Scene Technicians are also part of the Patrol response resources.

2019 Objectives

- Full implementation of Body Worn Camera System by first quarter.
- Continue Crisis Intervention training, finalize CIT policy and expand mental health response with an embedded social worker.
- Provide planning and public safety assistance for the 2019 Final Four NCAA basketball tournament.
- Establish new procedures in response to Hennepin County Division 4 Court relocation.
- Work with neighborhoods and businesses to identify and solve problems such as repeat calls for service.
- Reduce number of reported stolen vehicles in 2019 through auto theft prevention education.
- Focus efforts to recover stolen vehicles through grant funded auto theft saturation details and use of both stationary and mobile Automatic License Plate Reader technology (ALPR) in 2019.
- Continue Community Engagement Events at each of our Elementary Schools, Safe Summer Night events, and other activities that will provide a positive contact between patrol officers and our youth.
- Evaluation of patrol areas in order to improve service and efficiency to the community.
- Maintain a Field Training Program that emphasizes strong training ethics for 10-13 new officers in 2019.
- **IE** Field Training of 2 "Pathways to Policing" officers 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 addition of a grant funded DUI Enforecment Officer.
- Restructure police canine program to provide more coverage during daytime hours. Continue to utilize our Police Canines to detect hazards and apprehend criminals.
- Educate local businesses to prevent the distribution of alcohol and tobacco products to underage persons.
- Educate hotel/hospitality groups on Narcotics/Human Trafficking to prevent these activities in local hotels.
- Inform parents, teachers and social workers how to identify youth drug trends.
- Continue to provide evening and weekend investigative staff to the public with scheduled Investigative Division personnel beyond traditional business hours and Saturdays.

2018 Results

- Used technology to recover 88 stolen vehicles in 2018, resulting in 62 arrests.
- Currently 17,673 homes, 435 watch groups, 721 Block Captains in the Neighborhood Watch group.
- Received 166,828 calls to the dispatch center in 2018; 47,322 of these were 911 calls.
- Responded to 69,287 requests for Police services in 2018.
- Worked 263 traffic enforcement details that resulted from citizen complaints and traffic crash data.
- Conducted 253 Hit and Run Investigations.
- Investigated six traffic related fatalities in 2018.
- Increased staffing through an Office of Traffic Safety funded grant.
- Deployed our canines 383 times. Added a fifth canine trained in apprehension and explosives detection.
- Conducted annual alcohol and tobacco compliance checks of licensed establishments.
- Continued the P.R.O.T.E.C.T. (Proactive Objectives Targeting Emerging Crime Trends) Program to respond to problem addresses.
- Bomb Squad responded to 30 calls, provided bomb sweeps and assistance for SuperBowl 52 Events
- SWAT Team responded to 12 warrants and callouts, including assistance to SuperBowl Events.

Expenditures	FY2018 Original Budget	FY2019 Approved Budget	Percent Change		
Salaries/Wages/Benefits	\$ 15,433,637	\$ 16,210,918	5.0%		
Materials/Supplies/Services	3,885,091	3,875,625	(0.2)		
Capital	0	0	0.0		
Expenses Charged to Others	(37,000)	0	(100.0)		
	\$ 19,281,728	\$ 20,086,543	4.2%		

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Authorized Full-Time	FY2017	FY2018	FY2019		
	115	115	116		
Police Commander	4	4	4		
Police Officer	95	95	96		
Police Sergeant	16	16	16		

Part I Crimes

	2014	2015	2016	2016 2017 2018		5 Year Average
Homicide	1	0	1	1	2	1
Rape	26	43	58	47	51	45
Robbery	77	61	64	33	44	56
Aggravated Assault	59	58	68	66	68	64
Burglary	207	199	182	178	161	185
Theft	2,919	2,643	2,519	2,334	2,310	2,545
Vehicle Theft	128	104	132	141	134	128
Arson	6	10	11	12	5	9

POLICE OPERATIONS BUDGET SUMMARY Revenues and Expenditures

	2018 2017 ORIGINAL ACTUAL BUDGET		ORIGINAL	2018 AMENDED BUDGET		2018 ESTIMATED		2019 BUDGET	
Revenues									
Program Income	\$	221,384	\$	246,084	\$	246,534	\$	65,607	\$ 232,000
Intergovernmental		69,637		38,000		136,500		28,224	 38,000
TOTAL REVENUES		291,021		284,084		383,034		93,831	270,000
Expenditures									
Staffing									
Salaries and Wages		10,735,514		11,133,596		11,221,096		11,174,380	11,583,872
Benefits		4,284,800		4,300,041		4,300,041		4,349,748	4,627,046
Operating Expenditures									
Professional and Technical Services		81,185		96,167		96,167		68,734	81,167
Utilities and Maintenance		95,600		98,937		103,430		85,191	93,357
Operations		71,301		74,634		62,434		54,111	74,634
City Support Services		3,087,001		3,288,949		3,288,949		3,288,131	3,300,891
Materials and Supplies		388,632		326,404		340,873		363,366	325,576
Transfer Out		42,000							 -
TOTAL EXPENDITURES		18,786,033		19,318,728		19,412,990		19,383,661	20,086,543
Less Expenses Charged to Other Funds		(36,996)		(37,000)		(37,000)		(36,996)	-
NET TOTAL EXPENDITURES	\$	18,749,037	\$	19,281,728	\$	19,375,990	\$	19,346,665	\$ 20,086,543

	2017	2018	2019
Property tax cost of service for median value home per month:			
Police Investigations	\$4.10	\$5.38	\$5.53
Police Patrol	\$17.87	\$18.81	\$20.83
Bomb Squad	\$0.06	\$0.06	\$0.09

Activities

Communications
Records
Animal Control
Property Control
Detention
Technology
Training and
Development
Professional
Standards
Crime Prevention



- 306 employee training requests for classes were approved.
- 269 audio statements transcribed.
- Responded to 1,132 requests for video & audio evidence for Prosecutors.
- Processed 989
 requests for
 permits to
 purchase a firearm.
- Processed 14,096 police reports in E-Forms.

Police – Support Division

The Police Support Division consists of the professional standards unit, the police records unit, police and fire dispatch operations, property and evidence control and animal control functions. These activities support the operational units of the Police Department and the Fire Department, as well as providing comprehensive animal control for the community.

2019 Objectives

- 5 Encourage predictive policing and directed patrols by providing daily information to department personnel and advising of high priority areas.
- Continue to support Business Watch initiatives to help local businesses improve the safety of customers and employees and work to reduce crime.
- Continue to support Neighborhood Watch and National Night Out as a way to communicate with residents and improve their safety and quality of life.
- Expand community engagement efforts, Coffee with a Cop, Safe Summer Nights, Kids to Cops and others.
- Increase the number of officers receiving the 40 hour Crisis Intervention (C.I.T.)/De-escalation training. Partner with social services to improve response and follow-up to persons in crisis/mental health calls.
- Continue to enhance the annual Police Citizens Academy.
- 5 Joint training(s) with the owner agenices of the South Metro Public Safety Training Facility (SMPSTF).

2018 Results

- Entered 11,191 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.
 - o 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.
- Expanded the Multi-Cultural Advisory Board for multi-cutural residents and broadened their scope.
- Property and Evidence room received 10,291 property items that were held as evidence. This room currently holds over 35,000 pieces of evidence and averages 28 pieces received each day.
- Participated in Safe Summer Nights, expanded the Coffee With a Cop program, added a Back to School Shoppers in Blue program and continued holding monthly events at various locations around the city.
- Increased the number of officers receiving 40 hour C.I.T./De-escalation training. C.I.T. Policy ready.
- Increased our Twitter followers, and expanded other social media efforts, including the use of NextDoor, to better connect with the community.
- All sworn personnel received 10 hours of Crisis Intervention/De-escalation training.

Expenditures	FY2018	FY2019	
	Original	Approved	Percent
	Budget	Budget	Change
Salaries/Wages/Benefits	\$ 3,839,495	\$ 4,057,510	5.7%
Materials/Supplies/Services	1,732,677	1,894,810	9.4
Capital	0	0	0.0
Expenses Charged to Others	(305,669)	(314,839)	3.0
	\$ 5,266,503	\$ 5,637,481	7.0%

Authorized Full-Time	FY2017	FY2018	FY2019
	36	35	36
Accounting Assistant	1	1	1
Animal Control Officer	2	1	1
Civilian Police Dispatcher	14	13	13
Civilian Dispatch Supervisor	0	1	1
Civilian Services Manager	1	1	1
Crime Analyst	1	1	1
Crime Prevention Coordinator	1	1	1
Lead Records Assistant	1	1	1
Police Lieutenant	1	1	1
Police Officer	2	2	2
Police Records Specialist	9	9	9
Police Sergeant	2	2	2
Property Control Specialist	1	1	1
Mental Health Caseworker	0	0	1

POLICE SUPPORT BUDGET SUMMARY Revenues and Expenditures

	 2017 ACTUAL	 2018 ORIGINAL BUDGET		2018 MENDED BUDGET	E	2018 ESTIMATED	2019 BUDGET
Revenues							
Program Income	\$ 77,454	\$ 75,600	\$	80,650	\$	91,631	\$ 64,500
Intergovernmental	69,224	 		14,000		118,754	116,750
TOTAL REVENUES	 146,678	75,600		94,650		210,385	 181,250
Expenditures							
Staffing							
Salaries and Wages	2,794,078	2,772,650	:	2,772,650		2,791,890	2,882,865
Benefits	1,042,266	1,066,845		1,066,845		1,032,565	1,174,645
Operating Expenditures							
Professional and Technical Services	10,346	12,005		12,005		10,331	13,005
Utilities and Maintenance	212,827	258,247		217,882		166,495	234,162
Operations	167,954	153,087		153,087		155,352	247,249
City Support Services	1,133,577	1,190,554		1,190,554		1,189,573	1,279,610
Materials and Supplies	137,885	118,784		138,487		112,854	120,784
Transfers Out	 	 					
TOTAL EXPENDITURES	5,498,933	5,572,172		5,551,510		5,459,060	5,952,320
Less Expenses Charged to Other Funds	 (296,760)	 (305,669)		(305,669)		(305,676)	 (314,839)
NET TOTAL EXPENDITURES	\$ 5,202,173	\$ 5,266,503	\$.	5,245,841	\$	5,153,384	\$ 5,637,481

	2017	2018	2019
Property tax cost of service for median value home per month:			
Crime Prevention	\$0.89	\$0.97	\$1.03

Divisions

Operations and Training

Fire Prevention

Emergency Management



96 percent of residents surveyed rated fire service in Bloomington excellent or good, much above others in a national comparison.

Public Safety - Fire

The Fire Department responded to 1,692 calls for service in 2018. These ranged from water rescues and vehicle extrications to structural fires, medical emergencies, and hazardous materials emergencies. The average response time for 2018, from the dispatch of the call until the first fire unit reaches the scene was 4 minutes 30 seconds. To accomplish this, paid on call firefighters located within approximately 4 minutes or less responding time of the City's fire stations are actively recruited. All firefighters are required to meet training standards throughout the year.

The paid on call Fire 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 homes that need them upon request.

2019 Objectives

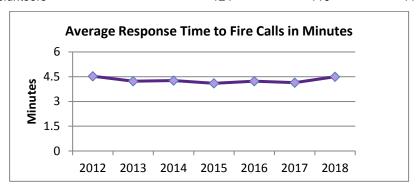
- Provide fire prevention services and fire education to residents, businesses, and visitors.
- S Respond to fires, hazardous materials incidents, medical emergencies, and rescues.
- Preserve and protect life, property, and the environment against injury and damage from fires, hazardous materials incidents, natural and manmade disasters, and other incidents occurring within the City of Bloomington
- On average, respond to calls within 4 minutes 30 seconds of dispatch.

2018 Results

- Averaged a 4 minute 30 second response time in 2018 from the time the call was dispatched until the first fire department unit (Ladder or Engine Company or Chief Officer) was on scene.
- Averaged a 6 minute 6 second response time in 2018 from the time the call is received at the 911
 public safety answering point until the first fire department unit arrived on scene.

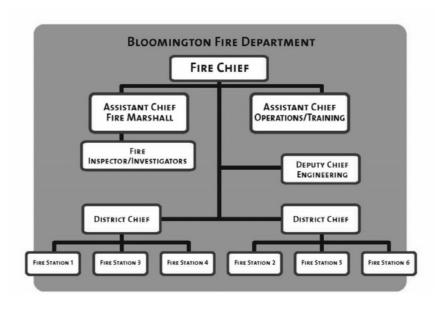
Expenditures	FY2018	FY2019	
	Original	Approved	Percent
	Budget	Budget	Change
Salaries/Wages/Benefits	\$ 1,298,220	\$ 1,487,129	14.6%
Materials/Supplies/Services	3,823,678	3,932,835	2.9
Capital Outlay	20,000	25,000	25.0
	¢ 5 121 808	\$ 5.444.964	6.3%

Personnel Staffing	FY2017	FY2018	FY2019
	9	10	10
Administrative Assistant	2	2	2
Deputy Fire Chief	0	1	1
Assistant Fire Chief	2	2	2
Fire Chief	1	1	1
Fire Inspector I	1	1	1
Fire Inspector II	<u>3</u>	<u>3</u>	<u>3</u>
Volunteers	124	116	116



This graph shows average response time from dispatch sending out the call to the Fire Department to the first fire unit arriving at the scene.

FIRE BUDGET SUMMARY Revenues and Expenditures					
	2017 ACTUAL	2018 ORIGINAL BUDGET	2018 AMENDED BUDGET	2018 ESTIMATED	2019 BUDGET
Revenues					
Program Income Intergovernmental	\$ 838 87,318	\$ - -	\$ - -	\$ 350 26,299	\$ 13,700
TOTAL REVENUES	88,156			26,649	13,700
Expenditures Staffing Salaries and Wages Benefits Operating Expenditures Professional and Technical Services Utilities and Maintenance	825,649 341,910 752,380 396,796	891,849 406,371 854,750 340,500	891,849 406,371 953,889 340,500	836,226 392,151 893,915 489,599	1,009,053 478,076 929,000 413,390
Operations City Support Services Materials and Supplies	99,416 2,110,143 181,458	150,250 2,265,653 212,525	120,250 2,265,653 219,875	82,123 2,264,571 215,404	136,300 2,208,545 245,600
Capital Outlay Equipment			20,000		25,000
TOTAL EXPENDITURES Less Expenses Charged to Other Funds	4,707,752 -	5,121,898	5,218,387	5,173,989	5,444,964
NET TOTAL EXPENDITURES	\$ 4,707,752	\$ 5,121,898	\$ 5,218,387	\$ 5,173,989	\$ 5,444,964



Fire - Operations and Training

Activities

Emergency Response

Training

Exercises

Special Events

Maintenance and Repair

Specifications and Research and **Development**

Dispatching and response planning Fire operations and training are led by Assistant Chief Forster. Fire Operations encompasses fire response, dispatching, and building and equipment maintenance and repair. Fire operations also includes new equipment research and development of new methods and technology to improve emergency response and performance.

Dispatching of emergency calls is handled by Bloomington Police Dispatch. Assistant Chief Forster is the liaison for the Fire Department to dispatch for response assignments and protocols.

Fire 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.

2019 Objectives

- Respond to all emergency calls for service in 4 minutes 30 seconds or less.
- Response of 15 firefighters within 9 minutes to structure fires where fire attack hose lines are deployed.
- Provide quality training to firefighters to meet or exceed Federal and State training requirements
- Continue to work with dispatch to maintain call processing time to meet or exceed NFPA standard from receipt of 911 call to dispatch of resources.
- Continue to maintain equipment for fire response to prolong life and effectiveness.

2018 Results

- Responded to 1,692 emergency calls for service in an average of 4 minutes, 30 seconds.
- Responded with 15 or more firefighters within 9 minutes 50% of the time to all structure fires where fire attack hose lines were deployed.
- Responded to 187 non-emergency calls for service.
- Provided 13,388 hours of training for current firefighters to meet Federal and State requirements.
- Provided 785 hours of live fire training to meet Federal and State requirements.
- Coordinated and trained with auto-aid and mutual aid partners to maintain competency and capability for large incident response.
- Represented the Fire Department in ongoing operations of the Tri-Tech Computer Aided Dispatch (CAD) system.

Expenses	FY2018 Original Budget	FY2019 Approved Budget	Percent Change
Salaries/Wages/Benefits	\$ 824,286	\$ 990,738	20.2%
Materials/Supplies/Services	3,701,215	3,810,187	2.9%
	\$ 4,525,501	\$4,800,925	6.1%
	FY2017	FY2018	FY2019
Authorized Full-Time	4	5	5
Administrative Assistant	2	2	2
Deputy Fire Chief Assistant Fire Chief	0	1	1
	1	1	1
Fire Chief	1	1	1
Paid on Call			
Deputy Chief	1	0	0
District Chief	2	2	2
Captains	20	19	20
Firefighters	102	102	93
Total	125	123	115

FIRE OPERATIONS AND TRAINING BUDGET SUMMARY Revenues and Expenditures

	2017 ACTUAL	2018 ORIGINAL BUDGET	2018 AMENDED BUDGET	2018 ESTIMATED	2019 BUDGET
Revenues					
Program Income	\$ 450	\$ -	\$ -	\$ 350	\$ 13,700
Intergovernmental	87,318			26,299	
TOTAL REVENUES	87,768			26,649	13,700
Expenditures					
Staffing					
Salaries and Wages	507,845	561,676	561,676	503,206	666,114
Benefits	192,072	262,610	262,610	238,700	324,624
Operating Expenditures					
Professional and Technical Services	746,581	834,750	933,889	876,386	909,000
Utilities and Maintenance	385,804	332,000	332,000	485,089	404,890
Operations	86,361	143,750	113,750	79,108	128,200
City Support Services	2,044,147	2,196,190	2,196,190	2,195,476	2,140,497
Materials and Supplies	166,883	194,525	201,875	199,213	227,600
Capital Outlay					
Buildings and Improvements					
Equipment					
TOTAL EXPENDITURES	4,129,693	4,525,501	4,601,990	4,577,178	4,800,925
Less Expenses Charged to Other Funds					
NET TOTAL EXPENDITURES	\$ 4,129,693	\$ 4,525,501	\$ 4,601,990	\$ 4,577,178	\$ 4,800,925

	2017	2018	2019
Property tax cost of service for median value home per month:			
Fire Suppression	\$4.52	\$5.18	\$5.18

Activities

Fire Prevention
Determine Fire
Cause and
Origin

Arson Investigation

Fire Safety Education

Sprinkler, Fire Alarm Inspections and Plan Review



87 percent of residents surveyed rated fire prevention and education services excellent or good.

Fire - Fire Prevention

Fire prevention is led by Assistant Chief McCarthy. Fire Prevention staff inspects all new construction and renovation of commercial, industrial and multi-family residential structures to ensure fire code compliance. Five inspectors inspect all properties, except single-family dwellings, to verify continued compliance with the fire code. Fire Prevention 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. 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 chairs the City's multi-department Development Review Committee.

2019 Objectives

- Issue the majority of the fire sprinkler and fire alarm permits within three business days.
- S Inspect a majority of designated high-risk occupancies each year.
- Inspect half of existing commercial, industrial and multi-family residential properties.
- S Ensure annual maintenance of all life safety systems, fire sprinkler systems and fire alarm systems in schools, businesses and apartment buildings.
- S Maintain an inventory of hazardous materials stored/used in commercial properties.
- S Resolve the majority of known fire code violations within 30 days.
- 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.
- Clear one half of the incendiary and suspicious fire cases.
- Minimize the number of incendiary and suspicious fires through education and effective investigations.
- Continue to conduct home safety survey inspections in owner-occupied single-family homes with an emphasis on residents over age 55.
- Conduct fire education programs for business and resident groups upon request:
 - Assist and monitor fire education and fire drills at all schools.
 - Assist and monitor the Fire Department open house.

2018 Results

- Performed 2,955 inspections (annual, building final, fire alarm testing, rough-in, tanks)
- Annual inspections done at 629 buildings out of approximately 1,305 properties, 48%.
- Reviewed 98 plans.
- Conducted 47 cause and origin fire investigations including follow-ups with an 83% clearance rate (not including cases pending). Of these, 21% were considered incendiary.
- Completed 33 Home Safety Survey Inspections in owner occupied single family homes.
- Conducted 83 safety presentations at K-12 schools, businesses, senior living facilities and other venues.

Expenses	FY2018 Original Budget	FY2019 Approved Budget	Percent Change
Salaries/Wages/Benefits	\$ 473,934	\$ 496,391	4.7%
Materials/Supplies/Services	90,463	90,523	0.0%
	\$ 564,397	\$ 586,914	4.0%
	FY2017	FY2018	FY2019
Authorized Full-Time	5	5	5
Assistant Chief/Fire Marshal	1	1	1
Fire Inspectors	4	4	4

FIRE PREVENTION BUDGET SUMMARY Revenues and Expenditures

	 2017 ACTUAL	2018 PRIGINAL BUDGET	2018 MENDED BUDGET	ES	2018 STIMATED	B	2019 UDGET
Revenues							
Program Income	\$ 388	\$ 	\$ 	\$		\$	-
Intergovernmental	 	 	 				
TOTAL REVENUES	 388	 	 				-
Expenditures							
Staffing							
Salaries and Wages	317,804	330,173	330,173		333,020		342,939
Benefits	149,838	143,761	143,761		153,451		153,452
Operating Expenditures							
Professional and Technical Services	-	-	-		842		-
Utilities and Maintenance	2,357	-	-		-		-
Operations	12,795	6,000	6,000		3,015		7,600
City Support Services	65,609	69,463	69,463		69,095		67,923
Materials and Supplies	14,503	15,000	15,000		15,074		15,000
Capital Outlay							
Equipment	 	 	 				-
TOTAL EXPENDITURES	562,906	564,397	564,397		574,497		586,914
Less Expenses Charged to Other Funds							_
NET TOTAL EXPENDITURES	\$ 562,906	\$ 564,397	\$ 564,397	\$	574,497	\$	586,914

Fire Prevention Division moved here from Community Development.

	2017	2018	2019
Property tax cost of service for median value home per month:			
Fire Prevention	\$0.96	\$0.92	\$0.99

Activities

Maintain and Update the City's Emergency Operations Plan (EOP)

Maintain and Update the City's Continuity of Operations Plan (COOP)

Maintain and Update the City's Emergency Early Warning Systems

Maintain the City's Emergency Operations Center capability



The City's Continuity of **Operations Plan** (COOP) is designed to ensure the continued performance of essential functions during potential emergencies. The COOP provides the structure for a rapid response to a significant business interruption lasting more than 48 hours.

Fire – Emergency Management

Fire and 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 training and there are several certified emergency managers.

The Emergency Operations Plan (EOP) and Continuity of Operations Plan (COOP) are both plans that have had extensive review by all City Departments in past years and both are due to be updated and revised.

The City's emergency early warning capability is also a multi-department effort with Fire, Police, Public Works and Information Systems all working to implement the Everbridge notification system to alert residents and visitors to hazard information.

2019 Objectives

- S Review and revise the City's Emergency Operations Plan by November 30.
- S Review and revise the City's Continuity of Operations Plan by November 30.
- S Maintain the operational readiness capabilities of the City's Emergency Operations Center.
- Conduct inter-departmental training for EOC operations by September 30.
- Increase awareness and participation of the public in the City's Everbridge notification system.
- Maintain and continue to update the emergency early warning siren system.
- Maintain alternative redundant or resilient communications capability for use during disasters impacting the City's normal communications channels.

2018 Results

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

Expenditures	FY2018	FY2019	
	Approved	Approved	Percent
	Budget	Budget	Change
Salaries/Wages/Benefits	\$ 0	\$ 0	0%
Materials/Supplies/Services	\$ 32,000	\$ 32,125	.4%
Capital Outlay	\$ 0	\$ 25,000	100%
	\$ 32,000	\$ 57,125	44.0%

EMERGENCY MANAGEMENT BUDGET SUMMARY Revenues and Expenditures

	 2017 ACTUAL		2018 RIGINAL UDGET	A۱	2018 MENDED UDGET	2018 TIMATED	2019 JDGET
Revenues							
Program Income	\$ _	\$	_	\$	_	\$ _	_
Intergovernmental	 	_		_		 	-
TOTAL REVENUES	 						-
Expenditures							
Staffing							
Salaries and Wages	-		-		-	-	-
Benefits	-		-		-	-	-
Operating Expenditures							
Professional and Technical Services	5,799		20,000		20,000	16,687	20,000
Utilities and Maintenance	8,635		8,500		8,500	4,510	8,500
Operations	260		500		500	-	500
City Support Services	387		-		-	-	125
Materials and Supplies	72		3,000		3,000	1,117	3,000
Capital Outlay							
Equipment					20,000		 25,000
TOTAL EXPENDITURES	15,153		32,000		52,000	22,314	57,125
Less Expenses Charged to Other Funds							
NET TOTAL EXPENDITURES	\$ 15,153	\$	32,000	\$	52,000	\$ 22,314	\$ 57,125

	2017	2018	2019
Property tax cost of service for median value home per month:			
Emergency Management	\$0.07	\$0.07	\$0.16

Community Development

Divisions

Administration
Planning &
Economic
Development
Building &
Inspection
Environmental
Health

Assessing



2019 Objectives

Our role is to assist in the successful operation and development of the City. We will:

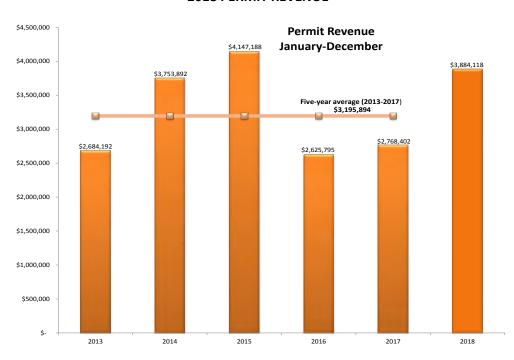
- A R Define future City directions through long-range planning and zoning requirements.
- Review development proposals for compliance with City standards.
- S Protect public health and safety by ensuring compliance with State and City codes.
- R Prepare and implement housing and redevelopment plans.
- S Educate customers and encourage voluntary compliance with codes.
- Coordinate services with other government units.
- Offer user-friendly documents, processes and customer contacts.
- R Define and implement the City's economic development strategy.

Expenditures	FY2018 Original Budget	FY2019 Approved Budget	Percent Change
Salaries/Wages/Benefits	\$7,575,997	\$7,953,312	5.0%
Materials/Supplies/Services	1,659,489	1,565,370	(5.7)
Expense Charge to Others	(38,868)	(40,034)	3.0
	\$9,196,618	\$9,478,648	3.1%

Authorized Full-Time

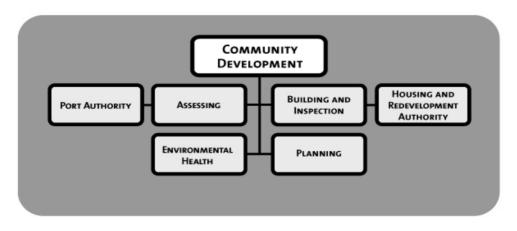
FY2017	FY2018	FY2019
65	64	64

2018 PERMIT REVENUE



COMMUNITY DEVELOPMENT BUDGET SUMMARY Revenues and Expenditures							
	2017 ACTUAL	2018 ORIGINAL BUDGET	2018 AMENDED BUDGET	2018 ESTIMATED	2019 BUDGET		
Revenues Program Income Intergovernmental	\$ 389,918 13,534	\$ 283,210 11,000	\$ 283,210 11,000	\$ 314,575 14,228	\$ 277,510 11,000		
TOTAL REVENUES	403,452	294,210	294,210	328,803	288,510		
Expenditures Staffing Salaries and Wages Benefits	5,196,737 1,968,784	5,559,162 2,016,835	5,443,346 2,016,835	5,302,288 2,037,510	5,747,588 2,205,724		
Operating Expenditures Professional and Technical Services Utilities and Maintenance Operations City Support Services Materials and Supplies	38,721 26,234 131,059 1,275,111 36,418	74,000 28,800 132,360 1,367,529 56,800	34,500 25,800 127,384 1,355,979 40,000	56,894 24,070 138,934 1,351,011 33,119	95,500 25,800 147,060 1,238,210 58,800		
Capital Outlay Buildings and Improvements Equipment		- -	- -	- -	 		
Transfers Out	44,004						
TOTAL EXPENDITURES Less Expenses Charged to Other Funds	\$ 8,717,068 (72,020)	\$ 9,235,486 (38,868)	\$ 9,043,844 (38,868)	\$ 8,943,826 (43,034)	\$ 9,518,682 (40,034)		
NET TOTAL EXPENDITURES	8,645,048	9,196,618	9,004,976	8,900,792	9,478,648		

	2017	2018	2019
Property tax cost of service for median value home per month:			
Community Development	\$2.93	\$3.96	\$3.58



Community Development – Management & Services

The Community Development Director provides direction to the Community Development Department's divisions.

Administrative support staff manage customer contacts, maintain records, issue permits and schedule inspections for the Building Inspection and Fire Prevention Divisions.

2019 Objectives

- Issue monthly building activity reports by the 5th of the next month and other reports as needed, to facilitate communication between department staff, the public, City Council and City Manager.
- Assure that resources are used to provide effective work products and high quality customer service.
- S Promote the new online customer portal for easier 24/7 accessibility for our customers in person, over the phone, in the field and in the office and by publishing an article in the Briefing in May or June.

2018 Results

• Issued monthly building activity report by the 15th of the following month.

Expenditures	FY2018	FY2019	
	Original	Approved	Percent
	Budget	Budget	Change
Salaries/Wages/Benefits	\$985,479	\$1,063,823	8.0%
Materials/Supplies/Services	327,657	343,044	4.7
	\$1,313,136	\$1,406,867	7.1%

Authorized Full-Time	FY2017	FY2018	FY2019
_	9	9	9
Administrative Assistant	1	1	1
Director-Community Development	1	1	1
Office Supervisor	1	1	1
Office Support Specialist	6	6	6



COMMUNITY DEVELOPMENT - MANAGEMENT & SERVICES BUDGET SUMMARY Revenues and Expenditures

		2017 CTUAL	OR	2018 RIGINAL JDGET	AM	2018 IENDED JDGET	ES ⁻	2018 TIMATED	B	2109 UDGET
Revenues										
Program Income	\$	97,161	\$	6,000	\$	6,000	\$	19,934	\$	10,000
TOTAL REVENUES		97,161		6,000		6,000		19,934		10,000
Expenditures Staffing Salaries and Wages		665,170		733,016		673,016		633,134		772,196
Benefits		245,617		252,463		252,463		246,859		291,627
Operating Expenditures										
Professional and Technical Services		1,224		5,000		3,000		3,246		19,000
Utilities and Maintenance		1,632		3,050		50		-		50
Operations		15,680		14,140		24,380		19,507		22,090
City Support Services		265,475		277,817		277,817		275,837		274,254
Materials and Supplies		12,867		27,650		14,400		14,499		27,650
TOTAL EXPENDITURES	\$ 1,	,207,665	\$ 1,	313,136	\$ 1,	245,126	\$ 1	.,193,082	\$ 1	,406,867

Development Review Long Range Planning Customer Services



Community Development - Planning

The Planning Division defines and implements future directions for the City through planning studies and zoning controls. This Division also reviews and prepares recommendations on applications for development, rezoning, use permits and variances, and conducts special studies for the City.

2019 Objectives

- Promote renewal and guide growth to maximize benefits for Bloomington and Bloomington property owners.
- Review development proposals to ensure Code compliance.
- Update the Zoning Ordinance as described in the Planning Commission's 2019 Work
 Plan coming forward with quarterly subcomponents.
- S Negotiate and administer City wireless and fiber leases.
- A I IE ES Adopt the Comprehensive Plan Update after Metropolitan Council review by third quarter 2019.

- Finalized Forward 2040, the comprehensive plan update process including significant community outreach and input.
- Reviewed 144 development and land use applications, 105 sign permits and 245 driveway permits.
- Prepared 65 zoning letters.
- Prepared a station area plan for the 98th Street Orange Line Station Area.
- Updated industrial districts and standards. Rezoned many parcels previously zoned industrial.
- Updated RV Standards.
- Prepared a Natural and Cultural Resources management Plan for the Minnesota River Valley.

Expenditures	FY2018 Original Budget	FY2019 Approved Budget	Percent Change
Salaries/Wages/Benefits	\$1,016,900	\$1,071,661	5.4%
Materials/Supplies/Services	196,137	189,985	(3.1)
	\$1,213,037	\$1,261,646	4.0%

Authorized Full-Time	FY2017	FY2018	FY2019
_	10	9	9
Office Assistant	1	1	0
Office Support Specialist	0	0	1
Planner	5	4	4
Planning Technician	1	1	1
Planning Manager	1	1	1
Senior Planner	2	2	2

COMMUNITY DEVELOPMENT - PLANNING BUDGET SUMMARY Revenues and Expenditures

		2017 ACTUAL	OF	2018 RIGINAL UDGET	A۱	2018 MENDED UDGET		2018 IMATED	B	2019 UDGET
Revenues										
Program Income	\$	7,776	\$	5,510	\$	5,510	\$	6,501	\$	6,010
TOTAL REVENUES		7,776		5,510		5,510		6,501		6,010
Expenditures										
Staffing										
Salaries and Wages		701,747		742,255		742,255		742,996		771,702
Benefits		268,647		274,645		274,645		268,717		299,959
Operating Expenditures										
Professional and Technical Services		1,076		39,500		2,000		884		37,000
Operations		13,992		23,125		17,125		15,708		23,125
City Support Services		111,806		128,362		124,762		126,597		124,710
Materials and Supplies		2,596		5,150		5,150		4,447		5,150
TOTAL EXPENDITURES	\$ 1	,099,864	\$ 1	,213,037	\$ 1	,165,937	\$ 1	,159,349	\$ 1	,261,646

	2017	2018	2019
Property tax cost of service for median value home per month:			
Planning	\$1.67	\$1.74	\$1.83

Building
Plumbing
Heating
Electrical
Plan Review
Time of Sale
Program
Complaint
Investigation
Administration

Community Development – Building & Inspections

The Building and Inspection Division reviews construction plans for consistency with codes, issues permits and inspects work while it is in progress to ensure compliance with the Minnesota building, energy, electrical, plumbing and heating codes. The Building and Inspection Division also administers the time-of-sale (TOS) inspection program for owner-occupied housing.

2019 Objectives

- Issue residential remodeling, plumbing, electrical and mechanical permits on the same day as application.
- S By December 2019, 85% of all permits will be submitted through the customer portal and plans will be reviewed electronically.
- Complete 45% of all time of sale (TOS) inspections by City inspectors versus private inspectors.
- Complete 98% of all inspections within 48 hours of request.
- Complete 90% of all Plan review within 10 working days (electronic plan review).
- Implement an automated customer satisfaction survey to be delivered with each emailed permit by September 30.
- S Continue to have 100% of all field inspections completed on Cityview Mobile.
- Update the City Code to align with division policies and nuisance policies across City departments, i.e. City Code and administrative penalty orders do not align at this time.

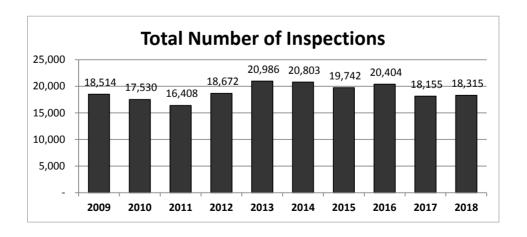
- Issued 100% of residential remodeling, plumbing, electrical and mechanical permits on the same day as application.
- By December 2018, 75% of plans were submitted and reviewed electronically.
- Completed 45% of all TOS inspections by City TOS inspectors.
- Promoted two office support staff to Permit Technicians by under filling field building inspectors to better align workloads due to increase portal and paperless plan review and building permits.
- Completed 98% of all inspections within 48 hours of request.
- Completed 90% of all plan review within 7 working days.

Expenditures	FY2018	FY2019	
	Original	Approved	Percent
	Budget	Budget	Change
Salaries/Wages/Benefits	\$1,905,879	\$1,999,812	4.9%
Materials/Supplies/Services	401,248	342,561	(14.6)
	\$2,307,127	\$2,342,373	1.5%

Authorized Full-Time	FY2017 FY2018		FY2019
	16	16	16
Assistant Building Official	1	1	1
Building & Inspection Manager	1	1	1
Inspectors	12	12	12
Plan Check Engineer	1	1	1
Program Coordinator	1	1	1

COMMUNITY DEVELOPMENT - BUILDING & INSPECTIONS BUDGET SUMMARY Revenues and Expenditures						
	2017 ACTUAL	2018 ORIGINAL BUDGET	2018 AMENDED BUDGET	2018 ESTIMATED	2019 BUDGET	
Revenues						
Program Income	\$ 154,154	\$ 127,875	\$ 127,875	\$ 152,905	\$ 122,500	
TOTAL REVENUES	154,154	127,875	127,875	152,905	122,500	
Expenditures Staffing						
Salaries and Wages	1,324,185	1,427,397	1,423,897	1,364,019	1,438,330	
Benefits	478,838	478,482	478,482	515,297	561,482	
Operating Expenditures						
Professional and Technical Services	34,072	25,000	25,000	48,491	35,000	
Operations	35,412	27,735	22,735	35,559	29,235	
City Support Services	325,520	342,463	342,463	339,405	272,276	
Materials and Supplies	10,011	6,050	5,000	5,068	6,050	
Transfers Out	44,004					
TOTAL EXPENDITURES	\$ 2,252,042	\$ 2,307,127	\$ 2,297,577	\$ 2,307,839	\$ 2,342,373	

	2017	2018	2019
Property tax cost of service for median value home per month:			
Building & Inspections	\$0.00	\$0.00	\$0.00



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Residential and Commercial Property Inspections

Zoning Enforcement Rental Property Inspection

Food Establishment Inspections

Food Safety Education

Hotel and Pool Inspections

Well Inspections

2018 National
Citizens Survey
shows 88% of
Bloomington's
residents rated their
neighborhood
excellent or good
as a place to live.

83% of residents rated the overall appearance of Bloomington as excellent or good.

62% of residents & 69% of businesses rated code enforcement as excellent or good.

77% of residents reported focusing on the "built environment" (property maintenance) as essential or very important in the next 2 years.

Community Development – Environmental Health

Environmental Health handles inspection and enforcement activities in three program areas:

- Minnesota Departments of Health and Agriculture delegate inspection and plan review of food and lodging establishments, public pools, manufactured home parks and wells; including investigating lead poisoning, and food and waterborne illness outbreaks in Bloomington and Richfield (contract for services).
- Residential and commercial property complaint and systematic inspections including zoning enforcement to maintain the City's residential and commercial properties. This maintains property values for those living and working in Bloomington.
- Rental property inspection and enforcement to provide safe and well-maintained rental housing.

2019 Objectives

- Inspect high-risk food establishments twice per year, medium-risk once or twice per year and low-risk at least once per year plus all needed follow-up inspections.
- Inspect public pools two to three times per year and hotels once per year.
- Inspect all rented multiple-family buildings (including 10 percent of units) and all single-family homes once per year.
- Inspect at least 70 percent of all well permits.
- Investigate all complaints of food or waterborne illness within 24 hours of receiving the complaint.
- Investigate all residential and commercial nuisance and rental complaints within 2 days.
- SI Systematically inspect all residential properties at least once per year.

- 4 confirmed outbreak of foodborne illness investigated in 2018
- 1,340 food safety inspections, 81 food and 1 pool illness complaints investigated, 94 nonillness complaints and 79 food and hotel establishment plan reviews
- 219 temporary food, 19 farmers' market stands and 96 Super Bowl food events inspected
- 469 inspections at 181 licensed public pools
- 41 hotels with 8,928 rooms; all hotels inspected, including 10 percent of rooms
- 459 multiple-family licensed rental buildings and 13 percent of apartments inspected
- 1.604 single-family and duplex rental dwelling units licensed and inspected
- 3,527 residential, rental and commercial complaints investigated
- 135 of 170 well permits (79%) inspected
- Richfield Inspections: 466 food safety, 41 pool, and 4 lodging inspections; 2 illness outbreaks, 32 illness complaints, 10 plan reviews, and 82 temporary food inspections

Expenditures	FY2018 Original Budget	FY2019 Approved Budget	Percent Change
Salaries/Wages/Benefits	\$2,076,578	\$2,183,215	5.1%
Materials/Supplies/Services	407,833	363,017	(11.0)
Transfers Out	0	0	-
	\$2,484,411	\$2,546,232	2.5%

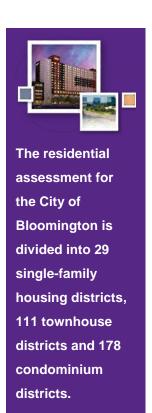
Authorized Full-Time	FY2017	FY2018	FY2019
	17	17	17
Environmental Health Manager	1	1	1
Environmental Health Prog. Coord.	2	2	2
Environmental Health Specialist	10	10	10
Environmental Health Supervisor	2	2	2
Office Support Specialist	2	2	2

COMMUNITY DEVELOPMENT - ENVIRONMENTAL HEALTH BUDGET SUMMARY Revenues and Expenditures

	2017 ACTUAL	2018 ORIGINAL BUDGET	2018 AMENDED BUDGET	2018 ESTIMATED	2019 BUDGET
Revenues					
Program Income	\$ 130,300	\$ 142,825	\$ 142,825	\$ 134,200	\$ 138,200
Intergovernmental	13,534	11,000	11,000	14,228	11,000
TOTAL REVENUES	143,834	153,825	153,825	148,428	149,200
Expenditures					
Staffing					
Salaries and Wages	1,414,647	1,517,474	1,517,474	1,503,870	1,574,339
Benefits	532,730	559,104	559,104	576,173	608,876
Operating Expenditures					
Professional and Technical Services Utilities and Maintenance	40	- 	-	100	-
Operations	32,534	35,010	35,010	34,715	34,510
City Support Services	337,062	365,873	359,423	359,644	321,557
Materials and Supplies	7,538	6,950	6,950	5,831	6,950
Transfers Out		<u> </u>			
TOTAL EXPENDITURES	\$ 2,324,551	\$ 2,484,411	\$ 2,477,961	\$ 2,480,333	\$ 2,546,232

	2017	2018	2019
Property tax cost of service for median value home per month:			
Environmental Health	\$1.54	\$2.22	\$2.09

Industrial/Comm.
Appraisals
Residential
Appraisals
Homestead Records
Property Owner
Notice
Special Assessment
Records
New Legislation
Compliance
Administration and
Records
Interdepartmental
Services



Community Development – City Assessor

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.

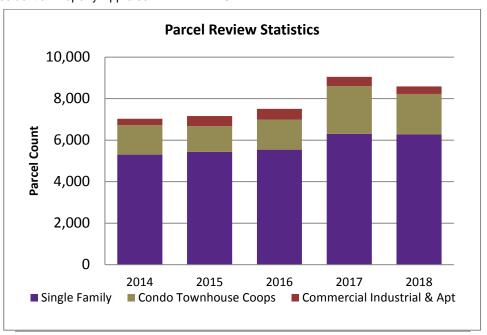
2019 Objectives

- Complete field review and revaluation of required number of residential and commercial-industrial parcels annually per State Statute.
- Farticipate 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 Mean 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%.

- Reviewed more than the 20 percent of parcels required –approximately 8,500 of 32,000 parcels.
- Mean ratio of actual sales to estimated market value was 95.5%.

Expenditures	FY2018	FY2019	
	Original	Approved	Percent
	Budget	Budget	Change
Salaries/Wages/Benefits	\$1,591,161	\$1,634,801	2.7%
Materials/Supplies/Services	326,614	326,763	0.0
Reimbursed Expenditures	(38,868)	(40,034)	3.0
	\$1,878,907	\$1,921,530	2.3%

Authorized Full-Time	FY2017	FY2018	FY2019
_	13	13	13
Assessment Assistant	2	2	2
Assessment Specialist	1	0	0
Commercial Appraisal Manager	1	1	1
Residential Appraisal Manager	1	1	1
City Assessor	1	1	1
Commercial Property Appraiser	4	4	4
Residential Property Appraiser	3	4	4



COMMUNITY DEVELOPMENT - ASSESSING BUDGET SUMMARY Revenues and Expenditures

	2017 ACTUAL	2018 ORIGINAL BUDGET	2018 AMENDED BUDGET	2018 ESTIMATED	2019 BUDGET
Revenues					
Program Income	\$ 527	\$ 1,000	\$ 1,000	\$ 1,035	\$ 800
TOTAL REVENUES	527	1,000	1,000	1,035	800
Expenditures					
Staffing					
Salaries and Wages	1,090,988	1,139,020	1,086,704	1,058,269	1,191,021
Benefits	442,952	452,141	452,141	430,464	443,780
Operating Expenditures					
Professional and Technical Services	2,309	4,500	4,500	4,173	4,500
Utilities and Maintenance	24,602	25,750	25,750	24,070	25,750
Operations	33,441	32,350	28,134	33,445	38,100
City Support Services	235,248	253,014	251,514	249,528	245,413
Materials and Supplies	3,406	11,000	8,500	3,274	13,000
TOTAL EXPENDITURES	1,832,946	1,917,775	1,857,243	1,803,223	1,961,564
Less Expenses Charged to Other Funds	(72,020)	(38,868)	(38,868)	(43,034)	(40,034)
NET TOTAL EXPENDITURES	\$ 1,760,926	\$ 1,878,907	\$ 1,818,375	\$ 1,760,189	\$ 1,921,530

Divisions

Administration
Public Health
Community
Outreach and
Engagement



A service assessment of the **Human Services** Division in 2018 recommended that the division be split into two distinct functions in order to better allow for more focus on the City Council's strategic priorities and improve accountability and financial transparency. The new divisions are **Community Outreach** and Engagement (Community Services) and Creekside **Community Center** (Parks and Recreation).

Community Services

Community Services provides programs and services that enhance the lives of all who live and work in Bloomington. The Department oversees the Public Health and Community Outreach and Engagement divisions. 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.

Objectives

- Protect and improve the health of the community through education, promotion of healthy lifestyles, public policy development and clinical services.
- **IE** Support Bloomington's changing diversity as it becomes more racially, ethnically and culturally distinct.
- **IE** Facilitate engagement activities to build relationships and involve the community in issues that affect them.
- Conduct market research to gauge resident and business satisfaction with City services and amenities.
- Create awareness about the City's programs, services and activities through a variety of communication and education tools.

Expenditures	FY2018 Original	FY2019 Approved	Percent
	Budget	Budget	Change
Salaries/Wages/Benefits	\$ 3,456,791	\$ 3,513,431	1.6 %
Materials/Supplies/Services	1,146,414	1,115,840	(2.7)
Expenses Charged to Others	(74,733)	(76,975)	3.0
	\$ 4,528,472	\$ 4,552,296	.5 %

Authorized Full-Time

FY2017	FY2018	FY2019
28	25	25

COMMUNITY SERVICES BUDGET SUMMARY Revenues and Expenditures

	2017 ACTUAL			2018 AMENDED BUDGET		2018 ESTIMATED		2019 BUDGET
Revenues								
Program Income	\$ 880,774	\$	926,725	\$	929,875	\$	819,349	\$ 808,478
Intergovernmental	 1,282,537		1,141,456		1,145,956		1,282,089	 1,309,856
TOTAL REVENUES	2,163,311		2,068,181		2,075,831		2,101,438	 2,118,334
Expenditures								
Staffing								
Salaries and Wages	2,475,133		2,584,477		2,588,978		2,327,584	2,599,862
Benefits	884,788		872,314		872,314		779,994	913,569
Operating Expenditures								
Professional and Technical Services	22,672		48,279		52,779		24,579	49,542
Utilities and Maintenance	153,755		208,012		208,012		121,867	206,321
Operations	50,413		96,354		90,854		60,836	79,964
City Support Services	630,465		663,483		663,483		650,937	637,981
Materials and Supplies	105,898		130,286		137,436		117,549	142,032
TOTAL EXPENDITURES	4,323,124		4,603,205		4,613,856		4,083,346	4,629,271
Less Expenses Charged to Other Funds	 (72,552)		(74,733)		(74,733)		(74,736)	(76,975)
NET TOTAL EXPENDITURES	\$ 4,250,572	\$	4,528,472	\$	4,539,123	\$	4,008,610	\$ 4,552,296

	2017	2018	2019
Property tax cost of service for median value home per month:			
Community Services	\$2.23	\$2.60	\$2.69





Since the City's first
National Citizen
Survey™ in 2012,
nearly all
respondents have
rated their overall
quality of life in
Bloomington as
excellent or good.

Community Services – Administration

The Community Services Administration provides managerial support to its divisions.

2019 Objectives

- Officially launch the new Community Outreach and Engagement Division in January 2019 and conduct community engagement activities such as Welcome Meals, Students in Government day and Bloomington Learn to Lead Initiative throughout the year.
- Advance the community center project by determining the final menu of programming and amenities, site and funding.
- Carry out the eighth annual National Citizen Survey™ in May to gauge resident satisfaction with the City's services and amenities and supplement the findings with focus groups of underrepresented populations.
- Facilitate a series of City Council Town Hall Forums, with an emphasis on creating interactive opportunities for resident engagement.
- Enhance the City's outreach efforts by implementing online engagement tools.

- Completed service assessments of the Public Health and Human Services divisions resulting in the replacement of Human Service with two new divisions: Community Outreach and Engagement and Creekside Community Center.
- A Continued work on preferred sites and conducted market research on programming options for a new community center.
- Implemented the seventh annual National Citizen Survey[™] of Bloomington residents and the National Business Survey[™] of Bloomington businesses; nearly nine out of ten of both resident and business survey respondents reported that overall quality of life in Bloomington was excellent or good.
- Coordinated outreach and programming for the City Council's Town Hall Forums in October 2018, attracting more than 300 participants.
- **IE** A Finished the work of the One Bloomington Action Groups in November 2018 with recommendations to the City Council on advancing the Council's strategic priorities of Community Amenities and Inclusion and Equity.
- Facilitated the 25th anniversary Sister City delegation to Izumi, Japan, led by Council Member Dwayne Lowman in November 2018.

Expenditures	FY2018	FY2019	
	Original Budget	Approved Budget	Percent Change
Salaries/Wages/Benefits	\$ 256,026	\$264,534	3.3 %
Materials/Supplies/Services	74,945	60,463	(19.3)
Expenses Charged to Others	(74,733)	(76,975)	3.0
	\$ 256,238	\$ 248,022	(3.2) %

Authorized Full-Time	FY2017	FY2018	FY2019
	2	2	2
Administrative Assistant	1	1	1
Director Community Services	1	1	1

COMMUNITY SERVICES - ADMINISTRATION BUDGET SUMMARY Revenues and Expenditures

	 2017 ACTUAL	2018 DRIGINAL BUDGET	2018 MENDED BUDGET	ES	2018 TIMATED	<u>B</u>	2019 BUDGET
Revenues							
Intergovernmental	\$ 500	\$ 	\$ 			\$	-
TOTAL REVENUES	500		 		-		-
Expenditures							
Staffing							
Salaries and Wages	198,573	197,515	197,515		198,884		202,801
Benefits	60,315	58,511	58,511		58,123		61,733
Operating Expenditures							
Professional and Technical Services	6	-	-		-		-
Utilities and Maintenance	-	500	500		-		500
Operations	3,369	7,144	7,144		7,586		7,155
City Support Services	60,214	60,901	60,901		61,341		46,308
Materials and Supplies	 6,455	6,400	 6,400		6,438		6,500
TOTAL EXPENDITURES	328,932	330,971	330,971		332,372		324,997
Less Expenses Charged to Other Funds	(72,552)	 (74,733)	 (74,733)		(74,736)		(76,975)
NET TOTAL EXPENDITURES	\$ 256,380	\$ 256,238	\$ 256,238	\$	257,636	\$	248,022

Prenatal and parenting support

Women, Infants & Children (WIC) Program

Immunization Services

Community Health Education

Senior Health Promotion

Community Health Assessment and Planning



A service
assessment of Public
Health in 2018 found
that the division
provided a mix of
health services that
were highly valued
by the community at
a cost of \$1.26 per
month for
Bloomington
homeowners in 2018.

Community Services – Public Health

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

2019 Objectives

- IE Increase awareness and knowledge about racial equity and cultural competencies in staff with mandatory training every year.
- Ensure everyone that receives service from Public Health receives high quality service by doing customer surveys.
- Implement a new strategic plan for 2019-2023. Create performance measures throughout the implementation to report on at the end of 2019 and each year of the ongoing implementation.

- Continued to disseminate positive stories of the division's work in the community and increased use of the City's social media platform to share public health issues
- Expanded staff access to laptops or other technology to improve their mobility to work in the community.
- Ensured all Bloomington residents had equitable access to Public Health services through informed and educated staff.

Expenditures	FY2018 Original Budget	FY2019 Approved Budget	Percent Change
Salaries/Wages/Benefits	\$2,438,634	\$2,528,333	3.68%
Materials/Supplies/Services	621,975	657,940	5.78
	\$3,060,609	\$3,186,273	4.11%

Authorized Full-Time	FY2017	FY2018	FY2019
_	20	17	17
Accountant	1	1	1
Accounting Assistant	1	1	1
Assistant Health Administrator	1	1	1
Communications Specialist	0	1	1
Health Administrator	1	1	1
Health Program Manager	3	3	3
Health Specialist	3	2	2
Office Assistant	1	1	1
Office Supervisor	1	1	1
Office Support Specialist	1	1	1
Public Health Nurse	7	3	3
Public Health Nurse			
Coordinator	0	1	1

COMMUNITY SERVICES - PUBLIC HEALTH BUDGET SUMMARY Revenues and Expenditures

		2017 ACTUAL		_		2018 ORIGINAL BUDGET		2018 AMENDED BUDGET		2018 ESTIMATED		2019 BUDGET
Revenues												
Program Income	\$	862,582	\$	912,032	\$	912,032	\$	801,161	\$	806,478		
Intergovernmental		1,282,037		1,141,456		1,145,956		1,282,089		1,309,856		
TOTAL REVENUES		2,144,619		2,053,488		2,057,988		2,083,250		2,116,334		
Expenditures Staffing												
Salaries and Wages		1,759,511		1,827,484		1,831,985		1,720,202		1,884,880		
Benefits		622,437		611,150		611,150		559,972		643,453		
Operating Expenditures												
Professional and Technical Services		22,622		44,467		48,967		23,803		46,542		
Utilities and Maintenance		3,053		3,096		3,096		3,276		3,096		
Operations		32,162		71,025		65,525		42,232		51,449		
City Support Services		404,365		420,891		420,891		418,012		477,571		
Materials and Supplies		75,304		82,496		82,496		81,808		79,282		
TOTAL EXPENDITURES	\$	2,919,454	\$	3,060,609	\$	3,064,110	\$	2,849,305	\$	3,186,273		

	2017	2018	2019
Property tax cost of service for median value home per month:			
Public Health Services	\$1.03	\$1.26	\$1.31

Internal Support &
Research
Policy
Equity & Inclusion
Volunteering
Engagement Tools
Events
Special Projects
Human Rights
Commission





Community
Outreach
Coordinators
provided support
and coordination for
the City Council
Town Hall Forums in
2018.

Community Services – Community Outreach and Engagement

The Community Outreach and Engagement Division is a leader for equity and inclusion. 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.

2019 Objectives

- Serve as an internal support and resource for City departments and divisions in their engagement efforts with the community.
- **IE** Coordinate the draft and adoption of a new Limited English Proficiency (LEP) policy and Americans with Disabilities Act (ADA) statement and Reasonable Accommodation Policy by May.
- IE Implement the Bloomington Learn to Lead Initiative and Students in Government Day and facilitate citizen survey focus groups with underrepresented populations by September.
- SIE Lead the coordination and implementation of a centralized volunteer process in the City by April.
- Develop engagement tools to be used across the City including an engagement vehicle and guidelines for collaboration by September.
- **IE** Collaborate with stakeholders to host or support community events including Town Hall Forums, Pride Month, and Veterans Appreciation Lunch.
- Develop performance metric tools to evaluate outreach and engagement initiatives by April.
- Frovide support to implement the Human Rights Commission 2019 work plan including Omar Bonderud Human Rights Award, Naturalization Ceremony, Pride month events and policy review.

2018 Results

At the direction of the City Council, an in-depth review was conducted of the Human Services Division. The review examined programs and services offered, their need in the community, and where the portfolio of services could be adjusted or improved to align with future City operations. Based on the findings, it was recommended that the Human Services Division be replaced with two new divisions, Community Outreach and Engagement and Creekside Community Center.

Expenditures	FY2018	FY2019	
	Original Budget	Approved Budget	Percent Change
Salaries/Wages/Benefits	\$ 762,131	\$ 720,564	(5.5) %
Materials/Supplies/Services	449,494	397,437	(11.6)
	\$1,211,625	1,118,001	(7.7) %

FY2017	FY2018	FY2019
6	6	6
1	1	0
1	1	0
1	1	0
2	2	0
1	1	0
0	0	1
0	0	4
0	0	1
	6 1 1 2 1 0 0	FY2017 FY2018 6 6 1 1 1 1 1 1 2 2 1 1 0 0 0 0 0 0 0 0 0 0

COMMUNITY SERVICES - COMMUNITY OUTREACH AND ENGAGEMENT BUDGET SUMMARY

Revenues and Expenditures

2017 ACTUAL		2018 ORIGINAL BUDGET		2018 AMENDED BUDGET		2018 ESTIMATED		2019 BUDGET	
\$	18,192	\$	14,693	\$	17,843	\$	18,188	\$	2,000
	-								-
	18,192		14,693		17,843		18,188		2,000
	517,049		559,478		559,478		408,498		512,181
	202,036		202,653		202,653		161,899		208,383
	44		3,812		3,812		776		3,000
	150,702		204,416		204,416		118,591		202,725
	14,882		18,185		18,185		11,018		21,360
	165,886		181,691		181,691		171,584		114,102
	24,139		41,390		48,540		29,303		56,250
	1,074,738		1,211,625	1,	218,775		901,669		1,118,001
									-
\$	1,074,738	\$	1,211,625	\$ 1,	218,775	\$	901,669	\$	1,118,001
		\$ 18,192 	\$ 18,192 \$ 18,192 517,049 202,036 44 150,702 14,882 165,886 24,139 1,074,738	\$ 18,192 \$ 14,693	2017 ORIGINAL BUDGET BU \$ 18,192 \$ 14,693 \$ 18,192 14,693 517,049 559,478 202,036 202,653 44 3,812 150,702 204,416 14,882 18,185 165,886 181,691 24,139 41,390 1,074,738 1,211,625 1,	2017 ACTUAL ORIGINAL BUDGET AMENDED BUDGET \$ 18,192 \$ 14,693 \$ 17,843 18,192 14,693 17,843 517,049 559,478 559,478 202,036 202,653 202,653 44 3,812 3,812 150,702 204,416 204,416 14,882 18,185 18,185 165,886 181,691 181,691 24,139 41,390 48,540 1,074,738 1,211,625 1,218,775 - - -	2017 ACTUAL ORIGINAL BUDGET AMENDED BUDGET ES \$ 18,192 \$ 14,693 \$ 17,843 \$ 18,192 14,693 17,843 \$ 517,049 559,478 559,478 202,653 202,036 202,653 202,653 202,653 44 3,812 3,812 150,702 204,416 204,416 14,882 18,185 18,185 165,886 181,691 181,691 24,139 41,390 48,540 1,074,738 1,211,625 1,218,775 - - - - - - -	2017 ACTUAL ORIGINAL BUDGET AMENDED BUDGET 2018 ESTIMATED \$ 18,192 \$ 14,693 \$ 17,843 \$ 18,188 18,192 14,693 17,843 18,188 517,049 559,478 559,478 408,498 202,036 202,653 202,653 161,899 44 3,812 3,812 776 150,702 204,416 204,416 118,591 14,882 18,185 18,185 11,018 165,886 181,691 181,691 171,584 24,139 41,390 48,540 29,303 1,074,738 1,211,625 1,218,775 901,669	2017 ACTUAL ORIGINAL BUDGET AMENDED BUDGET 2018 ESTIMATED E \$ 18,192 \$ 14,693 \$ 17,843 \$ 18,188 \$ 18,192 14,693 17,843 18,188 \$ 517,049 559,478 559,478 408,498 202,036 202,653 202,653 161,899 44 3,812 3,812 776 150,702 204,416 204,416 118,591 14,882 18,185 11,018 165,886 181,691 181,691 171,584 24,139 41,390 48,540 29,303 1,074,738 1,211,625 1,218,775 901,669 901,669 - <td< td=""></td<>

	2017	2018	2019
Property tax cost of service for median value home per month:			
Community Outreach and Engagement	\$1.23	\$1.34	\$1.38

Parks and Recreation

Divisions

Center for the Arts
Creekside
Community Center
Golf Courses
Ice Garden
General Recreation
Cultural/Arts Events

Facilities:
97 Parks
Center for the Arts
Creekside
Dwan Golf Club
Hyland Greens
Ice Garden
Pond-Dakota Mission
Picnic Shelters
Playgrounds
Athletic Fields
Archery Range
Court Sports
Trail System

The newly-created Parks and Recreation Department oversees 97 parks and multiple recreational facilities for users to enjoy. The department provides recreational opportunities through programs and facilities by its divisions offering a wide variety of opportunities for people of all ages and abilities. Additionally, the department provides supervision, planning, budgeting and training to support to all of its divisions.

Expenditures	FY2018 Original Budget	FY2019 Approved Budget	Percent Change
Salaries/Wages/Benefits	\$ 2,190,235	\$2,344,200	7.03 %
Materials/Supplies/Services	7,578,620	7,629,311	.67
Capital	30,000	15,000	50
Expenses Charged to Others	(700)	(700)	-
	9,798,155	9,987,811	1.94 %
Authorized Full-Time	FY2017	FY2018	FY2019
	12	11	11



PARKS AND RECREATION BUDGET SUMMARY Revenues and Expenditures											
		2017 ACTUAL		2018 ORIGINAL BUDGET	AL AMENDED		ES	2018 ESTIMATED		2019 BUDGET	
Revenues											
Program Income	\$	1,222,491	\$	1,278,279	\$	1,288,309	\$	1,253,818	\$	1,275,908	
Intergovernmental		3,500		5,000		5,000				3,500	
TOTAL REVENUES		1,225,991		1,283,279		1,293,309		1,253,818		1,279,408	
Expenditures											
Staffing											
Salaries and Wages		1,556,013		1,722,354		1,723,854		1,599,117		1,810,961	
Benefits		437,378		467,881		467,881		457,607		533,239	
Operating Expenditures											
Professional and Technical Services		17,448		18,590		18,590		18,686		24,135	
Utilities and Maintenance		837,667		873,731		810,841		741,031		913,017	
Operations		59,337		67,400		64,794		56,009		72,362	
City Support Services		6,278,925		6,497,966		6,497,966		6,492,608		6,489,070	
Materials and Supplies		106,104		120,933		126,628		94,210		130,727	
Capital Outlay											
Buildings and Improvements		_		-		-		-		-	
Equipment		55,852		30,000		33,571		15,988		15,000	

	2017	2018	2019
Property tax cost of service for median value home per month:			
Parks and Recreation	\$10.08	\$11.01	\$10.76

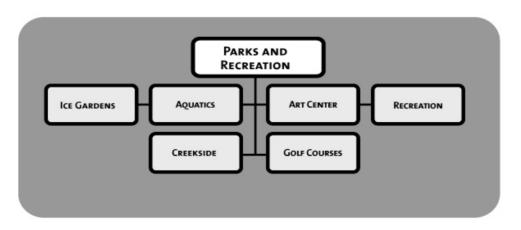
9,798,855

(700)

9,744,125

\$ 9,348,012 \$ 9,798,155 \$ 9,743,425 \$ 9,474,364 \$ 9,987,811

(700)



9,348,724

(712)

Transfers out

TOTAL EXPENDITURES

NET TOTAL EXPENDITURES

Less Expenses Charged to Other Funds

9,988,511

9,475,256 (892) The Native Lacrosse
Day at Pond Dakota
Mission Park
brought together
Native American
players from
throughout the
Upper Midwest.



Parks and Recreation – Cultural/Arts Events

This area of the Parks and Recreation Division coordinates special events, Arts in the Parks, cultural arts support for resident fine arts organizations, and historical education and outdoor education/recreation experiences through management of the historic Pond-Dakota Mission Park.

2019 Objectives

- **IE** IS Build off of successful Unidos Fest held in 2018 to create a larger Latin Cultural Festival in 2019, reaching a broader audience.
- **IE** IS Continue expansion of programming to underserved communities in Bloomington to include two additional music or movie productions at neighborhood parks.
- S Achieve corporate sponsorship for at least 50% of all Arts in the Parks Thursday Blockbusters and Friday Movies for 2019.
- ES R Increase number of invasive species removal events at City sites by two with a goal of five in 2019.
- **IE** S Build awareness of, and registrations for, the Dakota Language Camp through development of partnerships with Mdewakanton Dakota.
- **IE** Continue growth of Native Lacrosse weekend event which will expand on the 2018 event held in August to increase attendance by 30%.
- IE ES R Work with members of the Dakota Community in putting together a legacy grant proposal for continuation of the Dakota Interpretive work at Pond Dakota Mission Park.
- **ES R S I** Work with Sustainability Commission to identify ways Parks and Recreation can maximize sustainability opportunities and coordinate implementation of strategies.
- A ES Develop a method for conducting accurate visitor surveys for the Minnesota River Valley trails
- S A Obtain sponsorships for all three major sponsor areas: main stage, carnival, and kid's stage, to generate \$10,000 in revenue for Summer Fete.
- **IE** IS Partner with the Community Outreach Division, to develop an additional special event with the goal of participation by underserved communities.

- · Expanded Winter Fete activities by two with the addition of an ice fishing event and a winter kite festival.
- Conducted three successful programs at Wrights Lake Park to branch programming out to more underserved communities in the City. Total attendance at these programs was approximately 2,000.
- Partnered with local organizations and members of the Latino community to coordinate Unidos Fest, a celebration of Latin American Food, music, and culture.
- Enjoyed high participant numbers for the Dakota language camp, including many people from the Dakota community who were interested in learning their traditional language.
- Expanded Summer Fete food options to include two additional food vendors, and also streamlined the
 event's food vending process by utilizing a blanket event food license covering all food vendors.
- Completed the Cultural Resources portion of the Minnesota River Valley Strategic plan.
- Worked with Sustainability Commission to develop ideas for natural resource sustainability education.
- Added the Nokomis Minnesota River Trail to Bloomington's list of regional amenities and coordinated the Metropolitan Council park counts at both the regional park and the new trail location with more than 50 count days added from the previous year.
- Developed a partnership with the Twin Cities Native Lacrosse Society and together conducted a Native Lacrosse program at Pond Dakota Mission Park. This day-long program featured exhibition games and opportunities for people to try out lacrosse using traditional wooden sticks. Nearly 100 Native American people participated and helped teach the public about traditional lacrosse and its history in Minnesota.
- Started the Midweek Music and Market Program, an Arts in the Parks program in conjunction with the Bloomington Farmers Market, adding six days to the schedule for six additional farmer's markets.

Expenditures	FY2018 Original Budget	FY2019 Approved Budget	Percent Change
Salaries/Wages/Benefits	\$ 219,397	\$231,764	5.64 %
Materials/Supplies/Services	534,003	552,892	3.54
	753,400	784,656	4.15 %
Authorized Full-Time	FY2017	FY2018	FY2019
	1	1	1
Recreation Supervisor	1	1	1

PARKS AND RECREATION - CULTURAL/ARTS EVENTS BUDGET SUMMARY Revenues and Expenditures

	2017 ACTUAL		2018 DRIGINAL BUDGET			ES	2018 ESTIMATED		2019 UDGET
Revenues									
Program Income	\$	156,254	\$ 153,550	\$	163,550	\$	147,528	\$	158,900
TOTAL REVENUES		156,254	153,550		163,550		147,528		158,900
Expenditures									
Staffing									
Salaries and Wages		153,992	168,014		169,514		175,365		177,795
Benefits		52,492	51,383		51,383		56,379		53,969
Operating Expenditures									
Professional and Technical Services		2,071	2,590		2,590		1,626		2,635
Utilities and Maintenance		316,119	330,193		333,828		322,078		345,278
Operations		12,322	12,285		12,285		11,361		12,174
City Support Services		168,650	177,560		177,560		181,761		182,421
Materials and Supplies		11,133	 11,375		16,240		8,387		10,384
TOTAL EXPENDITURES	\$	716,779	\$ 753,400	\$	763,400	\$	756,957	\$	784,656

	2017	2018	2019
Property tax cost of service for median value home per month:			
Cultural/Special Events	\$0.70	\$0.76	\$0.77

Skating
Playgrounds
Adaptive Recreation
& Learning
Exchange (AR&LE)
Youth Events
Adult Sports
Administration
Youth Athletics
Galaxy Youth
Center
Armory
Volunteer Services

88 percent of City residents rate City parks as excellent or good and 82 percent of residents give recreation programs excellent or good ratings.

Parks and Recreation – General 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 self-directed leisure activities.

2019 Objectives

- S IIE Increase volunteer participation in adaptive recreation programming by 5%.
- E Strengthen partnerships and bolster participation of underrepresented park users by planning two collaborative events in the Regional Parks
- Work with Three Rivers Park District, Bloomington Public Schools and other community partners to offer a variety of quality summer recreational opportunities for youth preschool through tenth grade.
- **IE** S Collaborate with Three Rivers Park District to offer nature based programming at nine different locations, focusing on underrepresented populations.
- **IE** S Execute one new Adaptive Recreation program and utilize AR&LE collaboration to market the event.
- S Recruit five new warming house volunteers by December 2019
- A Host one additional winter community event
- R A Begin the update of the Parks Master Plan
- SA Increase the hours served by Parks and Recreation volunteers by 5%
- Continue to offer, evaluate, and enhance the summer student internship program, now in its fifth year.
- Als Regrade softball fields 8-11 at Dred Scott to enhance playability before adult softball leagues begin on April 19.
- S By May 1, in association with Park Maintenance, create field maintenance tiers to be added to our field use policy to enhance services for youth and adult tournaments hosted in Bloomington.
- S Review and enhance our field permit language by working with our legal department by June 1.
- Create a comprehensive field use policy by adding field maintenance tiers and revised permit language by July 1.
- S Evaluate all adult athletic leagues at least twice in 2019 through end-of-season participant surveys; staff input and observations; apply innovative ideas and concepts learned at conferences/trainings.
- ALS With Public Works, tear down and replace the restroom/concession building at Dred Scott Playfield before November 30. Ensure that the building is ready for use before the softball leagues begin on April 17, 2020.

- Increased participation in teen volunteer program by 5%, enhanced programming and leadership development.
- Created and planned one new Adaptive Recreation event to be executed in 2019
- With Three Rivers Park District, offered nature programming at 9 different locations, focusing on underrepresented populations
- Hosted the Winter Extravaganza at Running Park with over 30 participants
- Increased revenue by \$2,500 by creating a partnership with the Kiwatchi Adventures Dog Sled Event
- Coordinated over 800 volunteers to serve as a park clean up volunteers, junior counselors, farmers market assistants, special events volunteers, warming house attendants and more
- At 36 events spread awareness of Bloomington's recreational activities and solicited feedback to create more relevant programs
- Hosted a community event at Wright's Lake Park to boost engagement and park usage
- Hosted the 2018 Halloween Party which was attended by over 800 participants
- Worked in partnership with the seven Recognized Bloomington Youth Athletic Organizations and 6 Bloomington schools to create comprehensive summer and fall schedules for use of Bloomington athletic facilities.
- Upgraded the drainage system at Red Haddox Field to increase playable conditions for summer baseball.
- Increased participation in adult basketball by two teams and fall volleyball by two teams.
- Increased the visibility of our internship program regionally by creating a relationship with South Dakota State University's Sport and Rec Department.
- Poured concrete pads, replaced bleachers on field #2 at Valley View Playfield, increasing accessibility to all users.
- Replaced bleachers on fields #1 and #5 at Dred Scott Playfield, increasing the accessibility to all users.
- Created a Senior Organization, Club or Team Policy to promote wellness and active lifestyles in our older adults.

Expenditures	FY2018 Original Budget	FY2019 Approved Budget	Percent Change
Salaries/Wages/Benefits	\$1,416,167	\$1,464,947	3.44 %
Materials/Supplies/Services	6,554,414	6,549,796	(.07)
	\$7,970,581	\$8,014,743	.55 %

Authorized Full-Time	FY2017	FY2018	FY2019
	6	6	6
Parks and Recreation Director	0	0	1
Assistant Parks & Recreation Manager	1	1	1
Office Assistant	1	1	1
Office Coordinator	0	0	1
Office Support Specialist	1	1	0
Parks & Recreation Manager	1	1	0
Recreation Supervisor	2	2	2

PARKS AND RECREATION - GENERAL RECREATION BUDGET SUMMARY Revenues and Expenditures

		2017 ACTUAL		2018 ORIGINAL BUDGET	2018 AMENDED BUDGET	2018 ESTIMATED	2019 BUDGET
Revenues							
Program Income	\$	960,006	\$	1,023,308	\$ 1,023,308	\$ 987,245	\$ 1,003,037
Intergovernmental		3,500		5,000	5,000	-	3,500
TOTAL REVENUES		963,506		1,028,308	1,028,308	987,245	1,006,537
Expenditures							
Staffing							
Salaries and Wages		1,002,818		1,121,579	1,121,579	981,721	1,156,519
Benefits		266,467		294,588	294,588	264,952	308,428
Operating Expenditures							
Professional and Technical Services		14,549		15,000	15,000	16,143	20,500
Utilities and Maintenance		498,127		517,589	451,064	402,229	545,068
Operations		43,635		46,392	44,892	39,828	51,566
City Support Services		5,719,550		5,906,625	5,906,625	5,901,310	5,857,469
Materials and Supplies		57,850		68,808	68,808	45,618	75,193
TOTAL EXPENDITURES	<u> </u>	7,602,996	\$	7,970,581	\$ 7,902,556	\$ 7,651,801	\$ 8,014,743
TOTAL EXPENDITURES	ڔ	1,002,330	٠	7,370,361	7 7,302,330	7 /,051,001	7 0,014,743

	2017	2018	2019
Property tax cost of service for median value home per month:			
General Recreation	\$7.99	\$8.84	\$8.66

Community Programs

Contractual Agencies

Food Resource Programs

Meal Programs

Senior Programs

Volunteer Services

In 2018 a service assessment recommended making changes to the organizational structure of Creekside. As a result, Creekside was realigned as a recreational facility and moved into the Parks and Recreation Department in 2019.



Parks and Recreation - Creekside

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

2019 Objectives

- Rebrand Creekside as a recreation facility that is home to active aging adult programs as well as recreation programs for all ages.
- S Expand programing at Creekside by offering recreation activities to all ages.
- Expand programing at Creekside by hosting adaptive recreation (AR&LE) dances and events
- Increase participation in lunch program by adding lunch parties and improve marketing.
- S Review the senior programs to make sure they are meeting the needs of the community, determine areas for growth and programs that are underperforming.
- Transition Creekside volunteers to Volgistics, so all Parks and Recreation volunteers are following the same policies.
- S Create a work plan to transition Creekside from My Senior Center to RecTrac.

- Supported 37 senior programs with the goal of keeping participants happy, healthy, and socially connected to their friends and neighbors.
- Staff and volunteers supported Fare For All, a cooperative food buying program. An average of 138
 meal packs were distributed every month.
- More than 300 people attended Holiday Baking with Marjorie Johnson and the City Manager.
 Creekside received donated coffee from Caribou, apple cider from Trader Joe's and \$200 from Creekside Senior memorial Trust Fund to support the event. The event was well received and attracted guests beyond Creekside participants.
- The Creekside Garden Club hosted two educational speaker events open to the public.
- Supported approximately 238 volunteers to provide 26,385 hours in value-added service.

Expenditures	FY2018 Original Budget	FY2019 Approved Budget	Percent Change
Salaries/Wages/Benefits	\$ 554,671	\$ 647,489	16.7 %
Materials/Supplies/Services	490,203	526,623	7.4
Capital	30,000	15,000	(50.0)
Expenses Charged to Others	(700)	(700)	0.0
	1,074,174	1,188,412	10.6 %

Authorized Full-Time	FY2017	FY2018	FY2019
	5	4	4
Creekside Community Ctr. Coordinator	1	1	0
Creekside Community Center Manager	0	0	1
Maintenance Worker	1	1	1
Office Assistant	1	1	0
Office Support Specialist	0	0	1
Human Services Program Coordinator	2	1	0
Recreation Supervisor	0	0	1

PARKS AND RECREATION - CREEKSIDE BUDGET SUMMARY Revenues and Expenditures									
		2017 ACTUAL		2018 PRIGINAL BUDGET	2018 MENDED BUDGET	ES	2018 STIMATED		2019 BUDGET
Revenues									
Program Income	\$	106,231	\$	101,421	\$ 101,451	\$	119,045	\$	113,971
TOTAL REVENUES		106,231		101,421	 101,451		119,045		113,971
Expenditures									
Staffing									
Salaries and Wages		399,203		432,761	432,761		442,031		476,647
Benefits		118,419		121,910	121,910		136,276		170,842
Operating Expenditures									
Professional and Technical Services		828		1,000	1,000		917		1,000
Utilities and Maintenance		23,421		25,949	25,949		16,724		22,671
Operations		3,380		8,723	7,617		4,820		8,622
City Support Services		390,725		413,781	413,781		409,537		449,180
Materials and Supplies		37,121		40,750	 41,580		40,205		45,150
Capital Outlay									
Buildings and Improvements									
Equipment		55,852		30,000	 33,571		15,988		15,000

	2017	2018	2019
Property tax cost of service for median value home per month:			
Creekside	\$1.39	\$1.41	\$1.33

1,074,874

1,074,174

(700)

\$ 1,078,169

1,077,469

(700)

\$ 1,066,498

1,065,606

(892)

1,028,949

1,028,237

(712)

TOTAL EXPENDITURES

NET TOTAL EXPENDITURES

Less Expenses Charged to Other Funds

\$ 1,189,112

1,188,412

(700)

Divisions

Administration Engineering/Traffic Maintenance Administration Street Maintenance



Fleet Maintenance has made significant improvements to its operations by upgrading its fleet software to a web interface. In preparation for that, equipment lists and processes were reviewed, revised, purged, and created. As a result, improvements to the motor pool process have been made including lower rates, the ability to track productivity, reduced paper use and changing vehicle classifications made parts ordering more streamlined.

In 2019, the next step will be implementation of a customer access portal.

Public Works

The Public Works Department provides well-maintained streets, an efficient transportation network, and provides parks and building maintenance for Bloomington-owned property. This department also oversees the Water, Wastewater, Storm Water, and Solid Waste Funds, as well as Facilities and Equipment Funds which are internal service fund types.

Expenditures	FY2018 Original Budget	FY2019 Approved Budget	Percent Change
Salaries/Wages/Benefits	\$ 7,663,673	\$ 7,993,411	4.3%
Materials/Supplies/Services	7,460,713	7,781,076	4.3
Capital	62,000	62,000	0.0
Expenses Charged to Others	(2,961,658)	(3,064,504)	3.5
	\$ 12,224,728	\$ 12,771,983	4.5%

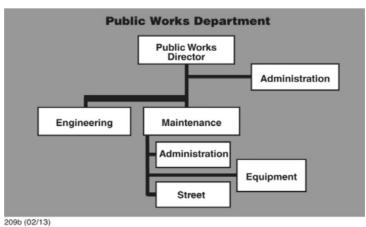
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FY2017	FY2018	FY2019
67	67	66

PUBLIC WORKS BUDGET SUMMARY Revenues and Expenditures

	2017 ACTUAL	2018 ORIGINAL BUDGET	2018 AMENDED BUDGET	2018 ESTIMATED	2019 BUDGET
Revenues					
Program Income	\$ 90,444	\$ 74,985	\$ 74,985	\$ 165,484	72,785
Transfers In	203,580	150,000	246,420	246,420	150,000
Permits	21,714	10,000	10,000	14,660	15,000
TOTAL REVENUES	315,738	234,985	331,405	426,564	237,785
Expenditures					
Staffing					
Salaries and Wages	5,254,058	5,600,220	5,588,220	5,612,869	5,749,098
Benefits	2,098,787	2,063,453	2,061,453	2,186,146	2,244,313
Operating Expenditures					
Professional and Technical Services	209,288	168,800	188,729	118,255	262,781
Utilities and Maintenance	1,586,822	1,716,795	1,890,046	1,854,729	1,723,853
Operations	125,514	166,189	151,524	109,769	167,776
City Support Services	3,341,326	3,650,849	3,650,849	3,640,519	3,998,652
Materials and Supplies	1,340,581	1,758,080	2,325,685	1,865,366	1,628,014
Capital Outlay					
Buildings and Improvements	83,342	-	39,501	39,501	-
Equipment	26,826	62,000	59,983	59,168	62,000
TOTAL EXPENDITURES	14,066,544	15,186,386	15,955,990	15,486,322	15,836,487
Less Expenses Charged to Other Funds	(2,639,305)	(2,961,658)	(2,961,658)	(2,555,903)	(3,064,504)
NET TOTAL EXPENDITURES	\$ 11,427,239	\$ 12,224,728	\$ 12,994,332	\$ 12,930,419	12,771,983

	2017	2018	2019
Property tax cost of service for median value home per month:			
Public Works	\$14.73	\$14.84	\$14.46



Public Works - Administration

The administration division provides support to all of its divisions. This includes supervision, planning, budgeting, safety training, the garbage and recycling program and liaison for sustainability efforts.

2019 Objectives

- Work with the Sustainability Commission, City Council, and staff to develop and administer an annual work plan for sustainability initiatives, which will be presented to Council in February.
- Coordinate organizational development efforts; including monthly meetings of the new Public Works Leadership Team and sending 10 to 20 people to High Performance Organizations training.
- ES S Increase Public Ash removals and replacements to 400, in response to the Emerald Ash Borer (EAB) infestation.

Expenditures	FY2018 Original Budget	FY2019 Approved Budget	Percent Change	
Salaries/Wages/Benefits	\$ 512,089	\$ 604,796	18.1%	
Materials/Supplies/Services	163,652	211,982	29.5	
Expenses Charged to Others	(587,461)	(556,148)	(5.3)	
	\$ 88,280	\$ 260,630	195.2%	

Authorized Full-Time	FY2017	FY2018	FY2019
	4	3	4
Accountant	1	1	1
Deputy Director of Public Works	1	1	1
Director of Public Works	1	1	1
Office Supervisor	1	0	0
Sustainability Coordinator	0	0	1



The Sustainability
Commission had some
major successes:

- The City
 received Gold
 recognition in
 the SolSmart
 program.
- Over 850 people registered for the organics drop-off program.
- Data was
 collected to start
 developing and
 measuring goals
 around City
 energy
 efficiency.
- An electric vehicle test drive event was held.

PUBLIC WORKS - ADMINISTRATION BUDGET SUMMARY Revenues and Expenditures

	 2017 ACTUAL	2018 DRIGINAL BUDGET	2018 MENDED BUDGET	_ES	2018 STIMATED	<u>E</u>	2019 BUDGET
Revenues							
Program Income	\$ 1,768	\$ 2,000	\$ 2,000	\$	1,404	\$	-
TOTAL REVENUES	 1,768	 2,000	 2,000		1,404		-
Expenditures							
Staffing							
Salaries and Wages	\$ 369,001	\$ 400,051	\$ 388,051	\$	363,779	\$	456,215
Benefits	135,477	112,038	110,038		116,715		148,581
Operating Expenditures							
Professional and Technical Services	48,055	50,000	59,608		58,608		50,000
Utilities and Maintenance							
Operations	22,435	20,800	20,800		15,646		23,514
City Support Services	83,793	88,352	88,352		89,047		133,968
Materials and Supplies	4,710	 4,500	 4,500		6,241		4,500
TOTAL EXPENDITURES	663,471	675,741	671,349		650,036		816,778
Less Expenses Charged to Other Funds	 (556,140)	 (587,461)	 (587,461)		(587,460)		(556,148)
NET TOTAL EXPENDITURES	\$ 107,331	\$ 88,280	\$ 83,888	\$	62,576	\$	260,630

Administration
Infrastructure
Construction &
Design
Engineering
Services
Traffic and
Transportation
Engineering



The East Bush Lake Road (CSAH 28) Westbound Ramp at I-494 was opened at the end of November 2018. This new freeway access included construction of a new steel bridge over the Interstate and under the existing railroad bridge. The project included multiple new retaining walls, modifications to the existing bridge over the freeway and upgrading of the pedestrian facilities to become ADA compliant.

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 we don't maintain), the construction of approximately 12 miles of reconstructed or overlaid streets per year and other local and regional projects.

2019 Objectives

- **IE ES** To facilitate movement of people and goods efficiently, safely, cost effectively to any desired destination while seeking to minimize associated impacts on community livability and the environment.
- A To endorse and pursue a "Complete Streets" transportation system.
- A R Renew the City's transportation and utility infrastructure in a cost effective manner to accommodate forecasted growth and to keep costs affordable.
- **IE** S Provide assistance and guidance to City property owners, prospective buyers and developers regarding parcel information and data, existing and planned City infrastructure, City code and Engineering policies.
- ▲ IE ES R Provide comprehensive long-range planning, design and construction for local and regional transportation system, sanitary/storm sewer and water main infrastructure within Bloomington.

- Under the Pavement Management Program reconstructed 4.5 miles of pavement (at \$1.6 million per mile) and overlaid 6.56 miles of pavement (at \$450,000 per mile).
- Installed 20 accessible pedestrian ramps, upgraded 115 accessible pedestrian ramps.
- Installed 1,300 linear feet of sidewalk, replaced 5,100 linear feet of existing sidewalk.
 Installed 2,750 linear feet of trail, replaced 4,700 linear feet of existing trail.
- Built one new pedestrian refuge island.
- Reviewed and installed 4 new street lights.
- Held 10 neighborhood project meetings with over 110 attendees and nearly 3,000 invitations sent out.

Expenditures	FY2018	FY2019	
	Original	Approved	Percent
	Budget	Budget	Change
Salaries/Wages/Benefits	\$3,445,098	\$3,657,442	6.2%
Materials/Supplies/Services	868,549	978,760	12.7
Capital	34,000	34,000	0.0
Expenses Charged to Others	(1,953,093)	(2,056,237)	5.3
	\$2,394,554	\$2,613,965	9.2%

Authorized Full-Time	FY2017	FY2018	FY2019
	29	29	29
Analyst	1	1	0
Assistant Traffic Engineer	1	1	1
City Engineer	1	1	1
Civil Engineer	4	4	4
Engineering Technician	11	11	11
GIS Specialist	1	1	1
Office Support Specialist	1	1	1
Professional Land Surveyor	1	1	1
Senior Civil Engineer	1	1	1
Sr. Engineering Technician	6	6	7
Traffic & Transportation Engineer	1	1	1

PUBLIC WORKS - ENGINEERING BUDGET SUMMARY Revenues and Expenditures

	2017 ACTUAL	2018 ORIGINAL BUDGET	2018 AMENDED BUDGET	2018 ESTIMATED	2019 BUDGET
Revenues					
Program Income	\$ 82	\$ 400	\$ 400	\$ 3,980	\$ 200
Permits	21,714	10,000	10,000	14,660	15,000
TOTAL REVENUES	21,796	10,400	10,400	18,640	15,200
Expenditures					
Staffing					
Salaries and Wages	2,401,079	2,565,768	2,565,768	2,433,618	2,653,267
Benefits	847,347	879,330	879,330	870,870	1,004,175
Operating Expenditures					
Professional and Technical Services	157,248	117,100	127,421	45,199	211,081
Utilities and Maintenance	360	5,652	5,652	3,003	5,652
Operations	51,098	73,079	58,414	46,740	72,262
City Support Services	479,906	543,704	543,704	530,219	562,651
Materials and Supplies	107,445	129,014	145,576	73,463	127,114
Capital Outlay					
Equipment		34,000	31,983	31,982	34,000
TOTAL EXPENDITURES	4,044,483	4,347,647	4,357,848	4,035,094	4,670,202
Less Expenses Charged to Other Funds	(1,742,457)	(1,953,093)	(1,953,093)	(1,757,975)	(2,056,237)
NET TOTAL EXPENDITURES	\$ 2,302,026	\$ 2,394,554	\$ 2,404,755	\$ 2,277,119	\$ 2,613,965

	2017	2018	2019
Property tax cost of service for median value home per month:			
Engineering	\$2.68	\$2.97	\$3.23

Street Lighting
Traffic Operation and
Maintenance



Traffic Maintenance staff paints 500 crosswalks, 300 traffic arrows, 50 railroad crossing symbols, and 245 linear miles of road lines (100 percent of inventory) every year and maintains 74 signal systems and 1,175 street lights.
65 percent of citizens surveyed

rated traffic signal

timing excellent or good, similar to

other cities included

in a nationwide data

base.

Public Works – Traffic and Maintenance Administration

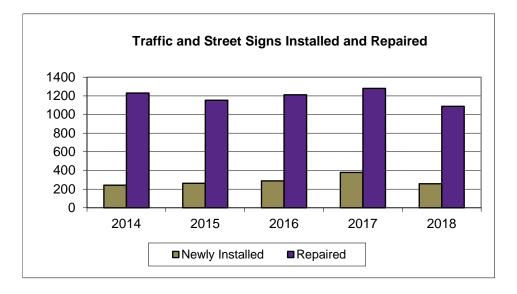
Maintenance Administration plans, schedules and coordinates maintenance programs and activities with other City departments and manages 4,400 street lights (1,175 City owned).

2019 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.
- Provide maintenance on traffic signal systems for the safety of the public by performing yearly preventative maintenance and responding to trouble calls.
- Provide street light services for the safety of the public by maintaining and responding to outages within three days.

Expenditures	FY2018	FY2019	
	Original	Approved	Percent
	Budget	Budget	Change
Salaries/Wages/Benefits	\$1,187,288	\$1,133,677	(4.5)%
Materials/Supplies/Services	1,726,849	1,823,954	5.6
Capital	28,000	28,000	0.0
Expenses Charged to Others	(30,000)	(30,000)	0.0
	\$2,912,137	\$2,955,631	1.5%

Authorized Full-Time	FY2017	FY2018	FY2019
_	11	12	10
Analyst	1	1	0
Computer Specialist	1	1	0
Traffic Technician	2	2	2
Maintenance Superintendent	1	1	1
Office Supervisor	0	1	1
Office Support Specialist	2	2	2
Senior Signal Technician	1	1	1
Signal Technician	2	2	2
Traffic Supervisor	1	1	1



PUBLIC WORKS - MAINTENANCE ADMINISTRATION BUDGET SUMMARY Revenues and Expenditures

	2017 ACTUAL	2018 ORIGINAL BUDGET	2018 AMENDED BUDGET	2018 ESTIMATED	2019 BUDGET
Revenues					
Program Income	\$ 81,524	\$ 54,585	\$ 54,585	\$ 78,472	\$ 54,585
TOTAL REVENUES	81,524	54,585	54,585	78,472	54,585
Expenditures					
Staffing					
Salaries and Wages	812,822	839,178	839,178	904,138	825,343
Benefits	328,070	348,110	348,110	347,082	308,334
Operating Expenditures					
Professional and Technical Services	3,260	300	300	13,478	300
Utilities and Maintenance	1,130,173	1,149,842	1,178,352	1,139,997	1,087,900
Operations	14,215	21,855	21,855	15,793	20,045
City Support Services	414,522	428,586	428,586	430,472	599,659
Materials and Supplies	102,525	126,266	149,874	141,457	116,050
Capital Outlay					
Equipment	26,826	28,000	28,000	27,186	28,000
TOTAL EXPENDITURES	2,832,413	2,942,137	2,994,255	3,019,603	2,985,631
Less Expenses Charged to Other Funds	(30,000)	(30,000)	(30,000)	-	(30,000)
NET TOTAL EXPENDITURES	\$ 2,802,413	\$ 2,912,137	\$ 2,964,255	\$ 3,019,603	\$ 2,955,631

	2017	2018	2019
Property tax cost of service for median value home per month:			
Traffic Control and Street Lights	\$3.21	\$3.56	\$3.61

Administration
General Pavement
Maintenance
Sealcoating
Public Right-of-Way
Snow and Ice



In 2018, 342 miles of streets were maintained, including approximately 30 miles of sealcoating and over 320,000 feet of cracks sealed.

64 percent of citizens surveyed rated traffic flow on major streets excellent or good.

76 percent of citizens surveyed rated snow removal excellent or good, higher than the national benchmark.

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.

2019 Objectives

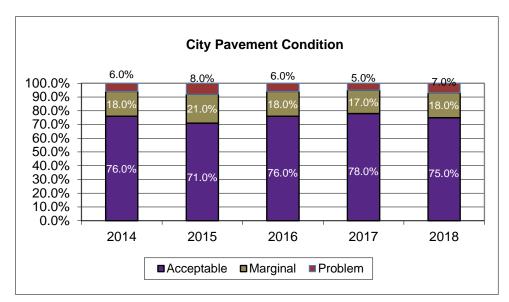
Maintain roadways such that at least 90 percent are rated above problem condition status, per the City's Pavement Management Program condition rating system.

2018 Results

For 2018, 93 percent of roadways are above problem condition.

Expenditures	FY2018 Original Budget	FY2019 Approved Budget	Percent Change
Salaries/Wages/Benefits	\$2,519,198	\$2,597,496	3.1%
Materials/Supplies/Services	4,701,663	4,766,380	1.4
Capital	0	0	-
Expenses Charged to Others	(391,104)	(422,119)	7.9
	\$6,829,757	\$6,941,757	1.6%

Authorized Full-Time	FY2017	FY2018	FY2019
_	23	23	23
Asst. Maint. Superintendent	1	1	1
Equipment Operator	21	21	21
Street Maintenance Supervisor	1	1	1



PUBLIC WORKS - STREET MAINTENANCE BUDGET SUMMARY Revenues and Expenditures

	2017 ACTUAL	2018 ORIGINAL BUDGET	2018 AMENDED BUDGET	2018 ESTIMATED	2019 BUDGET
Revenues					
Transfers In	203,580	150,000	246,420	246,420	150,000
Program Income	\$ 7,070	\$ 18,000	\$ 18,000	\$ 81,628	\$ 18,000
TOTAL REVENUES	210,650	168,000	264,420	328,048	168,000
Expenditures					
Staffing					
Salaries and Wages	1,671,156	1,795,223	1,795,223	1,911,334	1,814,273
Benefits	787,893	723,975	723,975	851,479	783,223
Operating Expenditures					
Professional and Technical Services	725	1,400	1,400	970	1,400
Utilities and Maintenance	456,289	561,301	706,042	711,729	630,301
Operations	37,766	50,455	50,455	31,590	51,955
City Support Services	2,363,105	2,590,207	2,590,207	2,590,781	2,702,374
Materials and Supplies	1,125,901	1,498,300	2,025,735	1,644,205	1,380,350
Capital Outlay					
Buildings and Improvements Equipment	83,342		39,501	39,501	_
TOTAL EXPENDITURES	6,526,177	7,220,861	7,932,538	7,781,589	7,363,876
Less Expenses Charged to Other Funds	(310,708)	(391,104)	(391,104)	(210,468)	(422,119)
NET TOTAL EXPENDITURES	\$ 6,215,469	\$ 6,829,757	\$ 7,541,434	\$ 7,571,121	\$ 6,941,757

	2017	2018	2019
Property tax cost of service for median value home per month:			
Street Maintenance	\$8.83	\$8.31	\$7.09

General Government

Divisions

City Council
Boards and
Commissions

The City Council and its advisory boards and commissions comprise the legislative branch of the City of Bloomington. The City Council establishes City policy, approves all major decisions and adopts the annual budget as presented herein. Boards and Commissions are utilized in an advisory capacity by the City Council.



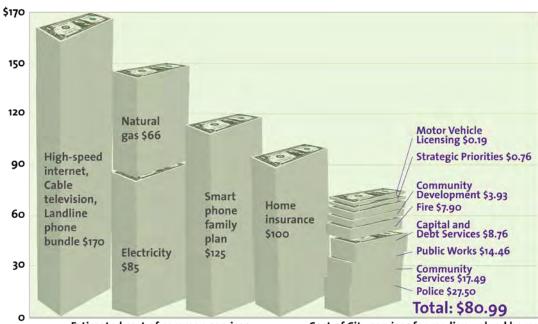
93 percent of residents surveyed rated Bloomington as either excellent or good as a place to live in a 2018 survey.

89 percent of residents surveyed rated the overall quality of life in Bloomington excellent or good, similar to the national comparisons in the survey data base.

Expenditures	FY2018	FY2019	
_	Original	Approved	Percent
	Budget	Budget	Change
Salaries/Wages/Benefits	\$390,616	\$464,564	18.9%
Materials/Supplies/Services	406,878	405,826	(0.3)
Expenses Charged to Others	(210,865)	(193,588)	(8.2)
	\$586,629	\$676,802	15.4%

Authorized Full-Time	FY2017	FY2018	FY2019
	1	1	1

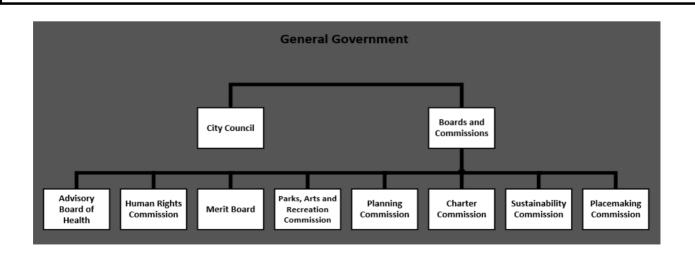
COMPARISON OF MONTHLY COST OF SERVICES



Estimated cost of common services

Cost of City services for median-valued home

		GENERAL GOVERNMENT BUDGET SUMMARY Revenues and Expenditures								
2017 ACTUAL	2018 ORIGINAL BUDGET	2018 AMENDED BUDGET	2018 ESTIMATED	2019 BUDGET						
\$ 5,130	\$ -	\$ 6,821	\$ 6,821	\$ -						
5,130		6,821	6,821							
233,579	240,978	240,978	237,089	272,213						
147,354	149,638	149,638	144,165	192,351						
58,569	81,007	81,007	71,995	79,759						
5,450	10,000	10,000	4,300	8,900						
160,625	171,790	175,411	167,294	180,590						
94,684	124,222	124,222	120,344	118,976						
23,689	19,859	22,961	39,401	17,601						
723,950	797,494	804,217	784,588	870,390						
(204,720)	(210,865)	(210,865)	(210,864)	(193,588)						
\$ 519,230	\$ 586,629	\$ 593,352	\$ 573,724	\$ 676,802						
	\$ 5,130 5,130 233,579 147,354 58,569 5,450 160,625 94,684 23,689 723,950 (204,720)	2017 ORIGINAL BUDGET \$ 5,130 \$ - 5,130	2017 ORIGINAL BUDGET \$ 5,130 \$ - \$ 6,821 5,130 - 6,821 233,579 240,978 240,978 147,354 149,638 149,638 58,569 81,007 81,007 5,450 10,000 10,000 160,625 171,790 175,411 94,684 124,222 124,222 23,689 19,859 22,961 723,950 797,494 804,217 (204,720) (210,865)	2017 ACTUAL ORIGINAL BUDGET AMENDED BUDGET 2018 ESTIMATED \$ 5,130 \$ - \$ 6,821 \$ 6,821 5,130 - 6,821 6,821 233,579 240,978 240,978 237,089 147,354 149,638 149,638 144,165 58,569 81,007 81,007 71,995 5,450 10,000 10,000 4,300 160,625 171,790 175,411 167,294 94,684 124,222 124,222 120,344 23,689 19,859 22,961 39,401 723,950 797,494 804,217 784,588 (204,720) (210,865) (210,865) (210,864)						



Activities

General
General
Promotion
Special Projects



In a random citizen survey conducted in 2018, 87 percent of respondents rated "government services overall" as excellent or good.

General Government – City Council

The City is governed by an elected, part-time City Council consisting of a Mayor, elected atlarge 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 who is responsible for the administration of City business, and citizens to advisory commissions.

2019 Objectives

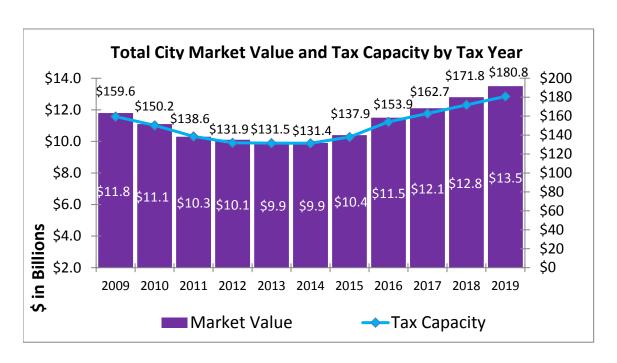
A I R S Foster partnerships that will strengthen the community fabric of Bloomington
A I ES S R IE Provide strategic direction by continuing to support the 2017-2020 Strategic Plan. Provide policy direction and organization governance.

A I R S Adopt an ordinance to preserve and develop additional affordable housing in the City.

- Council members held 5 Town hall Forums throughout the City to communicate Strategic
 Priorities, gather resident feedback, and answer questions.
- One Councilmember traveled to Izumi, Japan to support the 25th Anniversary of the Sister City partnership.
- Continue to develop plans for a new community center.

Expenditures	FY2018 Original Budget	FY2019 Approved Budget	Percent Change
Salaries/Wages/Benefits	\$ 297,360	\$ 331,836	11.6%
Materials/Supplies/Services	353,560	351,859	(0.5)
Expenses Charged to Others	(210,865)	(193,588)	(8.2)
	\$ 440,055	\$ 490,107	11.4%

Authorized Full-Time	FY2017	FY2018	FY2019
	1	1	1
Administrative Assistant	1	1	1



GENERAL GOVERNMENT - CITY COUNCIL BUDGET SUMMARY Revenues and Expenditures

	2017 ACTUAL			2018 ESTIMATED	2019 BUDGET
Revenues					
Program Income	\$ 130	\$ -	\$ 1,321	\$ 1,321	\$ -
TOTAL REVENUES	130		1,321	1,321	
Expenditures					
Staffing					
Salaries and Wages	165,734	172,280	172,280	174,604	175,342
Benefits	122,292	125,080	125,080	121,312	156,494
Operating Expenditures					
Professional and Technical Services	58,569	79,647	79,647	71,607	79,259
Utilities and Maintenance	-	-	-	-	-
Operations	141,852	143,750	145,071	142,637	149,150
City Support Services	91,769	120,063	120,063	116,256	114,850
Materials and Supplies	11,363	10,100	10,100	27,495	8,600
Equipment					
TOTAL EXPENDITURES	591,579	650,920	652,241	653,911	683,695
Less Expenses Charged to Other Funds	(204,720)	(210,865)	(210,865)	(210,864)	(193,588)
NET TOTAL EXPENDITURES	\$ 386,859	\$ 440,055	\$ 441,376	\$ 443,047	\$ 490,107

Boards and Commissions

Advisory Board of Health

Charter

Commission

Human Rights Commission

Merit Board

Parks, Arts and Recreation Commission

Planning Commission

Sustainability Commission

Placemaking Commission



Eight advisory boards and commissions provide residents with an opportunity to participate in the affairs of the City. The Council makes final decisions, but these commissions assist by studying and making recommendations on government issues, policies and services.

2019 Objectives

- A I S Ensure a fair and equitable process for reviewing development applications in the best interests of the City. (Planning)
- A I R Maintain land development ordinances to reflect best practices for managing land use and implementing the *Comprehensive Plan*. (Planning)
- A S Continue work on the GIS-based asset inventory of the Bloomington parks system. (Parks, Arts and Recreation)
- Study issues affecting the health of residents and make recommendations to City Council as they perform their duties as a Community Health Board. (Advisory Board of Health)
- Implement the 2019 work plan including Welcome Meals, Pride month events, Naturalization ceremony and provide feedback on city policies brought before the commission. (Human Rights)
- Take a work plan to City Council to implement sustainability strategies by February 2019. (Sustainability)

2018 Results

- The City Council approved an ordinance amending section 3.09 allowing more flexibility in the effective date of resolutions and ordinances. (Charter)
- The City received the Public Good award for their work on water quality, conservation and/or the environment. (Sustainability)
- The City became a Green Step 3 city for program focus on cost savings, energy use reduction, and encouraging civic innovation.
- Participated in the Community Center Task Force and presented recommendations to the City Council. (Parks, Arts and Recreation, Human Rights, and Advisory Board of Health)
- Presented six awards to food establishments, recognizing their achievement and commitment to food safety. (Advisory Board of Health)
- Reviewed the 2040 Comprehensive Plan Update. (Planning)
- Several City Code amendments were made; including updating industrial districts and standards. (Planning)

Expenditures	FY2018	FY2019	
-	Original Budget	Approved Budget	Percent Change
Salaries/Wages/Benefits*	\$ 93,256	\$ 132,728	42.3%
Materials/Supplies/Services	53,318	53,967	1.2
	\$ 146,574	\$ 186,695	27.4%

*Wages paid for part-time workers or portions of full-time employees officially assigned to support their respective Advisory Boards and Commissions.



In February in conjunction with SuperBowl LII, Creative

Creative
Placemaking had a 3
night event called
"Illuminate South
Loop" featuring
food, bonfires, and 9
artists/groups who
developed
participatory,
illuminated art
projects and

Photo; Steven Lang.

performances.

$\begin{array}{c} \textbf{GENERAL GOVERNMENT - BOARDS AND COMMISSIONS} \\ \textbf{BUDGET SUMMARY} \end{array}$

Revenues and Expenditures

	2017 ACTUAL				2018 AMENDED BUDGET		2018 ESTIMATED		2019 BUDGET	
Revenues										
Program Income	\$	5,000	\$	-	\$	5,500	\$	5,500	\$	-
TOTAL REVENUES		5,000				5,500		5,500		-
Expenditures										
Staffing										
Salaries and Wages		67,845		68,698		68,698		62,485		96,871
Benefits		25,062		24,558		24,558		22,853		35,857
Operating Expenditures										
Professional and Technical Services		-		1,360		1,360		388		500
Utilities and Maintenance		5,450		10,000		10,000		4,300		8,900
Operations		18,773		28,040		30,340		24,657		31,440
City Support Services		2,915		4,159		4,159		4,088		4,126
Materials and Supplies		12,326		9,759		12,861		11,906		9,001
TOTAL EXPENDITURES		132,371		146,574		151,976		130,677		186,695
Less Expenses Charged to Other Funds				-						-
NET TOTAL EXPENDITURES	\$	132,371	\$	146,574	\$	151,976	\$	130,677	\$	186,695

Divisions

City Manager Human Resources City Clerk

Administration

The newly-established Administration Department is one outcome of a recent reorganization of several departments and divisions within the City. It includes the City Manager's Office, City Clerk's Office and the Human Resources Division – each described on the following pages. Each division within the Department serves both internal and external customers.

Expenditures	FY2018	FY2019	
	Original	Approved	Percent
	Budget	Budget	Change
Salaries/Wages/Benefits	\$2,520,099	\$2,253,355	(10.6)%
Materials/Supplies/Services	844,689	875,666	3.7
Reimbursed Expenditures	(580,001)	(643,679)	11.5
	\$2,784,787	\$2,485,342	(10.8)%

Authorized Full-Time

FY2017	FY2018	FY2019
17	17	17



The City Manager addresses the audience at the State of the City luncheon.

ADMINISTRATION BUDGET SUMMARY Revenues and Expenditures								
	2017 ACTUAL	2018 ORIGINAL BUDGET	2018 AMENDED BUDGET	2018 ESTIMATED	2019 BUDGET			
Revenues Program Income Intergovernmental	\$ 111,917	\$ 50,300	\$ 50,300	\$ 42,596	\$ 112,600			
TOTAL REVENUES	111,917	50,300	50,300	42,596	112,600			
Expenditures Staffing Salaries and Wages Benefits	1,551,344 697,175	1,713,564 806,535	1,713,564 806,535	1,670,493 887,561	1,670,235 583,120			
Operating Expenditures Professional and Technical Services Utilities and Maintenance Operations City Support Services Materials and Supplies	173,862 52,394 125,767 353,170 63,591	160,750 47,124 211,353 372,633 52,829	232,550 47,124 181,353 372,633 52,829	230,846 40,260 129,956 380,696 53,120	234,070 45,230 108,633 441,713 46,020			
Capital Outlay Buildings and Improvements Equipment								
TOTAL EXPENDITURES Less Expenses Charged to Other Funds	3,017,303 (563,268)	3,364,788 (580,001)	3,406,588 (580,001)	3,392,932 (579,996)	3,129,021 (643,679)			
NET TOTAL EXPENDITURES	\$ 2,454,035	\$ 2,784,787	\$ 2,826,587	\$ 2,812,936	\$ 2,485,342			



Activities

Strategic
Organizational
Development
Municipal Service
Provider

Policy
Development &
Support to City
Council

Administration

Intergovernmental Relations

Overall
Organizational
Operation

City Manager

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.

2019 Objectives

- S Develop community engagement strategies to enhance strategic planning for the community, increase civic participation and build relationships across the diverse resident population.
- S Facilitate a resolution of the multi-year discussion around a new community center, by bringing together construction, financing and programing.
- S Enhance efforts to connect staff and the work they do to the organization's vision and values through one-on-one conversations between the City Manager and each City employee.
- S Ensure that equity is considered when reviewing or adopting City practices, policies and ordinances, and commit to including a diverse spectrum of stakeholders to be included in the review and approval processes.

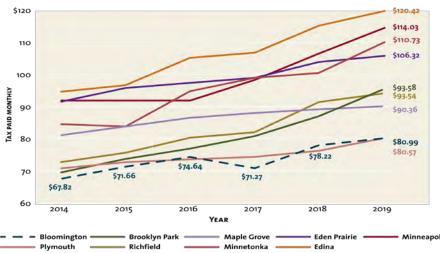
2018 Results

- Advanced implementation of the City Council's 2017-2020 Strategic Plan.
- Initiated a new, ongoing process of conducting in-depth service assessments of the City's many departments, divisions and work groups, by conducting, and implementing the results of, assessments of the Public Health and Human Services Divisions.
- Instituted on-going Racial Equity Training for a majority of City staff in an effort to advance the principles of equity and inclusion throughout the organization.
- Continued implementation of a High Performance Organization (HPO) model to drive employee engagement, encourage innovation and improve city services.
- Prepared budgets that met City Council expectations for maintaining quality services, meeting ongoing obligations and long-term infrastructure needs, and investing in strategic priorities.

Expenditures	FY2018	FY2019	
	Original Budget	Approved Budget	Percent Change
Salaries/Wages/Benefits	\$ 567,177	\$ 545,982	(3.7)%
Materials/Supplies/Services	297,620	248,563	(16.5)
Expenses Charged to Others	(152,096)	(206,681)	35.9
	\$ 712.701	\$ 587.864	(17.5)%

Authorized Full-Time	FY2017	FY2018	FY2019
	3	3	3
City Manager	1	1	1
Assistant City Manager	1	1	1
City Manager's Secretary	1	1	1

CITY PROPERTY TAX ON MEDIAN VALUE SINGLE-FAMILY HOME



ADMINISTRATION - CITY MANAGER BUDGET SUMMARY Revenues and Expenditures

	 2017 ACTUAL	2018 DRIGINAL BUDGET	2018 MENDED BUDGET	_ES	2018 STIMATED	 2019 BUDGET
Revenues Program Income						\$ -
Intergovernmental	 	 	 			 -
TOTAL REVENUES	-	-	-		-	-
Expenditures						
Staffing						
Salaries and Wages	\$ 390,067	\$ 432,808	\$ 432,808	\$	432,130	\$ 421,513
Benefits	124,751	134,369	134,369		135,531	124,469
Operating Expenditures						
Professional and Technical Services	107,076	50,000	50,000		46,825	120,000
Utilities and Maintenance	-	-	-		-	-
Operations	67,214	152,400	122,400		69,680	45,700
City Support Services	71,840	72,720	72,720		73,099	65,763
Materials and Supplies	 23,052	22,500	 22,500		30,076	17,100
TOTAL EXPENDITURES	784,000	864,797	834,797		787,341	794,545
Less Expenses Charged to Other Funds	(147,672)	(152,096)	(152,096)		(152,100)	(206,681)
Less Expenses Charged to Other Fullus	 (147,072)	 (132,030)	 (132,030)		(132,100)	 (200,001)
NET TOTAL EXPENDITURES	\$ 636,328	\$ 712,701	\$ 682,701	\$	635,241	\$ 587,864



In 2018, the City hired 34 new fulltime and 28 new ongoing part-time employees. A total of 35% of the new fulltime employees and 36% of the new parttime employees are people of color. This reflects continued progress toward the City's goal of having a workforce that reflects the diversity of the community we serve.

Administration - Human Resources

The Human Resources Division coordinates staff recruitment and hiring, designs and services employee benefit programs and conducts employee relations activities for all City employees. The HR Department 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.

2019 Objectives

- S Engage staff at all levels in the comprehensive review and updating of the City's performance evaluation process by the end of October.
- S Develop and implement a supervisor training curriculum.
- E Engage in and complete a compensation study to evaluate the City's existing compensation plan and make changes or improvements where necessary to ensure market competitiveness, internal equity, and fair and reasonable administration.
- S Complete an organization-wide update to the City's written job descriptions to better reflect current responsibilities, expectations and necessary qualifications by year-end.
- S Develop and implement a comprehensive Healthy Workplace Policy
- S IE Continue building toward a more diverse City workforce through continuous improvement of the City's recruitment and selection processes.

- Partnered with the maintenance division of Public Works to overhaul the compensation structure for division employees in a collaborative process.
- · Settled five (5) labor agreements.

Expenditures	FY2018 Original Budget	FY2019 Approved Budget	Percent Change
Salaries/Wages/Benefits	\$954,396	\$737,999	(22.7)%
Materials/Supplies/Services	244,574	261,499	6.9%
Expenses Charged to Others	(322,507)	(320,591)	(0.6)%
	\$866.463	\$678.907	(21.6)%

Authorized Full-Time	FY2017	FY2018	FY2019
	6	6	6
Director of Human Resources	1	1	0
Human Resources Manager	0	0	1
Human Resources Representative	3	3	3
Office Assistant	1	1	0
Office Support Specialist	0	0	1
Administrative Assistant	1	1	1

ADMINISTRATION - HUMAN RESOURCES BUDGET SUMMARY Revenues and Expenditures

	2017 ACTUAL	2018 ORIGINAL BUDGET	2018 AMENDED BUDGET	2018 ESTIMATED	2019 BUDGET
Revenues					
Program Income	\$ -	\$ -	\$ -		\$ -
TOTAL REVENUES					
Expenditures					
Staffing					
Salaries and Wages	459,519	547,230	547,230	481,484	535,157
Benefits	317,695	407,166	407,166	489,498	202,842
Operating Expenditures					
Professional and Technical Services	50,553	99,500	171,300	173,768	99,500
Utilities and Maintenance	-	1,500	1,500	-	-
Operations	35,520	35,000	35,000	39,017	36,500
City Support Services	91,706	98,074	98,074	98,818	114,499
Materials and Supplies	13,972	10,500	10,500	9,282	11,000
Capital Outlay					
Buildings and Improvements					
Equipment					
TOTAL EXPENDITURES	968,965	1,198,970	1,270,770	1,291,867	999,498
Less Expenses Charged to Other Funds	(322,824)	(332,507)	(332,507)	(332,508)	(320,591)
NET TOTAL EXPENDITURES	\$ 646,141	\$ 866,463	\$ 938,263	\$ 959,359	\$ 678,907

Administration – City Clerk

Activities

Administration
Cemetery
Data Requests
Elections
Licensing
Motor Vehicle
Passports
Records
Management

Average turnaround for data requests processed

was 7.4 days.

More voters are choosing to participate in early voting than ever before.

Business licensing was very busy in 2018 processing

- 5,541 licenses;200 New
- 417 Special Events
- 934 pets

The City processed 2,562 passport applications and 2,849 passport photos totaling \$123,475 in revenue.

The City Clerk Division conducts federal, state, and county elections in the even-numbered years and city and school district elections in the odd-numbered years. The Division manages business licensing and passports, maintains records and provides sales for the City cemetery and oversees an off-site local Deputy Registrar Office. It provides Records Management Services for all City records and oversees the processing of all data requests with the exception of police records/requests.

2019 Objectives

- S E Evaluate early voting procedures and locations to prepare for 2020 Elections to ensure a positive voting experience for all (finding a larger room, reducing wait times, ordering more computers, hiring more staff and setting up an area for voters with special needs).
- **IE** S Develop online training modules to help train election judges by June 2019.
- 5 Update Chapter 14 of the City Code to reflect current business types and needs. (i.e. Taprooms).
- S Review and update retention schedules and data inventories to more closely match the City's retention with the state's schedules and identify city employees with access to nonpublic data.
- S Coordinate and process data requests pursuant to Minnesota Government Data Practice Act.
- Install new passport photo system to create photos for all passport/visa needs by 1st Quarter 2019.

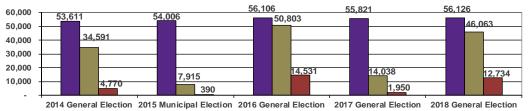
2018 Results

- Processed 5.641 annual licenses.
- Coordinated and processed 329 data requests for members of the public.
- Created Data Practices Center page to make information accessible to the public in a central location and providing a launching pad for future transparency efforts.
- The State Post Election Review demonstrated the accuracy of the voting equipment.
- Administered the election process for a record number of voters for the mid-term elections.
- Presented at multiple division/department meetings regarding classification and retention of data.

Expenditures	FY2018	FY2019	
	Original	Approved	Percent
	Budget	Budget	Change
Salaries/Wages/Benefits	\$ 998,526	\$ 969,374	(2.9)%
Materials/Supplies/Services	302,495	365,604	20.9
Reimbursed Expenditures	(95,398)	(116,407)	22.0
	\$ 1.205.623	\$ 1.218.571	1.1%

Authorized Full Time	FY2017	FY2018	FY2019
	8	8	8
City Clerk	1	1	1
Deputy City Clerk/Elections/Admin.	1	1	1
Deputy City Clerk/License Examiner	1	1	1
Licensing Specialists	2	2	2
Lead Licensing/Elections Specialist	1	1	1
Deputy City Clerk Records Manager	1	1	1
Records Specialist	1	1	1





■Number of Registered Voters ■Election Day Turnout ■Early Voting Turnout

ADMINISTRATION - CITY CLERK BUDGET SUMMARY Revenues and Expenditures

	2017 ACTUAL	2018 ORIGINAL BUDGET	2018 AMENDED BUDGET	2018 ESTIMATED	2019 BUDGET
Revenues					
Program Income	\$ 111,917	\$ 50,300	\$ 50,300	\$ 42,596	\$ 112,600
TOTAL REVENUES	111,917	50,300	50,300	42,596	112,600
Expenditures Staffing					
Staffing Salaries and Wages	701,758	733,526	733,526	756,879	713,565
Benefits	254,729	265,000	265,000	262,532	255,809
Operating Expenditures					
Professional and Technical Services	16,233	11,250	11,250	10,253	14,570
Utilities and Maintenance	52,394	45,624	45,624	40,260	45,230
Operations	23,033	23,953	23,953	21,259	26,433
City Support Services	189,624	201,839	201,839	208,779	261,451
Materials and Supplies	26,567	19,829	19,829	13,762	17,920
TOTAL EXPENDITURES	1,264,338	1,301,021	1,301,021	1,313,724	1,334,978
Less Expenses Charged to Other Funds	(92,772)	(95,398)	(95,398)	(95,388)	(116,407)
NET TOTAL EXPENDITURES	\$ 1,171,566	\$ 1,205,623	\$ 1,205,623	\$ 1,218,336	\$ 1,218,571

<u>Divisions</u>

Criminal Civil



Legal

The City Attorney's Office provides legal counsel to the City Council, Advisory Boards and Commissions, the City Manager, and other City departments. It is also responsible for prosecuting non-felony criminal offenses occurring within the City.

2019 Objectives

- S I IE Promote justice and enhance public safety through locally accountable, fair, and effective criminal prosecution;
- Deliver timely, high quality, accessible and cost-effective legal counsel to the City;
- Minimize the City's exposure to claims and lawsuits:
- S A I Negotiate, draft, and review contracts that promote the City's interests and protect its assets;
- S A I ES IE R Work with Community Development and the Port Authority to facilitate the highquality development envisioned by the City's adopted District Plans;
- **SALES IE R** Work with Community Development to shape the ordinances, District Plans, and Comprehensive Plan by which the City of Bloomington grows, develops, and renews itself;
- S IE Work with Human Resources to develop employment policies that promote employee development;
- S I ES R Work with Environmental Health to protect the safety of the City's neighborhoods and businesses by education, communication, and civil enforcement actions:
- SILE Work with City Clerk to improve public access to City documents;
- SIAESIER Work with Engineering, Parks and Recreation, Three Rivers Park District, and the Met Council to facilitate the growth of mass transit and other transportation within the City;
- SIA Work with Licensing to improve the quality and safety of the City's licensed establishments through the screening and enforcement action processes; and
- S I IE Create and maintain a highly collaborative, focused, positive, professional work environment that promotes employee growth and satisfaction while providing convenient, accessible, and expert legal services to City's departments, staff, elected officials and other government entities.

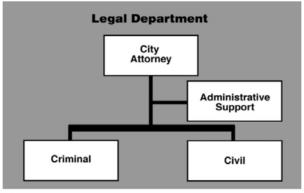
- Redesigned public notice documents and process, and trained employees to use new process.
- Reviewed and processed 809 waivers, releases, agreements, and contracts (760+ in 2017).
- Reviewed and processed 395 resolutions, ordinances, and notices of public hearing.
- Created a new Policy and Miscellaneous review and training site on CityBiz.
- Criminal Team implemented the transition to a paperless electronic case management system.
- Opened more than 5,000 criminal and 89 civil vehicle forfeiture cases resulting in approximately 20,000 court appearances.
- Sent 650 letters and had 1,500 contacts with crime victims to provide criminal justice information.
- Ongoing civil and criminal leadership roles in State, County, and 4th Judicial District.

Expenditures	FY2018 Original Budget	FY2019 Approved Budget	Percent Change
Salaries/Wages/Benefits	\$1,590,586	\$1,667,678	4.8%
Materials/Supplies/Services	316,153	406,976	28.7
Expenses Charged to Others	(371,418)	(383,830)	3.3
	\$1,535,321	\$1,690,824	10.1%

Authorized Full-Time	FY2017	FY2018	FY2019
	13	13	13
Assistant Attorney	6	6	6
City Attorney	1	1	1
Legal Administrative Assistant	2	1	1
Office Assistant	1	1	1
Paralegals	2	2	2
Crime Victim Liaison	1	1	1
Office Supervisor	0	1	1

LEGAL
BUDGET SUMMARY
Revenues and Expenditures

	2017 ACTUAL	2018 ORIGINAL BUDGET	2018 AMENDED BUDGET	2018 ESTIMATED	2019 BUDGET
Revenues					
Intergovernmental Revenue	\$ -	-	-	\$ -	-
Program Income	17,162	8,250	8,250	18,224	8,250
TOTAL REVENUES	17,162	8,250	8,250	18,224	8,250
Expenditures					
Staffing					
Salaries and Wages	1,110,536	1,155,111	1,155,111	1,144,441	1,216,504
Benefits	435,665	435,475	435,475	426,838	451,174
Operating Expenditures					
Professional and Technical Services	7,455	5,000	5,000	1,327	1,200
Utilities and Maintenance	1,899	2,689	2,689	2,068	2,000
Operations	61,517	69,795	69,795	58,759	83,095
City Support Services	208,495	219,569	219,569	216,993	214,681
Materials and Supplies	13,774	19,100	19,100	5,323	106,000
TOTAL EXPENDITURES	1,839,341	1,906,739	1,906,739	1,855,749	2,074,654
Less Expenses Charged to Other Funds	(410,953)	(371,418)	(371,418)	(394,619)	(383,830)
NET TOTAL EXPENDITURES	\$ 1,428,388	\$ 1,535,321	\$ 1,535,321	\$ 1,461,130	\$ 1,690,824



202b (01/10)

Finance

Divisions

Administration
Accounting
Risk Management

The Finance Department provides financial management for the City, Port Authority, Housing and Redevelopment Authority. Financial services include financial management and advice, accounting, audit, budget, general billing, accounts payable, purchasing, payroll, and risk management. The department also oversees the billings and collection activities for the Utility Funds.

2019 Objectives

- Publish a Comprehensive Annual Financial Report (CAFR), a Budget document, and a Popular Report each year by June 30.
- A I R Publish the Ten Year (2019-2028) Capital Improvement Plan (CIP) report by April 30.
- Send monthly financial reports to City Council, staff and management by the 30th of the next month.
- S Revenue and expense projections will be within 0.5 percent of actual by year end.
- Supply quality and timely support services to City departments and agencies as measured by internal surveys. Also provide financial analysis and recommendations on special projects.
- S Take all appropriated budgets to City Council for approval by year end.
- S Provide training in High Performance Organizations (HPO) to improve trust, communication and collaboration within Finance Department.

2018 Results

- Reviewed all departmental submissions to City Council agendas for financial matters.
- Coordinated, analyzed, and reviewed 2019 budgets for all appropriated funds. 100% of required budgets were approved by year end.
- Coordinated, analyzed, reviewed and updated the 10-Year Capital Improvement Plan (2018-2027) for submittal to the City Council. The Capital Improvement Plan was published prior to April 10.
- Received the Government Finance Officers Association highest awards in Budget (23 years), CAFR (47 years) and Popular Report (18 years).
- Continually updated financial information on the City's website including Budget, Property Tax, Risk Management and the CAFR.
- A total of 23 finance staff have been trained in High Performance Organizations (HPO). Four managers attended LEAD, the concentrated HPO training in Virginia.

Expenditures	FY2018 Original Budget	FY2019 Approved Budget	Percent Change
Salaries/Wages/Benefits	\$ 2,400,785	\$ 2,480,348	3.3%
Materials/Supplies/Services	709,844	674,007	(5.0)
Expenses Charged to Others	(1,972,064)	(1,960,777)	(0.6)
	\$ 1,138,565	\$ 1,193,578	4.8%

Personnel

FY2017	FY2018	FY2019
24	24	24

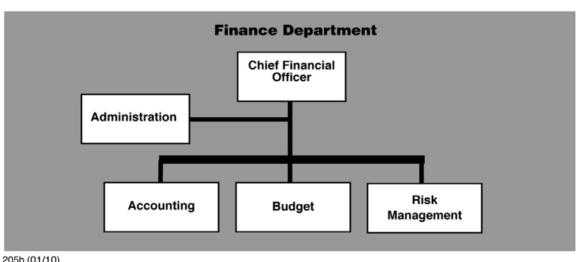






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FINANCE BUDGET SUMMARY Revenues and Expenditures									
	2017	2018 ORIGINAL	2018 AMENDED	2018	2010				
	ACTUAL	BUDGET	BUDGET	ESTIMATED	2019 BUDGET				
Revenues									
Program Income	\$ 249,298	\$ 225,200	\$ 225,200	\$ 236,293	\$ 192,500				
TOTAL REVENUES	261,660	225,200	225,200	236,293	192,500				
Expenditures									
Staffing Salaries and Wages	1,616,101	1,726,915	1,726,915	1,648,202	1,765,643				
Benefits	641,858	673,870	673,870	657,105	714,705				
Operating Expenditures									
Professional and Technical Services Utilities and Maintenance	40,040	29,281	26,281	29,954	15,395 1,600				
Operations	170,100	203,932	209,807	149,492	188,460				
City Support Services	370,195	395,974	395,974	389,909	412,247				
Materials and Supplies	50,084	80,657	85,657	67,274	56,305				
TOTAL EXPENDITURES	2,888,378	3,110,629	3,118,504	2,941,936	3,154,355				
Less Expenses Charged to Other Funds	(1,855,407)	(1,972,064)	(1,972,064)	(1,882,092)	(1,960,777)				
NET TOTAL EXPENDITURES	\$ 1,032,971	\$ 1,138,565	\$ 1,146,440	\$ 1,059,844	\$ 1,193,578				



205b (01/10)

Finance – Administration and Budget

Finance provides financial management services to the City Council, City Manager and support departments, including work in capital financing, budget coordination and debt management. Finance coordinates the City's Ten-Year Capital Improvement Plan, tax increment financing program implementation and ongoing oversight, budget and financial services to other City agencies such as the Port Authority and the Housing and Redevelopment Authority.

2019 Objectives

- A I R S Maintain the highest bond rating possible through conservative financial management, financial planning with accurate and transparent reporting of the City's financial positions.
- Prepare quality financial reports based on feedback from the Government Finance Officers' Association (GFOA), City Council and other organization best practices.
- A I R S IE ES Earn the Distinguished Budget Award from the Government Finance Officers Association.
- S Provide excellent financial services to internal and external customers as measured by internal surveys.
- S Extract information from the CAFR to prepare the Popular Annual Financial Report.
- A I R S Compile and present Ten Year Capital Improvement Plan (CIP) for approvals.

- 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 23rd consecutive year.
- Received the GFOA Award for Outstanding Achievement in Popular Annual Financial Reporting for the 18th year.
- The City issued \$920,000 of Taxable General Obligation Housing Improvement Bonds to fund the first Housing Improvement area project in the City.
- The City issued \$10.8 million of its' first Green Bonds; this storm water improvement will provide both flood protection and water quality benefits within the project area.

Expenditures	FY2018	FY2019	
	Original	Approved	Percent
	Budget	Budget	Change
Salaries/Wages/Benefits	\$432,098	\$455,054	5.3%
Materials/Supplies/Services	169,307	150,412	(11.2)
Expenses Charged to Others	(263,352)	(277,796)	5.5
	\$338,053	\$ 327,670	(3.1)%

Personnel	FY2017	FY2018	FY2019
	3	3	3
Administrative Assistant	1	1	1
Budget Manager	1	1	1
Chief Financial Officer	1	1	1

FINANCE - ADMINISTRATION AND BUDGET BUDGET SUMMARY Revenues and Expenditures

	2017 ACTUAL		2018 ORIGINAL BUDGET		2018 AMENDED BUDGET		2018 ESTIMATED		E	2019 BUDGET
Revenues										
Program Income	\$	36,813	\$	12,200	\$	12,200	\$	14,944	\$	12,500
Intergovernmental		12,362		-		-		-		-
						·				
TOTAL REVENUES		49,175		12,200		12,200		14,944		12,500
Expenditures										
Staffing										
Salaries and Wages		317,339		327,716		327,716		322,194		341,368
Benefits		105,183		104,382		104,382		104,948		113,686
Operating Expenditures										
Professional and Technical Services		4,690		18,081		15,081		3,225		8,745
Operations		26,038		27,675		27,675		17,037		26,275
City Support Services		57,249		63,594		63,594		60,433		75,387
Materials and Supplies		38,231		59,957		62,457		57,275		40,005
TOTAL EXPENDITURES		548,730		601,405		600,905		565,112		605,466
Less Expenses Charged to Other Funds		(255,684)		(263,352)		(263,352)		(263,352)		(277,796)
NET TOTAL EXPENDITURES	\$	293,046	\$	338,053	\$	337,553	\$	301,760	\$	327,670

Activities

Accounts Payable
Accounts
Receivable
Audit
Cash Management
Customer Billing
General Accounting
Payroll
Purchasing

In 2018 the Purchasing
Division reviewed 86
contracts and requests
for proposals and
issued 767 purchase
orders. They also
advertised for 42
solicitations on the City
website.

In 2018 the NFL Super
Bowl LII was held in the
Twin City area. Ten
outside agencies
assisted in providing
security and police
presence. In total 5,550
hours were worked
during this event.
Finance coordinated the
billings for police
overtime with these
outside agencies and
organizations holding
Super Bowl events.

Finance - Accounting

The Accounting Division manages the day-to-day accounting of the City's transactions, including payroll, accounts receivable, purchasing, investments, accounts payable, customer billing, cash receipts and general accounting. The division prepares monthly and quarterly financial statements and compiles the Comprehensive Annual Financial Report. Accounting staff provide support for the finance functions including budgeting and debt management. The Audit function monitors the City imposed sales tax on lodging, admissions, and liquor.

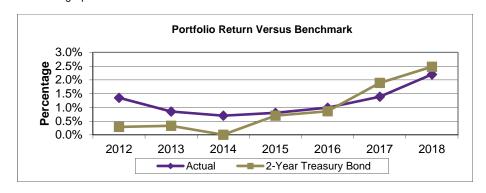
2019 Objectives

- Provide quality accounting and related financial services to all City departments.
- S Report accurate and transparent monthly financial statements in an easily understood format to both internal and external users by the following month end.
- 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.
- Produce vendor checks twice a 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 twice a month and provide financial system assistance to users.
- Implement purchasing card module and accounts payable invoice electronic approvals in the City's ERP software.
- 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.

- Received Certificate of Achievement for Excellence in Financial Reporting for last 47 years.
- Received Popular Annual Financial Reporting Award for last 18 years.
- Collected an additional \$78,000 of local liquor, lodging, and admission (LLA) sales tax revenue identified as underpaid local taxes through the completion of 13 LLA audits.
- Effectively and efficiently upgraded the City's ERP software to a new version in September 2018.
- Utility Billing staff attended the Housing Improvement Fair to educate residents on current billing and payment options, and to answer any Garbage & Recycling questions.

Expenditures	FY2018	FY2019	
	Original	Approved	Percent
	Budget	Budget	Change
Salaries/Wages/Benefits	\$ 1,889,343	\$1,920,402	1.6%
Materials/Supplies/Services	504,687	490,691	(2.8)
Expenses Charged to Others	(1,593,518)	(1,545,185)	(3.0)
	\$ 800 512	\$ 865 908	8 2%

Authorized Full-Time	FY2017	FY2018	FY2019
	20	20	20
Accountant	3	3	3
Accounting Assistant	6	5	5
Assistant Finance Manager	1	1	1
Auditor	1	1	1
Customer Billing Supervisor	1	1	1
Finance Manager	1	1	1
Office Assistant	3	3	3
Office Support Specialist	2	2	2
Payroll Specialist	1	1	1
Purchasing Agent	1	1	1
Purchasing Specialist	0	1	1



FINANCE - ACCOUNTING BUDGET SUMMARY Revenues and Expenditures

	2017 ACTUAL	2018 ORIGINAL BUDGET	2018 AMENDED BUDGET	2018 ESTIMATED	2019 BUDGET
Revenues					
Program Income	\$ 212,485	\$ 213,000	\$ 213,000	\$ 221,349	\$ 180,000
TOTAL REVENUES	212,485	213,000	213,000	221,349	180,000
Expenditures					
Staffing					
Salaries and Wages	1,254,098	1,338,978	1,338,978	1,277,507	1,345,836
Benefits	521,048	550,365	550,365	534,711	574,566
Operating Expenditures					
Professional and Technical Services	35,098	10,200	10,200	26,729	6,650
Utilities and Maintenance	-	-	-	-	1,600
Operations	136,502	169,702	175,577	130,143	155,915
City Support Services	283,366	304,485	304,485	301,660	311,376
Materials and Supplies	11,318	20,300	22,800	9,677	15,150
TOTAL EXPENDITURES	2,241,430	2,394,030	2,402,405	2,280,427	2,411,093
Less Expenses Charged to Other Funds	(1,495,083)	(1,593,518)	(1,593,518)	(1,503,540)	(1,545,185)
NET TOTAL EXPENDITURES	\$ 746,347	\$ 800,512	\$ 808,887	\$ 776,887	\$ 865,908

Finance – Risk and Litigation Management

Activities

Risk Management

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

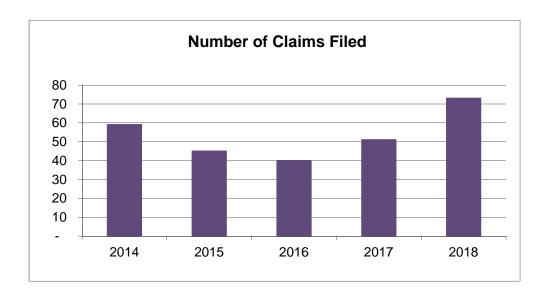
2019 Objectives

- A S Complete required insurance renewals and provide necessary reports to City Council.
- S Continue working to re-establish and re-energize the City-wide Safety Committee.
- Is Implement an insurance certificate tracking system to help departments maintain valid insurance certificates throughout contract terms.

- Renewed insurance policies for 2018.
- Reviewed 145 of 721 contracts and requests for proposals.
- Received a \$27,253 dividend from the City's insurance trust.

Expenditures	FY2018 Original	FY2019 Approved	Percent
	Budget	Budget	Change
Salaries/Wages/Benefits	\$ 79,344	\$ 104,892	32.2%
Materials/Supplies/Services	35,850	32,904	(8.2)
Expenses Charged to Others	(115,194)	(137,796)	19.6
	\$ O	\$ 0	

Authorized Full-Time	FY2017	FY2018	FY2019
	1	1	1
Risk & Litigation Manager	1	1	1



FINANCE - RISK MANAGEMENT BUDGET SUMMARY Revenues and Expenditures

	2017 ACTUAL					2019 D BUDGET		
Expenditures								
Staffing								
Salaries and Wages	\$ 44,664	\$	60,221	\$ 60,221	\$	48,501	\$	78,439
Benefits	15,627		19,123	19,123		17,446		26,453
Operating Expenditures								
Professional and Technical Services	252		1,000	1,000		-		-
Operations	7,560		6,555	6,555		2,312		6,270
City Support Services	29,580		27,895	27,895		27,816		25,484
Materials and Supplies	 535		400	 400		322		1,150
TOTAL EVENIBITURES	00.240		445 404	445.404		06.207		427 706
TOTAL EXPENDITURES	98,218		115,194	115,194		96,397		137,796
Less Expenses Charged to Other Funds	 (104,640)		(115,194)	 (115,194)		(115,200)		(137,796)
NET TOTAL EXPENDITURES	\$ (6,422)	\$		\$ 	\$	(18,803)	\$	-

Contingency

As set forth in the City's Charter, total appropriations in the General Fund shall be less than total estimated revenues by a "safe margin". The City's Financial Management Policy requires this safe margin to be at least 2.5 percent of the current year's budgeted expenditures. For the General Fund, this safe margin is presented as Contingency.

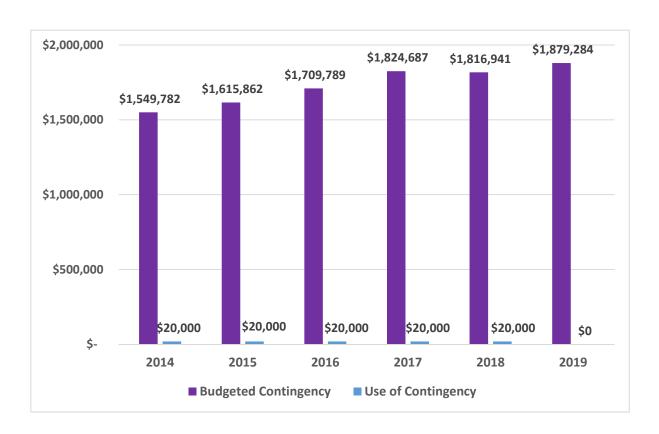
2019 Objectives

To provide a "safe margin" of no less than 2.5 percent of the proposed general fund expenditure budget for items not anticipated at the time of budget adoption.

2018 Results

• The City continues to meet the Charter requirement while maintaining average property tax levy increases at or below the rate of inflation plus property tax base growth.

Expenditures	FY2018 Original Budget	FY2018 Approved Budget	Percent Change
Transfers to Other Funds	\$1,816,941	\$1,879,284	3.4%
	\$1,816,941	\$1,879,284	3.4%



CONTINGENCY BUDGET SUMMARY Revenues and Expenditures

		2017 ACTUAL	2018 ORIGINAL BUDGET	,	2018 AMENDED BUDGET	ES	2018 TIMATED	2019 BUDGET
Expenditures		20,000	-		-		20,000	-
TOTAL EXPENDITURES Transfers Out	\$ \$	20,000	\$ 1,816,941	\$	- 1,816,941	\$ \$	20,000	- \$ 1,879,284
NET TOTAL EXPENDITURES	\$	20,000	\$ 1,816,941	\$	1,816,941	\$	20,000	\$ 1,879,284

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SPECIAL REVENUE FUNDS

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2019 Budget Summary – Special Revenue Funds

	REVENUES					
	2017 Actual	2018 Budget	2018 Revised	2018 Estimate	2019 Budget	
Communications	\$ 1,776,019	\$1,823,306	\$1,823,306	\$1,699,455	\$ 1,993,876	
Park Grants	49,996	72,402	360,781	89,961	94,373	
Health Grants	1,137,628	1,146,824	1,168,678	1,028,516	1,042,431	
South Loop	144,250	175,300	175,300	73,055	100,150	
Placemaking	406,562	401,857	436,857	440,358	430,274	
Cemetery	184,647	200,573	200,573	143,736	214,180	
DWI Forfeitures	105,569	51,000	83,523	73,469	92,600	
9-1-1 Grant	291,841	111,824	111,824	115,643	111,789	
State Drug Forfeitures	262,482	100,100	45,100	47,279	46,000	
Fed. Drug Forfeiture - DOJ	0	0	349,641	339,868	55,000	
Fed. Drug Forfeiture - IRS	0	0	77,290	81,890	0	
Police Grants	216,469	0	755,239	263,898	18,292	
Public Safety Pensions	2,392,042	2,599,096	2,599,096	2,652,332	2,408,573	
	\$ 6,967,505	\$6,682,282	8,187,208	\$7,049,460	\$ 6,607,538	

EXPENDITURES

	2017 Actual	2018 Budget	2018 Revised	2018 Estimate	2019 Budget
	-				
Communications	\$ 1,827,838	\$1,961,636	\$2,237,706	\$2,068,608	\$ 2,022,668
Park Grants	46,910	72,000	145,321	88,485	217,100
Health Grants	1,086,269	1,094,467	1,116,321	1,005,842	1,075,673
South Loop	141,343	120,000	120,000	28,041	70,277
Placemaking	532,752	400,000	525,855	267,542	430,000
Cemetery	146,608	323,801	483,801	272,076	203,331
DWI Forfeitures	48,967	105,811	145,374	73,607	85,037
9-1-1 Grant	127,948	77,677	201,075	197,656	124,838
State Drug Forfeitures	103,884	74,000	363,237	361,237	50,000
Fed. Drug Forfeiture - DOJ	0	0	72,000	72,005	85,000
Fed. Drug Forfeiture - IRS	0	0	0	0	25,000
Police Grants	211,503	0	755,239	258,496	4,837
Public Safety Pensions	1,758,361	2,160,846	2,160,846	2,160,850	1,081,875
	\$ 6,032,383	6,390,238	\$ 8,326,775	\$6,854,445	\$ 5,475,636

Activities

Police Grants
DWI Forfeiture Fund
Enhanced 911
DOJ Drug Forfeiture
Treasury Drug Forf.
State Drug Forfeiture
Pension Residual

Public Safety – Special Revenue

The DWI Forfeiture, Federal Department of Justice Drug Forfeiture, Federal Treasury Drug Forfeiture, State Drug Forfeiture, Enhanced 911, Police Grant and Pension Residual funds receive proceeds from forfeited assets and grant money from the state to be used for specific City police activities under State Statute.

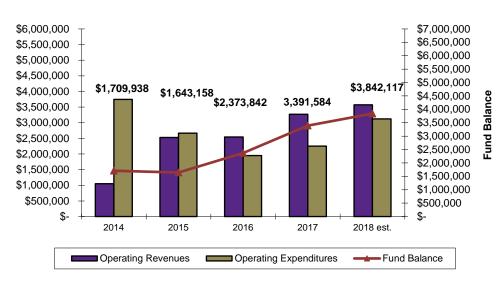
2019 Objectives

Enhance the consequences for criminal activities and criminal enterprises by seizing the proceeds and instrumentalities from these criminals and their organizations and using them to reduce the burden upon taxpayers for enhanced law enforcement efforts.

Expenditures	FY2018 Original Budget	FY2019 Approved Budget
Salaries/Wages/Benefits*	\$2,158,346	\$ 711,312
Materials/Supplies/Services	179,488	200,275
Capital Outlay	0	0
Transfers Out	80,500	545,000
	\$2,418,334	\$1,456,587

^{*}Wages paid for part-time workers or portions of full-time employees officially allocated to other activities.

Fund Balance Compared to Revenues and Expenditures



PUBLIC SAFETY SPECIAL REVENUE BUDGET SUMMARY Revenues and Expenditures

		2018	2018		
	2017	ORIGINAL	AMENDED	2018	2019
	ACTUAL	BUDGET	BUDGET	ESTIMATED	BUDGET
Revenues					
Tax Revenues	\$ 742,210	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,050,000
Program Income	357,930	150,000	150,000	154,294	160,000
Intergovernmental (Grant Revenue)	898,292	687,803	1,004,831	940,389	743,456
Donations	7,057	-	428	29,560	-
Interest Income	25,156	24,217	24,217	78,209	28,798
Other Income	-	-	-	-	-
Transfers In	1,237,759	1,000,000	1,371,931	1,371,931	750,000
TOTAL REVENUES	3,268,404	2,862,020	3,551,407	3,574,383	2,732,254
Expenditures					
Salaries and Wages	78,733	26,000	210,710	155,102	120,533
Benefits	1,649,159	2,132,346	2,148,176	2,158,917	590,779
Operations	26,270	31,000	42,179	21,863	34,500
City Support Services	128,268	131,188	131,188	131,196	135,475
Materials and Supplies	68,004	17,300	83,428	16,290	15,300
Capital Outlay	125,739	-	188,398	192,584	-
Transfers Out	174,488	80,500	447,898	447,898	560,000
TOTAL EXPENDITURES	2,250,661	2,418,334	3,251,977	3,123,850	1,456,587
FUND BALANCE SOURCES (USES)	1,017,743	443,686	299,430	450,533	1,275,667
Fund Balance at Beginning of Year	2,373,841	3,391,584	3,391,584	3,391,584	3,842,117
Fund Balance At Year-End	¢ 2 201 E04	¢ 2 02E 270	¢ 2 601 01 <i>4</i>	¢ 2 0/12 117	¢ E 117 704
Fullu Balafice At Year-Effu	\$3,391,584	\$ 3,835,270	\$ 3,691,014	\$ 3,842,117	\$ 5,117,784

Activities

Auto Theft Grant Justice Assistance Block Grant (JAG)

- Neighborhood Initiatives
- Business Initiatives
- Youth Initiatives

Toward Zero Death Grant (TZD) Bloomington Crime Prevention Association Grant (BCPA)

- National Night Out
- Business Watch
- Crime Free Multi-Housing

Heroes and Helpers Grant UASI Grant HSEM Grants

- Bomb Squad
- CBRNE

High Intensity Drug Trafficking Area Grant (HIDTA)

Public Safety – Police Grants

The Police Department pursues supplemental funding in the form of grants 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.

2019 Objectives

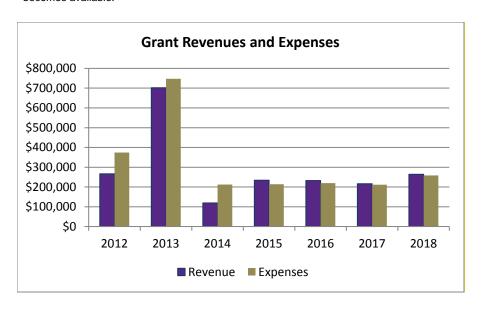
Improve quality of life in our community through an aggressive approach to reducing and preventing crime through partnerships and community engagement/education efforts.

- Conducted a proactive strategy to reduce auto theft through public education and enforcement initiatives.
- Purchased a vehicle and equipped it as a Bait Car for deployment in high-crime areas, targeting car thieves and car prowlers.
- Bloomington Officers worked 117 Toward Zero Death (TZD) details in 2018. Details included 43 DWI, 44 Seatbelt, 16 Speed, 13 Distracted, 1 "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.

Expenditures	FY2018 Original Budget		FY2019 Approved Budget	
Salaries/Wages/Benefits*	\$	-	\$	4,837 **
Materials/Supplies/Services		-		-
Capital		-		-
	\$	-	\$	4,837

^{*}Wages paid for part-time workers or portions of full-time employees officially allocated to other activities.

^{**} Budget requests for grant expenditures are brought to the City Council as new grant funding becomes available.



POLICE GRANTS BUDGET SUMMARY Revenues and Expenditures

	2017 ACTUAL	2018 ORIGINAL BUDGET	2018 AMENDED BUDGET	2018 ESTIMATED	2019 BUDGET
Revenues					
Tax Revenues	\$ -	\$ -	\$ -	\$ -	\$ -
Program Income	-	-	-	-	-
Intergovernmental (Grant Revenue)	209,412	-	284,505	234,339	18,292
Donations	7,057	-	428	29,560	
Interest Income					
Other Income					
Transfers In					
TOTAL REVENUES	216,469		284,933	263,899	18,292
Expenditures					
Salaries and Wages	77,656	-	175,687	140,850	4,837
Benefits	15,161	-	7,922	26,356	-
Operations	12,050	-	10,300	10,575	-
City Support Services		-	-	-	
Materials and Supplies	33,436		66,128	7,754	
Capital Outlay	73,200	-	65,000	72,961	-
Transfers Out				-	-
TOTAL EXPENDITURES	211,503		325,037	258,496	4,837
FUND BALANCE SOURCES (USES)	4,966		(40,104)	5,403	13,455
Fund Balance at Beginning of Year	(18,370)	(13,404)	(13,404)	(13,404)	(8,001)
Fund Balance At Year-End	(\$13,404)	(\$13,404)	(\$53,508)	(\$8,001)	\$5,454

DWI Forfeiture Fund

This fund accumulates proceeds from the sale of vehicles seized in DWI arrests of drivers with multiple DWI or DWI related convictions. The funds are statutorily designated to offset the expense of administering the forfeiture process with any residual committed to enforcement of DWI offenses.

2019 Objectives

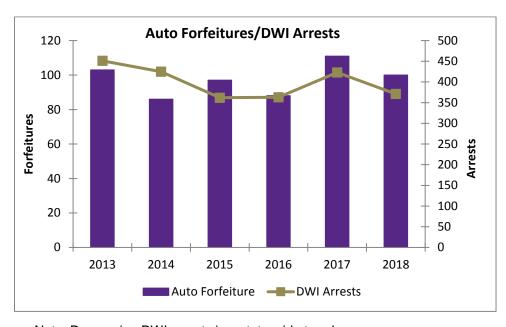
- S Reduce internal costs associated with DWI enforcement in order to provide additional resources for DWI enforcement.
- Continue efforts to uniformly and fairly seize vehicles under the DWI forfeiture law.
- Internally account for expenses associated with DWI forfeitures to assure proper allocation of expenses.
- 5 To remove access to vehicles for repeat DWI offenders according to due process.

2018 Results

Processed 100 DWI forfeited vehicles with 371 DWI arrests, a 12% decrease in DWI related arrests from 2017.

Expenditures	FY2018 Original Budget	FY2019 Approved Budget
Salaries/Wages/Benefits*	\$ 28,000	\$ 29,600
Materials/Supplies/Services	52,811	55,437
Capital	-	-
Transfers Out	25,000	-
	\$105,811	\$ 85,037

^{*}Wages paid for part-time workers or portions of full-time employees officially allocated to other activities.



Note: Decreasing DWI arrests is a state-wide trend.

POLICE - DWI FORFEITURES BUDGET SUMMARY Revenues and Expenditures

	2017 ACTUAL	2018 ORIGINAL BUDGET	2018 AMENDED BUDGET	2018 ESTIMATED	2019 BUDGET
Revenues					
Tax Revenues	\$ -	\$ -	\$ -	\$ -	\$ -
Program Income	100,837	50,000	50,000	64,640	60,000
Intergovernmental (Grant Revenue)	1,077	-	32,523	-	31,600
Donations					
Interest Income	3,655	1,000	1,000	8,830	1,000
Other Income					
Transfers In					
TOTAL REVENUES	105,569	51,000	83,523	73,470	92,600
Expenditures					
Salaries and Wages	1,077	26,000	35,023	14,252	20,696
Benefits	125	2,000	9,908	2,215	8,904
Operations	14,220	31,000	31,879	10,931	34,500
City Support Services	5,856	6,511	6,511	6,516	5,637
Materials and Supplies	27,688	15,300	15,300	8,536	15,300
Capital Outlay	-	-	-	-	-
Transfers Out		25,000	31,161	31,157	_
TOTAL EXPENDITURES	48,966	105,811	129,782	73,607	85,037
FUND BALANCE SOURCES (USES)	56,603	(54,811)	(46,259)	(137)	7,563
Fund Balance at Beginning of Year	328,068	384,671	384,671	384,671	384,534
Fund Balance At Year-End	\$ 384,671	\$ 329,860	\$ 338,412	\$ 384,534	\$ 392,097

Enhanced 911

The Enhanced 911 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.

2019 Objectives

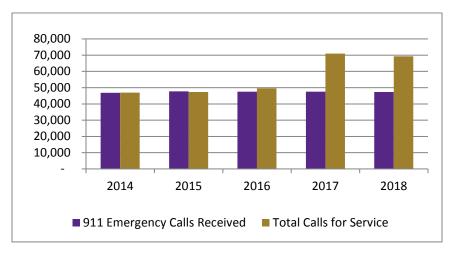
- S Ensure critical systems are reliable.
- S Maintain and improve communication center staffing, training, and equipment.
- 5 Develop quality assurance program.
- S Finalize Text-to-911 implementation in January.

2018 Results

- Met or exceeded national benchmark standards.
- Maintained and upgraded 911 VIPER communications technology and began implementing Text-to-911 technology.
- Hired and trained communications center staff throughout 2018.
- Implemented Rapid SOS technology for advanced 911 cell phone caller locating.

Expenditures	FY2018 Original	FY2019 Approved
	Budget	Budget
Materials/Supplies/Services	\$ 77,677	\$ 79,838
Transfer Out	-	45,000
Capital	-	-
	\$ 77,677	\$ 124,838

911 Calls



In 2018, BPD received 47,322 emergency 911 calls and responded to 69,287 calls for service. This number includes calls for service to the Mall of America.

Note: Calls for service include any request for police action which originates outside the Police Department, from 911, non-emergency lines and walk-ins.

911 calls include any call for police action, information or "pocket dials" from cell phones that come through the 911 system.

POLICE - ENHANCED 911 BUDGET SUMMARY Revenues and Expenditures

	 2017 ACTUAL		2018 ORIGINAL BUDGET		2018 AMENDED BUDGET		2018 ESTIMATED		2019 BUDGET
Revenues									
Tax Revenues	\$ -	\$	-	\$	-	\$	=	\$	-
Program Income	-		-		-		-		-
Intergovernmental (Grant Revenue)	111,689		111,689		111,689		111,689		111,689
Donations									
Interest Income	152		135		135		3,954		100
Other Income									
Transfers In	 180,000								-
TOTAL REVENUES	291,841		111,824		111,824		115,643		111,789
Expenditures									
Salaries and Wages	-		-		-		_		-
Benefits	-		-		-		-		-
Operations	-		-		-		357		-
City Support Services	75,408		77,677		77,677		77,676		79,838
Materials and Supplies	-		-		-		-		-
Capital Outlay	52,539		-		123,398		119,623		
Transfers Out									45,000
TOTAL EXPENDITURES	 127,947		77,677		201,075		197,656		124,838
FUND BALANCE SOURCES (USES)	 163,894		34,147		(89,251)		(82,013)		(13,049)
Fund Balance at Beginning of Year	8,491		172,385		172,385		172,385		90,372
Fund Balance At Year-End	\$ 172,385	\$	206,532	\$	83,134	\$	90,372	\$	77,323

Federal Department of Justice Drug Forfeiture

The Department of Justice (DOJ) federal drug forfeiture fund was created in 2018 to separately track equitable sharing drug forfeiture funds from the DOJ Equitable Sharing Program. Expenditures in this fund must comply with the *Department of Justice's Guide to Equitable Sharing for State and Local Law Enforcement Agencies*. Prior to 2018, these funds were combined in the Drug Forfeiture fund along with federal Department of Treasury drug forfeitures and state drug forfeitures.

2019 Objectives

- Use DOJ drug-forfeited equitable sharing funds to cover law enforcement expenses allowed by the DOJ equitable sharing program.
- Continue to conduct specialized training for narcotics related law enforcement activities such as hotel/motel and motor vehicle interdiction.

2018 Results

- Removed illicit drugs worth approximately \$2,100,000 from the community.
- Created a new fund in the City's financial software and a new City bank account to separately account for Federal DOJ drug forfeiture funds.

Expenditures	Ori	2018 ginal dget	FY2019 Approved Budget
Salaries/Wages/Benefits	\$	0	\$ 70,000
Materials/Supplies/Services		0	15,000
	\$	0	\$ 85,000

DRUG FORFEITURE ACTIVITY

	<u>20</u>	<u>16</u>	<u>20</u>	<u>17</u>	<u>2018</u>			
	# grams	Est. Street Value	# grams	Est. Street Value	# grams	Est. Street Value		
Marijuana	10,022	\$100,220	8,953	\$89,530	129,705	\$1,297,000		
Methamphetamine	8,309	\$830,900	18,069	\$1,806,900	4,570	\$457,000		
Crack (Rock) Cocaine	16	\$1,600	79	\$7,900	36	\$3,600		
Cocaine	112	\$11,200	1,179	\$117,900	2,712	\$271,000		
Heroin	389	\$155,600	108	\$43,200	178	\$71,480		
TOTAL	18,848	\$1,099,520	28,388	\$2,065,430	137,201	\$2,100,080		

POLICE - FEDERAL DEPT OF JUSTICE DRUG FORFEITURE BUDGET SUMMARY Revenues and Expenditures

	2017 ACTUAL		018 GINAL DGET	2018 AMENDED BUDGET	2018 ESTIMATED		2019 BUDGET
Revenues							
Tax Revenues Program Income	\$ -	\$	-	\$ - 55,000	\$ - 41,894	\$	- 55,000
Intergovernmental (Grant Revenue) Donations Interest Income			_	_	3,334		_
Other Income	_		_	_	3,334		_
Transfers In				294,641	294,641		-
TOTAL REVENUES	 			349,641	339,869		55,000
Expenditures							
Salaries and Wages Benefits Operations	-		-	-	-		70,000
City Support Services Materials and Supplies	-		-	47,000 -	47,004 -		- -
Capital Outlay Transfers Out	 			25,000	25,000		15,000
TOTAL EXPENDITURES	 			72,000	72,004		85,000
FUND BALANCE SOURCES (USES)	 			277,641	267,865	_	(30,000)
Fund Balance at Beginning of Year	 				<u>-</u>		267,865
Fund Balance At Year-End	\$ <u>-</u>	\$		\$ 277,641	\$ 267,865	\$	237,865

Federal Treasury Drug Forfeiture

The Department of Treasury (DOT) federal drug forfeiture fund was created in 2018 to separately track equitable sharing drug forfeiture funds from the DOT Equitable Sharing Program. Expenditures in this fund must comply with the *Department of Treasury's Guide to Equitable Sharing for State and Local Law Enforcement Agencies*. Prior to 2018, these funds were combined in the Drug Forfeiture fund along with federal Department of Justice drug forfeitures and state drug forfeitures.

2019 Objectives

Use DOT drug-forfeited equitable sharing funds to cover law enforcement expenses allowed by the DOT equitable sharing program.

2018 Results

 Created a new fund in the City's financial software and a new City bank account to separately account for Federal DOT drug forfeiture funds.

Expenditures	2018	FY2019
	ginal dget	Approved Budget
Materials/Supplies/Services	\$ 0	\$ 25,000
Transfers Out	-	-
	\$ 0	\$ 25,000

POLICE - FEDERAL TREASURY DRUG FORFEITURE BUDGET SUMMARY Revenues and Expenditures

	2017 ACTUAL		ORIG)18 GINAL DGET	GINAL AMENDE		2018 ESTIMATED		2019 UDGET
Revenues									
Tax Revenues	\$	-	\$	-	\$	-	\$	-	\$ -
Program Income		-		-		-		3,687	-
Intergovernmental (Grant Revenue)									
Donations									
Interest Income		-		-		-		914	-
Other Income									
Transfers In						77,290		77,290	
TOTAL REVENUES		-		-		77,290		81,891	-
Expenditures									
Salaries and Wages									25,000
Benefits									
Operations									
City Support Services		-		-		-		-	-
Materials and Supplies		-		=		=		-	-
Capital Outlay									
Transfers Out				-		-		-	 -
TOTAL EXPENDITURES		-		-					 25,000
FUND BALANCE SOURCES (USES)	-	-	-	-		77,290		81,891	 (25,000)
Fund Balance at Beginning of Year		-							 81,891
Fund Balance At Year-End	\$		\$		\$	77,290	\$	81,891	\$ 56,891

State Drug Forfeiture

This 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. Prior to 2018, this fund also included federal drug forfeiture funds. In 2018, federal drug forfeitures were moved to two separate funds: the Federal Department of Justice Drug Forfeiture Fund and the Federal Treasury Drug Forfeiture Fund.

2019 Objectives

Use drug-forfeited assets to cover law enforcement expenses that are not funded by the taxpayers.

2018 Results

 Conducted training for agencies throughout the state on interdicting hotel-based drug traffickers.

Expenditures	FY2018 Original Budget	FY2019 Approved Budget
Materials/Supplies/Services	\$ 49,000	\$ 50,000
Transfers Out	25,000	-
	\$ 74,000	\$ 50,000

POLICE - STATE DRUG FORFEITURE BUDGET SUMMARY Revenues and Expenditures

		2017 ACTUAL		2018 ORIGINAL BUDGET		2018 AMENDED BUDGET		2018 ESTIMATED		2019 UDGET
Revenues										
Tax Revenues	\$	-	\$	-	\$	-	\$	-	\$	-
Program Income	25	7,093		100,000		45,000		44,073		45,000
Intergovernmental (Grant Revenue)										
Donations										
Interest Income		5,390		100		100		3,206		1,000
Other Income										
Transfers In										
TOTAL REVENUES	26	2,483		100,100		45,100		47,279		46,000
Expenditures										
Salaries and Wages										
Benefits										
Operations										
City Support Services	4	7,004		47,000		-		-		50,000
Materials and Supplies		6,880		2,000		2,000		-		-
Capital Outlay										
Transfers Out	5	0,000		25,000		361,237		361,237		-
TOTAL EXPENDITURES	10	3,884		74,000		363,237		361,237		50,000
FUND BALANCE SOURCES (USES)	15	8,599		26,100		(318,137)		(313,958)		(4,000)
Fund Balance at Beginning of Year	45	7,781		616,380		616,380		616,380		302,422
			,				_			
Fund Balance At Year-End	\$ 61	6,380	\$	642,480	\$	298,243	\$	302,422	\$	298,422

Fire Pension Fund

The Fire Pension fund accounts for designated fire pension obligation funds. Funds are accumulated from previous year's positive performance and designated tax levy. Each year, an independent actuary calculates the fire pension liability due two years in the future based on the financial activities of the Bloomington Fire Department Relief Association. Due to a strong investment performance of the pension at the end of 2017, the only contribution due in 2019 is pass-through State Aid money. The annual fire pension obligation is impacted by market volatility, investment returns and firefighter demographics.

2019 Objectives

S Build a reserve to fund Fire Pension contributions without relying on positive performance.

Expenditures	FY2018 Original Budget	FY2019 Approved Budget
Salaries/Wages/Benefits	\$ 2,130,346	\$ 581,875
Transfers Out	30,500	*500,000
	\$2,160,846	\$1,081,875

^{*}Transfer to facilities for fire stations designs to be repaid in 2020.

PENSION RESIDUAL ASSET FUND BUDGET SUMMARY Revenues and Expenditures

	2017 ACTUAL	2018 ORIGINAL BUDGET	2018 ESTIMATED	2019 BUDGET	
Revenues					
Tax Revenues	\$ 742,210	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,050,000
Program Income					
Intergovernmental (Grant Revenue)	576,114	576,114	576,114	594,361	581,875
Donations					
Interest Income	15,959	22,982	22,982	57,971	26,698
Other Income					
Transfers In	1,057,759	1,000,000	1,000,000	1,000,000	750,000
TOTAL REVENUES	2,392,042	2,599,096	2,599,096	2,652,332	2,408,573
Expenditures					
Salaries and Wages					
Benefits	1,633,873	2,130,346	2,130,346	2,130,346	581,875
Operations					
City Support Services					
Materials and Supplies					
Capital Outlay					
Transfers Out	124,488	30,500	30,500	30,504	500,000
TOTAL EXPENDITURES	1,758,361	2,160,846	2,160,846	2,160,850	1,081,875
FUND BALANCE SOURCES (USES)	633,681	438,250	438,250	491,482	1,326,698
Fund Balance at Beginning of Year	1,597,871	2,231,552	2,231,552	2,231,552	2,723,034
			4	4	
Fund Balance At Year-End	\$ 2,231,552	\$ 2,669,802	\$ 2,669,802	\$ 2,723,034	\$ 4,049,732

City Clerk – Cemetery The cemetery offers all individuals burial options within the meet eligibility requirements

The cemetery offers all individuals burial options within the City with preferred pricing for those that meet eligibility requirements.

2019 Objectives

▲ ISR Continue developing the master plan for cemetery development and expansion by plotting new lots and monitoring homes for sale next to the cemetery

A I S R Research software for cemetery records by third quarter of 2019

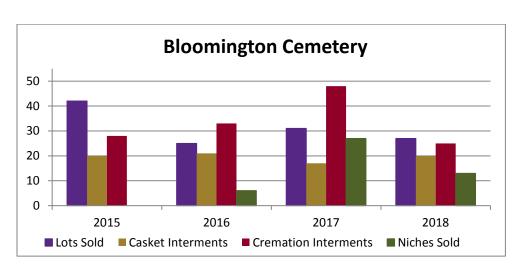
▲ I S R Research GIS cemetery mapping tools for the website by mid-year to develop budget proposals for 2021

▲ IS R Market burial options to general public and businesses with brochures in senior living facilities, when new residents homestead in the city, by publishing an article in the Briefing twice in 2019

2018 Results

- Expanded service road within the cemetery
- · Provided compassionate and timely service for sales and burials
- Promoted sales of columbaria niches to general public
- Reviewed fee structures to ensure competitive rates and preferred pricing
- Maintained the cemetery as a self-sustaining operation, using no taxpayer funding

Expenditures	Origir	FY2018 Original Budget		19 ved jet	Percent Change		
Salaries/Wages/Benefits	\$	0	\$	0	0.0%		
Materials/Supplies/Services	16	163,801		3,331	24.1		
Capital	16	160,000		0	-		
	\$ 323	3,801	\$20	3,331	(37.2%)		







Customers have expressed their appreciation for the variety of burial options available at the City Cemetery.

The City of
Bloomington has
owned and operated
the cemetery for
over 154 years.

The oldest part of the cemetery is listed on the National Register of Historic Places.

CEMETERY TRUST FUND BUDGET SUMMARY Revenues and Expenditures

	2017 ACTUAL		2018 ORIGINAL BUDGET		2018 AMENDED BUDGET		2018 ESTIMATED		2019 BUDGET	
Revenues										
Program Income	\$	68,925	\$	59,835	\$	59,835	\$	62,670	\$	65,780
Other Income		108,750		133,000		133,000		67,700		140,000
Interest Income		6,972		7,738		7,738		13,366		8,400
TOTAL REVENUES		184,647		200,573		200,573		143,736		214,180
Expenditures										
Operating Expenditures										
Professional and Technical Services		-		-		-		-		-
Utilities and Maintenance		-		-		-		-		-
Operations		-		6,400		6,400		-		6,400
City Support Services		143,808		157,401		157,401		157,392		196,931
Materials and Supplies		2,800		-		-		6,100		-
Capital Outlay										
Building and Improvements		-		160,000		320,000		108,584		
TOTAL EXPENDITURES		146,608		323,801		483,801		272,076		203,331
FUND BALANCE SOURCES (USES)		38,039		(123,228)		(283,228)		(128,340)		10,849
Fund Balance at Beginning of Year		620,463		658,502		658,502		658,502		530,162
Fund Balance At Year-End	\$	658,502	\$	535,274	\$	375,274	\$	530,162	\$	541,011

Community Services - Communications

The Communications Division 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.

Activities

Cable Administration
Municipal Services
Cable
Media Support
Services
Public Access Cable
Contractual Services
Graphics
City Capital
Equipment
School District 271
Capital
Public Access Capital
The Bloomington
Channel Capital

2019 Objectives

- I S IE Work closely with newly created Community Outreach and Engagement Division to provide communications support and engagement tools to further the City staff's and City Council's goals throughout the year.
- I S IE Find a digital asset management solution to the photo archive so that thousands of photos can be managed and easily accessed by all staff by June 2019.
- Launch "Around B-Town" initiative for the Briefing, video and social media that will include updates on City Council decisions and priorities by June 2019.
- S I E Improve the City's online communications tools by making preparations for next website overhaul in 2019 2020, finalizing the City's social media policy, which underwent major revisions in 2018, conducting monthly meetings with web content contributors and exploring social media archiving with City Attorney and City Clerk to find the best path forward, beginning April 2019.
- S I IE Work with Mid-Managers Leadership Team (MMLT) to develop a plan to create awareness of the City's mission and vision.
- I IE Conduct initial research on creating a strategic plan for the Communications Division in 2020.

2018 Results

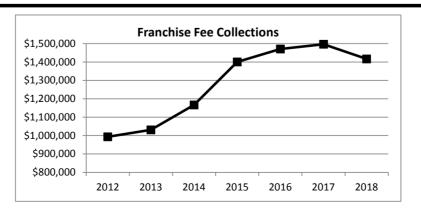
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- Launched the monthly delivery of the Briefing: hired and trained part-time staff, revamped content and updated the production schedule.
- Planned and executed communications for the 10-day run of Super Bowl 52 and coordinated crisis communications plans and twice-daily calls during the event.
- Increased users to the City's social media sites that resulted in 9,836 Facebook followers (a 14.5% increase from 2017) and 4,902 Twitter followers (a 10.9% increase from 2017).
- Achieved 812,500 views of staff-produced videos on YouTube (an 5.4% increase over 2017).
- Realized website traffic increases of 6.45% over 2017 (944,452 in 2018 vs 865,973 in 2017).
- Implemented a video storage system, which allowed Communications to double its storage capacity, create a
 backup system and more easily search for archived video files essential to producing quality videos.
- Introduced new member engagement programing at BCAT, which included the well-attended Production Club Workshops and Teen Video Boot Camps that sold out all three sessions.
- Revamped Roll Call and created the new segment, Commission Updates, for cable television and social meda.
- Honored with 18 local and national communications awards, including several first-place awards from 3CMA and MAGC.

Expenditures	FY2018 Original Budget	FY2019 Approved Budget
Salaries/Wages/Benefits	\$991,529	\$1,050,583
Materials/Supplies/Services	666,907	708,885
Capital Outlay	303,200	263,200
	\$1,961,636	\$2,022,668

Authorized Full-Time	FY2017	FY2018	FY2019
	9	9	9
Communications Administrator	1	1	1
Communications Specialist	2	2	3
Graphics Production Specialist	1	1	1
Municipal Cable Coordinator	1	1	1
Senior Production Specialist	2	2	1
Web Coordinator	2	2	2

COMMUNICATIONS BUDGET SUMMARY Revenues and Expenditures							
	2017 ACTUAL	2018 ORIGINAL BUDGET	2018 AMENDED BUDGET	2018 ESTIMATED	2019 BUDGET		
Revenues							
Property Tax					150,000		
Program Income	\$ 1,584,129	\$ 1,624,300	\$ 1,624,300	\$ 1,502,278	\$ 1,535,120		
Interest Income	6,767	5,000	5,000	3,544	4,000		
Transfers In	185,124	194,006	194,006	194,006	304,756		
TOTAL REVENUES	1,776,020	1,823,306	1,823,306	1,699,828	1,993,876		
Expenditures Staffing							
Salaries and Wages	660,690	725,960	725,960	695,640	750,226		
Benefits	266,159	265,569	265,569	284,020	300,357		
Operating Expenditures							
Professional and Technical Services	108,541	177,500	177,500	141,719	216,545		
Utilities and Maintenance	187,643	184,690	184,690	186,456	161,290		
Operations	16,004	21,958	21,958	16,730	25,629		
City Support Services	233,964	246,154	246,154	245,212	268,100		
Materials and Supplies	34,746	36,605	36,605	33,171	37,320		
Capital Outlay							
Equipment	320,091	303,200	471,796	465,660	263,200		
Transfers Out							
TOTAL EXPENDITURES	1,827,838	1,961,636	2,130,232	2,068,608	2,022,667		
FUND BALANCE SOURCES (USES)	(51,818)	(138,330)	(306,926)	(368,780)	(28,791)		
Fund Balance at Beginning of Year	761,244	709,426	709,426	709,426	340,646		
Fund Balance At Year-End	\$ 709,426	\$ 571,096	\$ 402,500	\$ 340,646	\$ 311,855		



Activities

Operations &
Maintenance Grants
Lottery-in-Lieu Operation
& Maintenance Grant
Athletic Association
Donations

Park Grants Special Revenue

The Park Grants Special Revenue Fund is used to track and expend annual grants received from the State of Minnesota via the Metropolitan Council for regional park operations and maintenance. These grants are made from the State's Natural Resources Fund (Lottery in Lieu of Sales Tax Revenue). These grants must be used for the City's operational and maintenance expenditures associated with the Hyland-Bush-Anderson Lakes Regional Park Reserve and they may not be used to supplant local funding for the park reserve.

2019 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 implementing agencies to lobby the Legislature before May for continued Lottery-in-Lieu-Of operations and maintenance funding.
- ES Natural resources restorations Undertake improvement projects within the Park Reserve.
- A Focus fund expenditures on equipment and services that support the active usage of the park reserve including but not limited to:
 - A Replace picnic tables, grills, benches, etc.
 - S Purchase various supplies for Bush Lake Beach.
 - Supplement budget for Summer Fete fireworks.
 - IE Park Ambassador Program undertake a minimum of four community engagement activities.
 - S Purchase various supplies for Camp Kota.
 - R Conduct repairs and purchase equipment as needed.
 - S Fund maintenance part-time salaries.

2018 Results

- A Constructed additional canoe racks & repainted all current racks at West Bush Lake.
- Supplemented the budget for Summer Fete fireworks.
- Replaced miscellaneous equipment (picnic tables, lifeguard chair, rescue board, etc).
- Contracted for fireworks at 10 Year Legacy Fund celebration event.
- S Purchased equipment and supplies for Camp Kota.
- **IE** Held a community engagement special event at Bush Lake.
- A Repaired windows in Bush Lake Beach House.

Expenditures	FY2018	FY2019
	Original	Approved
	Budget	Budget
Salaries/Wages/Benefits	0	\$ 22,600
Materials/Supplies/Services	72,000	159,500
Transfers Out	0	35,000
	72,000	217,100

PARK GRANTS FUND **BUDGET SUMMARY Revenues and Expenditures** 2018 2018 2017 **ORIGINAL AMENDED** 2018 2019 **ACTUAL BUDGET BUDGET ESTIMATED BUDGET** \$ 46,911 \$ 72,402 \$ 116,434 \$ 84,094 91,100 3,085 5,867 3,273 49,996 72,402 89,961 116,434 94,373 21,500 3,498 19,865

16,500

107,321

145,321

(28,887)

22,663

(6,224) \$

Note: For most of these grants, the City has to expend funds and then request reimbursement.

1,500

45,410

46,910

3,086

19,577

22,663 \$

72,000

72,000

402

22,663

23,065

Revenues

Intergovernmental

TOTAL REVENUES

Salaries and Wages

Operating Expenditures

City Support Services Materials and Supplies

TOTAL EXPENDITURES

Fund Balance At Year-End

Utilities and Maintenance

Professional and Technical Services

FUND BALANCE SOURCES (USES)

Fund Balance at Beginning of Year

Interest Income

Expenditures
Staffing

Benefits

Operations

Transfers Out

788

19,817

64,162

88,485

1,476

22,663

24,139

220

2,735

93,500

66,000

35,000

217,100

(122,727)

24,139

(98,588)

Grants

Temporary
Assistance to
Needy Families
(TANF)
Maternal, Infant and
Early Childhood
Home Visiting
Grant (MIECHV)
State Health
Improvement
Partnership (SHIP)
Public Health
Emergency
Preparedness and
Response

The plans and tools created to assist hotels in becoming closed point of dispensing partners during the Super Bowl worked well. These plans were put in place to take care of staff and guests of the hotels in the event of bioterrorism. The medical staff from the NFL requested the plans developed by the City of **Bloomington and Anoka County staff** to be shared with partners in Atlanta to help them prepare for the next Super Bowl.

Public Health Special Revenue

2019 Objectives

- Provide support, resources and education to support high-risk families to assure infants are born healthy and grow up safe and nurtured by completing at least 1,300 home visits.
- Implement obesity and tobacco strategies for the Statewide Health Improvement Partnership (SHIP) by working with schools to offer more fruits and vegetables and providing education to school staff regarding e-cigarettes and vaping products to have policies and environmental change in place by November 2020.
- **IE** Ensure our plans for mass dispensing medical countermeasures adequately support individuals with functional and access needs in the event of an emergency by late fall.

2018 Results

TANF and MIECHV Grants

- Made 1,395 home visits to 203 clients who were pregnant and parenting teens and residents with young children to improve birth and early childhood development outcomes.
- Assessed and supported individuals to manage depression, chemical use and domestic violence as well as physical and emotional development concerns in infants and toddlers.
- Helped first-time parents at risk for raising children with poor childhood outcomes learn how to positively respond to their babies' needs and foster healthy development.

Statewide Health Improvement Partnership (SHIP) Grant

- Led a cohort of five hotels—two of which are in Bloomington—to explore worksite wellness options in the hospitality industry. Three new Bloomington hotels have been recruited for 2019.
- Provided technical assistance and funding to start a schoolyard garden at Success Academy.
- Developed an evaluation tool to assess implementation of Bloomington School District's newly
 adopted Wellness Policy, as well as resources and support to aid in implementation.

Public Health Emergency Preparedness and Response Grants

- Continued work on revamping public health emergency response plans.
- Successfully passed our Operational Readiness Review.
- Conducted tabletop exercise to improve emergency response capabilities of staff.

Expenditures	FY2018 Original Budget	FY2019 Approved Budget
Salaries/Wages/Benefits	\$1,000,609	\$934,802
Materials/Supplies/Services	151,804	140,871
	\$1,152,413	\$1,075,673

Authorized Full-Time	FY2017	FY2018	FY2019
	6	7	7
Health Specialist	4	4	4
Public Health Nurse	2	3	3

PUBLIC HEALTH SPECIAL REVENUE FUND BUDGET SUMMARY Revenues and Expenditures

					,
		2018	2018		
	2017	ORIGINAL	AMENDED	2018	2019
	ACTUAL	BUDGET	BUDGET	ESTIMATED	BUDGET
Revenues					1
Intergovernmental	\$ 1,071,104	\$ 1,064,887	\$ 1,073,211	\$ 929,655	\$ 961,664
Program Income	80,895	81,937	83,916	100,009	80,767
Interest Income	(234)	<u> </u>		(1,148)	
					
TOTAL REVENUES	1,151,765	1,146,824	1,157,127	1,028,516	1,042,431
Expenditures					
Staffing					
Salaries and Wages	672,226	726,161	729,297	630,177	658,694
Benefits	252,598	274,448	274,448	245,409	276,108
Operating Expenditures					
Professional and Technical Services	119,155	39,806	43,973	37,164	36,281
Operations	22,797	15,163	18,163	15,950	18,398
City Support Services	70,383	79,945	79,945	75,186	77,915
Materials and Supplies	30,650	16,890	16,890	22,332	8,277
TOTAL EXPENDITURES	1,167,809	1,152,413	1,162,716	1,026,218	1,075,673
FUND BALANCE SOURCES (USES)	(16,044)	(5,589)	(5,589)	2,298	(33,242)
Fund Balance at Beginning of Year	151,484	135,440	135,440	135,440	137,738
Fund Balance At Year-End	\$ 135,440	\$ 129,851	\$ 129,851	\$ 137,738	\$ 104,496

Note: For most of these grants, the City has to expend funds and then request reimbursement.

South Loop Revolving Development Services Fund

The South Loop Revolving Development Services Fund is supported by a 65 percent building permit surcharge in the South Loop District. This Fund was created in 1999 to expedite development and account for studies funded from this special revenue stream outside of the General Fund.

2019 Objectives

- R ▲ 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.
- RAS 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.

2018 Results

Completed intersection traffic studies for improved LRT operations.

Expenditures	FY2018 Original	FY2019 Approved
`	Budget	Budget
Salaries/Wages/Benefits	\$ 20,000	\$ 20,000
Materials/Supplies/Services	100,000	50,277
Debt Service	0	0
Operating Transfer Out	0	0
	\$ 120,000	\$70,277

	FY2017	FY2018	FY2019
	5*	5*	5*
Engineer	1	1	1
Office Assistant	1	1	1
Plan Check Engineer	1	1	1
Planner	1	1	1
Senior Planner	1	1	1

^{*}Although five positions are authorized, none are currently funded or utilized on a full-time basis.



Arial view of South Loop

SOUTH LOOP REVOLVING DEVELOPMENT SERVICES FUND BUDGET SUMMARY

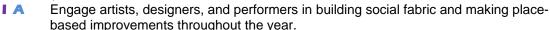
Revenues and Expenditures

				2018		2018				
		2017	(DRIGINAL		AMENDED		2018		2019
		ACTUAL		BUDGET		BUDGET	ES	TIMATED		BUDGET
Revenues										
Program Income	\$	143,483	\$	175,000	\$	175,000	\$	72,011	\$	100,000
Interest Income	Y	767	Υ	300	Y	300	7	1,043	7	150
meerest meeric		707		300				1,013		150
TOTAL REVENUES		144,250		175,300		175,300		73,054		100,150
Europe ditures										
Expenditures										
Staffing		0.445		46.500		46 500		7 445		46 500
Salaries and Wages		9,115		16,500		16,500		7,415		16,500
Benefits		2,121		3,500		3,500		2,012		3,500
Operating Expenditures										
Professional and Technical Services		130,107		100,000		100,000		18,614		50,277
Debt Service										
Operating Transfers Out		_		-						-
TOTAL EXPENDITURES		141,343		120,000		120,000		28,041		70,277
		<u> </u>		,		<u> </u>		<u> </u>		
FUND BALANCE SOURCES (USES)		2,907		55,300		55,300		45,013		29,873
Fund Balance at Beginning of Year		41,387		44,294		44,294		44,294		89,307
Fund Balance At Year-End	Ś	44,294	\$	99,594	\$	99,594	\$	89,307	\$	119,180
	<u>+</u>	,		22,221	· <u> </u>			22,227		

Creative Placemaking

Creative Placemaking is an evolving process 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.

2019 Objectives



Engage the community to enhance pride of place and community, building on local assets and local character to strengthen the social and civic fabric.

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 updating a work plan and 2020-2021 project priorities by July.

Unveil a self-guided electronic Augmented Reality Tour during the Old Cedar Bridge project grand opening celebration in June.

South Loop Sculpture artist selected in June, installation in summer of 2020.

Implement four Creative Sparks projects to engage South Loop residents, workers and visitors – concerts, murals, festivals and temporary shelters.

South Loop "ArtVenture" tour for Americans for the Arts Conference June 15

Creative Happy Hour with music, food trucks, cash bar and interactive art activities in August or September

Fire Station #3 project outreach this summer; select project this summer or fall .

Neighborhood Focus Projects engagement this spring; project selected this summer;proposals for mural on Xcel Substation Wall this fall; select proposal this winter.

2018 Results

- Creative Placemaking Commission work plan and prioritization of projects.
- Raised awareness of creative placemaking activity and South Loop, resulting in increased attendance at events and media mentions in Star Tribune, ARTPLACE, Pioneer Press, Sun Current, Twin Cities Live, MN Monthly, KARE11, Minneapolis/St. Paul Business Journal, MPR News, CityPages, and Midwest Home.
- Illuminate South Loop, an evening arts event with installations and performances designed and produced by 9 artist groups. Feb. 1 3, 2018 at BCS Park.
- Partnered with Forecast Public Art to offer "Making it Public" public art workshop for local artists new or emerging to working in public art.
- Artwork plaque for James Brenner "Convergence" sculpture.
- Seasonal maintenance of "Landform" artistic landscaping installation by Tom Henry.
- ARTBOX call for art selected two designs to be wrapped in spring 2019.
- Creative Sparks call for proposals and info sessions 4 proposals selected.
- Support for "Parking Ramp Project" performance by Aniccha Arts.
- Creative Happy Hour event with art activities, food trucks, music.
- Wright's Lake Park Mural, "Seasons of Becoming," by GoodSpace Murals installed.
 2017-2018: coordinated 3 community design visioning sessions, 1 community design review meeting, 1 photo shoot, 7 painting sessions, and a celebratory unveiling.
 Partnered with Valley View Middle School throughout process.
- Fire Station #3 project engagement onsite meeting and conversations with neighbors.

Expenditures	FY2018 Original Budget	FY2019 Approved Budget		Percent Change
Salaries/Wages/Benefits	\$ 58,163	\$	87,682	50.8%
Materials/Supplies/Services	191,837		202,318	5.5
Capital Outlay	150,000		140,000	(7.1)
	\$ 400.000		\$430.000	7.5%

Authorized Full-Time	FY2017	FY2018	FY2019
	0	1	1
Creative Placemaking Director	0	1	1



Illuminate South Loop, "Score" by Daily tous les jours. Photo; Steven Lang.



Wright's Lake Park Mural, by GoodSpace Murals. Ribbon cutting with students & neighbors.

CREATIVE PLACEMAKING BUDGET SUMMARY Revenues and Expenditures

	2017 ACTUAL	2018 DRIGINAL BUDGET	2018 AMENDED BUDGET	ES	2018 STIMATED	2019 BUDGET
Revenues Investment Income Transfers In Other Income	\$ 4,583 400,000 1,979	\$ 1,857 400,000 -	\$ 1,857 400,000 -	\$	5,212 434,996 150	 430,000 274
	- - -	- - -	-		- - -	
TOTAL REVENUES	406,562	401,857	401,857		440,358	430,274
Expenditures						
Salaries and Benefits	50,216	58,163	58,163		58,625	87,682
Materials and Supplies	482,537	191,837	211,025		208,917	202,318
Capital Outlay	-	 150,000	 -		-	 140,000
TOTAL EXPENDITURES	 532,753	400,000	 269,188		267,542	430,000
FUND BALANCE SOURCES (USES)	(126,191)	1,857	132,669		172,816	274
Fund Balance at Beginning of Year	244,437	118,246	118,246		118,246	291,062
Fund Balance At Year-End	\$ 118,246	\$ 120,103	\$ 250,915	\$	291,062	\$ 291,336

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ENTERPRISE FUNDS

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2019 Budget Summary – Enterprise Funds

REVENUES					
	2017 Actual	2018 Budget	2018 Revised	2018 Estimate	2019 Budget
Recreational Facilities					
Golf Courses					
 Operating 	\$ 1,630,669	\$1,673,500	1,673,500	\$1,563,719	\$ 1,708,178
 Non-Operating 	298,398	303,028	303,028	302,957	302,284
Ice Garden					
- Operating	1,496,231	1,533,200	1,533,200	1,391,035	1,481,764
- Non-Operating	90,049	204,682	215,182	32,636	1,576,776
Aquatic Facilities					
- Operating	298,811	340,237	340,237	364,688	330,402
- Non-Operating	999,814	1,103,926	1,103,926	1,096,509	1,220,006
Center for the Arts					
- Operating	181,552	178,000	178,000	191,815	179,000
- Non-Operating	914,104	1,184,818	1,184,818	1,194,542	1,012,489
Water Utility					
- Operating	12,625,742	13,619,349	13,619,349	12,034,368	15,440,355
- Non-Operating	414,548	327,000	327,000	391,624	374,400
Wastewater Utility	•	•	,	•	•
- Operating	12,323,668	13,437,325	13,437,325	13,521,598	14,004,178
- Non-Operating	394,535	781,244	781,244	859,504	339,490
Storm Water Utility	,	,		,	222, 122
- Operating	5,852,529	6,321,265	6,321,265	6,180,102	6,558,500
- Non-Operating	178,961	9,747,000	9,747,000	11,499,539	342,091
Solid Waste Utility	,	0,1 11,000	3,:,555	, ,	0.2,00.
- Operating	6,629,344	8,058,411	8,058,411	7,218,414	7,923,668
Non-Operating Revenues	527,083	600,999	600,999	490,007	1,012,111
Contractual Police	822,326	950,000	950,000	1,350,433	615,000
Motor Vehicle	022,020	330,000	555,500	1,000,400	010,000
- Operating	662,478	657,790	657,790	633,653	688,040
Non-Operating Revenues	2,931	3,000	3,000	9,196	126,977
- Non-Operating Neventes	\$46,343,773	\$ 61,024,774	\$61,035,274	\$60,326,339	\$55,235,709

		EXPENDI	TURES		
	2017 Actual	2018 Budget	2018 Revised	2018 Estimate	2019 Budget
Recreational Facilities					
Golf Courses					
- Operating	\$ 1,913,995	\$ 1,950,647	\$1,950,647	1,793,533	\$ 1,929,846
- Capital & Transfers	49,327	36,500	36,500	27,810	88,500
Ice Garden					
- Operating	1,324,142	1,323,199	1,333,699	1,410,815	1,386,128
- Capital & Transfers	83,967	311,000	331,043	225,459	1,614,520
Aquatic Facilities					
- Operating	1,351,224	1,419,159	1,420,479	1,361,196	1,433,097
- Capital & Transfers	58,900	136,000	150,000	149,329	45,000
Center for the Arts					
- Operating	956,103	995,217	995,217	969,481	942,492
- Capital & Transfers	6,393	85,000	82,000	13,581	305,000
Water Utility					
- Operating	11,705,382	12,956,769	13,850,488	13,908,783	13,223,615
- Capital/Debt/Transfers	1,216,197	1,425,000	2,789,545	913,859	2,116,644
Wastewater Utility					
- Operating	10,988,201	11,600,910	11,556,648	10,819,977	11,929,136
- Capital & Transfers	1,486,870	2,200,000	2,217,594	571,562	1,600,000
Storm Water Utility					
 Operating 	2,697,833	3,081,623	3,084,322	2,796,866	3,332,335
 Capital/Debt/Transfers 	2,061,727	12,000,000	10,450,704	9,221,634	8,545,774
Solid Waste Utility					
 Operating 	6,969,211	8,472,402	8,985,750	7,842,419	8,920,555
 Capital & Transfers 	309,000	309,000	309,000	309,000	309,000
Contractual Police					
- Operating	737,598	911,625	911,625	1,177,229	600,560
- Capital & Transfers	84,728	38,375	38,375	173,204	14,440
Motor Vehicle					
- Operating	702,039	785,009	785,776	724,778	797,137
- Capital & Transfers	43,336	0	0	0	0
-	\$44,746,173	\$60,037,435	\$ 61,279,412	\$54,410,515	\$59,133,779

Activities

Administration
Customer Service
Water Supply and
Treatment
Water Distribution
and Storage



In 2018, the **Utilities Division** completed the rehabilitation of water supply well #6. Work included installation of a new pump, replacement of pump discharge column, reconditioning of the pump motor and disinfection. The project helps ensure continued delivery of source water to the treatment plant to maintain plant



capacity.

Public Works – Water Utility

This Fund accounts for the operations of the City-owned water system.

2019 Objectives

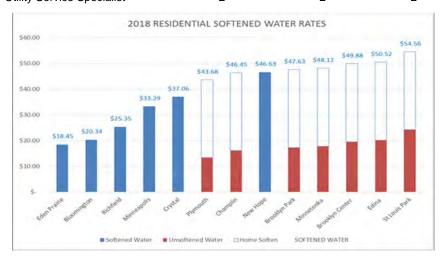
- Provide uninterrupted supply of potable water which meets or exceeds all state and federal standards at a rate that is less than the average cost of comparable communities supplying softened water.
- Provide sustainable renewal of water system infrastructure, maximizing asset life and minimizing risk while maintaining established levels of service.
- Provide timely, state-certified analytical laboratory water testing services to the public and neighboring communities.

2018 Results

- Inspected all 4,679 hydrants in spring/fall ensuring operation/emergency availability.
- Delivered 3.7 billion gallons of softened water to customers.
- Performed 11,539 laboratory tests to ensure water quality standards were met.

Expenses	FY2018 Original Budget	FY2019 Approved Budget	Percent Change
Salaries/Wages/Benefits	\$ 3,552,411	\$ 3,802,039	7.0%
Materials/Supplies/Services	9,404,358	9,421,576	0.0
Capital Outlay	1,205,000	1,980,500	64.4
Capitalized Assets	(1,205,000)	(1,980,500)	64.4
Debt Service	220,000	136,144	(38.1)
Depreciation Expense	1,000,000	1,000,000	0.0
	\$14,176,769	\$14,359,759	1.3%

Authorized Full-Time	FY2017	FY2018	FY2019
	32	32	32
Assistant Utilities Superintendent	1	1	1
Civil Engineer	1	1	1
Laboratory Analyst	1	1	1
Office Assistant	1	1	1
Office Support Specialist	1	1	1
Senior Instrumentation	1	1	1
Senior Utility Operator	9	9	9
Senior Utility Service Specialist	1	1	1
Utility Operator	10	10	10
Utility Superintendent	1	1	1
Utility Supervisor	2	2	2
Water Quality Supervisor	1	1	1
Utility Service Specialist	2	2	2



WATER OPERATING BUDGET SUMMARY Revenues and Expenses

		•			
	2017 ACTUAL	2018 ORIGINAL BUDGET	2018 AMENDED BUDGET	2018 ESTIMATED	2019 BUDGET
Revenues					
Program Income	\$ 12,799,662	\$ 13,779,349	\$ 13,779,349	\$ 12,182,054	\$ 15,600,355
Other Revenue	\$ 226,204	\$ 162,000	\$ 162,000	\$ 183,336	\$ 174,000
Intergovernmental	,			,	,
Interest Income	14,423	5,000	5,000	60,602	40,400
TOTAL REVENUES	13,040,289	13,946,349	13,946,349	12,425,992	15,814,755
Expenses					
Staffing					
Salaries and Wages	2,447,804	2,532,844	2,532,844	2,537,799	2,668,659
Benefits	1,022,897	1,019,567	1,019,567	1,060,549	1,133,380
Operating Expenses					
Professional and Technical Services	227,697	267,269	323,520	233,105	237,220
Utilities and Maintenance	1,184,379	1,595,940	2,078,111	1,816,183	1,674,160
Operations	66,617	85,010	85,010	994,142	133,650
City Support Services	2,055,619	2,239,444	2,239,444	2,159,955	1,933,296
Materials and Supplies	4,700,369	5,216,695	5,477,992	5,107,050	5,443,250
Debt Service Principal and Interest	23,746	220,000	220,000	137,960	136,144
Capital Outlay					
Equipment	118,660	210,000	195,000	96,567	180,500
Building and Improvements	1,073,791	995,000	2,374,545	679,332	1,800,000
Transfers Out					
TOTAL EXPENSES	12,921,579	14,381,769	16,546,033	14,822,642	15,340,259
Less Capitalized Assets	(1,192,451)	(1,205,000)	(2,569,545)	(775,899)	(1,980,500)
Add Depreciation Expense	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
NET TOTAL EXPENSES	12,729,128	14,176,769	14,976,488	15,046,743	14,359,759
NET INCOME (LOSS)	311,161	(230,420)	(1,030,139)	(2,620,751)	1,454,996
Net Position at Beginning of Year	40,154,247	40,465,408	40,465,408	40,465,408	37,844,657
Net Position At Year-End	\$ 40,465,408	\$ 40,234,988	\$ 39,435,269	\$ 37,844,657	\$ 39,299,653

Activities

Administration
Customer Service
Wastewater
Collection



In 2018, Utilities generated or responded to over 4,500 wastewater alarms ensuring efficient operation of sanitary sewer lift stations.

Public Works – Wastewater Utility

This Fund accounts for the operations of the City-owned sewer system.

2019 Objectives

Provide professional sanitary sewer operations to make available needed capacity while minimizing system blockages and infiltration/inflow, keeping rates competitive with comparable cities.

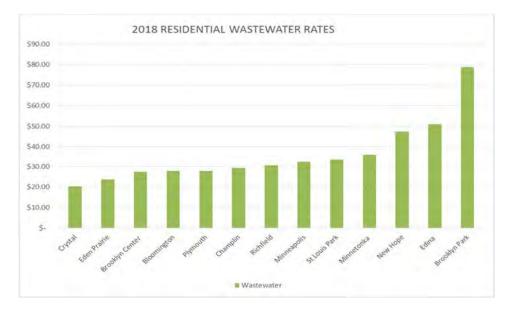
Provide sustainable renewal of wastewater system infrastructure, maximizing asset life and minimizing risk while maintaining established levels of service.

2018 Results

- Inspected 137,222 feet of sanitary sewer main.
- Cleaned over 200 miles of sanitary sewer main.
- Repaired 260 sanitary manholes addressing potential inflow sources.

Expenses	FY2018 Original Budget	FY2019 Approved Budget	Percent Change
Salaries/Wages/Benefits	\$ 2,383,225	\$ 2,334,702	(2.0)%
Materials/Supplies/Services	9,217,685	9,594,434	4.1
Capital Outlay	2,200,000	1,600,000	(27.3)
Capitalized Assets	(2,200,000)	(1,600,000)	27.3
Depreciation Expense	1,200,000	1,200,000	0.0
	\$12,800,910	\$13,129,136	2.6%

Authorized Full-Time	FY2017	FY2018	FY2019
	22	22	19
Analyst	1	1	0
Civil Engineer – Utilities	1	1	1
Computer Specialist	1	1	0
Infrastructure Systems Analyst	0	0	1
Customer Service Supervisor	1	1	1
Office Support Specialist	1	1	1
Senior Utility Operator	8	8	8
Technical Services Supervisor	1	1	1
Utility Operator	7	7	7
Utility Supervisor	1	1	1



2018 Wastewater Rate Survey Monthly Cost per 6,000 gallons

WASTEWATER OPERATING BUDGET SUMMARY Revenues and Expenses

	2017 ACTUAL	2018 ORIGINAL BUDGET	2018 AMENDED BUDGET	2018 ESTIMATED	2019 BUDGET
Revenues					
Program Income	\$ 12,393,917	\$ 13,455,942	\$ 13,455,942	\$ 13,570,594	\$ 13,984,668
Intergovernmental	45.204	-	-	62.004	50,000
Interest Transfers In	15,284 309,000	15,000 747,627	15,000 747,627	62,884 747,624	50,000 309,000
Transiers in	309,000	747,027	747,027	747,024	309,000
TOTAL REVENUES	12,718,201	14,218,569	14,218,569	14,381,102	14,343,668
Expenses					
Staffing					
Salaries and Wages	1,357,996	1,681,057	1,681,057	1,275,796	1,642,558
Benefits	589,181	702,168	702,168	538,298	692,144
Operating Expenses					
Professional and Technical Services	224,193	208,569	139,712	85,046	195,570
Utilities and Maintenance	7,409,430	7,421,565	7,445,306	7,443,487	7,838,590
Operations	34,963	48,439	48,439	30,081	44,650
City Support Services	1,303,675	1,438,242	1,438,242	1,371,820	1,372,574
Materials and Supplies	68,763	100,870	101,723	75,448	143,050
Capital Outlay					
Equipment	-	-	-		
Building and Improvements	1,486,870	2,200,000	2,217,594	571,562	1,600,000
Transfers Out					
TOTAL EXPENSES	12,475,071	13,800,910	13,774,241	11,391,538	13,529,136
Less Capitalized Assets	(1,486,870)	(2,200,000)	(2,217,594)	(571,562)	(1,600,000)
Add Depreciation Expense	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000
NET TOTAL EXPENSES	12,188,201	12,800,910	12,756,647	12,019,976	13,129,136
NET INCOME (LOSS)	530,000	1,417,659	1,461,922	2,361,126	1,214,532
Net Position at Beginning of Year	12,469,100	12,999,100	12,999,100	12,999,100	15,360,226
Net Position At Year-End	\$ 12,999,100	\$ 14,416,759	\$ 14,461,022	\$ 15,360,226	\$ 16,574,758

Activities

Maintenance & Repair
Water Quality & Aquatic Weed Control
Street Sweeping
Billings & Collections
Improvements

Administration



Public Works – Storm Water Utility

The Storm Water Utility accounts for the operation, maintenance and improvements of the storm drainage system.

2019 Objectives

- Provide outstanding value storm water services and manage water resource assets in a safe and cost effective manner.
- Consult with city property owners, developers and contractors and provide guidance on drainage and erosion control concerns.
- Complete construction of the 2018-905 Penn-American Linear Storm Water Storage Project and continue with Normandale Lake Water Quality Improvement Project.

2018 Results

- Inspected: 248 catch basins, 163 manholes and nearly 8 miles of storm sewer pipe.
- Installed 1 rain gardens.
- Maintained: 200 rain garden inlet structures and 146 trap manhole structures.
- 106 new Adopt-a-Drain participants adopted 195 Bloomington storm drains

Expenses	FY2018 Original Budget	FY2019 Approved Budget	Percent Change
Salaries/Wages/Benefits	\$1,406,866	\$1,354,093	(3.8)%
Materials/Supplies/Services	1,674,757	1,978,242	18.1
Capital Outlay	12,000,000	8,235,000	(31.4)
Capitalized Assets	(12,000,000)	(8,235,000)	31.4
Depreciation Expense	1,069,000	1,069,000	0.0
	\$ 4,150,623	\$ 4,401,335	6%

Personnel	FY2017	FY2018	FY2019
	12	12	12
Civil Engineer	1	1	1
Equipment Operator I	3	3	3
Equipment Operator II	3	3	3
Senior Civil Engineer	1	1	1
Senior Engineering Technician	2	2	2
Street Maintenance Supervisor	1	1	1
Water Resources Specialist	1	1	1

Cost per Month for Single-Family Home



STORM WATER OPERATING BUDGET SUMMARY Revenues and Expenses

	2017 ACTUAL	2018 ORIGINAL BUDGET	2018 AMENDED BUDGET	2018 ESTIMATED	2019 BUDGET
Revenues					
Program Income	\$ 5,853,160	\$ 6,321,265	\$ 6,321,265	\$ 6,180,102	\$ 6,689,591
Other Income	1,000	9,670,000	9,670,000	11,301,490	- دروی
Intergovernmental	109,746	-	-	9,985	_
Interest Income	67,582	77,000	77,000	188,065	211,000
TOTAL REVENUES	6,031,488	16,068,265	16,068,265	17,679,642	6,900,591
Expenses					
Staffing					
Salaries and Wages	932,684	982,004	982,004	947,587	965,930
Benefits	417,242	424,862	424,862	407,873	388,163
Operating Expenses					
Professional and Technical Services	154,787	251,869	262,567	180,665	316,420
Utilities and Maintenance	75,468	193,000	195,001	91,664	141,000
Operations	16,685	24,105	24,105	18,696	21,975
City Support Services	1,032,925	1,132,837	1,132,837	1,106,988	1,436,147
Materials and Supplies	68,043	72,946	72,946	43,394	62,700
Capital Outlay					
Building and Improvements	2,061,727	12,000,000	10,450,704	9,221,633	8,235,000
Transfers Out					
TOTAL EXPENSES	4,759,561	15,081,623	13,545,026	12,018,500	11,567,335
Less Capitalized Assets	(2,061,727)	(12,000,000)	(10,450,704)	(9,221,633)	(8,235,000)
Add Depreciation Expense	1,069,000	1,069,000	1,069,000	1,069,000	1,069,000
NET TOTAL EXPENSES	3,766,834	4,150,623	4,163,322	3,865,867	4,401,335
NET INCOME (LOSS)	2,264,654	11,917,642	11,904,943	13,813,775	2,499,256
Net Position at Beginning of Year	36,716,864	38,981,518	38,981,518	38,981,518	52,795,293
Net Position At Year-End	\$ 38,981,518	\$ 50,899,160	\$ 50,886,461	\$ 52,795,293	\$ 55,294,549

Activities

Administration
City Property
Pickup & Recycle
Billing & Collections
City-wide Curbside
Clean-up
Diseased Trees
Private Property
Abatements



Organics drop-off locations opened in 2018. In less than a year over 850 residents registered as participants!

Public Works – Solid Waste Utility

This fund provides for administration and operations of the garbage and recycling program, curbside cleanup and environmental education. Funding here will also be utilized to meet the goals set by Hennepin County of reducing reliance on landfills by increasing collection rates of recycling and organic materials.

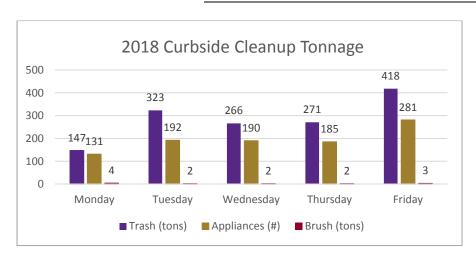
2019 Objectives

- Continue to offer Curbside Cleanup; continue marketing the program in a more sustainable way, encouraging residents to recycle and reuse. Analyze waste stream and develop recommendations for a more sustainable approach in the future.
- ES Analyze and prepare options regarding curbside organics for Council consideration.
- ES Work with the Sustainability Commission to continue to work towards "zero waste."

2018 Results

- Coordinated garbage and recycling service to approximately 22,000 households.
- Curbside Cleanup Program generated about 140 fewer tons compared to previous years. This was attributed to the communications efforts to reduce waste.
- Collaborated with Sustainability Commission to launch an Organics Drop-off program.

Expenses	FY2018 Original Budget	FY2019 Approved Budget	Percent Change
Salaries/Wages/Benefits	\$ 269,282	\$ 309,300	14.9%
Materials/Supplies/Services	8,203,120	8,611,255	5.0
Capital Outlay	0	0	
Transfers Out	309,000	309,000	0.0
Capitalized Assets	(0)	(0)	
Depreciation Expense	1,000	1,000	0.0
	\$8,782,402	\$9,230,555	5.1%
Authorized Full-Time	FY2017	FY2018	FY2019
	1	1	1
PW Project Coordinator	1	1	1



Curbside Cleanup Participation Rates by Collection Day

	Monday	Tuesday	Wednesday	Thursday	Friday
% participating	32%	40%	52%	56%	64%

SOLID WASTE MANAGEMENT BUDGET SUMMARY Revenues and Expenses

		2018	2018		
	2017	ORIGINAL	AMENDED	2018	2019
	ACTUAL	BUDGET	BUDGET	ESTIMATED	BUDGET
Revenues					
Program Income	\$ 6,849,574	\$ 8,210,510	\$ 8,210,510	\$ 7,218,414	\$ 8,770,579
Intergovernmental	\$ 181,119	\$ 150,000	\$ 150,000	\$ 153,416	\$ 150,000
Interest Income	25,738	900	900	38,595	15,200
Transfer In	99,996	298,000	298,000	297,996	
TOTAL REVENUES	7,156,427	8,659,410	8,659,410	7,708,421	8,935,779
Expenses					
Staffing					
Salaries and Wages	108,281	190,069	202,069	134,148	224,622
Benefits	56,866	79,213	81,213	51,432	84,678
Operating Expenses					
Professional and Technical Services	6,059	3,569	3,569	3,838	3,120
Utilities and Maintenance	6,574,431	7,918,308	8,417,656	7,411,518	8,180,868
Operations	194	2,970	2,970	4,426	970
City Support Services	204,029	253,273	253,273	217,189	392,297
Materials and Supplies	19,351	25,000	25,000	19,868	34,000
Capital Outlay					
Building and Improvements		-	-		-
Transfers Out	309,000	309,000	309,000	309,000	309,000
TOTAL EXPENSES	7,278,211	8,781,402	9,294,750	8,151,419	9,229,555
Add Depreciation Expense	1,000	1,000	1,000	1,000	1,000
NET TOTAL EXPENSES	7,279,211	8,782,402	9,295,750	8,152,419	9,230,555
NET INCOME (LOSS)	(122,784)	(122,992)	(636,340)	(443,998)	(294,776)
Net Position at Beginning of Year	2,214,987	2,092,203	2,092,203	2,092,203	1,648,205
Net Position At Year-End	\$ 2,092,203	\$ 1,969,211	\$ 1,455,863	\$ 1,648,205	\$ 1,353,429

Activities

Dwan Golf Hyland Greens Golf and Learning Center

Bloomington's Golf Courses include Hyland Greens, a 9hole Par 27 course with driving range, and the 18-hole, Par 68 Dwan Golf Club. At nearly 40,000 completed rounds, Dwan is one of the busiest golf courses in Minnesota. The **Bloomington Sun Current Newspaper** declared Dwan the best golf course and **Hyland Greens the** best driving range, as voted on by subscribers in its annual Readers' Choice Awards

Parks and Recreation – Golf Courses

2019 Objectives

- S A I R IE ES Improve golf course quality, consistency, playability and marketability through evolving agronomic practices and improving course structure and branding by the start of 2019 season.
- **S A I R IE ES** Appeal to broader market segment by addressing disadvantages of competing against executive 9 and championship par 70-72 courses by the start of the 2019 season.
- Implement new golf-centric Point of Sale (POS), integrated with tee sheets to improve external and internal customer experience, consolidate Hyland and Dwan, and enhance reporting capabilities by the start of the 2019 season.
- Increase merchandise revenue streams with branded caps and apparel options, towels, and other golf equipment, and enhance physical merchandise displays by the start of the 2019 season.
- S A I Enhance Food and Beverage (F&B) offerings and customer dining experiences by the start of the 2019 season and monitored throughout the year.
- S A I Expand menu at Dwan Grille and continue to find high-volume options to cover operation costs.
- **S A ES** Improve and expand aesthetics and customer amenities at Dwan Golf Club.
- ES Further enhance floral aesthetics, landscaping, natural wetlands, etc. at Dwan by fall of 2019.
- S A Improve on-course restroom facilities and add water fountains/bottle filling stations at Dwan by midyear.

2018 Results

- Hired new Golf General Manager, Peter Kurvers, PGA in March.
- Introduced computerized point of sale (POS) at Dwan to improve customer payment experience, enhance reporting, manage patron cards and improve operational effectiveness.
- Implemented bar-coded patron cards for new system and gift cards, replacing paper certificates
- Worked with IT to improve internet speed at Dwan and add Wi-Fi at Hyland Greens clubhouse.
- Painted and refreshed entire interior of Hyland Greens clubhouse.
- Moved pro shop merchandise from behind counter at Dwan, increasing sales by over 30%.
- Promoted Lead Cashier to Coordinator at Hyland Greens for better day-to-day management.
- Sold 140 new Dwan Sr. Punch Card, to meet customer desire for senior rates, generating \$35,000.
- Sold 137 new Jr. MEGA Pass/traditional Jr. Pass, generated \$19,000 and 1,000 junior rounds.
- Implemented new league/group contracts at both courses, ensuring payment for tee times
- Engaged GolfTrack as instructional provider at both courses to provide individual and group instruction and instruction of youth golf camp. Revenue realized was \$7,000.
- Improvements include mowing target fairways and firming tee box at Hyland Greens driving range, widening fairways and green approaches and improving rough maintenance at both courses to improve customer experience. Driving Range revenue was up by \$2,000 from 2017.
- Rebranded Dwan F&B to "Dwan Grille", expanded operating hours, introduced credit/debit pay option, introduced grab-and-go, expanded menu and realigned pricing.
- Dwan Grille revenue of \$125,000 was only \$1,400 short of 2017 while closed during winter (40 fewer days).
- Restructured outside services staff at Dwan and promoted employee to manage Rangers and Starters.

Expenses	FY2018 Original Budget	FY2019 Approved Budget	Percent Change
Salaries/Wages/Benefits	1,258,913	1,207,357	(4.1) %
Materials/Supplies/Services	691,734	722,488	4.4
Capital Outlay	36,500	88,500	142.4
Less Capitalized Assets	(36,500)	(88,500)	(142.4)
Add Depreciation Expense	100,000	100,000	0.0
	2,050,647	2,029,845	(1.0)%
Authorized Full-Time	EV2047	EV0040	EV0040
Aumorizeu Fun-Tille	FY2017	FY2018	FY2019
Aumorizeu Pun-Time	11	F Y 2018 8	FY2019 8
Assistant Golf Course Maintenance Supt.			
Assistant Golf Course Maintenance Supt. Assistant Golf Course Manager	11	8	8
Assistant Golf Course Maintenance Supt.	11	8	8
Assistant Golf Course Maintenance Supt. Assistant Golf Course Manager	11	8	8
Assistant Golf Course Maintenance Supt. Assistant Golf Course Manager Food and Beverage Coordinator	11	8	8
Assistant Golf Course Maintenance Supt. Assistant Golf Course Manager Food and Beverage Coordinator Golf Course Maintenance Supt.	11	8	8
Assistant Golf Course Maintenance Supt. Assistant Golf Course Manager Food and Beverage Coordinator Golf Course Maintenance Supt. Golf Course Manager	11	8	8

GOLF COURSES
BUDGET SUMMARY
Revenues and Expenses

	nevenues	and Expenses			
	2017 ACTUAL	2018 ORIGINAL BUDGET	2018 AMENDED BUDGET	2018 ESTIMATED	2019 BUDGET
Revenues					
Program Income	\$ 1,630,669	\$ 1,673,500	\$ 1,673,500	\$ 1,563,719	\$ 1,708,178
Tax Revenues	296,963	300,000	300,000	300,000	300,000
Other Revenue	913	-	-	2,124	500
Interest Income	523	3,028	3,028	833	1,784
TOTAL REVENUES	1,929,068	1,976,528	1,976,528	1,866,676	2,010,462
Expenses					
Staffing					
Salaries and Wages	958,929	939,642	939,642	868,181	924,123
Benefits	275,737	319,271	319,271	243,907	283,234
Operating Expenses					
Professional and Technical Services	25,856	25,668	25,668	32,056	27,965
Utilities and Maintenance	207,638	212,052	212,052	208,540	212,640
Operations	19,460	20,770	20,770	14,433	22,435
City Support Services	269,518	257,681	257,681	256,600	283,299
Materials and Supplies	156,857	175,563	175,563	169,817	176,150
Debt Service Principal and Interest					
Capital Outlay					
Equipment	49,327	36,500	36,500	27,810	88,500
Building and Improvements					
Transfers Out					-
TOTAL EXPENSES	1,963,322	1,987,147	1,987,147	1,821,344	2,018,346
Less Capitalized Assets	(49,327)	(36,500)	(36,500)	(27,810)	(88,500)
Less Debt Service Principal	-	-	-	-	-
Add Depreciation Expense	75,674	100,000	100,000	100,000	100,000
NET TOTAL EXPENSES	1,989,669	2,050,647	2,050,647	1,893,534	2,029,846
NET INCOME (LOSS)	(60,601)	(74,119)	(74,119)	(26,858)	(19,384)
Net Position at Beginning of Year	4,321,305	4,260,704	4,260,704	4,260,704	4,233,846
Net Position At Year-End	\$ 4,260,704	\$ 4,186,585	\$ 4,186,585	\$ 4,233,846	\$ 4,214,462

	2017	2018	2019
Property tax cost of service for median value home per month:			_
Golf	\$0.00	\$0.48	\$0.46

Activities

Bloomington Ice Garden

Bloomington Ice
Garden (BIG) was
awarded \$300,000
from Hennepin
County Sports Grant
to be put towards
Phase One
renovations.
BIG was also
awarded \$10,500
Hennepin County
Grant for recycling
receptacles.

Parks and Recreation - Ice Garden

2019 Objectives

SAR Complete phase one of renovations of dressing rooms for Rinks One and Two, ADA ramps and platforms in Rinks One and Two and the main entrance and sidewalk leading to the north parking lot by September 2019.

IESR Install LED lighting in all three arenas, and update emergency lighting generator during the summer of 2019.

S Add two new summer hockey tournaments

AES Replace cooling tower/condenser unit for Rinks Two and Three ice plant and repair glycol leak in Rink Two floor during the summer of 2019.

2018 Results

- Went live with MaxGalaxy software ice rental program on April 30th 2018.
- Worked on the plans for "Phase One Renovations", \$1.6 million in projects which
 includes updating the dressing rooms in Rinks One and Two, ADA ramps and platforms
 on the west ends of Rinks One and Two and a new entry to the main entrance including
 updating the exterior sidewalk to the north parking lot as well as an interior hallway with
 seating/waiting area.
- Replaced exterior sidewalk and main driveway lights with LED fixtures.
- Worked on bid documents for LED lighting in all three arenas which will include updating the emergency light generator which was installed in 1978.
- Increased summer tournaments by four from 2017.
- Hosted Scott Hamilton's Skate for a Cure Cancer Fundraiser in October. At this event
 The Figure Skating Club of Bloomington and The Twins Cities Figure Skating Association
 raised \$85,000 for the U of M Masonic Children's Hospital.
- Hired a new Maintenance Superintendent to replace an employee who moved on to become the arena manager at Breck School in July.
- Received a \$10,500 Hennepin County Grant for receptacles for recycling.
- Received notice that a \$300,000 Hennepin County Sports Grant to help with our Phase One renovation was awarded.

Expenses	FY2018 Original Budget	FY2019 Approved Budget	Percent Change
Salaries/Wages/Benefits	618,681	653,946	5.7 %
Materials/Supplies/Services	704,518	732,182	3.9
Capital Outlay	311,000	1,614,520	419.1
Less Capitalized Assets	(311,000)	(1,614,520)	419.1
Add Depreciation Expense	250,000	250,000	0.0
	1,573,199	1,636,128	4.0 %

Authorized Full-Time	FY2017	FY2018	FY2019
	4	4	4
Ice Garden Manager	1	1	1
Ice Garden Maintenance Supt.	1	1	1
Maintenance Worker	1	1	1
Office Coordinator	1	1	1

ICE GARDEN BUDGET SUMMARY Revenues and Expenses

	Revenues	and expenses			
	2017 ACTUAL	2018 ORIGINAL BUDGET	2018 AMENDED BUDGET	2018 ESTIMATED	2019 BUDGET
Revenues					
Program Income	\$ 1,505,231	\$ 1,533,200	\$ 1,533,200	\$ 1,400,035	\$ 1,493,764
Bond Proceeds	-	-	-	-	1,350,000
Other Revenue	75,000	100,000	100,000	-	110,000
Intergovernmental	-	100,000	110,500	7,875	100,000
Interest Income	6,049	4,682	4,682	15,761	4,776
TOTAL REVENUES	1,586,280	1,737,882	1,748,382	1,423,671	3,058,540
Expenses					
Staffing					
Salaries and Wages	477,410	469,851	469,851	462,762	490,756
Benefits	166,332	148,830	148,830	150,825	163,190
Operating Expenses					
Professional and Technical Services	63,777	66,966	66,966	59,820	64,710
Utilities and Maintenance	384,126	394,230	394,230	483,628	397,760
Operations	6,000	11,061	11,061	3,933	11,041
City Support Services	162,235	163,616	163,616	164,709	189,426
Materials and Supplies	64,263	68,645	79,145	85,138	69,245
Debt Service Principal and Interest					
Capital Outlay					
Equipment	83,967	311,000	331,043	225,459	145,000
Building and Improvements					1,469,520
TOTAL EXPENSES	1,408,110	1,634,199	1,664,742	1,636,274	3,000,648
Less Capitalized Assets	(83,967)	(311,000)	(331,043)	(225,459)	(1,614,520)
Less Debt Service Principal	-	-	-	-	-
Add Depreciation Expense	143,829	250,000	250,000	250,000	250,000
NET TOTAL EXPENSES	1,467,972	1,573,199	1,583,699	1,660,815	1,636,128
NET INCOME (LOSS)	118,308	164,683	164,683	(237,144)	1,422,412
Net Position at Beginning of Year	3,063,137	3,181,445	3,181,445	3,181,445	2,944,301
Net Position At Year-End	\$ 3,181,445	\$ 3,346,128	\$ 3,346,128	\$ 2,944,301	\$ 4,366,713

Parks and Recreation – Center for the Arts

Activities

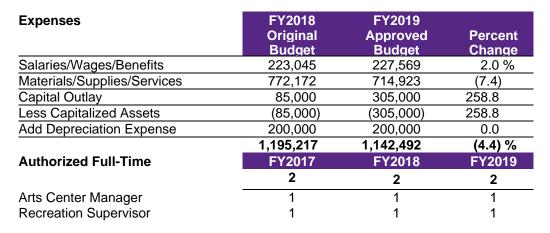
Bloomington Center for the Arts

2019 Objectives

- S Hire a new Center for the Arts Supervisor by March 2019 to replace the supervisor who was promoted to Community Center Manager.
- **ISA** Replace and upgrade the Schneider Theater sound and lighting system.
- **ES** Replace exterior electronic reader board with one that is more functional, efficient and has better resolution.
- Is Increase Arts programming in the Black Box Theater to include 12 performances of *My Beautiful Infinity* by the Chameleon Theater Circle in the winter and one additional show in the fall.
- Present a two-week/eight performance run premiering Alive & Kickin's new production of "Love is Alive & Kickin" in the Schneider Theater with attendance of at least 2,000 people and facility revenue of \$20,000.
- Develop the BCA 2019-2020 performance series to market resident groups and promote City sponsored events and to continue productive collaborations with Alive & Kickin and the Chameleon Theatre Circle.
- ISA Plan for BCA storage, usage and rehearsal space including best practices in light of current usage.
- **SA** Work with stakeholders to plan potential facility renovation and/or expansion.



- Hosted facilitated conversations with stakeholders to develop a list of facility improvements.
- Hosted the premier of Alive & Kickin's show "Flashback" before sold-out audiences.
- Increased Center for the Arts programming in the Black Box Theater to include 12performance runs of *Caucasian Aggressive Pandas...* and *One Flew Over the Cuckoo's Nest* by the Chameleon Theatre Circle.
- Upgraded Schneider Theater A/V system and cyclorama lights
- Maintained income slightly above budget and expenses below budget, helping to improve the fund balance for future projects.





The Bloomington
Center for the Arts is
home to seven
independent
nonprofit arts
organizations and
presents a wide array
of arts and culture
events.

	BUDGET	OR THE ARTS SUMMARY and Expenses			
	2017 ACTUAL	2018 ORIGINAL BUDGET	2018 AMENDED BUDGET	2018 ESTIMATED	2019 BUDGET
Revenues					
Program Income	\$ 181,552	\$ 178,000	\$ 178,000	\$ 191,815	\$ 179,000
Tax Revenues	849,789	1,122,329	1,122,329	1,122,329	1,000,000
Other Revenue	14,512	10,200	10,200	18,750	10,200
Interest Income	(202)	2,289	289	3,459	2,289
Transfers In	50,004	50,000	50,000	50,004	
TOTAL REVENUES	1,095,655	1,362,818	1,360,818	1,386,357	1,191,489
Expenses					
Staffing					
Salaries and Wages	157,074	166,373	166,373	160,132	170,958
Benefits	55,544	56,672	56,672	56,590	56,611
Operating Expenses					
Professional and Technical Services	167	-	-	131	-
Utilities and Maintenance	29,285	40,000	40,000	24,904	38,000
Operations	211,486	211,220	211,220	208,332	209,750
City Support Services	491,966	508,292	508,292	506,800	454,713
Materials and Supplies	10,583	12,660	12,660	12,592	12,460
Capital Outlay					
Equipment	6,393	85,000	82,000	13,581	305,000
Building and Improvements					
Transfers Out					
TOTAL EXPENSES	962,498	1,080,217	1,077,217	983,062	1,247,492
Less Capitalized Assets	(6,393)	(85,000)	(82,000)	(13,581)	(305,000)
Less Debt Service Principal	-	-	-	-	-
Add Depreciation Expense	7,190	200,000	200,000	200,000	200,000
NET TOTAL EXPENSES	963,295	1,195,217	1,195,217	1,169,481	1,142,492
NET INCOME (LOSS)	132,360	167,601	165,601	216,876	48,997
Net Position at Beginning of Year	172,261	304,621	304,621	304,621	521,497

	2017	2018	2019
Property tax cost of service for median value home per month:			
Center for the Arts	\$0.99	\$1.77	\$1.22

\$ 304,621 \$ 472,222 \$ 470,222 \$ 521,497 \$

Net Position At Year-End

570,494

Parks and Recreation – Aquatics

Activities

Bloomington Family Aquatic Center

Bush Lake Beach

2019 Objectives

- Improve landscaping around Bush Lake Beach house by June 1.
- Update/upgrade lifeguard and attendant training program for the 2019 season
- S Attend RecTrac Symposium by December 31.
- Maintain 75% retention of seasonal staff in aquatics.
- A Reserve 100% of the canoe racks for the 2019 season.
- **IE** Upgrade all doors at the Bloomington Family Aquatic Center to meet ADA standards prior to the opening of the facility for the 2019 season.
- IE Increase ADA accessible parking at Bush Lake Beach by one space.

2018 Results

- 46% staff retention in full time lifeguards at Bloomington Family Aquatic Center.
- 86% staff retention in full time lifeguards at Bush Lake Beach.
- 39% staff retention in Bush Lake Beach and Bloomington Family Aquatic Center Attendants.
- Added 42 canoe racks to West Bush Lake Park.
- Completed sandblasting/painting project at the Bloomington Family Aquatic Center.
- Increased customer revenue by \$63,179 for the combined aquatics programs.

Olympic pools like the Bloomington Family Aquatic center hold 660,000 gallons of water or more! That's enough water to take over 9,000 baths.



Expenses	FY2018 Original	FY2019 Approved	Percent
	Budget	Budget	Change
Salaries/Wages/Benefits	411,305	425,420	3.4 %
Materials/Supplies/Services	1,007,854	1,007,677	(0.0)
Capital Outlay	136,000	45,000	(66.9)
Less Capitalized Assets	(136,000)	(45,000)	(66.9)
Add Depreciation Expense	100,000	100,000	0.0
	1,519,159	1,533,097	1.0 %
Authorized Full-Time	FY2017	FY2018	FY2019
	1	1	1
Recreation Supervisor	1	1	1



AQUATICS
BUDGET SUMMARY
Revenues and Expenses

	Revenues	and Expenses			
	2017 ACTUAL	2018 ORIGINAL BUDGET	2018 AMENDED BUDGET	2018 ESTIMATED	2019 BUDGET
Revenues					
Program Income	\$ 298,811	\$ 340,237	\$ 340,237	\$ 364,687	\$ 330,402
Tax Revenues	965,833	1,066,996	1,066,996	1,066,996	1,184,606
Other Revenue	1,172	350	350	687	357
Intergovernmental	30,337	30,337	30,337	28,671	28,738
Interest Income	2,472	6,243	6,243	155	6,305
TOTAL REVENUES	1,298,625	1,444,163	1,444,163	1,461,196	1,550,408
Expenses					
Staffing					
Salaries and Wages	300,767	341,277	341,277	311,431	350,070
Benefits	55,881	70,028	70,028	55,847	75,350
Operating Expenses					
Professional and Technical Services	1,101	3,700	3,700	1,233	2,700
Utilities and Maintenance	6,731	4,653	5,973	4,322	4,680
Operations	6,862	8,184	8,184	8,295	6,600
City Support Services	957,915	950,417	950,417	950,426	967,797
Materials and Supplies	21,967	40,900	40,900	29,642	25,900
Capital Outlay					
Equipment	58,900	136,000	150,000	9,329	45,000
Building and Improvements					
TOTAL EXPENSES	1,410,124	1,555,159	1,570,479	1,370,525	1,478,097
Less Capitalized Assets	(58,900)	(136,000)	(150,000)	(9,329)	(45,000)
Less Debt Service Principal	-	-	-	-	-
Add Depreciation Expense	126,046	100,000	100,000	100,000	100,000
NET TOTAL EXPENSES	1,477,270	1,519,159	1,520,479	1,461,196	1,533,097
NET INCOME (LOSS)	(178,645)	(74,996)	(76,316)	-	17,311
Net Position at Beginning of Year	2,833,082	2,654,437	2,654,437	2,654,437	2,654,437
Net Position At Year-End	\$ 2,654,437	\$ 2,579,441	\$ 2,578,121	\$ 2,654,437	\$ 2,671,748

	2017	2018	2019
Property tax cost of service for median value home per month:			
Aquatics Facilities	\$1.45	\$1.69	\$1.81

Public Safety – Contractual Police

Activities

Contractual Police Service

The Bloomington Police Department provides police 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 for the cost of the police overtime plus related fringe benefits and overhead. This fund allows better comparability with other communities on basic police service. The use of Bloomington police officers to provide security for special events is administered as contractual police services.

2019 Objectives

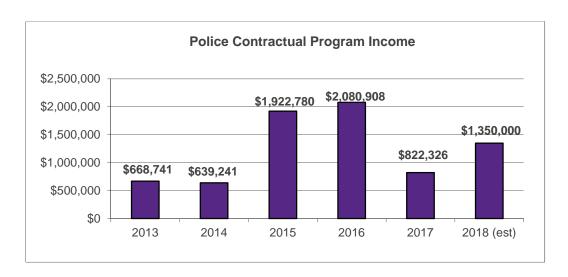
- Meet requests for levels of police service without burdening the taxpayer. Users of extra police service pay the actual costs and related expenses such as the Mall of America paying for extra traffic and high visibility foot patrol details.
- S Provide reimbursable police services to enhance public safety during special events.

2018 Results

- 1,039 events were scheduled for Contractual Police Services.
- The total number of scheduled events included 2,357 officer positions and 126 supervisor positions.

Expenses	FY2018 Original Budget	FY2019 Approved Budget	Percent Change
Salaries/Wages/Benefits*	\$ 845,000	\$582,000	(31.1)%
Materials/Supplies/Services	66,625	18,560	(72.1)%
Transfers Out	38,375	14,440	(62.4)%
	\$ 950,000	\$615,000	(35.3)%

^{*}Wages paid for part-time workers or portions of full-time employees officially allocated to other activities.



CONTRACTUAL POLICE SERVICES BUDGET SUMMARY Revenues and Expenses

				2018	2018			
		2017		RIGINAL	AMENDED	2018		2019
		ACTUAL		BUDGET	BUDGET	ESTIMATED		BUDGET
Revenues								
Federal Grants		50,000						
Program Income	\$	772,326	\$	950,000	\$ 1,353,000	\$ 1,350,433	\$	615,000
TOTAL REVENUES		822,326		950,000	1,353,000	1,350,433		615,000
TOTAL NEVENOLS		022,320		930,000	1,333,000	1,330,433		013,000
Expenses								
Staffing								
Salaries and Wages		601,547		754,700	858,000	857,129		487,000
Benefits		118,287		90,300	169,000	168,932		95,000
Operating Expenses								
Contractual Services		1,912		50,000	135,000	134,515		3,510
City Support Services		15,852		16,625	17,000	16,653		15,050
Transfers Out		84,728		38,375	174,000	173,204		14,440
TOTAL EXPENSES		822,326		950,000	1,353,000	1,350,433		615,000
NET INCOME (LOSS)		-		-	-	-		-
Net Position at Beginning of Year		-		-	-	-		-
Net Position At Year-End	¢	_	¢	_	\$ -	¢ .	¢	_
Net i osition At real-thu	-		<u>ب</u>		-	-	٧	

Activities

Boat Licenses
Driver Licenses
Motor Vehicle
Licenses
Snowmobile
Licenses
Title transfers



Staff have become more proficient in the new state systems since the rollout in July 2017 (MNLARS) and October 2018 (FastDS) with a goal to increase transaction counts in 2019-2020.

Legislation is proposed to reallocate fees to deputy registrar offices for the additional time spent for transactions with the rollout of MNLARS.

Administration – Motor Vehicle Licensing

Provide services to citizens and workers within the community related to driver licensing, licensing motor vehicles, boats, snowmobiles and all-terrain vehicles.

2019 Objectives

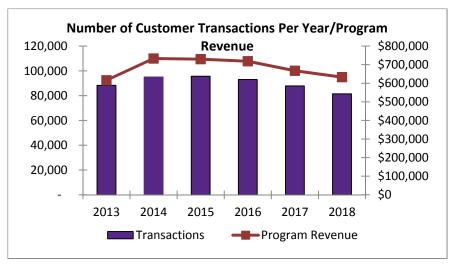
- S Maintain staffing levels and training to provide great customer service and process more transactions than last year
- IE Continue to provide annual staff training on diversity and customer service
- A S Continue working with legislators to support legislation that equitably reallocates user fees currently collected by the State for disbursement to deputy registrars for duties now performed by deputy registrars to be passed by session end in May
- A S Assess division service efficiencies to create a positive experience for customers including the possibility of using more technology on the customer side to speed up wait times by year end.

2018 Results

- Processed 81,447 total transactions
- Learned how to process transactions in the new state systems MNLARS and FastDS
- Arranged for secured transport of daily deposits and wire transfers to State
- Maintained a high transaction accuracy rating
- Received external and internal building upgrades for aging infrastructure

Expenses	FY2018 Original Budget	FY2019 Approved Budget	Percent Change
Salaries/Wages/Benefits	\$641,969	\$653,794	1.8%
Materials/Supplies/Services	143,040	143,343	0.2
Transfer Out	0	0	-
	\$785,009	\$797,137	1.5%

Personnel	FY2017	FY2018	FY2019
	6	6	6
Customer Service Assistant	1	0	0
Motor Vehicle Supervisor	1	1	1
Office Assistant	3	4	4
Office Support Specialist	1	0	0
Office Coordinator	0	1	1



MOTOR VEHICLE BUDGET SUMMARY Revenues and Expenses

	2017 ACTUAL	2018 ORIGINAL BUDGET	2018 AMENDED BUDGET	2018 ESTIMATED	2019 BUDGET
Revenues					
Program Income	\$ 662,106	\$ 657,790	\$ 657,790	\$ 633,653	\$ 668,040
Property Taxes					125,000
Interest Income	3,302	3,000	3,000	9,196	1,977
TOTAL REVENUES	665,408	660,790	660,790	642,849	795,017
Expenses					
Staffing					
Salaries and Wages	400,186	458,750	458,750	409,593	467,997
Benefits	170,957	183,219	183,219	175,479	185,797
Operating Expenses					
Professional and Technical Services	-	-	-	-	-
Utilities and Maintenance	150	1,050	1,050	633	1,078
Operations	5,336	10,540	11,307	8,885	11,179
City Support Services	122,916	128,022	128,022	127,888	127,466
Materials and Supplies	3,261	3,428	3,428	2,300	3,620
Transfers Out	43,336				
TOTAL EXPENSES	746,142	785,009	785,776	724,778	797,137
NET INCOME (LOSS)	(80,734)	(124,219)	(124,986)	(81,929)	(2,120)
Net Position at Beginning of Year	320,744	240,010	240,010	240,010	158,081
Net Position At Year-End	\$ 240,010	\$ 115,791	\$ 115,024	\$ 158,081	\$ 155,961

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INTERNAL SERVICE FUNDS

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2019 Budget Summary – Internal Service Funds

	REVENUES					
	2017 Actual	2018 Budget	2018 Revised	2018 Estimate	2019 Budget	
Equipment Fund						
- Operations & Maintenance	\$ 4,007,125	\$ 4,946,795	\$ 4,946,795	5,039,561	\$ 4,279,674	
- Replacement Reserve	2,373,918	1,951,204	1,951,204	2,044,799	2,945,622	
- Fire Equipment	562,805	569,067	569,067	592,026	614,643	
- Fire – Small Equipment	363,092	508,407	508,407	516,292	300,640	
- Police – Small Equipment	43,362	116,454	315,954	117,809	75,470	
Radio	688,726	703,965	703,965	705,737	807,174	
Self-Insurance	2,275,315	2,368,316	2,368,316	2,515,245	2,296,924	
Employee Benefits	9,320,273	10,447,021	10,447,021	10,188,609	11,711,932	
Accrued Benefits	2,353,082	1,756,294	1,756,294	1,933,399	2,083,303	
Support Services	445,804	506,495	506,495	482,747	549,047	
Information Systems	5,220,038	5,194,646	5,369,218	5,396,277	5,858,693	
Facilities & Parks Maintenance						
- Admin. & Maintenance	3,570,146	3,666,221	3,666,221	3,703,968	3,782,182	
- Building Repair	2,332,436	2,471,978	2,471,978	3,399,636	9,797,242	
- Parks Building Maintenance	5,868,167	6,030,435	6,030,435	6,030,512	5,988,745	
- Fire Station Maintenance	318,798	309,247	309,247	309,252	308,647	
- Cemetery Maintenance	134,904	148,385	148,385	148,380	169,114	
	\$39,877,991	\$41,694,930	\$42,069,002	\$43,124,249	\$51,569,052	

2019 Budget Summary – Internal Service Funds (continued)

	EXPENDITURES						
	2017 Actual	2018 Budget	2018 Revised	2018 Estimate	2019 Budget		
Fleet Maintenance							
- Operations & Maintenance	\$ 4,230,521	\$ 4,780,147	\$ 5,139,458	4,995,262	\$ 5,007,490		
- Capital	291,827	220,000	230,455	150,761	40,000		
- Replacement Capital	1,815,101	2,284,000	3,168,446	3,193,223	2,452,520		
- Fire Equipment - Capital	905,595	35,000	35,000	32,387	1,075,000		
- Fire – Small Equipment	115,982	857,000	1,191,268	1,166,484	285,000		
- Police Small Equipment	(5,220)	214,333	413,833	325,337	82,459		
Radio							
- Operating	773,312	656,602	831,602	715,990	487,061		
- Capital & Transfers	196,070	100,000	100,000	174,572	0		
Self-Insurance	1,212,795	2,321,658	2,321,658	1,309,378	2,709,042		
Employee Benefits	9,578,054	10,527,068	10,527,068	10,313,469	11,945,068		
Accrued Benefits	1,948,854	1,706,368	1,706,368	2,098,757	1,890,136		
Support Services	469,257	547,533	548,509	454,703	563,185		
- Capital	0	0			14,000		
Information Systems							
- Operating	4,616,090	5,406,244	6,092,095	5,239,873	5,332,335		
- Capital & Transfers	800,815	910,533	1,229,235	820,921	519,756		
Facilities & Parks Maintenance							
- Admin. & Maintenance	3,289,134	3,650,293	3,672,437	3,435,692	3,778,660		
- Building Repair	1,617,098	2,901,640	3,341,266	1,430,753	10,310,913		
- Parks/Median Maintenance	0	0	0	0	8,828		
- Parks Buildings Maintenance	5,332,419	5,782,957	5,807,199	5,361,654	6,066,463		
- Fire Station Maintenance	184,969	206,878	206,878	166,210	220,711		
- Cemetery Maintenance	138,214	148,385	150,725	141,999	179,807		
_	\$ 37,510,887	\$ 43,256,639	\$ 46,713,500	\$ 41,527,425	\$52,968,434		

Public Works – Fleet Maintenance Fund

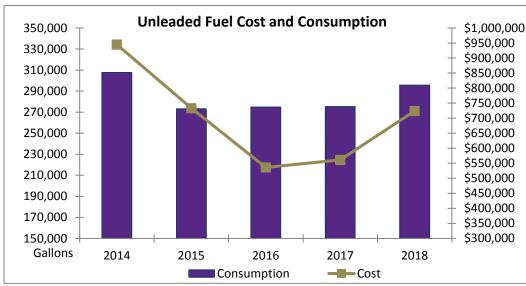
This fund pays for the costs related to the operations, maintenance, repair and replacement of City vehicles and equipment. User departments are charged for vehicles used by their department. Part of this fee is to pay for operations; the other part is allocated for the replacement of the equipment. Any new equipment or additions to the fleet are funded by the requesting department.

2019 Objectives

- Improve fleet performance by increasing preventative maintenance by 10%.
- Use telematics to measure actual fleet usage (a minimum of three days per week) by June.
- Convene the Fleet Committee for developing policies and procedures at the beginning of the second quarter of 2019.
- Reduce emissions, fuel consumption and maintenance costs by adjusting the replacement schedule to move to newer, cleaner running vehicles.
- Work collaboratively with employee committees in the selection of new equipment.
- S Have a fleet-wide study of our technologies, processes, and procedures done to get objective evaluations and suggestions for improvements performed by the end of September.

Expenses	FY2018 Original Budget	FY2019 Approved Budget	Percent Change
Salaries/Wages/Benefits	\$1,488,983	\$1,630,030	9.5%
Materials/Supplies/Services	4,362,497	3,744,919	(14.2)
Capital Outlay	2,539,000	3,567,250	40.5
Less Capitalized Assets	(2,539,000)	(3,567,250)	40.5
Add Depreciation Expense	2,000,000	2,400,000	20.0
	\$ 7,851,480	\$ 7,774,949	(1.0)%

Authorized Full-Time	FY2017	FY2018	FY2019
_	15	15	15
Fleet Manager	0	1	1
Fleet Supervisor	2	1	1
Fleet Technician	5	5	10
Office Support Specialist	1	1	1
Parts Room Attendant	2	2	2
Senior Technician	5	5	0



Activities

Operations & Maintenance
Equipment Replacement
Fire Equipment Replacement
Fire Small Equipment Replacement
Police Small Equipment

Replacement



The Fleet
Maintenance Fund
maintains 620 active
units and 375 active
components.

25% of the \$36,600,000 fleet replacement value is plow trucks.

FLEET MAINTENANCE FUND BUDGET SUMMARY Revenues and Expenses

		2017 ACTUAL	2018 ORIGINAL BUDGET	2018 AMENDED BUDGET	2018 ESTIMATED	2019 BUDGET
Revenues						
Program Income	\$	7,183,766	\$ 7,963,527	\$ 7,963,527	\$ 8,122,206	8,152,149
Intergovernmental		8,000	70.400	70.400	-	-
Interest Income		72,532	78,400	78,400	167,124	63,900
Transfers In	_	86,004	50,000	50,000	49,992	-
TOTAL REVENUES		7,350,302	8,091,927	8,091,927	8,339,322	8,216,049
Expenses						
Staffing						
Salaries and Wages		936,309	1,049,487	1,049,487	981,038	1,137,269
Benefits		429,166	439,496	439,496	437,036	492,761
Operating Expenses						
Professional and Technical Services		22,452	53,056	66,556	24,959	42,591
Utilities and Maintenance		364,821	301,400	312,422	500,744	386,500
Operations		24,173	20,325	20,325	17,007	34,725
City Support Services		1,295,870	1,349,463	1,349,463	1,358,007	1,425,144
Materials and Supplies		1,278,513	2,638,253	3,306,810	3,172,289	1,855,959
Capital Outlay						
Equipment		3,012,499	2,539,000	3,463,901	3,376,371	3,567,520
TOTAL EXPENSES		7,363,803	8,390,480	10,008,460	9,867,451	8,942,469
Less Expenses Charged to Other Funds		(9,996)	-	-	(9,996)	-
Less Capitalized Assets		(3,012,499)	(2,539,000)	(3,463,901)	(3,376,371)	(3,567,520)
Add Depreciation Expense		2,368,850	2,000,000	2,000,000	2,400,000	2,400,000
NET TOTAL EXPENSES		6,710,158	7,851,480	8,544,559	8,881,084	7,774,949
NET INCOME (LOSS)		640,144	240,447	(452,632)	(541,762)	441,100
Net Position at Beginning of Year		15,196,179	15,836,323	15,836,323	15,836,323	15,294,561
Net Position At Year-End	\$	15,836,323	\$ 16,076,770	\$ 15,383,691	\$ 15,294,561	\$ 15,735,661

Public Safety – Radio Operations

Activities

(MDC's)

Equipment Replacement &
Operations
Mobile Data
Computers

The Radio Fund supports the following operations for the City of Bloomington: Public Safety radio communications, Mobile Data Computers (MDC) in the Police and Fire Department vehicles, and the Police squad and body-worn camera systems.

The City is operating on the Metropolitan Emergency Service Board (MESB) Allied Radio Matrix for Emergency Response (ARMER) 800 MHz radio system. This includes all portables, mobiles, base stations and dispatch consoles used throughout the City. The City is part of a consortium of local governments that operates on the MESB ARMER network to which the City pays a fee for access and maintenance of infrastructure.

2019 Objectives

- Maintain a reliable and efficient communications system for public safety and other uses within the City.
- Continue to develop inter-operability for public safety with the MESB ARMER 800 MHz radio project and other agencies.
- S Maintain the existing antenna distribution system at the Mall of America. This system improves public safety radio coverage and functionality in and around the Mall of America's existing building.
- 5 Utilize Hennepin County's technical support for the MESB radio system.
- Continued upgrade on public safety Mobile Data Computer system for Police and Fire and various features with the LOGIS consortium.
- S Replace 32 Panasonic Police Department squads in-car video camera systems with the Axon system as part of the Police Department body-worn cameras project. This project includes 132 body-worn cameras, off-loading docking stations, and other related equipment. The camera system was purchased partly with grant money from a Department of Justice (DOJ) body-worn camera grant.

2018 Results

Replaced 32 mobile radios and 18 portable radios for the Police Department. This completed the upgrade of mobile and portable radios to the same model radios purchased in 2017. Replaced 40 Police Department Panasonic CF-31 MDCs.

Expenses	FY2018 Original Budget	FY2019 Approved Budget	Percent Change
Salaries/Wages/Benefits	\$110,596	\$114,069	3.1%
Materials/Supplies/Services	546,006	372,992	(31.7)
Capital Outlay	100,000	0	
Less Capitalized Assets	(100,000)	(0)	
Transfers Out	0	0	
Add Depreciation Expense	110,000	15,000	(86.4)
	\$ 766,602	\$ 502,061	(22.1)%

Authorized Full-Time	FY2017	FY2018	FY2019
	1	1	1
Communications Technician	1	1	1

PUBLIC SAFETY RADIO BUDGET SUMMARY Revenues and Expenses

	 2017 ACTUAL	2018 DRIGINAL BUDGET	A	2018 AMENDED BUDGET	ES	2018 TIMATED	2019 BUDGET
Revenues							
Departmental Charges	\$ 678,612	\$ 698,965	\$	698,965	\$	698,988	\$ 707,174
Interest Income	10,114	5,000		5,000		6,749	5,000
Other Income		-		-			
Transfers In		-					 95,000
TOTAL REVENUES	688,726	703,965		703,965		705,737	 807,174
Expenses							
Staffing							
Salaries and Wages	92,077	79,192		79,192		88,855	82,234
Benefits	33,745	31,404		31,404		33,282	31,835
Operating Expenses							
Professional and Technical Services	_	500		500		_	500
Utilities and Maintenance	178,189	178,340		178,340		180,265	147,312
Operations	299	75,100		75,100		753	185,250
City Support Services	14,220	14,652		14,652		14,652	16,930
Materials and Supplies	454,782	277,414		452,414		398,183	23,000
Capital Outlay							
Equipment	16,070	100,000		100,000		-	-
Transfers Out	 180,000	-		174,572		174,572	-
TOTAL EXPENSES	969,382	756,602		1,106,174		890,562	487,061
Less Capitalized Assets Gain/Loss on Sale of Assets	(16,070)	(100,000)		(100,000)		-	-
Add Depreciation Expense	 108,489	110,000		110,000		15,000	15,000
NET TOTAL EXPENSES	 1,061,801	766,602		1,116,174		905,562	 502,061
NET INCOME (LOSS)	(373,075)	(62,637)		(412,209)		(199,825)	305,113
Net Position at Beginning of Year	1,236,807	863,732		863,732		863,732	663,907
Net Position At Year-End	\$ 863,732	\$ 801,095	\$	451,523	\$	663,907	\$ 969,020

Activities

Maintenance
Building Capital
Repairs
Parks and Park
Building

Maintenance Fire Station

Cemetery Maintenance

Maintenance



The Maintenance
Division maintains and repairs 60 main buildings, fire stations and park buildings.
The division also provides services for 97 City Parks totaling 2,413 acres including:

- 200 acres of prairie landscapes
- 30 skating rinks
- 80 athletic fields
- 53 tennis courts
- 55 playgrounds
- 35 basketball courts
- 14 picnic shelters

Facilities and Parks Maintenance

The Facilities and Parks Maintenance Fund pays for the costs related to capital repair and maintenance of the main City buildings, park structures, fire stations and cemetery property.

2019 Objectives

- A S To support strategic priorities through efficient and sustainable operation and planned maintenance of the City's building and Park facilities by:
 - Conducting and engineering study of City buildings to identify energy saving projects by July
 - Building recommissioning (ensuring that operating systems are designed, installed and programmed for optimal performance) of Civic Plaza by the end of 2019
 - Evaluate irrigation water use at City buildings and parks using the University of Minnesota's MNTap program as a resource by October
- A S 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.
- ESS Explore improved maintenance options that are environmentally sustainable and financially responsible by:
 - Reducing the amount of fertilizer in parks by June
 - Expanding the gravel bed nursery capacity to 400 trees by May
 - Converting more acres of parkland into native prairie by November

Expenses	FY2018 Original Budget	FY2019 Approved Budget	Percent Change
Salaries/Wages/Benefits	\$ 4,047,520	\$4,406,121	8.9%
Materials/Supplies/Services	5,740,993	5,848,348	(1.9)
Capital Outlay	1,800,000	9,650,000	436.1
Transfer	438,627		
Capitalized Assets	(1,800,000)	(9,650,000)	436.1
Debt Service	663,013	660,913	0.0
Depreciation Expense	1,500,000	1,600,000	6.7
	\$ 12,390,153	\$12,515,382	1.0%

Authorized Full-Time	FY2017	FY2018	FY2019
_	40	40	40
Assistant Maintenance Superintendent	2	2	2
Facilities Maintenance Worker	1	1	1
Park Maintenance Supervisor	2	2	2
Park Keeper	25	25	25
Service Technician	9	9	9
Facilities Maintenance Supervisor	1	1	1

FACILITIES AND PARKS MAINTENANCE BUDGET SUMMARY Revenues and Expenses 2018 2018 2017 **ORIGINAL AMENDED** 2018 2019 **ACTUAL BUDGET BUDGET ESTIMATED BUDGET** Revenues **Program Income** \$ 12,111,716 \$ 12,567,366 \$ 12,567,504 \$ 19,950,933 \$ 12,567,366 Intergovernmental 6,287 Interest Income 102,799 58,000 58,000 293,232 95,000 Other 900 900 3,649 7,054 **Bond Proceeds** Transfers In 693,958 **TOTAL REVENUES** 12,224,451 12,626,266 12,626,266 13,561,748 20,045,933 **Operating Expenses** Staffing Salaries and Wages 2,605,329 2,890,259 2,890,259 2,579,140 3,090,980 Benefits 1,043,441 1,157,261 1,157,261 1,033,876 1,315,141 Operating Expenses **Professional and Technical Services** 67,033 156,010 216,010 215,198 151,010 2,323,243 2,446,494 2,394,134 2,492,625 **Utilities and Maintenance** 2,416,128 61,963 61,963 63,107 Operations 52,562 52,326 **City Support Services** 2,531,914 2,565,032 2,355,108 2,530,687 2,530,687 Materials and Supplies 538,742 576,205 602,038 613,751 576,574 **Debt Service Principal and Interest** 58,905 663,013 663,013 686,293 660,913 Capital Outlay Equipment 101,008 150,000 150,000 23,921 150,000 **Building and Improvements** 650,351 1,650,000 2,029,626 503,565 9,500,000 **Transfers Out** 220,000 438,627 438,627 438,624 **TOTAL EXPENSES** 10,015,722 12,690,153 13,185,978 11,072,742 20,565,382 Less Capitalized Assets (751,359)(1,800,000)(2,179,626)(527,486)(9,650,000)Less Expenses Charged to Other Funds (58,888)(73,683)Add Depreciation Expense 1,500,000 1,500,000 1,500,000 1,500,000 1,600,000 **NET TOTAL EXPENSES** 12,515,382 10,705,475 12,390,153 12,506,352 11,971,573 **NET INCOME (LOSS)** 1,518,976 236,113 119,914 1,590,175 7,530,551 Net Position at Beginning of Year 44,088,180 45,607,156 45,607,156 45,607,156 47,197,331 Net Position at Year-End \$ 45,607,156 \$ 45,843,269 \$ 45,727,070 \$ 47,197,331 \$ 54,727,882

Activities

Print Shop
Mail Room
Information Desk



Surveys for the mail room and print shop are planned every two years to gather feedback from employees on service improvements and ideas for new ways to meet customer needs.

Community Services – Support Services

The City's print shop, mail room and information desk functions provide services to all departments throughout the City. These activities are supported by user fees.

2019 Objectives

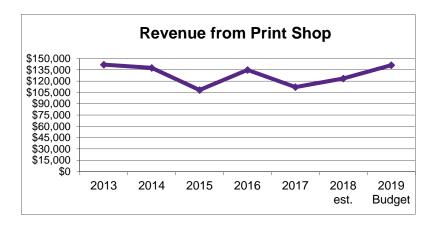
- Market Print Shop activities to staff, with a goal to increase revenue, and seek additional partnerships with outside organizations.
- Segin printing City envelopes moved from warehouse inventory, which will increase Print Shop revenues.
- Offer additional training to Information Desk staff to improve customer service
- S Buy a folding/stuffing machine by June to provide more service and increase revenue.
- Evaluate current package delivery procedures and implement new processes to improve accurate delivery by year-end.

2018 Results

- Completed an assessment of the Print Shop that included a cost comparison of outside vendor printing and a summary of a customer survey results. The assessment showed using the Print Shop realizes an annual \$90,000 savings to the City and that internal customers overwhelmingly valued Print Shop services and favored keeping services inhouse
- Printed jobs for outside organizations and employees, which resulted in more than \$10,100 in revenues, an 11 percent increase from 2017 and an 84 percent increase over 2016.

Expenses	FY2018 Original Budget	Original Approved	
Salaries/Wages/Benefits	\$238,959	\$250,152	4.7%
Materials/Supplies/Services	308,574	299,033	(3.1)
Capital Outlay	0	14,000	
Less Capitalized Assets	0	(14,000)	
Add Depreciation Expense	5,000	6,000	20.0
	\$552,533	\$555,185	0.5%

Authorized Full-Time	FY2016	FY2017	FY2018
	3	3	1
Information Assistant	1	1	0
Mail Coordinator	1	1	0
Print Shop Coordinator	1	1	1



SUPPORT SERVICES INTERNAL SERVICE FUND BUDGET SUMMARY Revenues and Expenses

	2017 ACTUAL	2018 ORIGINAL BUDGET	2018 AMENDED BUDGET	2018 ESTIMATED	2019 BUDGET
Revenues	\$ 444,022	\$ 505,495	\$ 505,495	\$ 479,667	\$ 547,047
Program Income Interest Income	1,781	1,000	1,000	3,080	2,000
TOTAL REVENUES	445,803	506,495	506,495	482,747	549,047
Expenses					
Staffing					
Salaries and Wages	161,115	183,396	183,396	176,441	191,281
Benefits	48,257	55,563	55,563	48,115	58,871
Operating Expenses					
Professional and Technical Services	-	2,000	500	105	500
Utilities and Maintenance	29,042	37,150	53,627	47,143	53,802
Operations	1,206	1,539	1,539	1,414	1,589
City Support Services	208,869	233,755	233,755	163,756	222,367
Materials and Supplies	20,768	34,130	20,130	17,729	20,775
Capital Outlay					
Equipment	-	-	-	-	14,000
Transfers Out					
TOTAL EXPENSES	469,257	547,533	548,510	454,703	563,185
Less Capitalized Assets	-	-	, -	-	(14,000)
Add Depreciation Expense	6,108	5,000	5,000	5,000	6,000
NET TOTAL EXPENSES	475,365	552,533	553,510	459,703	555,185
NET INCOME (LOSS)	(29,562)	(46,038)	(47,015)	23,044	(6,138)
Net Position at Beginning of Year	168,307	138,745	138,745	138,745	161,789
Net Position At Year-End	\$ 138,745	\$ 92,707	\$ 91,730	\$ 161,789	\$ 155,651

Activities

General System Maintenance/ Support

Geographic Information Systems (GIS)



IT will focus on evaluating and updating systems related to security in 2019.

Information Technology

Information Technology (IT) provides the City with computer hardware and software and coordinates the networking and communications of the system in accordance with the City's long-range Information Technology plan.

A cross functional Information Technology Steering Committee (ITSC) was convened in 2017 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-term and long-term informational technology impact for the City's staff and community.

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

2019 Objectives

- S A Provide technology expertise, equipment, software and services to meet Council's Goals by:
 - Continuing to implement initiatives identified in the 5 Year IT strategic plan.
 - Concentrating efforts to secure the City's technology systems.
 - Implementing virtual and cloud services.
- **ES** Support and coordinate GIS functions and activities City-wide.
- S Review existing policies and procedures. Identify and implement necessary changes.
- S Continue to provide exceptional service to support the City's departments in the area of technology.

2018 Results

- Ensured the City's security systems were ready for Super Bowl 52.
- Completed a restructure of the City's IT personnel to include the formation of the Information Technology department and integration of decentralized technology employees.
- Completed a request for proposal process to replace the City's Storage Area Network.
- Awarded a contract to evaluate the current state of data management and develop a comprehensive Data Governance Framework.
- Implemented a new jail control system in the Police department including cameras and security features.
- Replaced and/or upgraded a substantial amount of the City's technology infrastructure including networking equipment, PCs, laptops, multi-function devices, servers and software applications.
- Managed over \$1,900,000 in hardware and software maintenance agreements.
- Provided reliable technical support and services to over 600 employees.

Expenses	FY2018 Original Budget	FY2019 Approved Budget	Percent Change
Salaries/Wages/Benefits	\$ 1,662,118	\$ 1,927,741	16.0%
Materials/Supplies/Services	3,744,126	3,404,594	(9.1)
Capital Outlay	516,889	265,000	(48.7)
Less Capitalized Assets	(516,889)	(265,000)	(48.7)
Transfer Out	393,634	254,756	(35.3)
Add Depreciation Expense	200,000	200,000	0.0
	\$5,999,878	\$5,787,091	(3.5)%

FY2017	FY2018	FY2019
13	13	18
7	7	9
0	0	1
1	1	3
1	1	0
1	1	1
2	2	3
1	1	1
	-	

INFORMATION TECHNOLOGY BUDGET SUMMARY Revenues and Expenses

	2017 ACTUAL	2018 ORIGINAL BUDGET	2018 AMENDED BUDGET	2018 ESTIMATED	2019 BUDGET
Revenues					
Program Income	\$ 4,925,630	\$ 5,174,646	\$ 5,174,646	\$ 5,180,255	\$ 5,441,693
Other	4,275	-	-	5,365	-
Interest Income	20,133	20,000	20,000	36,085	17,000
Transfers In	270,000		174,572	174,572	400,000
TOTAL REVENUES	5,220,038	5,194,646	5,369,218	5,396,277	5,858,693
Expenses					
Staffing					
Salaries and Wages	1,195,388	1,245,004	1,245,004	1,252,890	1,411,825
Benefits	417,565	417,114	417,114	453,327	515,916
Operating Expenses					
Professional and Technical Services	411,035	972,051	1,591,446	771,812	388,700
Utilities and Maintenance	1,943,735	2,065,786	2,092,243	2,095,786	2,288,070
Operations	130,812	135,685	135,685	139,364	130,450
City Support Services	301,556	316,839	316,839	316,862	304,274
Materials and Supplies	215,999	253,765	293,765	209,832	293,100
Capital Outlay					
Equipment	715,687	516,899	835,601	427,285	265,000
Transfers Out	385,128	393,634	393,634	393,636	254,756
TOTAL EXPENSES	5,716,905	6,316,777	7,321,331	6,060,794	5,852,091
Less Capitalized Assets	(715,687)	(516,899)	(835,601)	(427,285)	(265,000)
Add Depreciation Expense	208,186	200,000	200,000	200,000	200,000
NET TOTAL EXPENSES	5,209,404	5,999,878	6,685,730	5,833,509	5,787,091
NET INCOME (LOSS)	10,634	(805,232)	(1,316,512)	(437,232)	71,602
Net Position at Beginning of Year	3,171,282	3,181,916	3,181,916	3,181,916	2,744,684
Net Position At Year-End	\$ 3,181,916	\$ 2,376,684	\$ 1,865,404	\$ 2,744,684	\$ 2,816,286

Finance – Self-Insurance

This fund pays all costs related to the administration of the City's self-insured workers' compensation program, including costs associated with hiring Berkley Risk Services as our 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 premiums of 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.

2019 Objectives

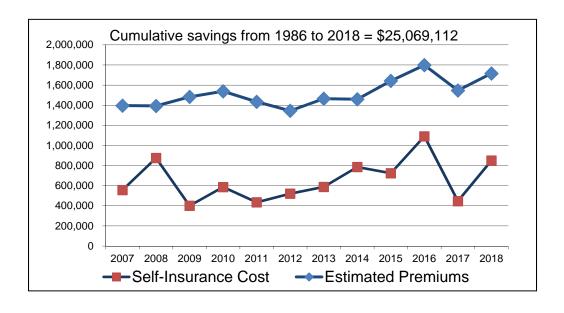
- S Protect the City's assets and minimize costs of insurance.
- S Provide departments with reports on claims twice a year, discuss claims and claim prevention.
- Continue work with the City's insurance broker and TPA to evaluate coverage and investigate possible premium savings.

2018 Results

Received a dividend from LMCIT of \$27,253.

Expenses	FY2018 Original Budget	FY2019 Approved Budget	Percent Change
Materials/Supplies/Services	\$ 2,321,658	\$2,709,042	16.7%
	\$ 2,321,658	\$2,709,042	16.7%

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



SELF-INSURANCE BUDGET SUMMARY Revenues and Expenses

		2018	2018		
	2017	ORIGINAL	AMENDED	2018	2019
	ACTUAL	BUDGET	BUDGET	ESTIMATED	BUDGET
Davianusa					
Revenues	¢ 2 224 000	ć 2 252 24 <i>6</i>	ć 2 252 24 <i>6</i>	. 2 204 440	ć 2.250.024
Departmental Charges	\$ 2,231,999	\$ 2,353,316	\$ 2,353,316	\$ 2,391,149	\$ 2,258,924
Interest Income	43,316	15,000	15,000	124,096	38,000
Transfers In					-
TOTAL REVENUES	2,275,315	2,368,316	2,368,316	2,515,245	2,296,924
Expenses					
Operating Expenses					
Workers' Compensation	468,425	1,008,331	1,008,331	480,647	861,858
General Liability	526,551	924,183	924,183	506,295	950,272
Auto Liability	108,907	181,409	181,409	141,932	175,105
Property Liability	108,910	207,735	207,735	180,505	221,807
					500.000
Transfers Out					500,000
TOTAL EXPENSES	1,212,793	2,321,658	2,321,658	1,309,379	2,709,042
NET INCOME (LOSS)	1,062,522	46,658	46,658	1,205,866	(412,118)
Net Position at Beginning of Year	2,178,273	3,240,795	3,240,795	3,240,795	4,446,661
Net Position At Year-End	\$ 3,240,795	\$ 3,287,453	\$ 3,287,453	\$ 4,446,661	\$ 4,034,543

Human Resources – Employee Benefits

The Employee Benefits Fund has been realigned for 2019 and beyond so that it 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 no longer need a distinct budget line item for each of these benefits. Additionally, the large allocation for tuition reimbursement that previously existed with the Human Resources operating budget is now incorporated into this Internal Service Fund. The employee benefits charge out to each Department is \$17,000 per employee for 2019.

2019 Objectives

Seek bids from the marketplace for the City's 2020 health insurance contract in an effort to take advantage of new players in the Minnesota market and hopefully benefit from a smaller increase in premiums costs.

2018 Results

A cap on tuition reimbursement benefits was negotiated into the City's collective bargaining agreements and added to the Employment Rules for non-union employees. Effective January 1, 2019, employees are limited to \$5,250 per year in tuition reimbursement. Previously there was no limit on this benefit.

Expenses	FY2018 Original Budget	FY2019 Approved Budget	Percent Change
Materials/Supplies/Services	\$10,527,068	\$11,945,068	13.5%
	\$10,527,068	\$11,945,068	13.5%

EMPLOYEE BENEFITS BUDGET SUMMARY Revenues and Expenses

	Revenues	ana Expenses			
	2017 ACTUAL	2018 ORIGINAL BUDGET	2018 AMENDED BUDGET	2018 ESTIMATED	2019 BUDGET
Revenues					
Departmental Charges/Payroll Deductions	\$ 8,730,100	\$ 9,758,509	\$ 9,758,509	\$ 9,536,878	\$ 10,996,697
Retiree/COBRA Contributions	507,975	625,012	625,012	563,875	682,235
Interest Income	26,694	8,000	8,000	32,351	8,000
Other Income	25,000	25,000	25,000	25,000	25,000
Transfers In	30,504	30,500	30,500	30,504	
TOTAL REVENUES	9,320,273	10,447,021	10,447,021	10,188,608	11,711,932
Expenses					
Staffing					
Tuition Reimbursement	-	-	-	-	199,500
Wellness	55,068	-	-	10,740	43,200
Operating Expenses					
Health Insurance Premiums	8,519,050	9,637,183	9,637,183	9,283,186	10,651,142
Dental Insurance Premiums	622,443	650,000	650,000	659,521	675,246
Life Insurance Premiums	123,720	126,250	126,250	125,630	130,500
Short Term Disability Premiums	13,650	13,635	13,635	15,885	14,000
Long Term Disability Premiums	98,046	100,000	100,000	100,669	106,000
Other	146,078	-	-	117,837	125,480
Capital Outlay					
Equipment	-	-	-	-	-
Transfers Out		-	-		
TOTAL EXPENSES	9,578,055	10,527,068	10,527,068	10,313,468	11,945,068
NET TOTAL EXPENDITURES	9,578,055	10,527,068	10,527,068	10,313,468	11,945,068
NET INCOME (LOSS)	(257,782)	(80,047)	(80,047)	(124,860)	(233,136)
Net Position at Beginning of Year	2,423,852	2,166,070	2,166,070	2,166,070	2,041,210
Net Position At Year-End	\$ 2,166,070	\$ 2,086,023	\$ 2,086,023	\$ 2,041,210	\$ 1,808,074

Accrued Compensated Absences

The Accrued Compensated Absences fund accounts for payment of unused vacation, personal leave, compensatory time and the allocation of costs to respective departments. Funding is based on a percentage of full-time and permanent part-time salaries charged to departments.

Although the goal of this fund is to have assets equal liabilities, or zero net assets, this would only be necessary in the case of a complete government shut-down, a very unlikely event.

2019 Objectives

- S Be in a fully-funded position by 2028.
- Continue providing City employees with fair leave policies to retain and attract good employees.

2018 Results

 Increased contributions to this fund from 3.5% of full-time salary to 4% in 2019 to keep on track for full funding of this liability.

Expenses	FY2018 Original Budget	FY2019 Approved Budget	Percent Change
Materials/Supplies/Services	\$1,877,073	\$1,890,136	0.7%
	\$1,877,073	\$1,890,136	0.7%

ACCRUED COMPENSATED ABSENCES BUDGET SUMMARY Revenues and Expenses

	2017 ACTUAL	2018 ORIGINAL BUDGET	2018 AMENDED BUDGET	2018 ESTIMATED	2019 BUDGET
Revenues					
Departmental Charges	\$ 2,209,760	\$ 1,625,155	\$ 1,625,155	\$ 1,624,896	\$ 1,943,903
Interest Income	143,322	131,139	131,139	308,503	139,400
TOTAL REVENUES	2,353,082	1,756,294	1,756,294	1,933,399	2,083,303
Expenses Staffing					
Salaries and Wages	1,925,492	1,842,073	1,842,073	2,078,339	1,855,136
Benefits	23,362	35,000	35,000	20,280	35,000
TOTAL EXPENSES	1,948,854	1,877,073	1,877,073	2,098,619	1,890,136
NET INCOME (LOSS)	404,228	(120,779)	(120,779)	(165,220)	193,167
Net Position at Beginning of Year	(2,002,906)	(1,598,678)	(1,598,678)	(1,598,678)	(1,763,898)
Net Position At Year-End	(1,598,678)	(1,719,457)	(1,719,457)	(1,763,898)	(1,570,731)

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COMPONENT UNITS

Table of Contents

Housing and Redevelopment Authority

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Activities

Administration
Rental Housing
Development
Rental Assistance
Home Ownership
Commercial
Redevelopment
Single-Family
Redevelopment
Public Housing
Neighborhood
Revitalization
Rental and Single-Family



Rehabilitation

The HRA established its first rehabilitation loan program in the 1980's for single-family homeowners. The HRA presently has over \$19.5 million in active loans in the City.

Housing and Redevelopment Authority

The Housing and Redevelopment Authority's (HRA) purpose is to provide housing and redevelopment programs to Bloomington. The Bloomington City Council appoints the five-member HRA board. The HRA's programs are focused primarily in three areas: affordable housing, neighborhood preservation, and commercial and residential redevelopment. Federal and State programs and local property taxes support the HRA.

2019 Objectives

- R Acquire and demolish blighted homes
- R Acquire land for redevelopment in designated areas and sites for affordable housing
- R Assist 100 seniors with housing maintenance and homemaking services
- R Provide housing rehab loans to 60 homeowners
- R Continue the Curb Appeal Loan program into its fourth year − provide 15 loans to homeowners in the target neighborhood
- R Assist with the acquisition/rehabilitation of three homes for the Land Trust Program for re-sale to first-time low/moderate income homebuyers
- R Conduct three landlord collaborative meetings, including a multi-city meeting and Fair Housing training.
- R Maintain highest possible utilization of Section 8 Voucher Programs as funding permits
- R Partner with Minnesota Multi-Housing Association to offer Fair Housing Workshop to landlords
- R Begin construction of Phase 3 of the redevelopment of Penn and American, including affordable housing
- R Offer the Housing Improvement Area program to assist common interest communities with rehabilitation funding
- R Continue the Home Energy Squad program with Center for Energy & Environment and serve 250 homeowners
- R Begin planning for future redevelopment opportunities in commercial-retail nodes of the City
- R Offer the Housing Improvement Area (HIA) program to condo and townhome associations to complete needed repairs
- R Partner with Habitat for Humanity to build an affordable home for a first-time home-buyer on an HRA lot that had previously been a substandard home with violations

2018 Results

- · Assisted 141 seniors with housing maintenance and homemaking services
- Provided housing rehabilitation loans to 95 homeowners, including CDBG and Neighborhood and Curb Appeal programs for a total of over \$2.2 million in repairs and improvements to homes in the City
- Provided rental property and manager education through three landlord collaborative meetings (61 attendees)
- Achieved highest utilization of Housing Choice Voucher (Section 8) Rent Assistance that funding permitted
- Achieved HUD's "high performer" rankings for administration of the Section 8 Voucher program
- Provided housing to 44 large families through the HRA's two rental housing programs.
- Sold a vacant lot to a first-time home owner to build an owner-occupied single-family home
- Habitat for Humanity completed an affordable home for a first-time home-buyer on a former HRA lot that had previously been a substandard home with violations
- Acquired one substandard home to be demolished and land re-sold for new owner occupied single-family home
- The Home Energy Squad Enhanced Program provided 219 homeowner visits
- Implemented direct deposit of assistance payments to Section 8 Voucher landlords
- Sold a single-family lot at a reduced price to Habitat for Humanity to build home to sell to a low-income family
- Hosted the 2018 Home Improvement Fair in February 2018 with 60 vendors and over 1,200 attendees

Expenditures	FY2018	FY2019	
	Original Budget	Approved Budget	Percent Change
Salaries/Wages/Benefits	\$ 1,177,240	\$ 1,184,916	.7%
Materials/Supplies/Services	8,051,303	8,446,802	4.9%
	\$ 9,228,543	\$ 9,631,718	4.4%

Authorized Full-Time	FY2017	FY2018	FY2019
	10	10	10
HRA Administrator	1	1	1
Office Assistant	1	1	1
Office Support Specialist	1	1	1
Program Manager	1	1	1
Program Specialist II	5	5	5
Program Specialist I	1	1	1

HOUSING AND REDEVELOPMENT AUTHORITY BUDGET SUMMARY Revenues and Expenditures

	2017 ACTUAL	2018 ORIGINAL BUDGET	2018 AMENDED BUDGET	2018 ESTIMATED	2019 BUDGET
Revenues					
Program Income	\$ 1,528,045	\$ 911,476	\$ 1,591,476	\$ 1,507,155	\$ 991,003
Tax Revenues	2,103,020	2,254,825	2,224,825	2,230,292	2,368,406
Intergovernmental	5,208,895	6,062,242	5,927,242	5,826,061	6,252,309
Interest Income	39,348	-	100,000	113,115	20,000
Transfers In	160,000		350,000	350,000	
TOTAL REVENUES	9,039,308	9,228,543	10,193,543	10,026,623	9,631,718
Expenditures					
Staffing					
Salaries and Wages	816,493	853,591	833,591	809,506	841,991
Benefits	314,393	323,649	333,649	328,612	342,925
Operating Expenditures					
Professional and Technical Services	309,374	232,100	702,100	641,014	328,400
Utilities and Maintenance	6,546,077	6,245,571	6,955,571	6,833,080	6,425,900
Operations	18,880	43,402	43,402	26,592	39,735
City Support Services	211,427	205,377	200,377	203,950	238,876
Materials and Supplies	5,225	53,950	18,950	8,468	31,250
Transfers Out	160,000	-	450,000	450,000	-
Land		1,270,903			1,382,641
TOTAL EXPENDITURES	8,381,869	9,228,543	9,537,640	9,301,222	9,631,718
FUND BALANCE SOURCES (USES)	657,439	-	655,903	725,401	-
Fund Balance at Beginning of Year	8,337,380	8,994,819	8,994,819	8,994,819	9,720,220
Fund Balance At Year-End	\$ 8,994,819	\$ 8,994,819	\$ 9,650,722	\$ 9,720,220	\$ 9,720,220

Port Authority

The Port Authority was created by the City 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.

2019 Objectives

R A 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.

<u>2019 Key Projects</u>: Mall of America (MOA) expansion, Development of former Ramada/Thunderbird site and development of former Interstate Diesel and Alpha V parcels.

R S Oversee debt in a conservative manner to assure repayment and adequate resources.

R S Make community investments that in turn encourage private investments consistent with the City's sustainability objectives.

2018 Results

- Continued implementation of the South Loop District Plan.
- Secured funding for MOA transit station and started construction.
- Began construction on a project with Terratron for a 144-room Element hotel.
- Bloomington Central Station 402-unit apartment project was developed by McGough with project completion anticipated in the spring of 2020.
- Completed the park assist project at MOA.
- Designed Fire Station #3 to be built in the South Loop District.

Expenditures	F'	Y2018	F	Y2019	
	Oı	riginal	Ap	proved	Percent
	В	udget	В	udget	Change
Salaries and Benefits	\$	195,000		\$230,000	18.0%
Materials/Supplies/Services		150,322		125,000	(16.8)
Support Services/Space &					
Occupancy		123,500		92,400	(25.2)
	\$	468,822	\$	447,400	(4.6)%

Authorized Full-Time	FY2017	FY2018	FY2019
	4	4	4
Development Analyst	2	2	2
Port Authority Administrator	1	1	1
Senior Civil Engineer**	1	1	1
**Senior Civil Engineer authori	zed, not currently		

PORT AUTHORITY BUDGET SUMMARY Revenues and Expenditures

	2017 ACTUAL	2018 ORIGINAL BUDGET	2018 AMENDED BUDGET	2018 ESTIMATED	2019 BUDGET
Revenues					
Interest Income	\$ -	\$ -	\$ -		
Other	350,000	500,000	500,000	500,000	350,000
Transfers In	 				
TOTAL REVENUES	 350,000	500,000	500,000	500,000	350,000
Expenditures					
Salaries and Benefits	155,613	195,000	195,000	183,997	230,000
City Support Services	82,764	150,322	150,322	79,903	92,400
Materials and Supplies	 108,036	123,500	123,500	111,649	125,000
TOTAL EXPENDITURES	 346,413	468,822	468,822	375,549	447,400
FUND BALANCE SOURCES (USES)	3,587	31,178	31,178	124,451	(97,400)
Fund Balance at Beginning of Year	36,750	40,337	40,337	40,337	164,788
Fund Balance At Year-End	\$ 40,337	\$ 71,515	\$ 71,515	\$ 164,788	\$ 67,388

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CAPITAL

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Capital Projects

The Capital Budget development process starts with Departments preparing requests for needed projects using the Ten-Year Community Investment Program (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 was created in 2017 to review and prioritize these types of structural needs. Once their annual review is completed, an analysis of funding requirements and any necessary related prioritization is done by the Executive Management Team, comprised of Department Directors and the City Manager.

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 is 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 Community Investment Program Policies, operating costs must be projected and included in operating budget forecasts.

The CIP is also 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, letting of contracts, etc. Capital projects should 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 and internal budgets are developed 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.

Highlights of 2019 Capital Funding Projects:

Parks

- \$464,500 is budgeted to replace fencing at Dred Scott athletic fields, and \$1,090,000 is budgeted to replace the concession/restroom building at the center of the Dred Scott athletic fields. The new building will comply with ADA code and building codes with low flow plumbing fixtures and upgraded electrical. The cost to run this seasonal building is minimal, so savings will be less than \$5,000 per year in water and electricity costs. Charter bonds will be issued for this project.
- \$320,000 is budgeted to upgrade the Ice Garden to LED lighting. Payback on this project is approximately ten years. A bond issue will cover \$1,595,520 for remodeled locker rooms, a refreshed entrance and new viewing areas. No additional savings or operating costs are anticipated for this improvement.
- \$125,256 is budgeted to add lights on the Normandale Lake Trail. Less than \$300 is expected in additional electricity charges for this improvement.

Alternative Transportation

• \$1,070,000 is budgeted for the Old Cedar Avenue trailhead. This trailhead will service three different trails. Improvements will include reconstruction of the existing parking lot, construction of restroom facilities and trailhead signage. Additional maintenance costs of \$20,000 are anticipated for maintaining the restrooms, plowing the street and trail, and sign maintenance. This project is funded by liquor and lodging taxes from the South Loop District.

 \$5,600,000 is budgeted to rebuild a right of way trail along the west side of France Avenue from 84th Street to Old Shakopee road. Additional maintenance costs for the trail will be \$13,000 for the almost 3.0 mile segment. This project is funded by several grants and franchise fees.

Utilities Infrastructure

- \$800,000 is budgeted for the restoration of the western reservoir, \$600,000 is budgeted to upsize an
 existing waster main on 82nd Street, \$800,000 is budgeted for renewal of the Chalet and James sewer lift
 station. Operating costs will not increase since this is just rehabilitation of existing assets, not an increase in
 the length of the system. Funding is from utility fees.
- The Storm Water budget includes \$5,000,000 to continue construction of the Northeast Penn project to reduce neighborhood flooding. Operating costs will increase by about \$10,000 for maintenance. This project is funded by bonding and utility fees.

Equipment

• The 2019 equipment budget includes \$2,452,520 of planned purchases. By regularly upgrading equipment, the City realizes approximately \$100,000 per year in savings on maintenance costs.

South Loop Capital

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 2019 non-routine capital expenditures include:

- \$3,500,000 to upgrade the 24th Avenue/Mall of America Transit Station (not maintained by the City).
- \$1,360,000 for lane reconfiguration on Old Shakopee Road at 86th Street, add a trail connection.
- \$900,000 for demolition of Alpha 5 and Interstate Diesel to prepare for future development.
- \$500,000 for monument signs to identify the District (less than \$5,000 per year for maintenance).

Surface Transportation

- \$250,000 is budgeted to finish construction of a new west bound access to I-494 at East Bush Lake Road.
 This project started in 2016 and continues through 2019. Less than \$5,000 in additional maintenance is anticipated.
- \$250,000 is budgeted for signal retiming, coordination, system management and improvements.
- \$350,000 is budgeted to design improvements to a bridge over train tracks on Auto Club Road. Bridge rehab will take place in 2020 at a cost of \$2.75 million and is funded through State aid. No additional maintenance cost is expected.

Pavement Management

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 2019 approximately \$8,754,000 will be invested in street reconstruction and \$4,135,000 will be spent on overlaying existing pavement. See chart on General Fund Street Maintenance page regarding street conditions. Operating costs will not change because about 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.

City Facilities

\$11,200,000 is budgeted to build a replacement Fire Station #3 in a new location in the South Loop District. It will include additional bays and living quarters for duty crews as well as energy saving mechanicals and efficient air handling equipment. Operating costs for the larger facility will be about double the \$164,000 for the old facility, even though it will be four times the size of the old facility. Bonds will be issued to fund this project.

Executive Summary

Fund/Activity	2019 Adopted	Purpose	Budget Page Number
Fire	\$25,000	Emergency sirens	68
Community Services		Furniture, Kitchen Equipment for Creekside Community Center	96
Public Works	28,000	Survey Equipment Signal Cabinets	102, 104
Total General Fund	\$ 102,000		
Communications		Cable TV Equipment, high definition upgrades	156
Creative Placemaking	140,000	Art Installation	164
Water Utility	800,000	Well and pump rehabilitation, water plant equipment Reservoir maintenance Improve distribution system	172
Wastewater Utility	800,000	Lift station rehabilitation Improve collection system	174
Storm Water Utility	5,000,000 3,035,000	NE Penn drainage project Replacement and maintenance on collection system	176
Golf Courses	44,000	Kitchen equipment Utility vehicle, greens mower Security monitor	180
Ice Garden	10,000 135,000 63,000	Zamboni battery Security camera, Rink 1 seats, Rink 3 cooling tower Design fees for building renovations Building improvements/renovations	182
Center for the Arts		Replace theater seating, projector, security camera	184
Aquatics	25,000	Front entrance renovation, water bottle fill stations Security camera, water fill stations, ADA parking	186
Support Services	14,000	Folding/Stuffing machine	204
Information Systems		Network and technology upgrades Network switches	206
Fleet Maintenance	3,567,520	Equipment Replacement	198
Facilities Replacement	510,000 1,890,000	Park projects Roofs/Exterior doors/LED parking lot lights Interior Finishes Build Fire Station #3 in new location	202
South Loop Capital		Street light/Traffic signal upgrades	*
	1,360,000 3,500,000 500,000	86 th Street and Old Shakopee Rd lane changes MOA transit station improvements and signage South Loop District monument signage Demolition	* * *
Park Capital Projects	435,000 1,611,000	Playground replacements Dred Scot concessions/restrooms/safety netting	*
Road and Street Improvements		Pavement Management Program reconstruction Overlay streets	*

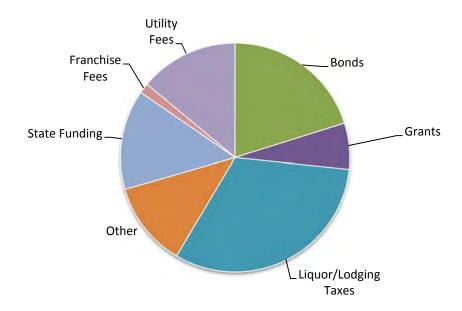
TOTAL ALL FUNDS	\$57,181,823		
	178,000	Sidewalk improvements	
Transportation		Trail on France between 84th and Old Shakopee Rd	*
Alternative		Old Cedar Avenue Bridge trailhead	*
	350,000	Bridge maintenance-Auto Club Road	
	160,000	Lyndale rail road crossing improvements	*
	160,000	106 th St. at I-35-W improvements	*
	250,000	Westbound access to I-494 at East Bush Lake Road	*
	425,000	Subdivision streets/Transit, signal, street upgrades	*

^{*}The City has an ongoing ten-year plan which lists projects incorporated for budget purposes. Each project then returns to the City Council for approval.

SUMMARY OF PROJECT COSTS

Project Total	2019
South Loop Capital	\$ 6,525,000
City Facilities	9,650,000
Roads & Streets	14,233,083
Sewer, Water & Storm Water	11,615,000
Park Development	2,046,000
Information Systems & Equipment	265,000
Vehicles	3,567,520
Other Equipment/Improvements	116,000
Communications	263,200
Recreation Facilities	2,053,020
Alternative Transportation	6,848,000
Total Project Costs	\$ 57,181,823

Sources of Funding for Capital Projects



DEBT

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Debt Overview

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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

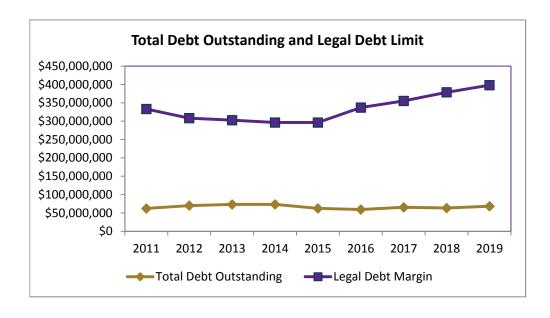
Minnesota State law limits the amount of General Obligation (GO) debt for any municipality to 3 percent of market value. This limitation provides reasonable assurance of the municipality's ability to pay its obligations. Bloomington's estimated taxable market value for taxes payable year 2019 is \$13,450,668,000. 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>2019</u>

General Obligation Debt Limit \$403,520,040

Bloomington's Debt Subject to the limit 5,400,000

Debt Margin \$398,120,040



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 37 cities to achieve the "Triple Triple A".

General Obligation Debt Issuances During 2018

In June of 2018, the City issued the following debt:

- \$1,020,000 of General Obligation Charter Bonds. The proceeds were used to finance park improvements within the City.
- \$920,000 of Taxable General Obligation Housing Improvement Bonds.
 The proceeds were used to finance various improvements in the Housing Improvement Area.

In December of 2018, the City issued the following debt:

- \$5,270,000 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.
- \$10,805,000 of General Obligation Storm Water Utility Bonds. These bonds meet the Green Bond Principles for sustainable water and waste water management. The proceeds were used to finance storm sewer improvements designated as the Penn American Linear Storm Water Storage Project.

Anticipated Debt Issues

The City plans to issue Charter Bonds of up to \$1.6 million in the spring for improvements to the Bloomington Ice Garden facility. In the fall of 2019 the City plans to issue Charter Bonds of up to \$1.9 million for park improvements and Permanent Improvement Revolving Fund debt of approximately \$6.9 million to replenish funds expended for the Pavement Management Program.

The City's total outstanding tax and assessment supported debt on December 31, 2018, was \$55,540,000, for a per capita amount of \$613 (population 88,885). The per capita limit on the City's debt is \$4,540.

The total debt principal and interest due in 2019 is \$9,870,893 of which \$4,793,188 is borne by the property tax levy. About 56 percent of the currently issued debt will be paid off in five years and over 87 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 Imporovement 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 Capital Improvement Plan

2010A Serial (2012-2021) Bonds issued to refund the City Hall Lease Obligation bonds.

General Obligation Revenue

2017B Water Utility Bonds (2018-2027)

2018D Storm Water Utility Bonds "Green Bonds" (2020-2034)

General Obligation

- 2010 Permanent Improvement Revolving, Forty-Four Series Build America Bonds (2012-2021)
- 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)
- 2016B Art Center Refunding Bonds. Bonds refunded the 2007 Art Center Refunding Bonds. (2018-2021)
- 2016C Permanent Improvement Revolving Refunding. Bonds will 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)

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)

Taxable General Obligation

2018B Housing Improvement Bonds (2020-2034)

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

	То	tal	Proprietary Bonds		Tax & Assessment Supported Debt	
Year	Principal	Interest	Principal	Interest	Principal	Interest
2019	8,005,000	1,865,893	720,000	380,912	7,285,000	1,484,981
2020	8,670,000	1,866,350	1,205,000	514,665	7,465,000	1,351,686
2021	8,530,000	1,600,199	1,305,000	469,776	7,225,000	1,130,424
2022	6,910,000	1,356,464	690,000	429,782	6,220,000	926,682
2023	5,980,000	1,149,768	725,000	395,506	5,255,000	754,261
2024	5,545,000	953,441	755,000	358,506	4,790,000	594,935
2025	5,205,000	768,906	795,000	321,706	4,410,000	447,200
2026	4,080,000	612,541	820,000	285,231	3,260,000	327,310
2027	3,680,000	480,524	860,000	247,122	2,820,000	233,403
2028	2,960,000	366,169	755,000	208,688	2,205,000	157,481
2029	2,355,000	276,355	790,000	177,963	1,565,000	98,393
2030	1,385,000	214,743	810,000	153,456	575,000	61,287
2031	1,300,000	166,063	835,000	124,100	465,000	41,963
2032	1,215,000	116,463	865,000	90,100	350,000	26,363
2033	1,070,000	71,550	895,000	54,900	175,000	16,650
2034	1,100,000	29,150	925,000	18,500	175,000	10,650
2035	100,000	6,150	0	0	100,000	6,150
2036	95,000	3,225	0	0	95,000	3,225
2037	60,000	900	0	0	60,000	900
	\$68,245,000	\$11,904,855	\$13,750,000	\$4,230,912	\$54,495,000	\$7,673,943

POLICIES

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Budget Policy -Financial Control

Budgets are financial plans for future events. As better information becomes available, the budget may be amended within the following guidelines. Budgets for the City of Bloomington are, under Section 7.05 of the City Charter, controlled by four categories:

Ordinary operating expenses subdivided into (a) salaries and wages, (b) other operating expenses, (c) payment of principal and interest on bonds and other fixed charges and (d) capital outlays (for new construction, new equipment and all improvements of a permanent character).

Budget Process

The budget, as presented in this document, is developed for each general fund major program or department and for each general fund program. For example, the Finance Department is a major program. Within Finance are several programs including Administration, Accounting, Budget, and Risk Management all within the general fund. In addition, the department also oversees one internal service fund operation, Self-Insurance. Expenditures by category (as explained above) may not exceed the total major program budget for each of the four categories.

Sections 7.06 and 7.07 of the City Charter provides for passage and enforcement of the budget:

"The budget must be the principal item of business at the first regular monthly council meeting in September. The council must hold adjourned meetings from time to time until it has considered all the estimates. The meeting must give interested citizens a reasonable opportunity to be heard. The annual budget finally agreed upon must set forth the complete financial plan of the city for the ensuing fiscal year for the funds budgeted. It must show the sums to be raised and their sources and the sums to be spent and their purposes according to Section 7.05. The total sum appropriated must be safely less than the total estimated revenue. The council must adopt the budget by resolution not later than the first week of December. The council must also adopt a resolution levying all taxes it considers necessary within statutory limits for the ensuing year for each fund. The tax levy resolution must be certified to the county auditor according to law. At the beginning of the fiscal year, the sums fixed in the budget resolution are appropriated only for the several purposes named in the budget resolution."

"The city manager must strictly enforce the provisions of the budget. The 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 Sections 6.07 and 6.08 except for a purpose and up to the amount authorized in the budget resolution."

Section 7.08 of the City Charter provides for alterations to the budget:

"After the budget resolution has been adopted, the council has no power to increase the amounts fixed in the budget resolution beyond the estimated revenues, but if the actual receipts exceed the estimates, the council can increase the amounts up to the actual receipts. The council by resolution of a majority can reduce the sums appropriated for any purpose in the budget resolution, or by a resolution approved by five members authorize the transfer of sums needed for other purposes from unencumbered balances of appropriations in the budget. The city manager can make transfers of sums within the major expense classifications in a department or division. However, the manager cannot transfer appropriations between major expense classifications in a department or division nor can the manager transfer appropriations between departments or divisions without council approval."

Budgets are adopted on a basis consistent with generally accepted accounting principles. Annually appropriated budgets are formally adopted for the general, special revenue, internal service and enterprise funds. Formal budgets are not adopted for debt service, capital and trust and agency funds.

Budgeted amounts are reported as originally adopted. Budgeted expenditure appropriations lapse at year-end. Supplementary appropriations can be carried forward to the following year if approved by the City Council.

Encumbrances represent purchase commitments. Encumbrances outstanding at year-end are reported as reservations of fund balances since they do not constitute expenditures or liabilities.

The City follows the procedures below in establishing the budget:

The City Manager submits to the City Council by late August a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them for all funds of the City. The general, special revenue and proprietary funds are formally adopted through the budgetary process as documented herein. Public hearings are conducted to obtain taxpayer comments. A preliminary levy is adopted and certified to the County by September 15. Hennepin County mails parcel specific tax notices to property owners providing taxes due the following year based on the preliminary levy. A budget and levy hearing is held in accordance with State law. Property owners are invited to testify supporting or disagreeing with the proposed general fund budget and the City's proposed property tax levy.

The General fund budget is modified, if desired, and adopted through passage of a resolution. The levy is also adopted by resolution.

Fund Accounting

The accounts of the City are organized on the basis of funds and account groups, 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 comprises its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate.

Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which

spending activities are controlled. The various funds are grouped, for budgeting purposes, into six generic fund types and two broad fund categories as follows:

Governmental Funds

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

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

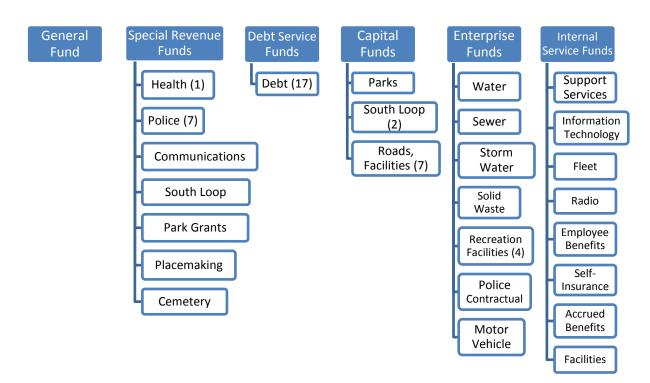
Debt Service Funds - Debt service funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs.

Capital Projects Funds - Capital projects funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities other than those financed by the proprietary funds.

Proprietary Funds

Enterprise Funds - Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

Internal Service Funds - Internal service funds are used to account for the financing of goods or services provided by one department to other departments of the City on a cost-reimbursement basis.



Basis of Accounting and Basis of Budgeting

All budgets are adopted on a basis consistent with Generally Accepted Accounting Principles (GAAP). Governmental funds are budgeted for and accounted for using the modified accrual basis of accounting. Revenues are recognized when susceptible to accrual (i.e., when they become measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means 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. Major revenues that are not susceptible to accrual include fees and miscellaneous revenues; such revenues are recorded only 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.

Proprietary funds are budgeted for and accounted for using the accrual basis of accounting. Revenues are recognized when earned, and expenses are recorded at the time liabilities are incurred. Unbilled utility service receivables are recorded at year-end.

Financial Management Policies

ORGANIZATIONAL MISSION

A Positive, Professional, Productive, Learning Organization
Building Community and Its Renewal
By Providing Quality Services at an Affordable Price

Preamble

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.

Objectives: In order to achieve this purpose, the following objectives are established for the City's fiscal performance:

- To protect the City Council's policy-making ability by ensuring that important policy decisions are not controlled by financial problems or emergencies.
- 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.
- To assist sound management of the City government by providing accurate and timely information on the City's financial condition.
- To provide sound principles to guide the decisions of the City Council and City staff which have fiscal impacts.
- To set forth operational principles which promote long-term cost effectiveness while providing services desired by the public with minimal financial risk.
- 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.
- 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.
- To protect and enhance the City's credit rating and prevent default on any municipal debt obligations.
- To ensure the legal use and protection of all City funds through a good system of financial and accounting controls.
- 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.
- To record transactions in a manner which matches current revenues to current expenditures (full cost including benefits and depreciation).
- 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).

Policy Guidelines

(Note: The following policies are paraphrased. The entire text can be found on the City's website – http://bloomingtonmn.gov/cityhall/dept/finance/finance.htm

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
 - (4) Income and expenditure projections
 - (5) Capital improvement financing
 - (6) Risk management
 - (7) Screening of Industrial Development Bonds (IDB) and Housing Revenue Bond applications (also see separate Guidelines)
 - (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) "Fiscal Notes" to be presented as part of any proposal to the Council in connection with any new or expanded operating or capital improvement programs.
 - (13) Payroll
 - (14) Accounts Receivable

- (15) Receipts and Collections
- (16) Accounts Payable
- B. The City will maintain a program for the investment of funds consistent with the City's Investment Policy under separate cover.
- 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 reach 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 Fire 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 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. The 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.
- 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 groups 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 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. P.The City will strive to obtain each year the GFOA Distinguished Budget Award.
- 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.

Capital Improvement Program Policy

- A. The City will develop a multi-year plan for capital improvements and update it annually. The two-year budget capital improvement will be approved and incorporated into the operating budgets. The following year's budget will be adopted with the year after that conceptually approved on a cycle consistent with the operating budgets.
- B. 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.
- C. 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.
- D. 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.
- E. 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 whose operating and maintenance costs have been included in operating budget forecasts.

F. 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.

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.
- D. Net general obligation debt (as defined above) will not exceed the statutory limit as required by Minnesota State 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. 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.
- H. 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.
- I. Tax Increment Policy -
 - 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.
 - Tax increment financed projects, and all other capital projects, of the Port
 Authority and the Housing and Redevelopment Authority shall be included
 in the City's 5-Year Capital Improvement Program each year for prioritizing.
 - (a) The City will not approve any new tax increment district or abatement district if the resulting total projected tax capacity (net of estimated Fiscal Disparities Contribution) of all tax increment districts in the City (including

the proposed district) exceeds 15.0 % of the total projected tax capacity of all taxable property (including the proposed district) in the City. 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:

	<u>Range</u>
City	0.0% to 5.0%
Port Authority	0.0% to 10.0%
HRA	0.0% to 5.0%
Total	0.0% to 15.00%

Any proposed alteration of this allocation can only be changed by a 5/7 vote of the full City Council.

- 4. The City will not consider tax increment financing requests for retail, service, industrial, hotel or office development projects that lie outside City approved redevelopment, industrial development district or economic development districts.
- 5. Types of tax increment financing:
 - (a) Tax increment financing will not, unless approved by a 5/7 vote of the full 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.
 - (b) 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 the full 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.
- 6. As required by State law, each and any 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 or change. 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.
- 7. The City, the HRA or the Port Authority, as appropriate, will charge a developer an application fee in accordance with the City's Fees and Charges Schedule as approved annually by the City Council to recover full

costs related to Staff review time and expenses relative to analysis of any proposed plan.

K. Abatement District Policy -

The City of Bloomington is authorized by MS.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.
 - Provide employment opportunities in the City of Bloomington.
 - 3. Provide or help acquire or construct public facilities.
 - 4. Help develop or renew blighted areas; or
 - 5. Help provide access to services for residents of the City of Bloomington; or
 - 6. Finance or provide public infrastructure; or
- C. 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. 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 current levy or \$200,000 if levy is less than \$2,000,000 as amended by Minnesota Statutes.
- D. Any new abatement district or new tax increment district shall not exceed the limitations set forth in J.3.
- E. The City of Bloomington will consider all proposals eligible for abatement districts before adopting an abatement district for any project..
- 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 grant of \$25,000 or more or loan of \$75,000 or more. Unless an exception to the Business Subsidy Law applies, a 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, (3) reimburse the property owner for the cost of improvements made to the property, or (4) pay the cost of issuance of the bonds.

L. Business Subsidy Policy -

The following are Bloomington's guidelines for the granting of Business Subsidy to a business or developer.

Any Business Subsidy identified under Minnesota Statutes as "Business Subsidies" are covered under these policies.

A. Definitions –

Act means Minnesota Statutes, Sections 116J.993 to 116J.995, as hereinafter amended, also referred to as the Business Subsidy Act.

Business Subsidy means a City, Port Authority or HRA grant, contribution of personal property, real property, infrastructure, the principal amount of a loan at rates below those commercially available to the Recipient, any reduction or deferral of any tax or any fee, any guarantee of any payment under any loan, lease, or other obligation, or any preferential use of governmental facilities given to a business.

City means the City of Bloomington.

Criteria means those elements considered by the Grantors as a guide in the consideration of potential Recipients requesting a Business Subsidy.

Development Agreement means a document between the Grantor and Recipient outlining the terms and conditions under which Business Subsidy will be provided.

Grantor means the City, HRA or Port as defined herein.

HRA means the Housing and Redevelopment Authority In and For the City of Bloomington.

Port means the Port Authority of the City of Bloomington.

Recipient means any for-profit business entity that receives a Business Subsidy or any nonprofit business entity meeting the requirements of Section 116J.993, subd. 6 of the Act.

Subsidy Agreement means an agreement between a Grantor and a Recipient that meets the requirements of Section 116J.994, subd. 3 of the Act.

B. Business Subsidy Criteria

The Criteria set forth in this section establishes minimum requirements that a Recipient must meet in order to be eligible to receive a Business Subsidy. The Grantor reserves the right to approve a project that varies from the Criteria if a Grantor determines a valid public purpose will be served. Criteria may be amended subject to a public hearing, the notice of which shall be published ten days prior to the hearing.

A description of the Criteria is set forth below:

- The request for Business Subsidy must meet a "public purpose".
 Examples of public purposes are contained in Section J.
- The project is unlikely to go forward "but for" the Business Subsidy.

- Developers or businesses receiving a Business Subsidy shall be in compliance with the requirements of state and local law, including conformance with the Comprehensive Plan and Zoning Ordinance of the City. A Grantor can conditionally approve a request for Business Subsidy; if changes in the Comprehensive Plan, the zoning ordinance or other local laws or policies are under active consideration by the City.
- The Recipient must demonstrate the ability to develop the type and size of project proposed. Upon request, the Recipient must provide market and financial feasibility studies, appraisals, soil borings, information provided to private lenders regarding the project, or other information or data that the Grantor, or its financial advisor, requests in order to independently determine the need for Business Subsidy. A Grantor may also rely on data provided by an applicant to a financial institution.
- The project will not significantly and adversely increase the demands for public services or public facilities in the City unless plans to mitigate the project's impact are approved.
- The Recipient's request for Business Subsidy must be for the minimum amount of subsidy and duration of time required to make the project financially feasible.
- The project will effectively utilize investments in existing public infrastructure and if applicable support public services such as transit.

C. Job and Wage Goals.

- Unless the creation of jobs is removed from a particular project pursuant to the requirements of the Business Subsidy Act, the creation of jobs is a public purpose for granting a subsidy.
 Creation of at least ___ Full-Time Equivalent (FTE) jobs is a minimum requirement for consideration of assistance. The goals for the number of jobs to be created or retained must result in job creation or retention by the Recipient within the Grantor's jurisdiction overall.
- The wage floor for wages to be paid for the jobs created shall be not less than \$_____ [or can use formula 150% of the State minimum wage in effect at the time the subsidy is granted]. The City will seek to create jobs with higher wages as appropriate for the overall public purpose of the subsidy. Wage goals may also be set to enhance existing jobs through increased wages, which increase must result in wages higher than the minimum under this Section.
- The wage and job goals set forth in this section must be satisfied within two years of the Benefit Date.
- The wage and job goals may be set at zero if the Grantor determines that creation or retention of jobs is not an objective.

D. Requirements for Business Subsidy Recipients.

The Recipient of a Business Subsidy must satisfy the following requirements:

- The Recipient must retain ownership of the project at least until the project is completed, its occupancy stabilized, project management established, and Business Subsidy repayment (if repayment is required) is initiated.
- The Recipient or successor must continue operations at the site where the Business Subsidy is used for at least five years from the Benefit Date.
- The Recipient of a Business Subsidy must meet the wage and job goals set forth above.

E. Business Subsidy Agreements

Any Recipient receiving a Business Subsidy will be required by the Business Subsidy Act to enter into a Subsidy Agreement with the Grantor outlining the terms and conditions under which Business Subsidy will be provided.

The Subsidy Agreement between the Grantor and the Recipient must meet the requirements set forth in Section L and all other requirements of the Business Subsidy Act and any other requirements which may be incorporated into the development agreement for the project.

For a Business Subsidy subject to Section 116J.994, subd. 5 of the Business Subsidy Act (in 2012, those Business Subsidies exceeding \$150,000), the Grantor must hold a public hearing with a public notice published in the official newspaper at least ten days before the public hearing. The notice must be sufficiently conspicuous in size and placement, make the information available in printed paper copies, and if possible, be placed on the Internet.

The Business Subsidy Agreement must be approved by the governing body of the Grantor, and if the Grantor is not the City, the Business Subsidy Agreement must also be approved by the City Council. The Business Subsidy Agreement must be executed by both the Grantor and the Recipient.

F. Exemptions

Under Section 116J.993, subd. 3 of the Business Subsidy Act, a Recipient proposing activities contained in Section K is exempt from the requirements of the Business Subsidy Act. Requests for financial assistance that are exempt from the Business Subsidy Act are still subject to review and approval of the Grantor. The granting of such assistance is at the sole discretion of the Grantor and may be subject to other regulatory requirements and/or policies.

G. Application Process

Business or developers seeking a Business Subsidy must complete an application for assistance. The Grantor may request additional information from the developer or business to determine whether the request for a Business Subsidy is consistent with the Grantor's policies. Failure to provide requested information will result in denial of the request for a Business Subsidy.

H. Fees

All applicants will be responsible for legal, financial, consultant and other costs associated with the review of the application.

I. Reports

The Recipient and Grantor must comply with the reporting requirements set forth in Section 116J.994, subd. 7 and 8 of the Business Subsidy Act.

J. Example of Subsidy Public Purposes

Grantors may consider the following public purposes, among others, when considering the applicant's request:

- The project provides a service or meets a consumer need not currently met or which is underserved in the City.
- The project represents a significant investment in an area of the City that is economically depressed.
- The project will remove blighting influences or rehabilitate an area of the City in need of revitalization.
- The project will stimulate additional capital investment and act as a catalyst for future (re)development.
- The project will enhance the value of surrounding properties, stabilize the area or foster a "sense of community".
- The project will anchor a needed commercial center in the City.
- The project will enhance the viability of other businesses in the City.
- The project will assist in the orderly growth of the City and generate significant economic spin off.
- The project will prevent the closure due to merger, physical expansion, change in market or economic factors, downsizing, and other factors of business needed in the community.
- The project will employ a classification of people in the community at large who are not fully employed.

- A business subsidy will permit the project to employ more people, pay higher wages, be of better quality, or in some way be of more value to the City.
- The project will provide a needed service in the City, including but not limited to health care or social services.
- The project will preserve or increase the City's tax base.

NOTE: By state law, increasing the tax base may not be solely used as a public purpose, nor can job retention be used unless job loss is specific and demonstrable.

K. Exemptions from the Business Subsidy Act

Section 116J.993, subd. 3 of the Business Subsidy Act provides that the following forms of assistance are not a Business Subsidy within the meaning of the Business Subsidy Act;

- A Business Subsidy of less than \$150,000;
- Assistance that is generally available to all businesses or to a general class of similar businesses, such as a line of business, size, location, or similar general criteria;
- Public improvements to buildings or lands owned by the state or local government that serve a public purpose and do not principally benefit a single business or defined group of businesses at the time the improvements are made;
- Redevelopment of property polluted by contaminants as defined in Section 116J.552, subd. 3;
- Assistance provided for the sole purpose of renovating old or decaying building stock or bringing it up to code, and assistance provided for designated historic preservations districts including assistance for a tax increment financing hazardous substance subdistrict as defined under Section 469.174, subd. 23 of the Business Subsidy Act, provided that the assistance is equal to or less than 50 percent of the total cost;
- Assistance provided to organizations whose primary mission is to provide job readiness and training services if the sole purpose of the assistance is to provide those services;
- Assistance of housing;
- Assistance for pollution control or abatement;
- Assistance for energy conservation;
- Tax reductions resulting from conformity with federal tax law;
- Workers' compensation and unemployment compensation;
- Benefits derived from regulation;
- Indirect benefits derived from assistance to educational institutions;
- Funds from bonds allocated under Chapter 474A, bonds issued to refund outstanding bonds, and bonds issued for the benefit of an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended through December 31, 1999;

- Assistance for a collaboration between a Minnesota higher education institution and a business;
- Assistance for a tax increment financing soils condition district as defined under Section 469.174, subd. 19 of the Business Subsidy Act;
- Redevelopment when the recipient's investment in the purchase of the site and in site preparation is 70 percent or more of the assessor's current year's estimated market value; and
- General changes in tax increment financing law and other general tax law changes of a principally technical nature;
- Federal assistance until the assistance has been repaid to, and reinvested by, the state or local government agency;
- Funds from dock and wharf bonds issued by a seaway port authority;
- Business loans and loan guarantees of \$75,000 or less;
- Federal loan funds provided through the United States Department of Commerce, Economic Development Administration; and
- Such other exemptions as provided by amendments to Section 116J.993, subd.3 of the Business Subsidy Act, as it may be amended.

Requests for subsidies exempt from the Business Subsidy Act are still subject to review and approval of the Grantor. Such approval is at the sole discretion of the Grantor.

L. Requirements for Subsidy Agreements

Section 116J.994, subd. 3 of the Business Subsidy Act requires a Recipient must enter into a Subsidy Agreement with a Grantor that includes the following:

- A description of the subsidy, including the amount and type of subsidy and type of district if the subsidy is tax increment financing;
- A statement of the public purposes for the subsidy;
- Measurable, specific and tangible goals for the subsidy;
- A description of the financial obligation of the recipient if the goals are not met;
- A statement of why the subsidy is needed;
- A commitment to continue operations at the site where the subsidy is used for at least five years after the Benefit Date;
- The name and address of the parent corporation of the recipient, if any;
- A list of all Business Subsidies by all grantors for the project;
- Wage and job goals; and
- Such other requirements as are set out in Section 116J.994, subd. 3 of the Business Subsidy Act.

M. <u>Post-Issuance Compliance Procedure and Policy for Tax-Exempt Governmental</u> 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 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 there under (the "Treasury Regulations"), to take certain actions subsequent to the issuance of such bonds to ensure the continuing tax-exempt status of such bonds. 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.

- 1. Effective Date and Term. The effective date of this Policy is the date of approval by the City Council of the City (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 of the City will 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) Financial Advisor (the organization primarily responsible for providing financial 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 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.
- (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.
- (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 taxexempt 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.
- (d) The Chief Financial Officer, in consultation with Bond Counsel, shall identify proceeds of tax-exempt governmental bonds that must be yieldrestricted 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.
- 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 taxexempt 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 bondfinanced facilities have exceeded the *de minimus* limits set forth in Section 141(b) of the Code; 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.
- (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.
- 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; (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 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) copies of all Form 8038Ts and Form

- 8038-Rs filed with the IRS; and (xix) the transcript prepared with respect to such tax-exempt governmental bonds.
- 6. Remedies. In consultation with Bond Counsel, the Chief Financial Officer shall become acquainted with the remedial actions under Treasury Regulations, Section 1.141-12, to be utilized in the event that private business use of bond-financed facilities exceeds the *de minimus* 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 Notice 2008-31, 2008-11 I.R.B. 592, 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.
- 8. Other Post-Issuance Actions. If, in consultation with Bond Counsel, Financial 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, the Chief Financial Officer shall take such action if the Chief Financial Officer has the authority to do so.
- 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.
- 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.

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, or compilation and financial report assistance proposed by the auditors, or for which the City wishes to hire them exceeding \$5,000 must be approved by the City Council prior to hiring them. In addition, similar work to date that would result in exceeding a cumulative limit of \$15,000 annually to be paid to the external auditor must be approved by the City Council prior to hiring them. All other types of work would require Council approval prior to hiring them.

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 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.

Fund Balance Year-End Classification Policy

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.

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 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.

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.

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.

Investment Policy

I. Investment Policy Statement of Purpose

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

II. Scope

All cash and investments are pooled together to achieve economies of scale for each entity.

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 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.

IV. Objective

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

- A. Safety to ensure the preservation of principal in the overall portfolio. The objective will be to mitigate credit risk and interest rate risk.
 - <u>Credit Risk</u> the risk of loss due to failure of the security issuer or backer
- B. Interest Rate Risk the risk that the market value of securities in the portfolio will fall due to changes in market interest rates. 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.
- 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 (see the entire policy for exceptions).

V. Delegation of Authority

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:

- 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.

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.

VII. Investment Committee

An Investment Committee shall meet quarterly or as needed to review the performance of investments and review the investment strategy.

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.

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
- B. Savings/demand deposits
- C. Bankers acceptance
- D. Commercial paper
- E. U.S. Treasury obligations
- F. U.S. Agency securities GSE's (Government Sponsored Enterprises).
- G. Municipal Securities
- H. Repurchase agreements

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.

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.

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)

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.

XIV. Investment Credit Rating Degradation

Credit updates should be completed on all non-insured general obligation (GO's), bankers' acceptances and commercial paper with a credit rating that has declined.

XV. Diversification

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

XVI. Maximum Maturities

Fund Specific:

- A minimum of five percent of the portfolio will mature under 30 days,
- Total funds will be invested to a maximum maturity of five years,
- Total weighted average maturity of total funds will not exceed 3.5 years, and
- Maturities will be diversified to avoid undue concentration of assets in a specific sector.
- 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.

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.

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.

XVII. 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 review whether market yields are being achieved.

XIX. 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.

XX. Reporting

The CFO is charged with the responsibility of preparing a periodic investment report, including a management summary that provides an analysis of the status of the current investment portfolio and the individual transactions executed over the last period in the City's Financial Reports

XXI. 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.

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.
- 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.

- 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.

Revenue Policy

- A. The City will 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.
- 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.
- 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.

Risk Management Policy

A. The City will maintain a separate Self-Insurance Fund within its fund and account groups.

- B. The City will calculate annually an updated estimated working capital requirement for the Self-Insurance Fund. Such working capital should be an estimate of claims to be covered in the next few years plus an amount for unexpected claims. Transfers from the Self-Insurance Fund will only be made after at least three years of funding/loss experience, or a consultants report, indicates an over-funding.
- C. The City will utilize the services of a professional Risk Manager, either on-staff or by contract, to administer the City's risk avoidance program.
- D. The City will periodically conduct educational safety and risk avoidance programs within the various departments.
- E. Staff will report to the City Manager and the City Council, at least annually, on the results and costs of the City's risk management program for the preceding year.
- F. The City will, on an ongoing basis, analyze the feasibility of purchasing outside insurance coverage to replace or supplement the self-insurance program, in order to provide the best and most economical loss coverage available.
- G. The City will periodically (approximately every five (5) years) conduct, using independent outside consultants, a comprehensive risk management study, including adequacy of reserves, and will implement those recommendations for the improvement of risk management which are found to be feasible and costeffective.
- H. The City will maintain the deductible amount considered prudent in light of the relationship between the cost of insurance and the City's ability to sustain the loss.

Self-Insurance Reserve Policy

I. Purpose

A Self-Insurance Fund has been established to provide for operations stability and to provide for needs caused by unforeseen events. The Self Insurance Fund will be the first fund to respond to claims, which will allow the City to accept higher deductibles, thereby reducing the premiums paid on its insurance policies. The Fund will also be used to pay for annual insurance policy premiums.

II. Background

The City of Bloomington continually reviews its insurance coverage, limits, deductibles, reserves and claims payments as part of its risk management program. In an effort to establish a framework within which the City's will pay all costs associated with processing and defending claims made against the City, the Self Insurance Fund (621) was established.

The Self-Insurance Fund is to be used for the following purposes:

- To pay for insured losses up to the deductible of the insurance policy responding to the claim, including any and all costs associated with defending the claim.
- To pay for costs associated with the self-insured Workers' Compensation program, including reinsurance premiums.
- To pay for premium costs for the all property/casualty programs.

• To provide protection from fluctuating insurance premiums due to changes in the insurance market.

III. Policy

The Self Insurance Fund balance will be maintained at a level equal to unpaid claims liability (as prepared by an enrolled actuary at least every five (5) years). The Fund balance will be reviewed each year during the annual budget preparation.

Claim payments will be made from the Self Insurance Fund for all claims against the City. Contributions to the Self Insurance Fund are calculated annually by taking into account premiums, claims history, the insured value of property and equipment, as well as the number of vehicles assigned to each department.

Planned drawdown of the Self Insurance Fund balance below a minimum level will be permitted for operational purposes to cover extraordinary expenditures or to reduce the impact of increasing premiums or claims experience for workers' compensation or liability coverage. Reductions in the Self Insurance Fund balance are meant to be short term only and must be resolved through rate adjustments, implementation of a new permanent revenue source or reduction in expenditure levels.

Surplus fund balance above the minimum level may be used to defer or reduce payments needed to support risk management operations.

Travel Policy

I. Purpose and Scope

This Policy shall apply to all business trips by City employees, Mayor and Council, all Commission and Authority members, traveling in an official capacity for City business, the cost of which is borne in part or total by the City. It is the purpose of this policy statement to establish adequate internal controls to satisfy Internal Revenue Service (IRS) regulations, state laws, and to provide a framework to use as a guide to prescribe circumstances for which travel allowances will be authorized and to provide procedures for reimbursement. Reimbursements can only be claimed for accommodations and services actually utilized and when an expense is incurred. Travelers are expected to utilize the same care when incurring official expenses that a prudent person would utilize if traveling on personal business. The City will pay or reimburse travel costs. All persons conducting official City business are expected to show good judgment in the nature and amount of expenses incurred while conducting City business in accordance with this policy.

Travelers are encouraged to use their City assigned purchasing card for travel expenses other than meals. A City assigned purchasing card may NOT be utilized to pay for meal expenses requiring overnight travel, but may be used for eligible meal expenses in the metro area. Per diem allowances based on Federal rates should be used for meals associated with overnight travel.

II. Travel Authorization

City Employees:

In-Metro Travel:

The Traveler attending meetings, workshops, conferences, or training at the expense of the City in the Metro area (Anoka, Carver, Dakota, Hennepin, Scott and Washington Counties) shall first obtain approval from their supervisor.

Out-of-Metro Travel:

All out-of-metro travel must be electronically submitted for approval using the Munis software system in advance of booking the trip. Travel requests will be automatically routed to their supervisor and appropriate Department Head for approval. The request for travel must provide the destination and reason for the travel, list the estimated itemized expenses and amounts, and the account coding where the funds are available.

The Department Head shall determine that sufficient funds have been appropriated and are available for such purpose before approving the request.

Out-of-State Travel:

All out-of-state travel must be electronically submitted for approval using the Munis software system in advance of booking the trip. Travel requests will be automatically routed to one's supervisor, then to Department Heads, and then to the City Manager for approval. The request for travel must provide the destination and reason for the travel, list the estimated itemized expenses and amounts, and the account coding where the funds are available.

Mayor/Council members/Commissions/Authorities:

The Mayor, Council, Commission, and Authority members attending meetings, workshops, conferences, or training at the expense of the City, which require out-of-state travel must obtain approval of the travel by the City Council at an open meeting and must include an estimate of the cost of the travel. Once the travel has been approved, the Council Secretary will enter it in to the Munis software system.

In evaluating the out-of-state travel request, the Council will consider the following:

- Whether the elected official will be receiving training on issues relevant to the city or to one's role as the Mayor or as a council member.
- Whether the elected official will be meeting and networking with other elected officials from around the country to exchange ideas on topics of relevance to the City or on the official roles of local elected officials.
- Whether the elected official will be viewing a city facility or function that is similar in nature to one that is currently operating at, or under consideration by the City and the purpose for the trip is to study the facility or function to bring back ideas for the consideration of the full council.
- Whether the elected official has been specifically assigned by the Council to visit another city for a public purpose.

- Whether the elected official has been specifically assigned by the Council to testify on behalf of the City at the United States Congress or to otherwise meet with federal officials on behalf of the City.
- Whether the City has sufficient funding available in the budget to pay the cost of the trip. In some cases, the City may require the elected official to pay for a part of the travel costs as condition of approval.

Commission member travel requests require approvals from the City Manager and Department Head/Program Manager responsible for the budget funding the trip.

Extending Business Travel with Personal Travel

Travelers should be discouraged from extending business travel and combining it with personal travel. When a Traveler combines personal and business travel, reimbursable expenses will cease to accrue as of the expected return date and time. The City will reimburse the Traveler only for the documented expenses that are directly related to the business portion of the trip. Excess travel time and activities not required for the business trip purpose shall be at the Traveler's own expense.

City Reimbursement of Travel Costs that Require Overnight Travel

Transportation

The Traveler should choose the most efficient and economical method of transportation. Travel days should be as close to the conference start and end times. Transportation costs include transportation to and from destination, to and from the airport, and the place of lodging or event. Travel must be by the most direct or normally traveled route unless approved in advance by the Traveler's supervisor. The Traveler will be responsible for any additional costs exceeding the business purpose related expenses. In situations where Traveler would normally travel by air (convenient and time-saving), but a Traveler chooses to drive or use other forms of ground transportation instead, reimbursement will be the lower of the two options, driving or flying.

a. Air Travel - Coach airplane passage is considered standard for travel out of the five state region (Minnesota, North Dakota, South Dakota, Wisconsin, and Iowa) as air travel is usually more economical in time and money than other modes of transportation when making long trips.

- The City will reimburse for economy/coach air only. Business or First Class is not reimbursable. Upgrades are not reimbursable. In unique circumstances, the Department Head will review and determine if additional costs are reimbursable.
- The City will reimburse the cost of the first checked bag only. Additional checked bags are not reimbursable. In unique circumstances, the Department Head will review and determine if additional costs are reimbursable.

Documentation: Receipt showing flight details and cost must be submitted.

b. Automobile -

- <u>City Vehicle:</u> When traveling in a City vehicle, the Traveler should use a City assigned purchasing card for fuel expenses or one's own credit card if a City purchasing card is not available. Due to potential liability considerations, transportation of family members not on official City business is prohibited in City vehicles.
- <u>Personal Vehicle:</u> When personal vehicles are used as a mode of transportation for travel within the five state region (Minnesota, North Dakota, South Dakota, Wisconsin, and Iowa), reimbursement will be made at the mileage or allowance rate in effect at the date of travel. Payment of mileage will be based on the most direct route from the point of departure to the point of destination. Please refer to the City's Mileage Policy. The City is not responsible for damage to one's personal vehicles while on official business, as the Traveler's vehicle is not covered by the City's insurance coverage. The Traveler must maintain appropriate insurance when using personal vehicle for business travel.
- <u>Car Rental at Travel Destination</u>: When selecting a method of local transportation, the Traveler should consider public transit or courtesy shuttle first and then taxi/commercial ride-share or a rental car if more economical means is inappropriate or unavailable. Prior approval by the Department Head is required if it is necessary to rent a car at the travel destination. Pre-payment of a car rental can be made using a City purchasing card.
 - o No personal use of car rental is allowed to be claimed.
 - o The City's automobile insurance coverage applies to rental vehicles. Under normal circumstances, should a rental car be damaged while being used for business purposes, the City will defend and indemnify the Traveler against any claims made by the rental company for damage to the rental car. Minnesota law requires one's personal insurance company to provide coverage when the rental car is being used for personal activities in most instances.

o Car rental insurance will not be reimbursed by the City. If car rental insurance is purchased, it would be at the Employee's personal expense.

o Fuel for a car is reimbursable, however, fuel pre-payment is not allowed and will not be reimbursed.

c. <u>Commercial Ride-Share/Taxi/Train/Bus/Shuttle</u> – The cost of taxi or commercial ride-share (Uber, Lyft, etc.) to and from places of business, hotels, airports or railroad stations is reimbursable.

d. Parking -

- Airport parking of personal automobiles is reimbursable and is limited to the lowest rate daily parking.
- Parking at destination hotel and destination business site is reimbursable and is limited to the lowest rate daily parking.
- Valet parking is not reimbursable.

Documentation: Itemized receipt from rental agency and payment documentation, if not shown on the receipt. Fuel receipts must be submitted. Receipts for parking and other transportation must be submitted.

Lodging

Hotel or motel accommodations should be appropriate to the purpose of the trip. Lodging costs will be reimbursed at the single occupancy rate for a standard room. The Traveler is responsible for paying the difference in rate if selecting an upgrade. Other notes to consider:

- a. When a companion travels with the Traveler on official business, reimbursement for the Traveler's lodging will be at the single occupancy rate for the accommodations. It is the responsibility of the Traveler to obtain the lodging rate for both single and double occupancy and to present the supporting documentation.
- b. Business telephone calls and reasonable personal telephone calls incurred during overnight stays are reimbursable. When assigned, a City mobile device or cell phone should be used for telephone calls.
- c. Internet access for business purposes is reimbursable.
- d. Non-reimbursable examples are: movies in your hotel room, fees to use the hotel's health club, dry cleaning, and personal items (such as toothpaste, shampoo, etc.)

Documentation: Actual receipts must be submitted. Hotel booking confirmation instead of the receipt for payment of the hotel bill is not acceptable.

Meals and Incidental Expenses

The per diem allowance is a daily payment for meals and related incidental expenses when overnight travel accommodations are necessary, in accordance with published federal per diem rates instead of receipt based reimbursement. The City intends for its Travelers to pay for meals, tips and service charges using the current per diem schedules as set by the federal government. These schedules can be found at: https://www.gsa.gov/travel/plan-book/per-diem-rates/per-diem-rates-lookup (M&IE column). The Traveler may claim an amount not to exceed the allowable per diem rate in accordance with the Standard Federal Per Diem Rate Schedule in effect at the time of

travel as published by the U.S. General Services Administration (GSA). The per diem allowance is separate from lodging, transportation, and other miscellaneous expenses. The per diem allowance covers all charges, including taxes and service charges where applicable for:

- 1. Meals including expenses for breakfast, lunch, dinner, and related taxes (specifically excluded are alcoholic beverage and entertainment expenses, and any expenses incurred for other persons) and
- 2. Incidental expenses, including:
 - a. Fees and tips given to wait staff, baggage carriers, maids, and
 - b. Transportation and tips between places of lodging or business and places where meals are taken, if suitable meals can't be obtained at site.

Meals for which the City pays directly, such as meals included in a conference registration fee or as part of airfare, or hotel costs, must be excluded from per diem and will not be further reimbursed. The Traveler must note on the expense claim if a meal is included in the cost of the travel fare, conference fee, or hotel lodging. If a lodging facility provides a hot breakfast, the breakfast allowance is excluded from the per diem amount. This provision does not apply to "continental breakfast". When the Traveler receives a meal at no cost, the Traveler is not eligible to be reimbursed for that meal and that meal allowance must not be included in the combined total. On "travel days", defined as the first and last day of travel (departure and return), per diem amount equals 75% of total M&IE regardless of departure time.

Reimbursement may be allowed if the Traveler has special dietary needs that cannot be accommodated by the available meal options included in the conference registration or event programming. The Department Head reviews the circumstances and determines when reimbursement is warranted.

If actual expenses exceed the applicable per diem rate, the excess amount is a personal expense of the Traveler. If actual expenses are less than the per diem rate, the Traveler is not required to refund the difference to the City.

If Traveler travels on a conference day, Traveler is allowed the full per diem regardless of departure time.

Travelers should NOT submit receipts for any meal purchases when requesting overnight travel reimbursements. A City assigned purchasing card may NOT be utilized to pay for meal expenses requiring overnight travel.

Documentation: Receipts are not required for M&IE

Example 1: Traveler travels to Orlando, FL for a 3 day conference and travels the day before and after the conference. Lunch is provided for all 3 days. Below is the per diem breakdown for Orlando based on the GSA schedule:

Primary Destination ①	County 0	M&IE Total	Continental Breakfast/ Breakfast	Lunch	Dinner	Incidental Expenses	First & Last Day of Travel 0
Orlando	Orange	\$59	\$13	\$15	\$26	\$5	\$44.25

Traveler's allowed per diem per day for days 2-4 is \$44:

\$59 M&IE Total

\$15 Lunch

\$44 Allowed per diem per day

Since lunch is provided, lunch allowance is deducted from the total and Traveler is allowed \$44 per day for days 2-4. On travel days, day 1 & day 5, the Traveler is allowed \$44.25 per day as found on the schedule.

Other Expenses

- Conference, seminar or convention registration fees may be pre-paid once approval is received from the Department Head.
- Other expenses such as fees for social events, activities and tour opportunities during the conference are reviewed on a case-by-case basis. The Department Head will determine if reimbursement is warranted.
- In unique instances involving lost luggage, Traveler may need to purchase clothing and toiletries for the duration of their travel. The Department Head will review and determine if additional costs are reimbursable.

International Travel

For domestic travel purposes, the IRS definition of the United States includes the 50 states and the District of Columbia. The purpose of travel outside the United States for City business must be unquestionably professional in content and should only be considered if a similar meeting, conference, or training of similar quality cannot be found within the continental limits of the United States.

The per diem rates when traveling abroad are determined by the US Department of State and can be found at https://aoprals.state.gov/web920/per diem.asp.

For foreign travel, all reimbursable expenses that were not paid using a credit card or US currency must be converted to US currency before listing them on the travel expense claim.

City Reimbursement of Travel Costs that do not Require Overnight Travel

Travel plans involving expenses that do not require overnight travel accommodations will be reimbursed based on actual cost substantiated by appropriate receipts. This includes training or meetings within the metro area.

Transportation

When multiple Travelers are attending the same business activity, Travelers are strongly encouraged to carpool. Mode of transportation:

- <u>City Vehicle</u>: When traveling in a City vehicle, Traveler should use a City assigned purchasing card for fuel expenses or one's own credit card if a City purchasing card is not available. Due to potential liability considerations, transportation of persons not on official City business is prohibited in City vehicles.
- <u>Personal Vehicle</u>: When personal vehicles are used as a mode of transportation for travel within the five state region (Minnesota, North Dakota, South Dakota, Wisconsin, and Iowa), reimbursement will be made at the mileage or allowance rate in effect at the date of travel. Payment of mileage will be based on the most direct route from the point of departure to the point of destination. Please refer to the City's Mileage Policy. The City is not responsible for damage to one's personal vehicles while on official business, as the Traveler's vehicle is not covered by the City's insurance coverage. Traveler must maintain appropriate insurance when using personal vehicle for business travel.

Meals

The Traveler is entitled to reimbursement of meal expenses after submitting actuals receipts. No reimbursement is authorized if meals are provided during the meeting or event. When available, the assigned City purchasing card should be used for these type of activities. Per diem is NOT allowed for travel that does not require overnight accommodations.

Other

Falsification of travel documents/expense reporting, resulting in overpayment of the City's assets, may be cause for disciplinary action. It is the Traveler's responsibility to:

- Maintain accurate records;
- Provide receipts as applicable for reimbursement
- Make a conscious effort to minimize expenses while maintaining an adequate level of comfort and convenience;
- Request reimbursement in an accurate and timely manner, 60 days or less.

Definitions

Traveler: City employee, Mayor and Council, Commission and Authority members

Reimbursable: Paid either directly by City of Bloomington or to Traveler

Per Diem: Daily allowance for meals and incidental expenses

<u>Metro Area:</u> The 7-county Twin Cities region comprises of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington counties.

Financial Management Policies Adoption

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.

GAUGING THE CITY

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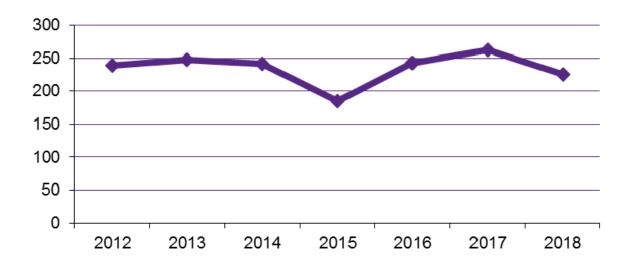
Gauging the City

Part I Crimes

	2016	2017	2018
Homicide	0	2	2
Rape	58	47	51
Robbery	64	33	44
Aggravated Assault Burglary Theft	68 182 2,519	66 178 2,334	68 161 2,310
Vehicle Theft Arson	132 11	141 12	134 5

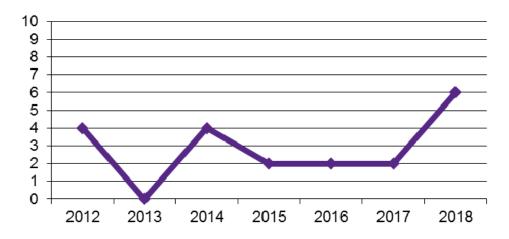
Part I Crimes include homicide, rape, robbery, aggravated assault, burglary, theft, vehicle theft and arson. The source for this data is the Bloomington Police Department record system.

Vehicle Traffic Personal Injury Accidents



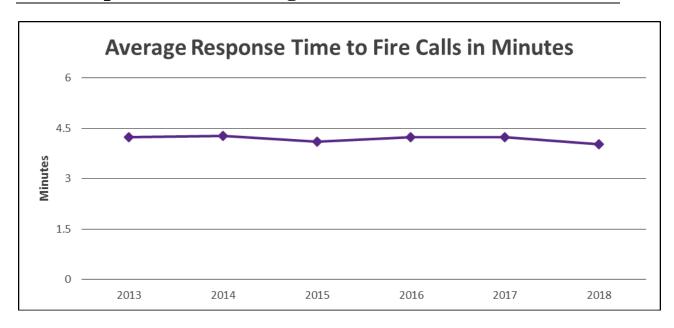
Traffic enforcement efforts are driven by both accident data and complaints. Citizens can call the Traffic Division to report traffic concerns.

Motor Vehicle Traffic Number of Fatal Accidents



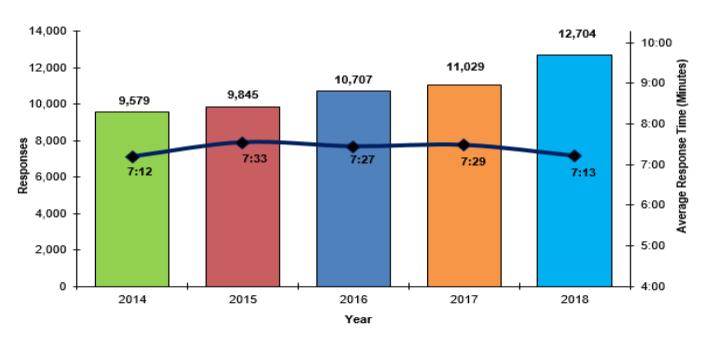
Enhanced enforcement of speeding and drunk driving laws may have an effect on limiting motor vehicle fatalities.

Fire Response Time Average Annual



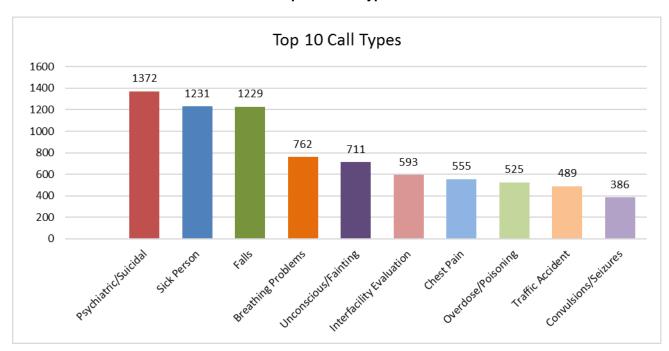
Response time is the time that elapses from the moment the dispatch alert tones are sounded until the first fire unit arrives at the scene. Bloomington has six fire stations throughout the City with approximately 124 volunteer firefighters. The Police/Fire 911 emergency system, 800 Mhz radio equipment, current fire apparatus, equipment, training and technology all help to accomplish an annual response time close to four minutes. The department goal is to have a unit on scene within four and a half minutes from dispatch.

Emergency Medical Response within 7 Minutes and 13 Seconds



Allina Health EMS responded to 12,704 calls in 2018 within the City from January 1 – December 31. Allina Health EMS Responded within the Hennepin County Response time standard of 7 minutes and 13 seconds. Such results are equally distributed across Bloomington. The average response time for emergency medical service calls is 6 minutes and 26 seconds.

Top Ten Call Types



Tax Supported Services

The City of Bloomington can compare itself to other similar cities in Hennepin County several different ways. Comparisons by household include single-family and multi-family; by median value home are for the home value exactly in the middle of a list of all home values; by single-family lot eliminates home value from the analysis.

Adjusting for property tax aids means that state aid payments made in lieu of property tax are added to the tax amount for comparison purposes. Not adjusting for property tax aids focuses on what taxpayers pay regardless of how much state aid is received to decrease local taxes.

A survey of Hennepin County communities of over 20,000 population show the cost of tax supported services in a number of ways. Households include single-family and multi-family dwellings. Adjusted for property tax aids means that state aid payments paid in lieu of property tax are added into the tax amount.

Some communities are fiscal disparities contributors and some are fiscal disparities receivers. This tax calculation reduces tax for those communities which contribute to the fiscal disparities pool and increases the tax for those who receive fiscal disparities in lieu of tax.

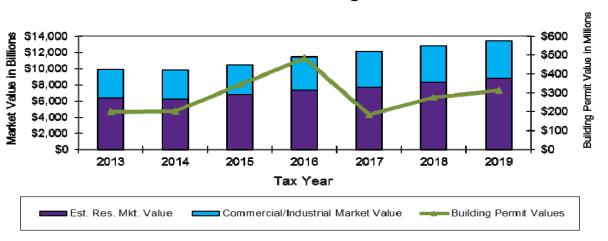
This graph, which is not adjusted for fiscal disparities and property tax aids, tells the same story as the adjusted graphs. This is the actual cost of city services for a median value home and is the basis of the checkbook historically seen in City publications.

CITY PROPERTY TAX ON MEDIAN VALUE SINGLE-FAMILY HOME



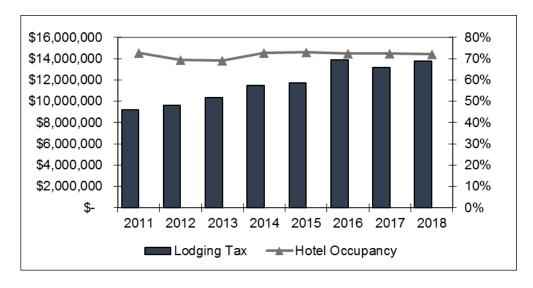
Property Market Value versus Building Permit Value





The annual residential real property market value increased approximately 6% in tax year 2019, after growing approximately 8% in tax year 2018 and 6% in tax year 2017. All parcels used primarily for housing and related lands are included. The annual non-residential real property market value grew approximately 3% in tax year 2019 after being up approximately 3% in 2018 and 5% in 2017. Parcels included in this group are all commercial, industrial, utility and related lands.

Lodging Tax and Hotel Occupancy Annual Average

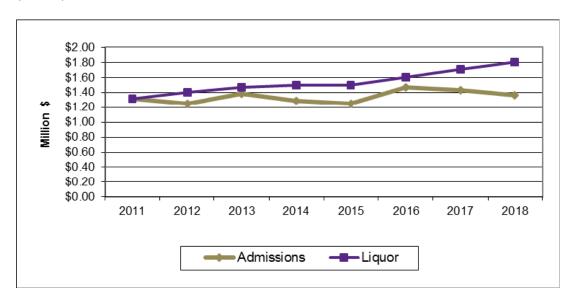


The City retains three-sevenths of lodging tax revenue collected for use in the General Fund and distributes two-sevenths to the South Loop Capital Improvement Fund. The remaining two-sevenths are remitted to the Bloomington Convention and Visitors Bureau. The graph shows the City's and South Loop Capital Improvement Fund's portion of the collections. Lodging sales tax revenue increased by 4.6 percent in 2018 compared to 2017.

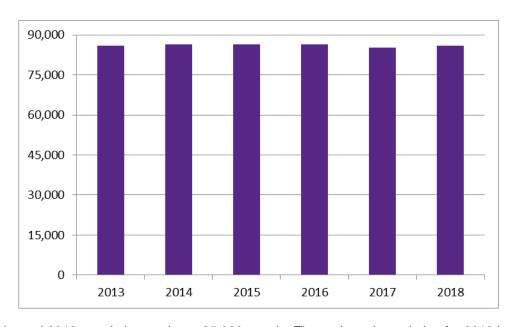
The hotel occupancy rate figures were compiled by the Bloomington Convention and Visitors Bureau and represent the occupancies as reported by an average number of Bloomington hotels each month.

Admissions and Liquor

The City retains all admissions tax collections in the General Fund. This revenue has seen and average annual increase of 1.5% between 2012 and 2018. The City collects liquor tax for the South Loop Capital Improvement Fund.

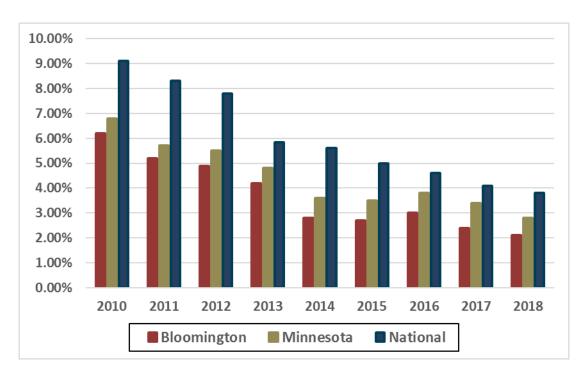


Bloomington Population



The estimated 2018 population total was 85,866 people. The projected population for 2019 is stable.

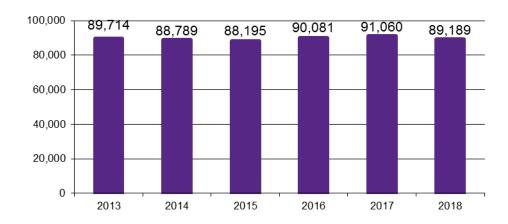
Unemployment Rates



Bloomington's unemployment rate at 2.1 percent is below the national average (3.8 percent) and slightly below the state average (2.8 percent).

Source: U.S. Bureau of Labor Statistics - October, 2018

Number of Jobs in Bloomington



Source: Q2 Minnesota Department of Employment and Economic Development – January, 2019.

Major Employers in the City

<u>Employer</u>	Product Service	Approximate Number of <u>Employees</u>
Health Partners	Health Insurance Provider	3,800 (1)
Bloomington Public School District	Public Education	1,948
Seagate Technology	Computers/Manufacturing	1,522
Donaldson Companies, Inc., Corporate Headquarters	Filtration Solutions	1,020
NCS Pearson	Education Technology	1,013
The Toro Company	Lawn Equipment, Snow	996
General Dynamics	Blowers Defense contractor	678
Normandale Community College	Post-secondary Education	649
Polar Semiconductor, Inc.	Microchips	630
Express Scripts	Pharmacy Benefit Management	603

⁽¹⁾ Includes administration office and clinic employees

Source: Phone survey of individual employers, May, 2018.

NOTE:Approximately 13,000 people are employed at businesses in the Mall of America and an additional 10,000 people are employed in Bloomington's hospitality industry.

Utility Rates

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Water (per 1,000 gallons)				
Tier 1	2.82	3.09*	3.39*	3.69*
Tier 2 (>20,000 gallons)	4.99	5.46*	5.99*	6.53*
Sewer (per 1,000 gallons after 2010)	3.87	4.23	4.64	4.82
Stormwater	6.37	6.81	7.29	7.66
Solid waste (recycling)	2.84	3.04	3.65	4.02

^{*}Water is a two-tier system with a minimum of 2,000 gallons per month for residential property.

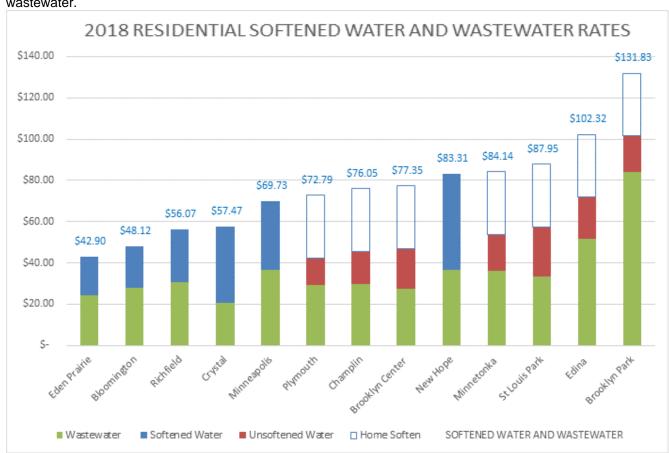
Monthly Cost of City Services and Utilities

	<u>2016</u>	<u> 2017</u>	<u>2018</u>	<u>2019</u>
City property taxes on a median home	\$74.73	\$71.17	\$78.26	\$80.99
Water				
Tier 1	15.79*	17.30*	18.98*	20.66*
Tier 2 (>12,000 gallons)	4.99**	5.46**	5.99**	6.53**
Sewer	16.45***	17.98***	19.72***	20.49***
Stormwater	6.37	6.81	7.29	7.65
Solid waste (recycling)	2.84	3.04	3.65	4.02
Total Per Median Value Home	\$116.18	\$116.30	\$127.90	\$133.81

^{*} Water usage average of 5,600 gallons monthly.

Combined Water and Wastewater Charges

This graph shows the combined water and wastewater charges to homes in several metro communities. These calculations were made with 2018 rates for usage of 7,500 gallons of water and the same amount of wastewater.



^{**} Per 1,000 gallons.

^{***} Sewer usage average of 4,250 gallons monthly.

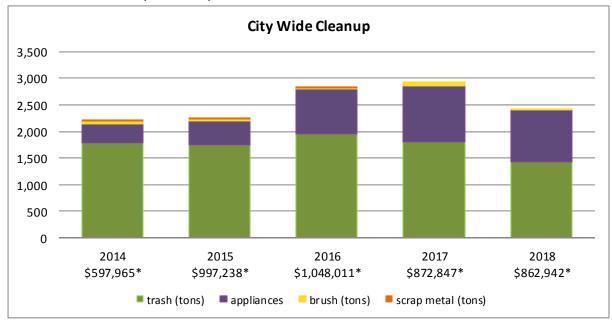
Total Cost Comparisons

LOCATION	2018 MONTHLY COST OF SINGLE- FAMILY PROPERTY TAXES (NOT ADJUSTED FOR AIDS)	MONTHLY COST FOR SINGLE- FAMILY WATER AND SEWER CHARGES	WATER SOFTENED AT THIS CITY'S WATER TREATMENT PLANT?	ADDITIONAL COST FOR HOME SOFTENING OF WATER	FRANCHISE FEES	TOTAL MONTHLY COST: CITY PROPERTY TAXES PLUS WATER, SEWER & SOFTENING, AND FRANCHISE FEES
Edina*	\$115.86	\$75.12	No	\$38.22	\$4.80	\$234.00
Minnetonka	100.91	52.34	No	38.22	9.00	200.47
St. Louis Park*	92.66	57.53	No	38.22	8.00	196.41
Minneapolis	107.57	74.88	Yes		14.00	196.45
Brooklyn Park	86.78	43.49	No	38.22	14.00	182.49
Plymouth*	76.72	45.67	No	38.22	4.24	164.85
Maple Grove*	89.71	33.02	No	38.22	0.00	160.95
Eden Prairie*	103.77	49.82	Yes		8.00	161.59
Woodbury*	83.04	36.65	No	38.22	0.00	157.91
Richfield	90.63	59.95	Yes		8.20	158.78
Bloomington	78.22	50.18	Yes	-	7.50	135.90
Blaine*	\$62.38	\$25.78	No	\$38.22	\$1.25	\$127.63

^{*}Denotes Peer Cities from Citizen Survey

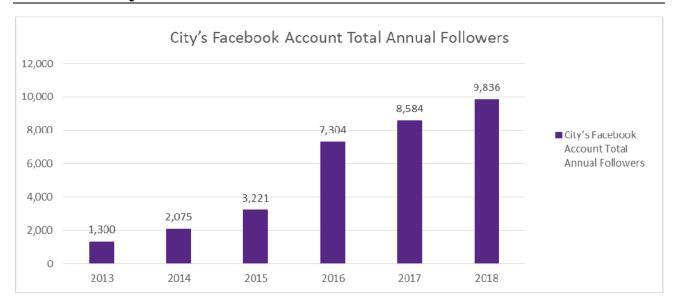
City-Wide Cleanup

One very popular program in the City is the City-wide curbside cleanup. Residents can place appliances, brush, scrap metal and trash at their curb and the City contracts with a hauler to make one pass through each neighborhood to pick it up. Funding for this program comes from a utility fee for solid waste of \$4.02 per month per household.



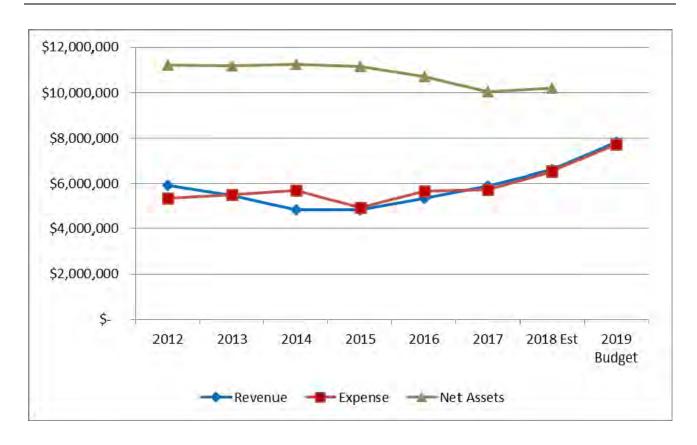
^{*}Cost of collection for each consecutive year.

Annual City Facebook Visits



The City's Facebook followers have continued to grow at a steady pace since 2013. Engaging posts continue to attract new fans with video being the top attention-getter. In 2016, fan numbers soared as a result of the viral "Running Man Challenge" video by Bloomington Police. The City is on target to surpass 10,000 followers in early 2019.

Recreational Facilities Net Assets



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GLOSSARY

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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.

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 Improvement Program (CIP) – A five-year plan for proposed capital improvements. Also called Community Investment Plan.

Capital Outlay – Purchases of fixed assets that have a value of \$10,000 or more, and a useful life of more than four years.

Certified Levy – Total tax levy of a jurisdiction which is certified to the County Auditor.

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.

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.

Deficit – The excess of expenditures over revenues.

Department – Basic organizational unit of City government responsible for carrying out related functions.

Division – Basic organizational unit of City government that is functionally unique in its service delivery.

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 sevencounty 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.

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.

<u>Reserved Fund Balance</u> - Legally segregated for a specific use. They are not available for discretionary appropriation.

<u>Unreserved Fund Balance</u> -

<u>Designated Funds</u> - Establish tentative plans for, or restrictions on, the future use of financial resources.

<u>Undesignated Fund Balance</u> - 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.

Full-Time Equivalent (FTE) – 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.

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.

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.

League of Minnesota Cities Insurance Trust (LMCIT) - A self-insured membership cooperative formed by Minnesota cities.

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.

Light Rail Transit (LRT) – 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:

<u>Salaries</u>, <u>wages and benefits</u> - Costs relating to employees or temporary help, including fringe benefits.

<u>Materials, supplies and services</u> - 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.

Mall of America (MOA) – Nation's largest retail and entertainment complex located in Bloomington.

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.

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.

Net Assets – The equity associated with general government less liabilities.

Operating Budget – Financial plan for the fiscal year which authorizes proposed personnel complements, expenditures and the revenues to finance them.

Pavement Management Program (PMP) – 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.

Program – Within each Department are several divisions or programs in the City, each charged with carrying out a specific function.

Proposed Budget – Budget as submitted by the City Manager to the City Council.

RFP - Request for proposals.

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.

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.

Third Party Administrator (TPA) – 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.

WIC - Women, Infants and Children food program.

Workers' Compensation Reinsurance Association (WCRA) – Insurance coverage that protects the City from catastrophic workers' compensation losses.

Working Capital – Current assets minus current liabilities. This measure is used as a gauge in determining appropriate fund balances.

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