



HOPE ON THE HORIZON

2022 BUDGET IN BRIEF



City of Bloomington

City Council

Mayor



Tim Busse
Term Expires January 2024

Council Members



Jenna Carter – At Large
Term Expires January 2024



Nathan Coulter – At Large
Term Expires January 2026



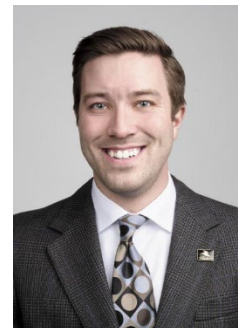
Dwayne Lowman – District I
Term Expires January 2024



Shawn Nelson – District II
Term Expires January 2024



Lona Dallessandro– District III
Term Expires January 2024



Patrick Martin – District IV
Term Expires January 2024

Housing and Redevelopment Authority

Chairperson

Cheryl Lewis

Commissioners

Nathan Coulter
Victoria Hoogheem
Mark Thornson

Port Authority

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

Executive Leadership Team

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

Strategic Goals and Strategies

Organization Mission

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

Community Vision

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

Community Profile

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



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

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

Council's Goals and Strategies

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

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

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

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

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

Community Amenities – Maintain and Expand – A

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

Community Image – I

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

Environmental Sustainability – ES

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

Focused Renewal – R

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

High Quality Service Delivery – S

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

Inclusion and Equity – IE

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

Engagement and Transparency – ET

Community-Based Strategic Planning

Bloomington. Tomorrow. Together.

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

Key changes in the 2022 budget

Engaging the community

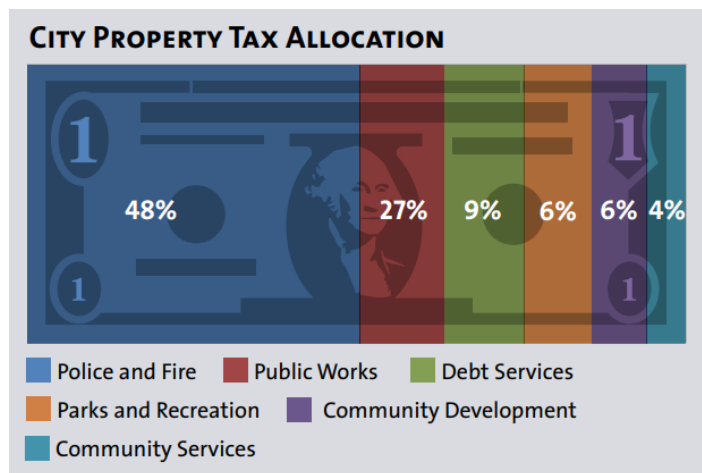
The public has had many opportunities to participate in 2022 budget discussions this year. There were virtual and in-person information sessions in August, as well as a virtual event on Zoom and an in-person event at Civic Plaza in October. Both virtual sessions were recorded and available for viewing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

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

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

The 2022 City property tax dollar

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



Impact of COVID-19 on the City's budget

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

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

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

Learn more

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

Conclusion

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

2022 Budget Overview

The budget is the blueprint for services and plans for fiscal year 2022.

It communicates the allocation of resources and the plan to achieve the City's goals and objectives.

Adopted 2022 Budget

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

General Fund

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

Special Revenue Funds

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

Enterprise Funds

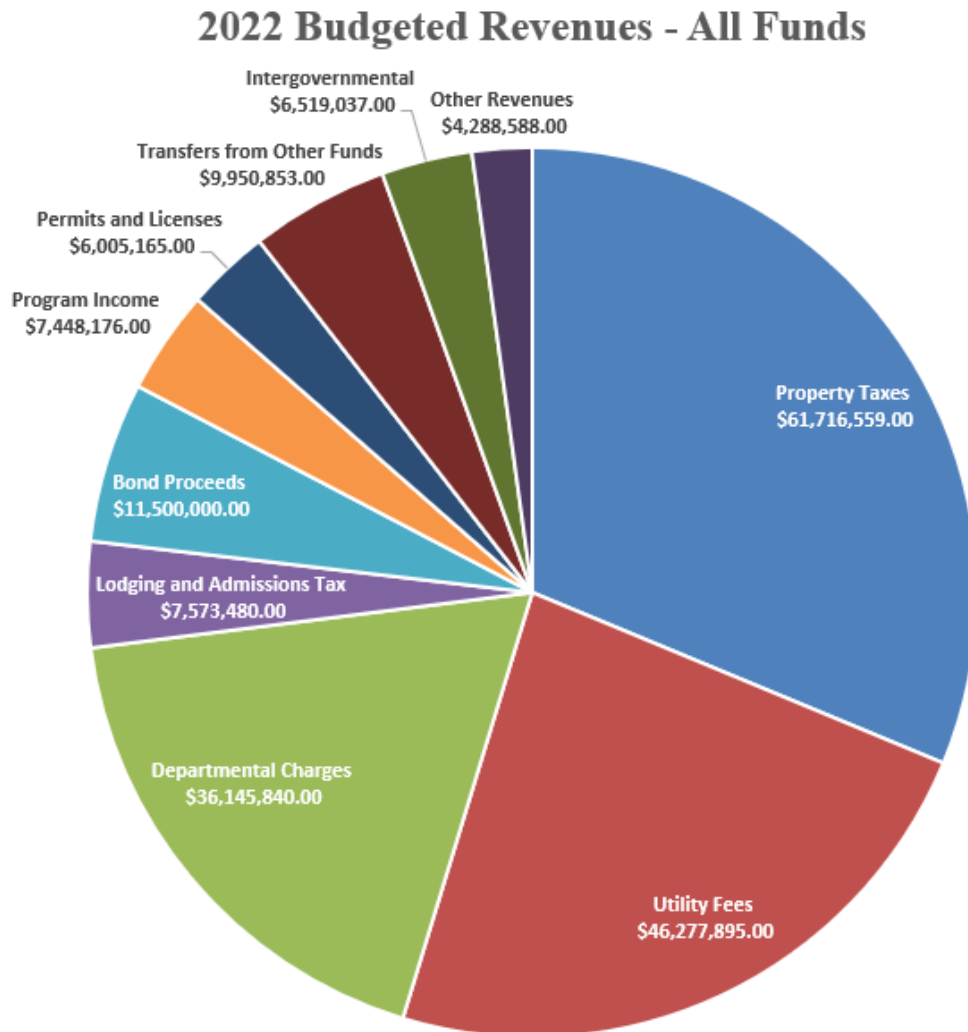
The Enterprise Funds' budgets have total budgeted revenues of \$57,360,119 and expenses of \$56,377,016 resulting in a net loss \$983,103. Most of the budgeted decrease is for large capital projects in the Water Utility fund.

Internal Service Funds

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

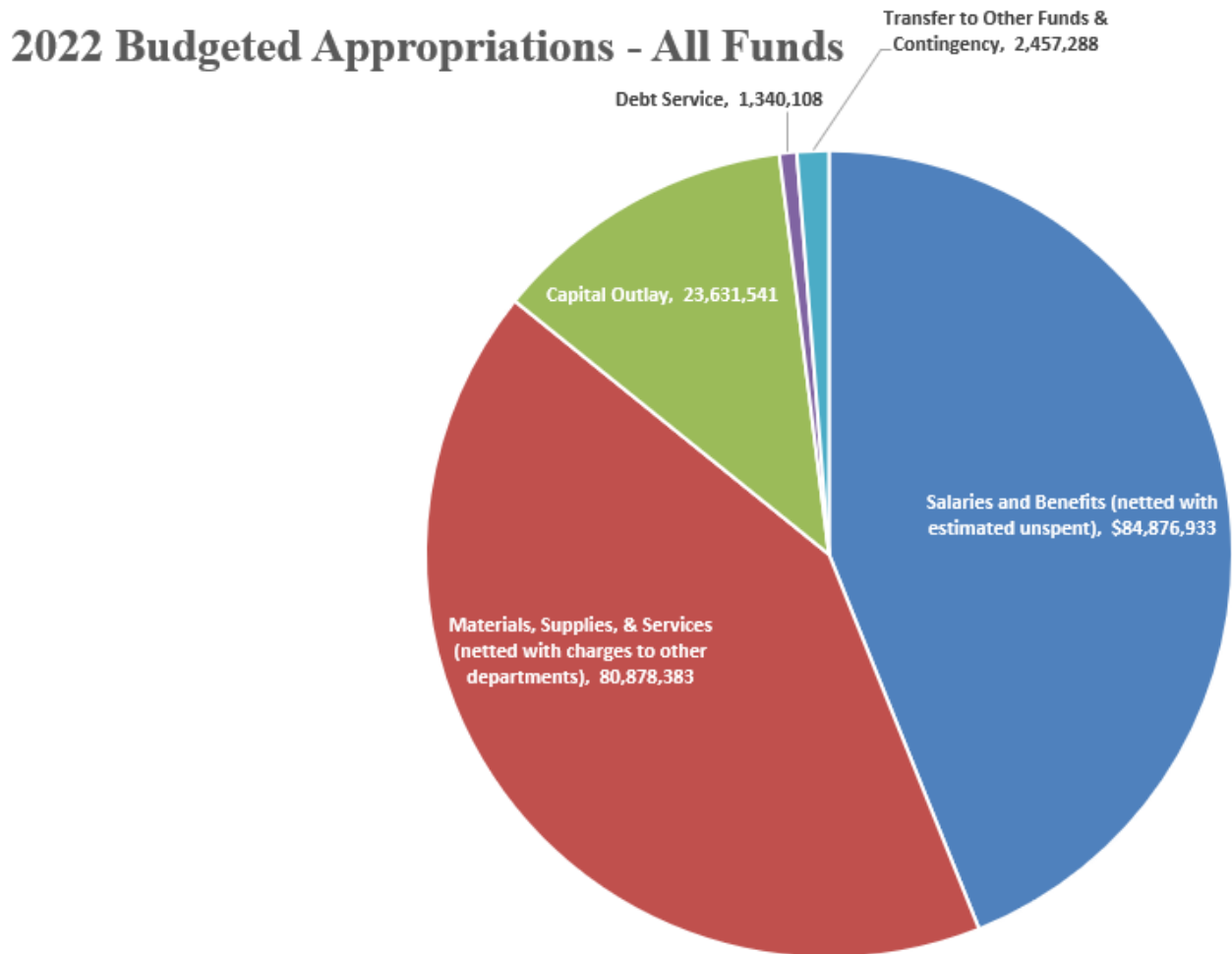
Budgeted Revenues – All Funds

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



Budgeted Appropriations – All Funds

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



Property Tax Value Information

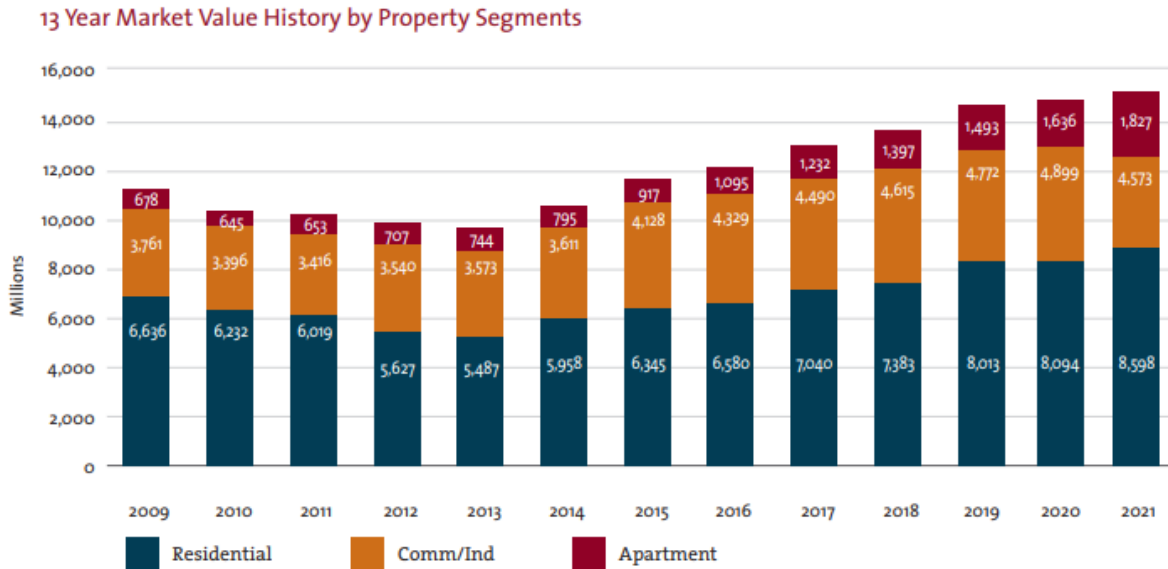
One of the most difficult concepts of the Minnesota Property Tax System is the proportionate share of the property tax levy. Some states set a mill rate which when applied to the home value creates a property tax similar to a sales tax. In Minnesota, taxing jurisdictions such as Cities, Counties, and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

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

Single Family Residential

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

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



Property Tax Levy Components

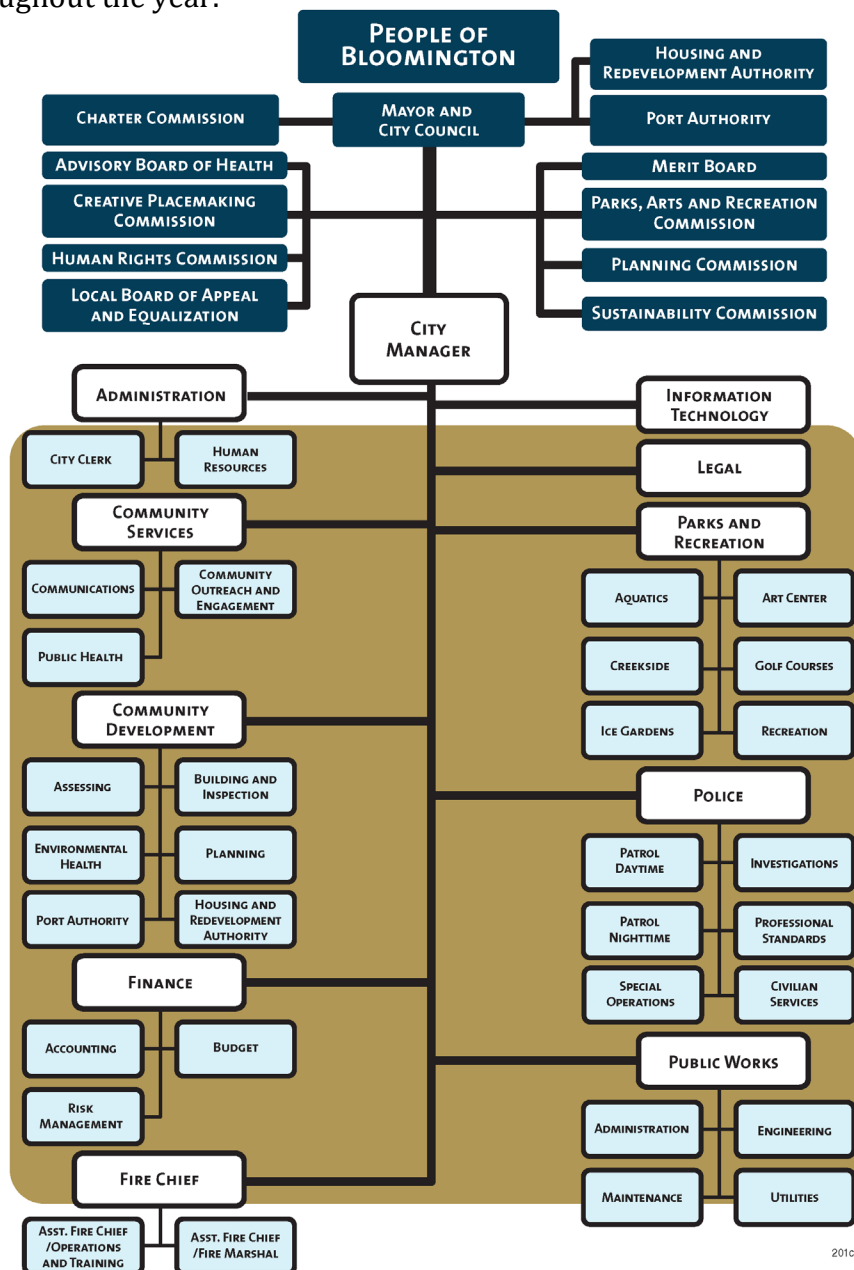
The dollars levied in 2022 by levy category as compared to the 2021 levy are illustrated in the following table:

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

Organization Structure and Chart

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

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



Fund Descriptions and Structure

Fund Accounting

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

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

Governmental Funds

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

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

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

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

Proprietary Funds

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

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

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

Budgeted Fund Structure



Budgeted Fund Descriptions

General Fund:

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

Special Revenue Funds:

2. Cemetery

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

3. Communications

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

4. Creative Placemaking

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

5. DWI (Driving While Intoxicated) Forfeiture

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

6. Enhanced 911

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

7. Federal DOJ (Department of Justice) Drug Forfeiture

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

8. Federal Treasury Drug Forfeiture DOT

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

9. Fire Pension

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

10. Park Grants

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

11. Police Grants

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

12. South Loop Revolving Development Services

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

13. State Drug Forfeiture

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

Enterprise Funds:

14. Aquatics

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

15. Center for the Arts

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

16. Golf Courses

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

17. Ice Garden

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

18.Contractual Police Services

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

19.Solid Waste Utility

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

20.Storm Water Utility

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

21.Wastewater Utility

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

22.Water Utility

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

Internal Service Funds

23.Accrued Benefits

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

24. Employee Benefits

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

25. Facilities Maintenance

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

26. Fleet Maintenance

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

27. Information Technology (IT)

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

28. Public Safety Technology and Equipment

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

29. Self-Insurance

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

30. Support Services

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

Department / Fund Relationship

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

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

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

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

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

Total General Fund Financial Summary

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

Special Revenue Funds

Financial Summary

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

Enterprise Funds Financial Summary

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

Internal Service Funds Financial Summary

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

Staffing Levels

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

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

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

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

Position Summary Schedule

Authorized Full-Time Positions

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

Position Summary Schedule

Authorized Full-Time Positions

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

