



one  
BLOOMINGTON



ANNUAL BUDGET  
FISCAL YEAR

17







# ANNUAL BUDGET

## FISCAL YEAR 2017

General Fund Budget  
Adopted by the  
Bloomington City Council  
December 19, 2016

Other Funds Adopted  
October through  
December, 2016

**one**  
BLOOMINGTON

 CITY OF  
BLOOMINGTON  
MINNESOTA





# Budget Presentation Award



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, 2016.

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 17, 2017

Dear Reader:

Our 2017 budget theme, “One Bloomington,” describes our vision to be a place that is inclusive of all residents, working together to accomplish the same goal. We are brought together by our desire to build and maintain an inclusive, sustainable, beautiful and efficiently-run city. We realize this vision by providing quality services at an affordable price and supporting the long-term property investments that residents and businesses have made in this community. We also recognize the value of community members’ input and rely on their feedback to guide our planning with the goal of protecting and enhancing Bloomington’s assets for generations to come.

We are on the right track, as evidenced by the most recent resident survey conducted by the City. Resident and business satisfaction remains strong. Bloomington’s drinking water, police, fire and snow removal are the City’s most highly rated services and residents continue to be highly satisfied with the quality of life here.

This is the fourth 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. More than eight out of 10 businesses rated Bloomington positively as a place to work.

This document presents the City’s approved 2017 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 2017 budget. Five-year, 10-year and 15-year budget models were used to determine the current levy and to consider the City’s long-term financial stability. This budget can also be found on our website at [www.BloomingtonMN.gov](http://www.BloomingtonMN.gov). For more detailed financial information, refer to the prior year’s Comprehensive Annual Financial Report (CAFR) at [www.BloomingtonMN.gov](http://www.BloomingtonMN.gov).

Lori Economy-Scholler  
Chief Financial Officer

**FINANCE DEPARTMENT**

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AN AFFIRMATIVE ACTION/EQUAL  
OPPORTUNITIES EMPLOYER



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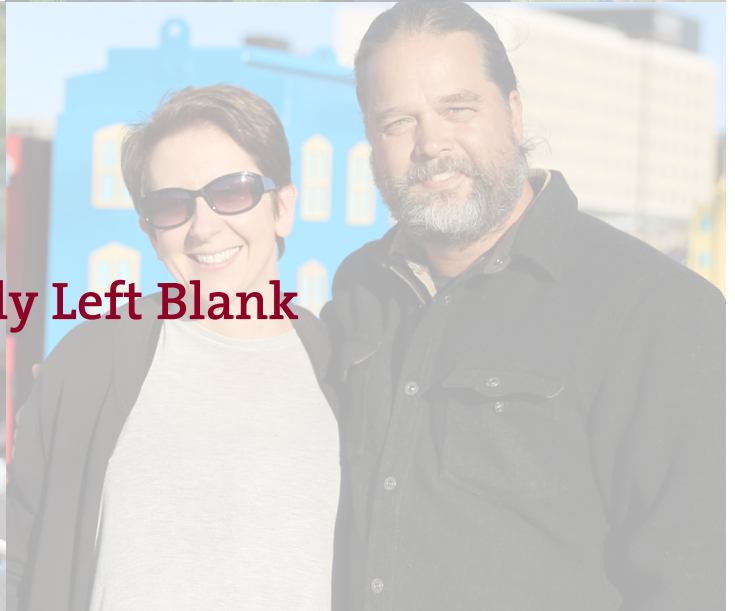


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## INTRODUCTION

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# City of Bloomington

## City Council

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### Mayor



Gene Winstead  
Term Expires January 2020

### Council Members



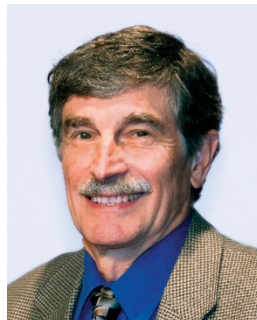
Jack Baloga – District III  
Term Expires January 2018



Tim Busse – At Large  
Term Expires January 2020



Dwayne Lowman – District I  
Term Expires January 2020



Jon Oleson – District IV  
Term Expires January 2018



Kim Vlasisavljevich – At Large  
Term Expires January 2018



Eldon Spencer – District II  
Term Expires November 2017

## Executive Management Team

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### Executive Management

James D. Verbrugge, City Manager

Community Development -----Lawrence Lee, Director  
Community Services -----Diann Kirby, Director  
Finance -----Lori Economy-Scholler, Chief Financial Officer  
Fire -----Ulysses Seal, Fire Chief  
Human Resources -----Kristine Wilson, Director  
Legal -----Melissa Manderschied, City Attorney  
Police -----Jeff Potts, Police Chief  
Public Works -----Karl Keel, Director  
Technical Services Group  
Assessing -----Matthew Gersemehl, City Assessor  
City Clerk's Office -----Janet Lewis, City Clerk  
Information Systems -----Amy Cheney, Manager



# Mission Statement

## Community Vision

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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

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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 – **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.

### 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.



## Organization Mission

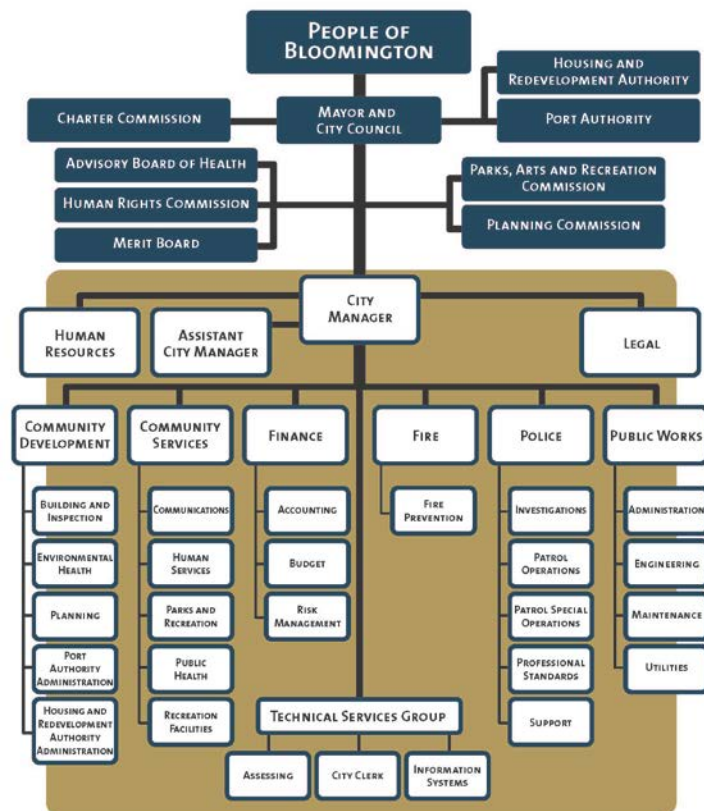
A professional, productive, learning organization that builds and renews the community by providing quality services at an affordable price.

## Organization Structure and Chart

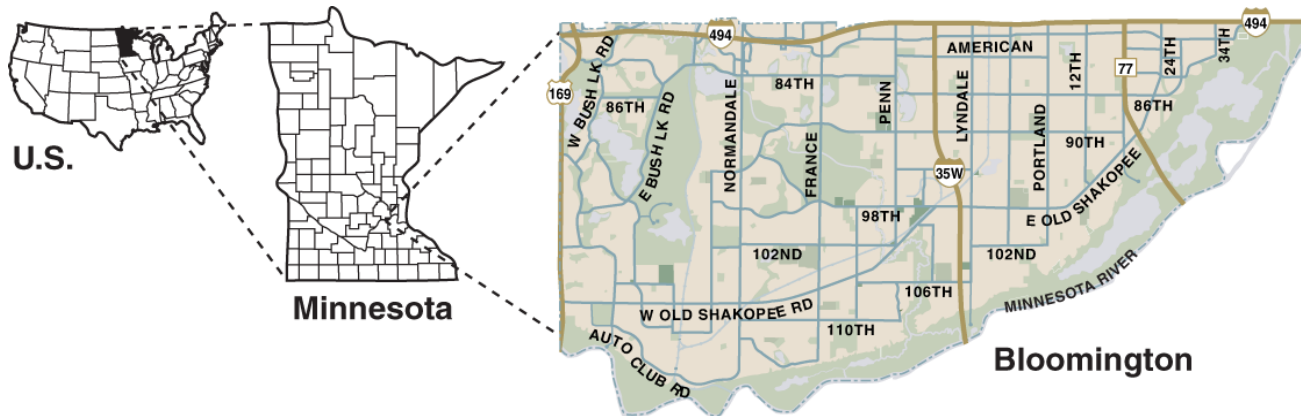
A home rule charter was adopted in November 1960. The City is a Council-Manager form of municipal government. The Council is comprised of the Mayor and six Council Members who serve four-year terms; the Mayor and two members are elected at large, the rest are elected by district. The City Manager, the 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 the City including a mixed-use retail and residential development on the southeast corner of Penn Avenue and American Boulevard. Also, a major improvement project is occurring on Lindau Lane to leverage private retail, office, hotel, restaurant and residential developments 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 Moody's

AAA Standard & Poor's

AAA Fitch

One of only 32 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 – 90,040(2<sup>nd</sup> Quarter 2016)

Housing – Total Units – 39,604

91.10 Percent Single-Family Homes Owner Occupied

22,143 Single-family Detached Units (June Met Council number)

6,865 Single-family Attached Units

10,491 Multiple-family Units

86 Mobile Homes and Trailers

19 Commercial/Industrial Living Units

Population (United States Census Bureau) – 86,435 (Bureau of Labor Statistics)

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

National Unemployment Rate – 4.6% (November, 2016)

Minnesota Unemployment Rate – 3.8% (November, 2016)

City of Bloomington Unemployment Rate – 3.0% (October, 2016)

## 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  
125 Sworn Officers

### **Educational Institutions -**

Colleges –6

Academy College – 94 Students

Bethany Global University – 195 Students

National American University – 422 Students

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

State University and Mankato State University – 14,573 Students

Northwestern Health Sciences University – 879 Students

Rasmussen College – 867 Students

Independent School District #271 – 10,022 Students (2015/16 Enrollment)

10 Elementary Schools – 4,553 Students

3 Middle Schools –2,208 Students

2 Senior High Schools –3,261 Students

Parochial Schools – 4 with a total enrollment of 883 students

### **Elections -**

56,106 Registered Voters – 2016 General Election

50,803 Ballots Cast – 2016 General Election

90.5 Percent Voting

54,006 Registered Voters – 2015 General Election

7,915 Ballots Cast – 2015 General Election

14.7 Percent Voting

### **Utilities -**

Municipal Sewer System – Metropolitan Council Environmental Services

25,128 Connections

355 Miles of Sanitary Sewer Mains

8.1 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

411 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

25,391 Connections

10.4 Million Gallons Daily Average Consumption

44 Million Gallons System Capacity

4,676 Public and Private Fire Hydrants

7,139 Water Distribution Valves

Storm Sewer – 253 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 – 4,442

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

3,787 Acres of parks and open spaces including:

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 golf courses (two courses) and ice arena (three indoor rinks)

# 2017 Budget Calendar

April 11 – May 17, 2016	Prepare payroll projections for 2017. Internal Service fund charges reviewed and loaded into budget. Schedules completed for space and occupancy charges, equipment replacement, Information Systems charges, postage, insurance and audit fee charges.
June 1	Budget Kickoff meeting with all departments and program managers
June 1 – June 22	Departments load requested budget into budget module in MUNIS. Budget lockout is June 22.
June 22 – July 27	Budget editing by Budget Team. Aquatics and Art Center submit budgets to determine levy required. Revenue producing programs evaluate fees.
June 28 – August 18	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 22	Update City Council on preliminary budget work; get guidance on preliminary levy and General Fund budget. Discussion on budget and levy.
September 12	City Council adopts preliminary 2017 tax levy and General Fund budget for 2017.
September 28	Preliminary tax levy and budget certified to Hennepin County.
September	Internal Service Fund budgets presented to the City Council for approval.
October/November/December	Utility budgets due. Public hearings on utility rate changes. Special Revenue and Enterprise Fund budgets presented to the City Council for approval.
December 5	Property tax public hearing.
December 19	Final 2017 budget and tax levy approval by City Council.
December 22	Final 2017 levy and General Fund budget certified to Hennepin County.

# City Manager's Budget Message



## City Council Strategic Priorities 2017 - 2020

1. Community Amenities
2. Community Image
3. Environmental Sustainability
4. Focused Renewal
5. High Quality Service Delivery
6. Inclusion and Equity

## One Bloomington

We are a community that includes all residents, working together to accomplish the same goals. We live in different neighborhoods, but we're not defined by boundaries. We are united, not by sameness, but by our desire to build a strong community that we can all enjoy. We are One Bloomington.

An effective city budget, such as the one outlined here, sets the foundation to achieve our goals.

In 2017, we're discussing the concept of One Bloomington because the City Council created a plan with six strategic priorities, *at bottom left*, that will guide the City over the next three years.

From public safety to street maintenance, providing high-quality services is one of those priorities and has always been one of the City's central goals. Responsible fiscal management is a high-quality City service that enables the City to run smoothly and provide effective, expansive programs and services to residents.

From public safety to street maintenance and all the interesting art you see in South Loop, City employees aim to provide residents with services and neighborhoods they will appreciate.

The City's Annual Budget for fiscal year 2017 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 community amenities, community image, environmental sustainability, focused renewal, high quality service delivery and inclusion and equity. 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

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#### Focused Renewal – R

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- Establish resident engagement on neighborhood innovation and improvement.

#### High Quality Service Delivery – S

- Establish financial sustainability targets and standards.
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#### Inclusion and Equity – IE

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

### **Renewing Community**

In 2016, the City collected more than \$2.6 million in permit fees for \$185 million in new development and property renovations. 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:

- A 148-room Marriott AC hotel with a separate three-tenant restaurant, coffee shop and retail building.
- A 164-room Cambria Suites Hotel with a hotel restaurant, banquet space and separate attached 7,400 square foot restaurant.
- An expansion to Mall of America (Phase IIB) totaling 578,000 square feet of retail, a 180-room hotel, 120-units of apartments and 168,000-square feet of offices.
- A five-story, 229,000-square-foot Toyota dealership.
- A new transit station at Mall of America.
- A 179-unit apartment building in the Normandale Lake District.
- An eight-level, 1,666-car parking ramp for Health Partners Corporate Headquarters.
- A 17,000-square-foot bus service facility, Holly Hoglund-Klein.

- A 110,000-square-foot office building and data center for OATI.
- A 57,000-square-foot expansion to HOM Furniture.
- Vertical Endeavors health club on James Avenue.
- A 302-room Hyatt Regency Hotel at Bloomington Central Station.
- Ziegler Cat expansion.
- A 20,600-square-foot, multi-tenant retail center, Park Place at France.
- A 395-unit apartment building in the South Loop District, IndiGO by Lennar.
- A 53,000-square-foot theater, museum, lodge and library, the Minnesota Masonic Heritage Center.

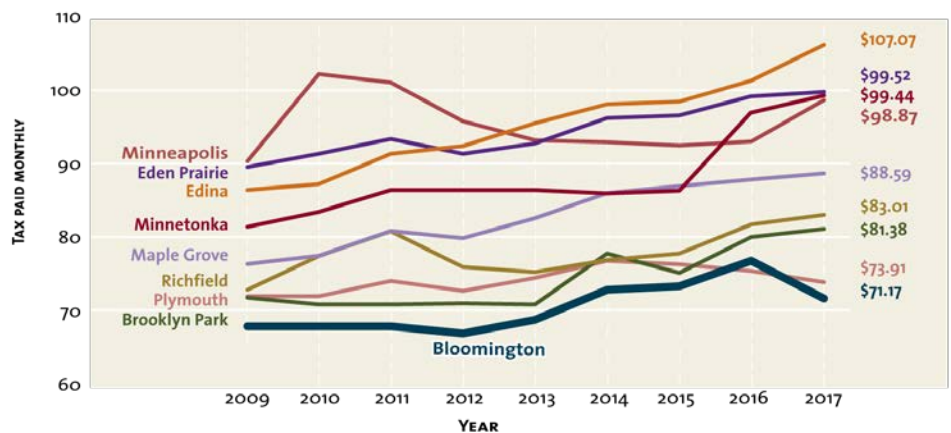
### Meeting Demands for Quality City Services

Both residents and businesses remained satisfied with Bloomington's quality of life and City services, particularly police and fire, according to surveys conducted by an independent research firm in 2016. The City is continuing to meet the needs of its residents while finding ways to improve the quality of its services and keep costs affordable.

The vast majority of residents rated the quality of life in Bloomington as excellent or good, with 85 percent scoring their quality of life positively. In addition, 86 percent of residents think Bloomington is an excellent or good place to live.

Bloomington business owners and managers continue to value the community as a place to do business. More than 8 out of 10 rated Bloomington positively as a place to work, for overall image and for the appearance of the city.

**CITY PROPERTY TAX ON MEDIAN VALUE SINGLE-FAMILY HOME**



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.

Bloomington has continued to strengthen itself as an employer of choice for top quality people. 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**

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### **Current engagement, future outlook**

There is no question that Bloomington's demographics are changing. In 1970, only 1 percent of residents were nonwhite. In 2014, 24 percent of residents were nonwhite. And our future looks more diverse than ever, with 48 percent of Bloomington kindergartners being nonwhite.

As an organization, we've started working on some initiatives in an effort to be an example of inclusion and equity. A group of City staff graduated from racial equity training along with 18 other state, county and local level organizations. Together they learned what other communities have done to advance racial equity. Lunch-and-learn sessions, a book club and video screenings have been available for City employees as well. More than 100 City staff have responded to these opportunities to have open and honest conversations about race. We also plan to diversify the City's workforce and advisory commissions to ensure all perspectives are considered and represented in City decision making.

New garbage and recycling services rolled out in Bloomington in 2016. The new services are organized by the City in cooperation with the Bloomington Hauler Consortium, LLC. The City's Finance department handles the billing for the new services. Benefitting the environment, the program reduces the number of garbage trucks on collection day, mitigates air and noise pollution, minimizes wear and tear on the roadways and, in most cases, saves residents money.

We have also sought further engagement with residents in 2016. New Sustainability and Creative Placemaking commissions were formed in an effort to bring new community voices to the forefront.

The City also hosted a One Bloomington Summit to talk about how to improve the community's image. Nearly 70 community leaders gathered at Civic Plaza for the event. Attendees heard about changing demographics and resident survey results then broke out into two groups to brainstorm. The groups discussed and categorized ideas with the assistance of City facilitators.

Not only are we forging new lines of communication with community members, we're taking steps to engage our employees and increase efficiency. More than 100 employees have completed High Performance Organization (HPO) training. HPO training teaches people to trust their coworkers to make decisions and therefore empower more people to contribute to an organization's goals. More than 50 employees have also been trained in Technology of Participation (ToP) Facilitation methods. ToP Facilitation methods give employees the tools they need to lead productive meetings, hear all perspectives and make decisions based on the information they gather.

The City Council and Bloomington Housing and Redevelopment Authority also authorized \$1.8 million in 2016 to revitalize neighborhoods and housing through several new and expanded programs. One of the new programs is the Fix Up My Home loan program. The program aims to help residents preserve and enhance their homes and maintain welcoming neighborhoods through exterior improvements and other eligible upgrades.

### **Bloomington Housing Market**

The value of the median home rose from \$219,700 to \$225,900, a 2.8 percent increase, in 2016. In the past 15 years, the median home value has increased an average of 2.5 percent per year. A strong development cycle continues for office, hotel, retail and multi-family properties. In 2017 the City expects continued tax base growth, with greatest inflationary strength coming from the residential and multifamily sectors.

### **General Fund Support through Property Tax**

In 2017, the property tax cost of City services for owners of median-valued homes of \$225,900 will be \$71.17 per month. In 2016, the cost was \$74.64. The total cost of services for a median-valued home residential taxpayer, including property taxes, franchise fees, water and sewer and solid waste is \$123.32. This cost remains lower than 10 of 11 neighboring peer communities.

In 2016, the City Council approved a preliminary levy of \$56,923,838 for 2017. It also approved a preliminary general operating fund budget of \$71,865,568, a 5.4 percent increase from the 2016 budget. The final 2017 levy was approved in December of \$55,883,748. The General Fund budget was reduced to \$70,996,190, a 4.17 percent increase from 2016.

The City used multiyear modeling to track revenue and expenditures to predict upcoming trends for 2017. City staff also uses a five-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 2016 resident survey, 68 percent of respondents thought that the value of City services for taxes paid was excellent or good, placing Bloomington in the top 20 percent of cities surveyed nationwide.

## **Key Budget Opportunities**

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The 2017 Budget analysis of key organizational budget opportunities is as follows:

### **Health Insurance**

The City's Insured Benefits Fund is modeled out 10 years. While the City received a zero percent lock-in for its 2012-2014 health insurance contract, it has used modeling to budget for longer term rate increases. The City had a



rate increase of 15 percent for 2016 and used plan design changes to keep costs low. The City used funds built up while rates were lower to mitigate the extra cost in 2016. A Health Savings Plan was introduced in 2016 to allow more flexibility for employees and to keep costs reasonable. The City went out for bids on health insurance for 2017 and was able to contract a 6.5 percent decrease.

### **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 addition 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 now pay franchise fees after City Council approval of the new funding source in Bloomington. After needs are identified, funding is provided through State aids, assessments, the City's annual levy and franchise fees for PMP projects. As a result of adding another PMP funding source, the City's proposed 2016 tax levy was reduced by \$550,000.

### **Staff Changes**

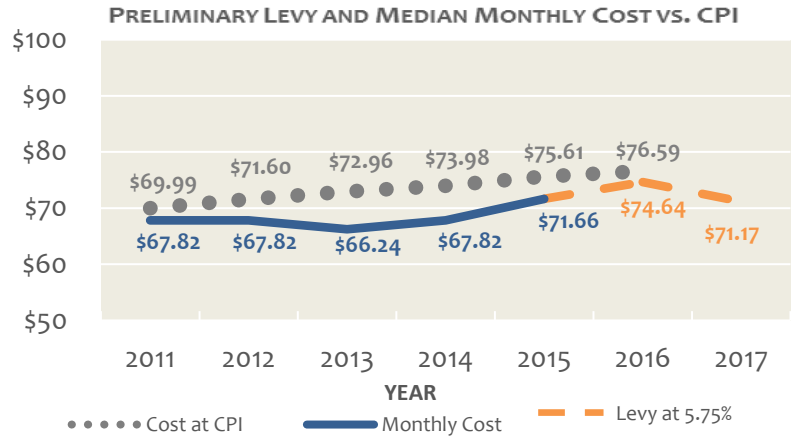
Many key positions were filled in 2016. The City hired a new Assistant City Manager, Human Resources Director, Creative Placemaking and Engagement Director and City Attorney. In 2017, the City will hire a Deputy Director of Public Works. An additional Planner will also be added in Community Development to work on the Forward 2040 Comprehensive Plan, and an Engineering Technician will be hired to maintain Geographic Information System (GIS) data for the Stormwater Utilities division. An Office Assistant will be added in Utility Billing to support garbage and recycling customer service.

## **Council 2017 Budget Policy Decision**

In December, the City Council adopted a property tax levy increase of 5.75 percent to \$55,883,748. This means the monthly cost of tax-supported services for the owner of a \$225,900 median value home is \$71.17 for 2017, a reduction of \$3.47 from 2016. The decrease in monthly cost from 2016 is the result of tax code changes for the Mall of America.

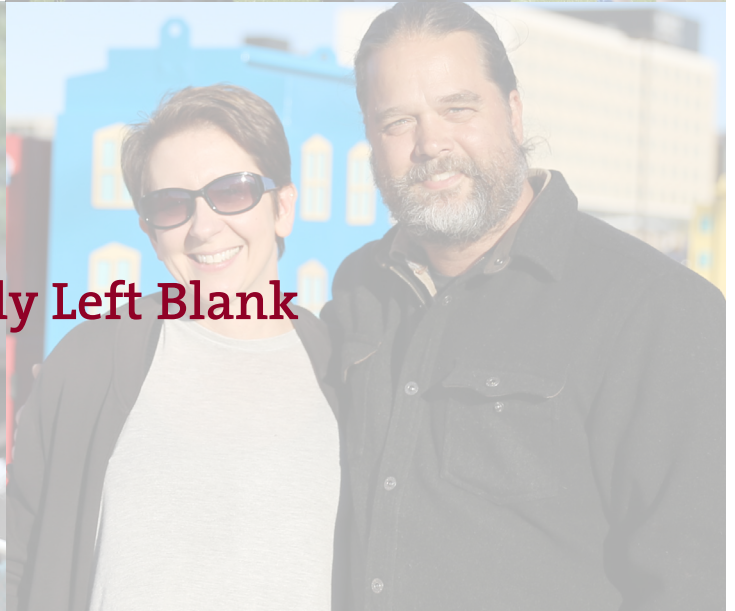
With this property tax levy, the City's share of 2017 total residential property taxes is 31 cents out of every tax dollar paid. The remaining amount goes to the county, school district and other taxing districts. Prorated 2015 home sales reflected the increase in value and are the basis for the 2016 assessment for taxes payable in 2017.

Since 1997, the City's annual base property tax levy increase has averaged 3.76 percent on existing properties. The Bloomington levy impact is lower for median-value homes than 10 of 11 peer communities in Hennepin County.



## Conclusion

As one of only 32 cities in the U.S. that has achieved 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 2017 is a strong financial plan that continues to move Bloomington toward its long-term goals. The City will be able to achieve this with our partners, neighbors and businesses working together as One Bloomington.



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# BUDGET OVERVIEW

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# 2017 Budget Summary – All Funds (except Capital Funds)

REVENUES				
	2015 Actual	2016 Budget	2016 Estimate	2017 Budget
Property Taxes				
General Fund	\$42,499,041	\$45,131,723	\$45,068,529	\$47,163,076
Debt Service	4,156,714	3,983,999	3,983,999	4,156,714
Other Funds	1,906,678	1,945,874	1,922,138	2,679,945
Other Taxes	8,306,823	8,510,583	9,806,025	8,654,583
Special Assessments	3,270,380	3,070,095	3,233,351	3,128,605
Permit/Licenses	6,968,257	5,474,550	5,065,185	5,773,430
Fines	1,251,693	1,323,219	1,025,089	1,000,000
Intergovernmental	6,084,265	6,061,136	6,543,422	4,376,607
Program Income	44,508,426	46,106,671	47,531,335	47,488,533
Interest	451,447	433,623	573,411	470,798
Cable Franchise	1,400,108	1,446,000	1,182,073	1,536,000
Other Revenue	7,729,789	13,366,442	8,601,576	27,036,766
Utility Fees	26,760,851	33,547,836	27,868,244	38,766,253
Subtotal	\$155,294,471	\$170,401,751	\$162,404,377	\$192,231,310
2017 Does not include tax abatement levy of \$936,328.				
2016 Does not include tax abatement levy of \$813,535.				
2015 Does not include Pavement Management Program Levy of \$958,134 or tax abatement levy of \$555,449.				
EXPENDITURES				
	2015 Actual	2016 Budget	2016 Estimate	2017 Budget
Staffing				
Salaries and Wages	\$ 48,354,012	\$ 50,590,577	\$50,176,573	\$ 52,397,389
Benefits	19,047,094	18,471,695	19,325,363	20,686,494
Operating Expenses				
Professional/Technical Services	1,371,664	3,850,973	3,654,009	3,562,428
Utilities/Maintenance	17,329,755	25,341,017	20,736,725	27,692,902
Operations	11,652,505	13,031,028	12,756,211	11,071,538
City Support Services	28,895,127	31,225,562	31,150,522	31,335,045
Materials/Supplies	10,051,456	12,611,152	11,487,204	12,480,371
Capital Outlay	5,998,246	16,016,081	7,490,493	33,512,212
Debt Service	9,628,074	9,904,195	9,248,256	9,870,179
Transfer Out	(4,866,705)	(1,924,675)	(4,706,162)	(2,845,221)
Estimated Unexpended		(1,946,240)		(2,311,956)
	\$147,461,228	\$177,171,365	\$161,346,194	\$197,451,381

## **2017 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 2017.

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**

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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 2017 Budget and related property tax levies were approved by the City Council and certified to Hennepin County in December, 2016. The 2018 Budget and related levies were approved in concept by the City Council at that time. During 2017, the conceptual 2018 Budget will be reviewed and refined, where necessary, before adoption by the City Council and certification to the County in December, 2017.

### **Adopted 2017 Budget**

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The 2017 Budget Summary schedule is shown on page 29. The budgeted revenues, including transfers in, for all funds total \$192,231,310. Appropriations for all funds total \$197,451,381. The \$5,220,071 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 \$1,824,687, 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 \$6,597,368 is \$426,909 more than budgeted expenditures of \$6,170,459. Most of this is due to levying \$750,000 to build up a reserve to cover pension obligations for volunteer firefighters in future years.

The Enterprise Funds' budgets with revenues of \$64,263,439 and expenses of \$66,526,600 result in a net decrease to fund balance of \$2,263,161. Most of the decrease is due to capital spending in the Utility Funds, accrued for several prior years for improvements to the water, wastewater and storm water systems.

The \$1,334,077 decrease in the Internal Service Funds results from revenues of \$43,217,599, less than expenses of \$44,551,676. As part of the City's downturn strategy internal service fund charges to departments were held flat for several years. Charges are slowly being returned to "normal" while using working capital above established goals for any operational increases. Most of these funds use a 10-year or 15-year model to manage fee increases and predict the health of each fund.

### **Revenues**

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Excluding Internal Service Funds and Capital Project Funds, the largest sources of revenue are described below. The largest five categories account for 89 percent of the revenue budget.

**Property Taxes** - The largest source of revenue is property taxes of \$53,999,735 comprising 36 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 and infrastructure, community safety, planning, prevention and maintenance and quality of life programs. Property taxes are also levied to pay debt service and tax abatement and to support recreational facilities, the Fire Pension Fund 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 2017 this levy is allocated across the tax base according to market values set at the beginning of 2016 from sales data gathered from October 2014 to September 2015 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 \$38,766,253 of the City's revenues or 26 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 9.5 percent for 2017 and the cap for Tier One water rates was reduced from 9,000 gallons per month to 7,500 gallons per month. Utility funds are modeled out 15 year to keep rates in line with operating and capital needs.

This is the fifth 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 2017 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 9.5 percent in 2017 to cover an increase 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 is \$8,813,734, or six 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 this increase which in most cases was to catch up to the cost of providing the service.

**Lodging and Admission Taxes** – These taxes account for \$8,654,583 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 \$22,989,764 includes cell tower rentals, donations, refunds, bond proceeds, interest and operating transfers from other funds and accounts for fifteen 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. A \$10 million bond issue for a storm water project also contributes to this total.

**Permits and License Fees** – Permits and license fees of \$5,773,430 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 \$4,351,607 includes state aid for Police and Fire retirement and grants for health and public safety programs.

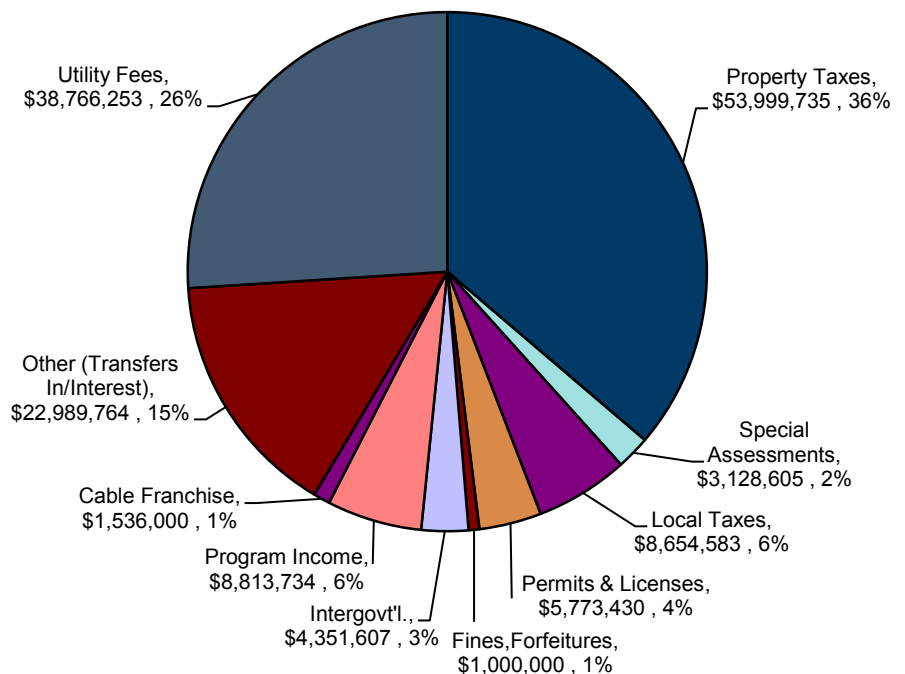
**Special Assessments** – These funds are collections from specific projects that require a payment from the affected taxpayer, such as street reconstruction, which is charged 25% to the homeowner on that street. This revenue is budgeted in 2017 at \$3,128,605, two percent of total revenue.

**Fines, Forfeitures, Penalties** – These funds are the City's share of police patrol traffic citations and other funding coming from the court system. The 2017 budget for this revenue of \$1,000,000 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 \$1,536,000 is one percent of total revenue.

## 2017 Budgeted Revenues

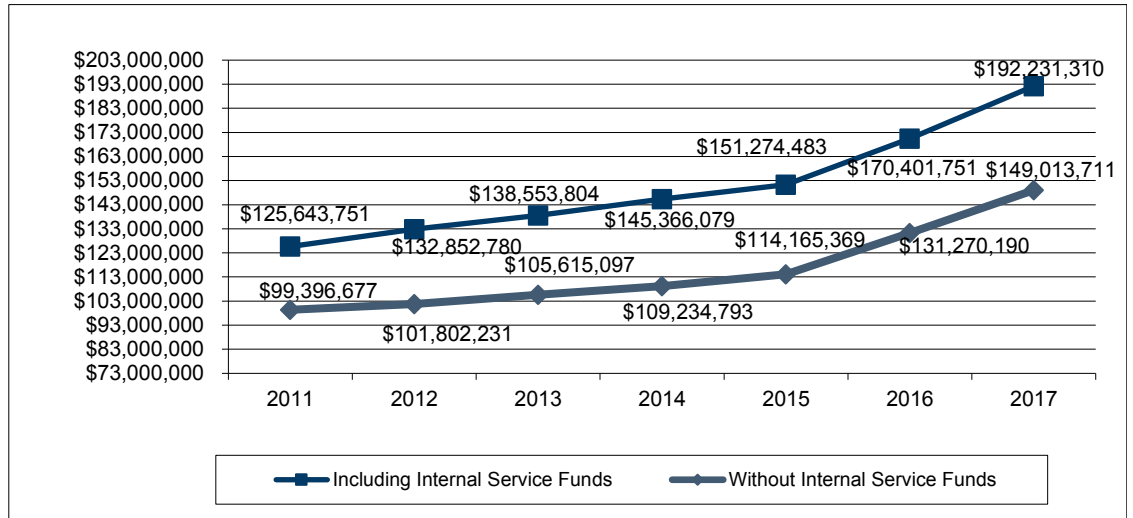
### All Budgeted Funds (Except Capital and Internal Service Funds)



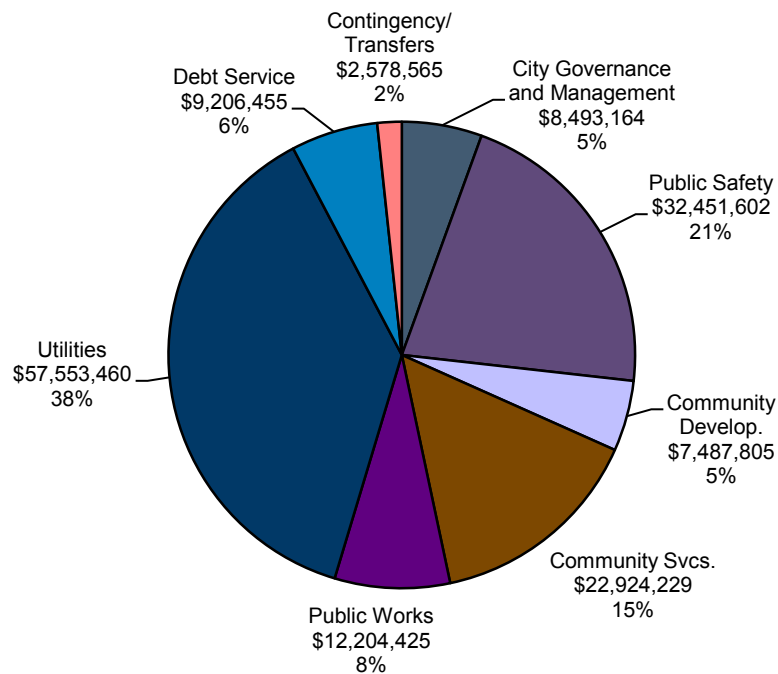
Total budgeted revenues for all funds equal \$192,231,310. Excluding internal service funds and capital projects, total revenues equal \$149,013,711 as shown in the chart by major source.



## Total Budgeted Revenues



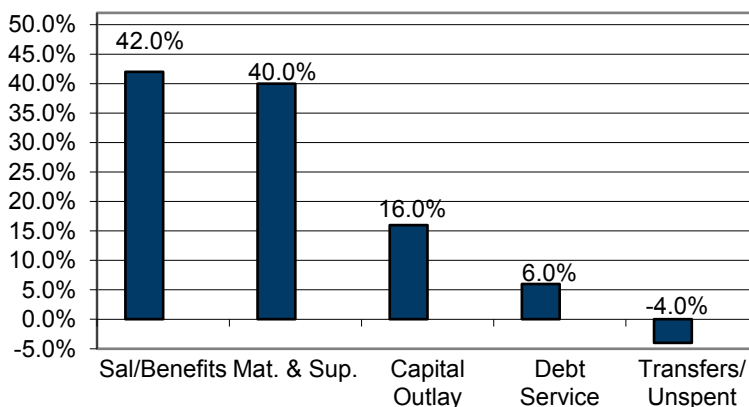
## 2017 Budgeted Appropriations



Total appropriations for all funds except capital projects equal \$197,451,381. Not including Internal Service Funds, total appropriations equal \$152,899,705. Major programs and funds, excluding Internal Service funds, are shown in the graph above.

## All Funds – Appropriations by Categories

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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

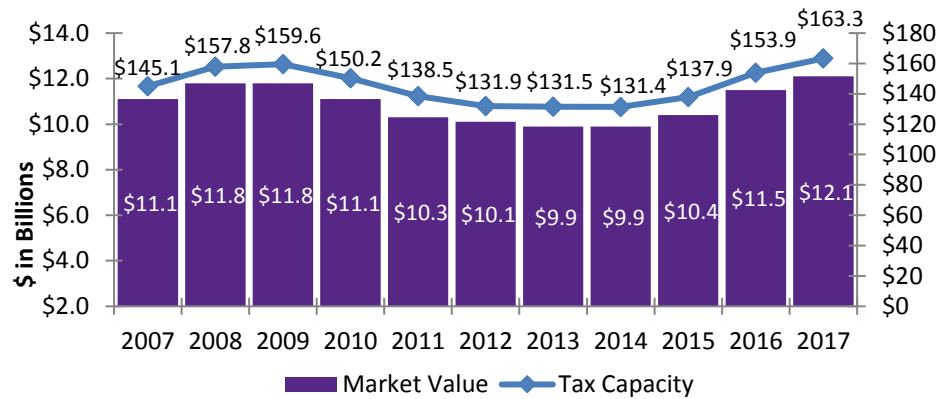
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Market values used to calculate 2017 taxes increased by 5.6 percent from 2016. Market values are not used directly to calculate tax. Market values and state mandated classification rates are used only to distribute the dollar amount of levy requested.

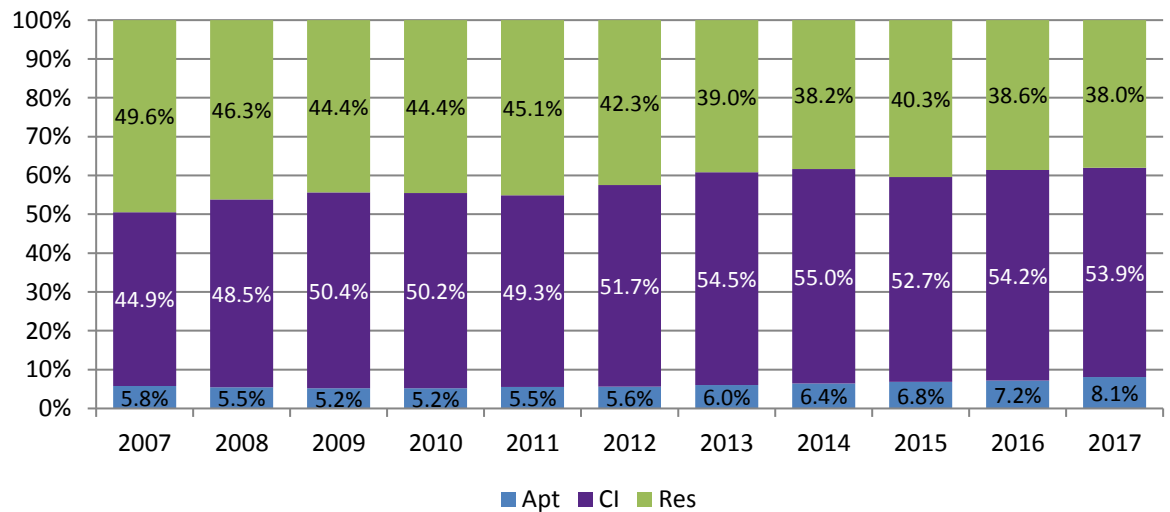
Tax capacity for the City increased by 5.7 percent from 2016 with residential tax capacity increasing by 6.7 percent and commercial and industrial tax capacity increasing by 4.9 percent.

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)



As a result of the 2001 property tax reform that became effective for 2002, a shift of tax base from commercial/industrial to residential property occurred as a result of changes in tax classification rates. The shift continued into 2006 with market value for residential property rising faster than commercial/industrial property. In 2007, the trend reversed and residential growth rates were lower than commercial growth. Total market value showed declines from 2009 to tax payable year 2014 dropping from \$11.8 billion to \$9.9 billion. For 2017 value increased to \$12.1 billion. Market values are determined according to State statute. Property sales from October 2014 through September 2015 were used as the basis for valuation statements which were issued in early 2016 for property taxes paid in 2017. 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.

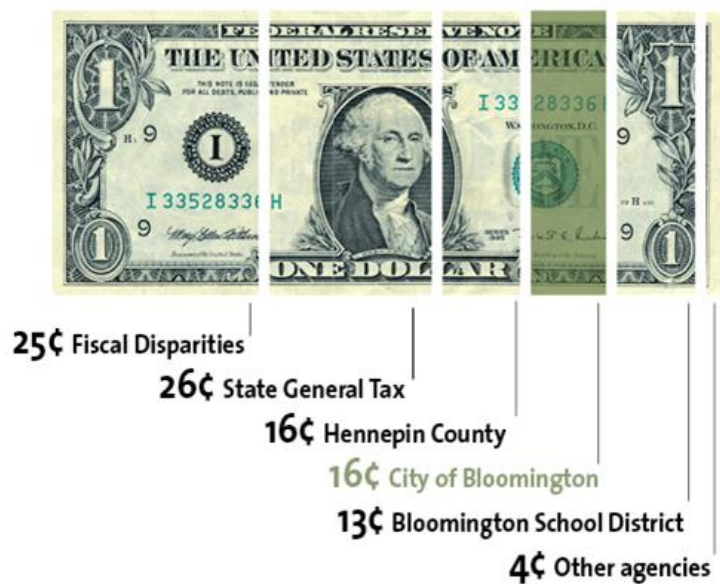
## Taxes Payable 2017

This graphic illustrates the total tax for a residential property as shared by the taxing jurisdictions. Only 31 percent of the total tax is levied for City activities.

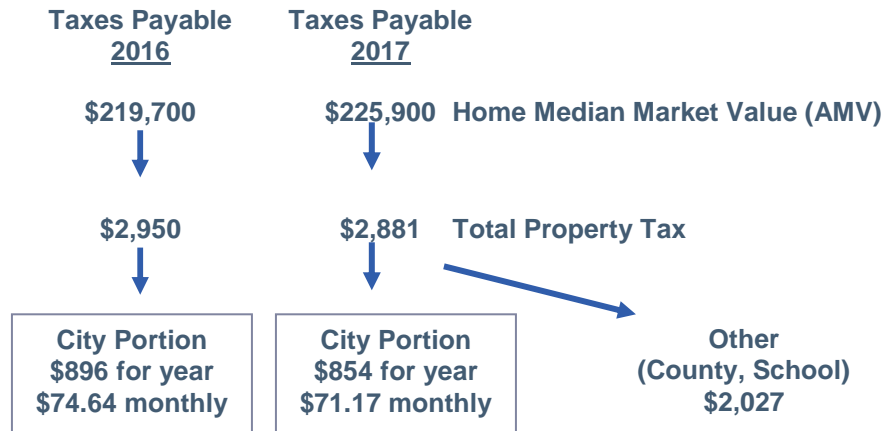
### Residential



This graphic illustrates the total tax for a commercial property. For every total tax dollar, 16 cents comes to the City.



## 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 2016 of \$225,900. Homestead properties receive favorable tax treatment with a value exclusion applied before the tax levy is apportioned.

Total taxes of \$2,881 are shared by local governmental agencies based on each taxing district's adopted levy.

The City's share of property taxes of \$854 annually equals \$71.17 per month on a median value home in Bloomington.

## City Allocation of Property Tax Resources

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 2015, 2016 and 2017 are as follows:

<u>City Service</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Police	\$24.67	\$24.55	\$22.88
Public Works	15.38	14.63	14.73
Community Services	14.37	16.39	15.84
Debt and Capital	7.56	8.16	7.64
Fire	4.99	6.67	6.71
Strategic Priorities	0.60	0.91	0.44
Community Develop.	<u>4.09</u>	<u>3.33</u>	<u>2.93</u>
	\$71.66	\$74.64	\$71.17



## 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.

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		TIER III QUALITY OF LIFE	
Police Patrol (including EMS)	\$17.87	Engineering	\$ 2.68	General Recreation	\$ 3.17
Street Maintenance	8.83	Environmental Health	1.26	Public Health	1.03
Police Investigation	4.10	Community Planning	1.67	Aquatics	1.45
Capital/Debt	7.64	Emergency Preparedness	0.07	Cultural & Special Events	0.70
Fire Suppression	4.52	Crime Prevention	0.89	Center for Arts	0.99
Bomb Squad	0.06	Parks Maintenance	5.04	Strategic Priorities	0.44
Building and Inspections	0.00			Golf	0.45
Fire Pension	<u>1.13</u>	Street and Traffic Lights	3.21	Artistry	<u>0.31</u>
		Human Services	2.70		
		Fire Marshall/Fire Prevention	<u>0.96</u>		
<b>Total</b>	<b><u>\$44.15</u></b>		<b><u>\$ 18.48</u></b>		<b><u>\$8.54</u></b>

## 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.

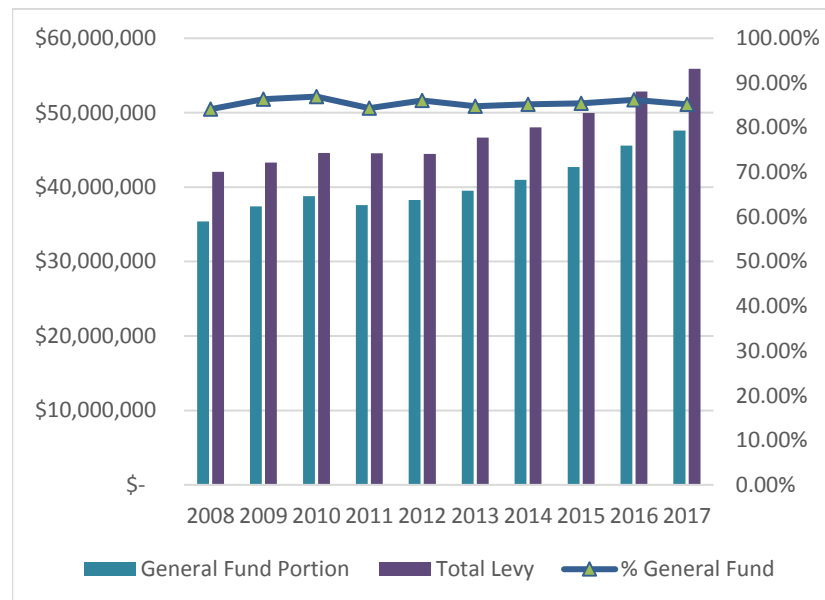
## Levy Components

The dollars levied in 2017 by fund as compared to the 2016 levy are illustrated in the following table:

<u>Fund</u>	<u>2016</u>	<u>2017</u>	<u>Current % Increase (Decrease) Over 2016</u>
General	\$45,566,707	\$47,610,760	4.49%
Debt Service	3,983,999	4,156,714	4.34
Tax Abatement	813,535	936,328	15.09
Recreation Facilities	1,445,874	2,134,946	47.66
Fire Pension	500,000	750,000	50.00
Strategic Priorities	535,037	295,000	(44.86)
Total	<u>\$52,845,152</u>	<u>\$55,883,748</u>	5.75%

The City's general fund levy increased from 2016 to 2017 by 4.49 percent or \$2,044,053. The 2017 General Fund budget includes a 4.17 percent increase in spending from 2016.

## General Fund Portion of Levy



The average increase in the gross levy over the past fifteen years is 4.08 percent; the past ten years is 3.40 percent; and the past five years is 4.69 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 2016 Fund Balance	2017 Revenues	2017 Expenditures	Ending Balance	% Change in Fund Balance	\$ Change in Fund Balance	Reason for Greater than 10 Percent Variance
Public Health Special Revenue	\$ 149,774	\$1,065,390	\$1,090,500	\$ 124,664	(16.8) %	\$(25,110)	Increased personnel assigned to projects
Police Special Revenue	2,329,202	2,815,552	2,159,439	2,985,315	28.2 %	656,113	Includes \$750,000 levy to support fire pension obligations.
Communications	730,237	1,826,844	1,848,299	708,782	(2.9)%	(21,455)	
South Loop Development	34,048	250,200	197,000	87,248	56.2 %	53,200	Fee revenue increased due to development.
Water/ Wastewater	52,586,587	31,240,303	26,365,702	57,461,188	9.3 %	4,874,601	
Storm Water	34,180,785	16,654,065	4,272,289	46,562,561	36.2 %	12,381,776	Large capital project added to the system
Solid Waste	1,867,522	8,173,623	8,516,475	1,524,670	(18.4) %	(342,852)	Additional cost for storm cleanup
Recreational Facilities	10,731,115	5,718,408	6,223,171	10,226,352	(4.7) %	(504,763)	
Police Contractual	0	1,745,000	1,745,000	0	0 %	0	
Motor Vehicle	286,774	732,040	795,969	222,845	(22.3) %	(63,929)	Repay General Fund for prior years' tax support
Information Systems	3,217,557	4,960,370	5,326,274	2,851,653	(11.4) %	(365,904)	Technology upgrades, network switches
Equipment	15,474,174	7,302,642	7,004,697	15,772,119	1.9 %	297,945	
Support Services	143,408	498,047	525,280	116,175	(19.0) %	(27,233)	Increase in materials and supplies line items.
Public Safety Radio	1,220,816	683,607	1,213,599	690,824	(43.4) %	(529,992)	Transfer to 911 Fund/purchase of radios and mobile computers
Self-Insurance	2,311,314	2,293,833	2,226,036	2,379,111	2.9 %	67,797	
Insured Benefits	2,429,137	8,975,363	9,217,351	2,187,149	(10.0) %	(241,988)	Increased usage of employer contribution plans (HSA/HRA).
Accrued Benefits	(1,511,885)	2,304,303	1,873,738	(1,081,320)	28.5 %	430,565	Increased rate charged from 3% to 5%
Facilities & Parks	43,889,311	16,199,433	11,698,701	48,390,043	10.2 %	4,500,732	Funds accumulated for Fire Station replacement
General Fund	29,186,214	70,996,190	70,996,190	29,186,214	0 %	0	
Park Grants	259,125	63,000	165,000	157,125	(39.4) %	(102,000)	Multiple projects to maintain amenities
Placemaking	247,257	400,000	400,000	247,257	0.0 %	0	
Cemetery	619,916	176,382	310,221	486,077	(21.6)%	(133,839)	Capital project, road construction.

# Working Capital Balances

Fund Name	Basis	Justification	Formula (if any)	Current Recommended Balance	Estimated 12/31/16 Working Capital	Estimated 12/31/17 Working Capital
General Fund	35-40% of General Fund expenditures or revenues for the following year.	Cash flow – 1 <sup>st</sup> half of property taxes are not received until June.	$\$70,996,190 \times 37.5\%$	\$26,623,571	\$26,804,682	\$26,804,682
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	\$115,163	\$90,053
Police Special Revenue Funds	DWI Forfeiture – Enhanced 911 – Drug Forfeiture – Lump Sum Police Grants Police Pension Residual Asset Fund Fire Pension	Emergency Expenditures Emerg. repairs, Emergency Repairs Repair, replace Per 20-year plan Next year obligation		\$64,000 \$40,000 \$50,000 \$0 \$29,869 <u>\$1,500,000</u> \$1,683,869	\$315,161 \$8,584 \$402,378 \$0 \$153,048 <u>\$1,497,883</u> \$2,377,054	\$306,005 \$18,994 \$443,178 \$0 \$29,869 <u>\$2,235,120</u> \$3,033,116
Communications	Possible change in regulated services source of funds; a reserve kept to allow budget amendment if necessary.  Lump Sum	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	\$384,000  <u>\$277,200</u> \$661,200	\$924,854	\$903,399
South Loop	Permit surcharges are collected to fund studies that take place prior to project approval. No working capital	Generally Accepted Accounting Principles		\$0	\$0	\$53,200

Fund Name	Basis	Justification	Formula (if any)	Current Recommended Balance	Estimated 12/31/16 Working Capital	Estimated 12/31/17 Working Capital
Park Grants	Track grants for regional park maintenance from State of Minnesota via Met Council	GAAP	Lump Sum	\$125,000	\$289,751	\$187,751
Water Utility	Two months of customer revenue  Lump Sum Tower rehab  Long-term capital needs: Lump Sum	Cash flow  Emergency repairs  Reinvestment for Asset Management	$\$12,843,000 \times \frac{2}{12}$	\$2,141,000 +  \$500,000 + 1,200,000 + <u>\$3,500,000</u> \$7,341,000	\$2,062,614	\$1,695,828
Wastewater Utility	Two months of customer revenue  Lump Sum  Long-term capital needs: Lump Sum	Cash flow  Emergency repairs  Reinvestment for Asset Management	$\$12,110,000 \times \frac{2}{12}$	\$2,018,000  \$500,000 +  <u>\$5,007,056</u> \$7,525,056	\$3,045,495	\$2,212,881
Storm Water Utility	Two months of customer revenue  Lump Sum  Lump Sum  Lump Sum  Lump Sum	Cash flow-maintain  Emergency repairs  Long-term capital needs: PMP & Maintenance projects  Storm water system upgrades NPDES requirements	$\$5,847,000 \times \frac{2}{12}$	\$974,000  \$1,000,000 +  \$2,395,000 +  \$200,000  <u>0</u> \$4,569,000	\$5,171,236	\$4,919,019
Solid Waste Management	60% of the Neighborhood Clean-up Program cost	City is concerned that funding from Hennepin County may be substantially reduced or eliminated.	$\$670,000 \times 60\%$	\$402,000		



Fund Name	Basis	Justification	Formula (if any)	Current Recommended Balance	Estimated 12/31/16 Working Capital	Estimated 12/31/17 Working Capital
Solid Waste Management (continued)	Reserve for tree disposal, storm clean-up and hazardous waste			\$212,450		
	One month garbage	Billing expense		\$403,736		
	Tree Replacement	\$800 Per Tree + take down	\$0	\$205,000		
	40% remaining budgeted operating expenses	Reserve for cash flow to draw from rather than raise rates if funding is cut.	\$462,500 x 40%	<u>\$185,000</u>	\$1,559,509	\$1,216,657
				\$1,408,186		
Motor Vehicle	4/12 of budgeted operating expenses	Operating expenses	\$796,000 x 4/12	\$265,000 +		
		Emergency purchase		<u>\$20,000</u>		
	Lump sum			\$285,000	\$327,018	\$263,089
Information Systems	1 month operating expenses	Cash Flow		\$306,000 +		
		Equipment replacement (major components)		<u>\$769,070</u>		
	Lump Sum			\$1,075,070	\$1,849,379	\$1,332,475
Support Services	1 Month's budgeted operating revenues	Cash flow	\$603,600 ÷ 12	\$50,300 +		
	Lump Sum	Print Shop /Mailroom Equipment Replacement		<u>\$92,500</u>		
				\$142,800	\$187,117	\$174,884
Equipment	Operations & Maintenance	Cash flow for operations and inventory replacement	\$3,876,000 / 12	\$323,000 +	\$2,477,242	\$1,156,878
	One month of charges	Fuel contingency		200,000 +		
	Lump Sum			\$2,183,000 +	\$2,317,768	\$2,593,785
	Replacement – One year of charges	Flexibility to reduce charges in economic downturn		\$1,100,000 +	\$589,316	\$922,712
	Fire Equipment Replacement – 2 years of charges to Fire Dept. for replacement	Build funds for replacement	\$550,000 x 2			
	Small Fire Equipment	Build funds for replacement		\$606,884	\$340,217	\$553,701
	Small Police Equipment	Build funds for replacement		<u>\$86,014</u>	<u>\$68,556</u>	<u>\$43,967</u>
				\$4,498,898	\$5,793,099	\$5,271,043

Fund Name	Basis	Justification	Formula (if any)	Current Recommended Balance	Estimated 12/31/16 Working Capital	Estimated 12/31/17 Working Capital
Radio Fund	One month's budgeted operating revenue	Cash flow – multi-year modeling need	\$492,000 ÷ 12	\$41,000 +		
	Lump sum	To replace/ purchase additional MDT's/Radios		\$100,000 +		
	Lump Sum	Fiber Optic Network		<u>\$136,482</u> \$277,482		
Facility Replacement & Maintenance	Administration & Maintenance 2 months' budgeted operating expenditures	Cash flow – multi-year modeling need	\$3,581,000 ÷ 6	\$597,000  +	\$1,870,590	\$548,584
	Replacement	Minimize future debt of facility replacement cash flow		<u>\$6,523,866</u>	<u>\$5,510,849</u>	<u>\$6,488,037</u>
				\$7,120,866	\$7,381,439	\$7,036,621
Insured Benefits Fund	One Month's Premiums	Operating Expenses – multi-year modeling need	\$9,216,000 ÷ 12	\$768,000		
	Reserve for Premium Increases			<u>\$1,000,000</u> \$1,768,000		
Recreational Facilities Funds	Aquatics facilities (2)	Operations		\$745,000 +	\$351,473	\$45,391
	Ice Garden – Lump sum	Capital Improvements		\$225,833	\$339,010	\$323,803
	2 Months Operating Expenses	Cash Flow		\$190,000		
	Art Center – 12 months of selected budgeted operating expenses	Cash Flow		\$314,300  +		
	Lump Sum	Furniture, fixtures, equipment		\$50,000 +	\$68,913	\$17,982
	Golf courses (2) – Lump Sum	Cash flow		\$434,000 +		
	Capital	Emergency repairs		\$480,000 + <u>\$36,500</u> \$2,475,633	\$92,079	\$59,536
					<u>\$851,475</u>	<u>\$446,712</u>
Self-Insurance Fund	Amount cited in Actuarial Report as minimum to cover losses	Guard against significant impact of large claims		\$1,770,000	\$1,938,577	\$2,006,374
Accrued Compensation Fund	Enough assets to offset liability	Generally Accepted Accounting Principles		\$0	(\$1,921,790)	(\$1,491,225)

# General Fund Five- Year Budget Projection

The City utilizes a five-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

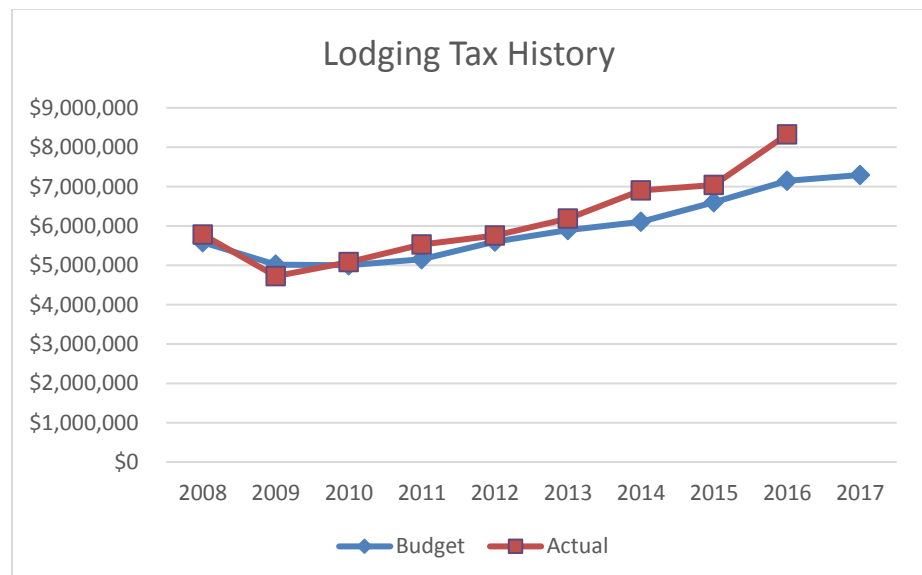
In 2017, revenues are budgeted to increase from the 2016 budget by 4.17 percent. In the five-year model shown on the fourth page of this section, revenues are projected to increase each year from 2018 to 2022 at rates ranging from 3.93 percent to 4.17 percent with an average increase of 4.10 percent.

**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 3.05 percent over the past 15 years (since 2002) including declines in payable years 2010 through 2014 in tax base of 5.7, 7.2, 1.8, 2.1 and 0.7 percent respectively.

**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 five 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 2016 estimate through 2022.

**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. Revenues per room increased by 8 percent for 2016. A 2.01 percent growth rate is expected for 2017 with more hotels coming on line. A 2 percent growth rate is carried out to the later years of the model.



**Business licenses and permits** are fairly consistent in quantity each year. Fees for each license type are generally increased to reflect inflation. Permit and license fees increased by 3.02% from the 2016 budget. Even though fees are increased, the following categories have underperformed in revenue collection: animal licenses, food vendors, multiple family rentals. Business license revenue is modeled to increase by 2.0% for 2018 through 2022.

**Non-business licenses and permits** include 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 2017 to increase by 12.51% from the 2016 budget based on the strength of the building market. Permit revenue is budgeted to increase by 0.09% each year through 2022.

**Court fines and forfeits** are generated from traffic and other violations of the law. A 26.61 percent decrease from the 2016 budget is budgeted for 2017. Revenue for this category is budgeted to remain flat through 2022 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 2017 shows a 1.14 percent decrease from the 2016 budget. Program revenue is expected to remain flat through 2022 based on the historical performance of this revenue.

**Intergovernmental revenues** increase 0.33 percent in the 2017 budget from the 2016 budget. Funding for 2018 through 2022 grows by 0.43 percent in 2018 and then remains flat because of the uncertainty of this funding source.

**Interest** is scheduled to increase by 2.5 percent from the 2016 budget. Interest earnings are expected to return to 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**

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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 70 percent of General Fund service costs.

Overall, appropriations in the model are projected to increase annually at a rate of 4.17 percent.

**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 2010, 2011, 2012, 2013, 2014, 2015 and 2016, wage increases of 0.0, 2.0, 1.0, 2.5, 2.0, 2.5 and 2.5 percent were given. In 2017 a 2.75 percent increase was budgeted. The later years of the model include wage increases for modeling purposes only.

**Health and dental costs** were scheduled for a rate increase for 2016 of 15 percent. Plan changes were implemented to decrease the effect of this rate increase to 8.18 percent by increasing deductibles and introducing a Health Saving Account (HSA). The City created the Insured Benefits Internal Service Fund in 2002 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 to build a reserve for the anticipated premiums increases in 2015 and beyond. That reserve was tapped in 2015 and 2016 to cover part of the premium increase. For 2017, the City went out for bids and was able to contract for a 6.5 percent decrease in premiums.

**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. One example is the Fire Department Equipment Fund. Appropriations for fire equipment replacement were reduced in 2015 after reprioritizing the fire capital replacement schedule to assist in offsetting fire pension contribution increases. In 2017 Fire Equipment replacement costs were again decreased to help the General Fund, the source of funding for this equipment, to remain at a reasonable and prudent increase. 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

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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 22 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 is exploring the option of expanding this model to ten years. This longer term model would enhance the City's planning capacity to identify economic cycles and levy projections further into the future.



## General Fund Model

REVENUES	2017	2018	2019	2020	2021	2022
Property Tax	\$47,610,760	\$50,742,649	\$53,854,543	\$56,689,925	\$59,695,862	\$62,774,710
Less Delinq. & Abatements	(647,684)	(660,638)	(673,850)	(687,327)	(701,074)	(715,095)
Delinquent Collections	200,000	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	1,360,583
Hotel-Motel Tax	7,294,000	7,439,880	7,588,678	7,740,451	7,895,260	8,053,165
Business Lic. & Permits	1,984,800	2,024,496	2,064,986	2,106,286	2,148,411	2,191,380
Non-Bus. Lic. & Permits	3,242,630	3,245,630	3,320,280	3,396,646	3,474,769	3,554,689
Court Fines	850,000	850,000	850,000	850,000	850,000	850,000
Program Income	2,140,729	2,140,729	2,140,729	2,140,729	2,140,729	2,140,729
Intergovernmental Rev.	2,321,560	2,331,560	2,331,560	2,331,560	2,331,560	2,331,560
Interest Earnings	80,767	82,786	84,856	86,977	89,152	91,380
Transf. from Other Funds	1,665,000	1,300,000	1,000,000	1,000,000	1,000,000	1,000,000
Police Pension	93,982	0	0	0	0	0
South Loop Revenue	1,863,034	1,909,610	1,957,350	2,006,284	2,056,441	2,107,852
All Other	936,029	988,233	1,029,825	1,060,966	1,093,074	1,126,180
Total Revenues	\$70,996,190	\$73,955,518	\$77,109,539	\$80,238,080	\$83,634,767	\$87,067,133
APPROPRIATIONS	2017	2018	2019	2020	2021	2022
City Council/Com.	\$574,747	\$609,361	\$633,735	\$659,085	\$685,448	\$712,866
City Manager	692,255	692,925	720,642	749,468	779,446	810,624
Legal	1,511,748	1,565,804	1,628,436	1,693,574	1,761,317	1,831,769
Human Resources	801,717	811,139	843,585	877,328	912,421	948,918
Finance	1,125,651	1,194,235	1,242,004	1,291,685	1,343,352	1,397,086
Police	24,853,734	25,834,023	26,867,384	27,942,079	29,059,762	30,222,153
Fire	4,850,524	5,214,136	5,422,701	5,639,609	5,865,194	6,099,802
Community Develop.	7,121,741	7,324,093	7,617,057	7,921,739	8,238,609	8,568,153
Community Services	14,156,304	14,855,561	15,449,783	16,067,775	16,710,486	17,378,905
Public Works	12,613,440	12,443,117	12,940,842	13,458,475	13,996,814	14,556,687
Technical Service Group	2,995,598	3,178,724	3,305,873	3,438,108	3,575,633	3,718,658
Offset for Est. Unspent	(2,311,956)	(1,918,178)	(1,889,305)	(1,859,299)	(1,828,177)	(1,795,878)
Contingency	1,824,687	1,850,578	1,926,801	2,003,453	2,084,462	2,167,391
Transfers to Other Funds	186,000	300,000	400,000	400,000	450,000	450,000
Total Expenditures	\$70,996,190	\$73,955,518	\$77,109,539	\$80,283,080	\$83,634,767	\$87,067,133

Note: Years 2018-2022 are estimates.

# 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.

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

# Staffing

	2012 Authorized Full-Time	2013 Authorized Full-Time	2014 Authorized Full-Time	2015 Authorized Full-Time	2016 Authorized Full-Time	2017 Authorized Full-Time
City Manager	3	3	3	3	4	4
Community Development	54	54	56	51*	51	52
Community Services	40	40	40	40	40	40
Finance	22	22	22	22	23	24
Fire Protection	3	4	4	9*	9	9
General Government/ City Council	1	1	1	1	1	1
Human Resources	6	6	6	6	6	6
Legal	12	12	12	12	12	12
Police	148	150	150	150	155	155
Public Works	66	66	66	66	66	67
Technical Services Group	20	20	20	20	21	21
<b>GENERAL FUND TOTAL</b>	<b>375</b>	<b>378</b>	<b>380</b>	<b>380</b>	<b>388</b>	<b>391</b>
Communications	8	8	8	8	9	9
Public Health	10	9	8	8	6	6
South Loop Revolving Development Svcs.	5	5	5	5	5	5
<b>Special Revenue</b>	<b>23</b>	<b>22</b>	<b>21</b>	<b>21</b>	<b>20</b>	<b>20</b>
Motor Vehicle	5	5	5	6	6	6
Rec Facilities Fund	16	17	18	18	18	18
Solid Waste Mgt.	1	1	1	1	1	1
Storm Water Utility	11	12	12	12	12	12
Water & Wastewater Utilities	54	54	54	54	54	54
<b>Enterprise</b>	<b>87</b>	<b>89</b>	<b>90</b>	<b>91</b>	<b>91</b>	<b>91</b>
Equipment Pool	15	15	15	15	15	15
Facilities and ParksMaintenance	37	39	39	39	39	39
Information Systems	13	13	13	13	13	13
Radio Operations	1	1	1	1	1	1
Support Services	3	3	3	3	3	3
<b>Internal Service</b>	<b>69</b>	<b>71</b>	<b>71</b>	<b>71</b>	<b>71</b>	<b>71</b>
<b>TOTAL OTHER FUNDS</b>	<b>179</b>	<b>182</b>	<b>182</b>	<b>183</b>	<b>182</b>	<b>182</b>
Housing and Redevelopment	10	10	10	10	10	10
Port Authority	3	3	3	3	3	4
<b>TOTAL ALL</b>	<b>567</b>	<b>573</b>	<b>575</b>	<b>576</b>	<b>583</b>	<b>587</b>

*\*Fire Inspections moved from Community Development to Fire which accounts for the change in FTE.*



## GENERAL FUND – FUND 1001

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## TOTAL GENERAL FUND BUDGET SUMMARY

	2015 ACTUAL	2016 ORIGINAL BUDGET	2016 AMENDED BUDGET	2016 ESTIMATED	2017 BUDGET
Revenues					
Property Taxes	\$ 42,523,767	\$ 45,131,723	\$ 45,131,723	\$ 45,092,671	\$ 47,163,076
Lodging/Admission Taxes	8,306,823	8,510,583	8,510,583	9,806,025	8,654,583
Licenses/Permits	6,241,920	4,808,550	4,808,550	4,710,173	5,227,430
Fines/Forfeitures	988,111	1,158,219	1,158,219	831,429	850,000
Intergovernmental	2,345,708	2,313,816	2,477,211	2,506,983	2,321,560
Program Income	2,215,804	2,134,526	2,204,256	1,905,513	2,140,729
Interest	88,476	78,797	78,797	113,375	80,767
Transfers In	2,845,681	3,153,630	3,153,630	3,335,899	3,622,016
Other	933,509	834,346	840,696	979,441	936,029
<b>TOTAL REVENUES</b>	<b>66,489,799</b>	<b>68,124,190</b>	<b>68,363,665</b>	<b>69,281,509</b>	<b>70,996,190</b>
Expenditures					
Staffing					
Salaries and Wages	31,292,136	34,147,478	34,339,251	33,073,039	34,956,106
Benefits	11,679,410	12,036,631	12,041,631	12,431,710	13,145,631
Operating Expenditures					
Professional and Technical Services	1,077,722	1,453,077	1,566,354	1,351,651	1,409,884
Utilities and Maintenance	2,863,250	3,443,836	3,811,256	3,732,869	3,613,812
Operations	1,142,744	1,370,061	1,384,244	1,219,896	1,509,064
City Support Services	17,301,068	18,929,602	18,929,602	18,942,915	19,011,124
Materials and Supplies	2,181,745	2,855,237	2,885,657	2,741,774	2,928,228
Capital Outlay					
Equipment	83,034	112,000	112,000	85,740	837,000
Transfers Out & Contingency	842,808	2,059,789	2,059,789	352,804	2,096,687
<b>TOTAL EXPENDITURES</b>	<b>68,463,917</b>	<b>76,407,711</b>	<b>77,129,784</b>	<b>73,932,398</b>	<b>79,507,536</b>
Less Expenses Charged to Others	(5,823,236)	(6,306,350)	(6,306,350)	(5,828,856)	(6,199,388)
Less Budgeted Estimated Unspent	-	(1,946,240)	(1,946,240)	-	(2,311,958)
<b>NET TOTAL EXPENDITURES</b>	<b>62,640,681</b>	<b>68,155,121</b>	<b>68,877,194</b>	<b>68,103,542</b>	<b>70,996,190</b>
<b>FUND BALANCE SOURCES (USES)</b>	<b>3,849,118</b>	<b>(30,931)</b>	<b>(513,529)</b>	<b>1,177,967</b>	<b>-</b>
Fund Balance Beginning of Year	24,110,646	27,959,764	27,959,764	27,959,764	29,137,731
Fund Balance at Year-End	\$ 27,959,764	\$ 27,928,833	\$ 27,446,236	\$ 29,137,731	\$ 29,137,731
Fund Balance goal	\$ 21,340,638	\$ 25,898,946	\$ 25,898,946	\$ 25,898,946	\$ 27,688,514

# Public Safety - Police

## Divisions

**Police  
Administration  
Police Operations  
Police Support  
Division**



87 percent of residents say they feel safe in Bloomington.

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

The Police Department employs 155 people, of which 123 are sworn officers. The Police Department provides safety within our community, prevents crime through an easily recognizable presence, enforces state and local laws fairly and aggressively and provides educational programs. Patrol provides 24-hour-a-day service to the community by responding to crimes, traffic accidents, medical emergencies, fires, public safety hazards, domestic disputes and other community needs. Approximately 160,720 emergency and non-emergency phone calls are logged into the dispatch center a year. Of these, approximately 47,517 emergency (911) calls each year come in to the Communications Unit (Dispatching). Not all of these calls result in a request for police services. Other units include the South Loop Unit, SWAT, Bomb Squad, Hostage Negotiators, Traffic Unit, Community Policing, K-9 Unit, Emergency Management, Police Reserves and Animal Control. The specialty units use already authorized staff as needed. This department oversees the Police Special Revenue, Contractual Police and Public Radio funds which are proprietary funds. The South Loop Unit is paid for through liquor and lodging tax dedicated to South Loop expenses.

## Expenditures

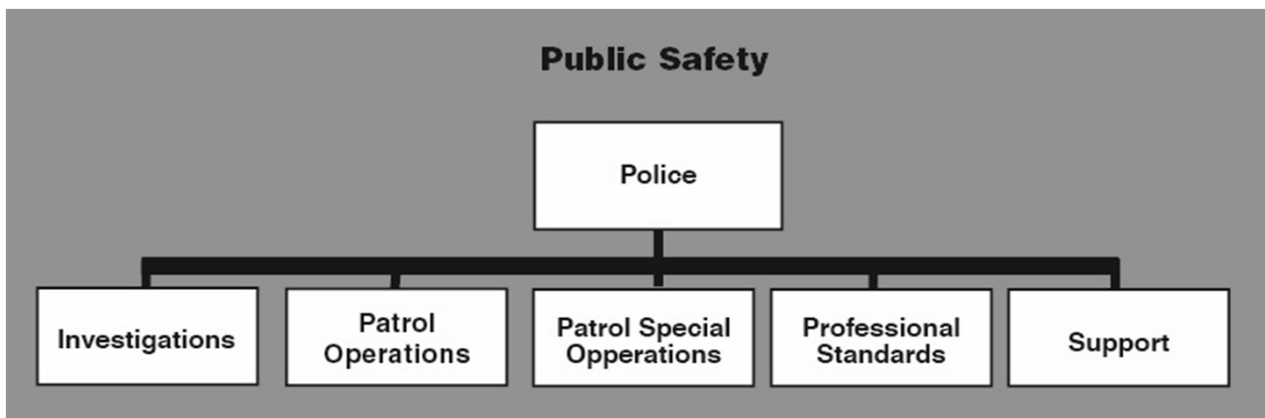
	FY2016 Original Budget	FY2017 Approved Budget	Percent Change
Salaries/Wages/Benefits	\$19,049,091	\$19,658,686	3.2%
Materials/Supplies/Services	5,454,549	5,531,644	1.4%
Capital	0	0	0.0
Expenses Charged to Others	(291,577)	(336,596)	(15.4)
	<b>\$24,212,063</b>	<b>\$24,853,734</b>	<b>2.7%</b>

## Authorized Full-Time Police

FY2015	FY2016	FY2017
150	155	155

POLICE BUDGET SUMMARY Revenues and Expenditures					
	2015 ACTUAL	2016 ORIGINAL BUDGET	2016 AMENDED BUDGET	2016 ESTIMATED	2017 BUDGET
Revenues					
Program Income	\$ 314,250	\$ 321,800	\$ 322,400	\$ 174,574	\$ 314,800
Intergovernmental	104,826	80,000	141,425	108,083	78,000
<b>TOTAL REVENUES</b>	<b>419,076</b>	<b>401,800</b>	<b>463,825</b>	<b>282,657</b>	<b>392,800</b>
Expenditures					
Staffing					
Salaries and Wages	12,859,947	13,980,148	14,068,573	13,598,570	14,283,698
Benefits	4,868,603	5,068,943	5,068,943	5,217,710	5,374,988
Operating Expenditures					
Professional and Technical Services	83,301	109,653	109,653	75,200	109,662
Utilities and Maintenance	339,783	350,396	676,029	738,663	356,178
Operations	237,857	239,146	217,246	217,644	239,372
City Support Services	4,045,351	4,294,207	4,294,207	4,290,664	4,317,758
Materials and Supplies	618,136	461,147	441,479	461,898	466,674
Transfer Out	-	-	-	800	42,000
<b>TOTAL EXPENDITURES</b>	<b>23,052,978</b>	<b>24,503,640</b>	<b>24,876,130</b>	<b>24,601,149</b>	<b>25,190,330</b>
Less Expenses Charged to Other Funds	(284,472)	(291,577)	(291,577)	(291,576)	(336,596)
<b>NET TOTAL EXPENDITURES</b>	<b>\$ 22,768,506</b>	<b>\$ 24,212,063</b>	<b>\$ 24,584,553</b>	<b>\$ 24,309,573</b>	<b>\$ 24,853,734</b>

	2015	2016	2017
Property tax cost of service for median value home per month:			
Police	\$24.67	\$24.57	\$22.88



211b (02/12)

# Police - Administration

Police Administration provides overall administrative support to the Police Department and comprehensive emergency management support for the City.

## 2017 Objectives

- S** Plan and coordinate the provision of high quality public safety services to the community at an affordable price.
- S** Seek grant opportunities to assist with traffic safety issues such as seat belt use, speeding and impaired driving to increase enforcement efforts, enhance public safety, deter crime and reduce crashes.
- S** Identify problem addresses through the PROTECT program and utilize collaborative efforts with other City departments to resolve issues associated with these properties.
- I** Work on Strategic planning
- S** Provide advanced C.I.T. / De-escalation training.
- I** Redefine our police image through community engagement.
- I** Body Camera exploration/policy development
- S** Implement new RMS/CAD and mobile software.
- S** Replace Radios (mobile and portables)

## 2016 Results

- Oversaw the Police Department budget.
- Continued to monitor measurable goals and objectives for the Police Department using Police Department's Strategic Plan that focuses in areas of youth, community outreach, training and technology. These objectives include directing patrols based on statistics showing problems areas; conducting traffic enforcement in known crash areas; and using technology to deter crime and apprehend criminals in areas of increased criminal activity.
- Participation of supervisors and Police Department senior staff in High Performing Organization (HPO) leadership and management training.

## Expenditures

	FY2016 Original Budget	FY2017 Approved Budget	Percent Change
Salaries/Wages/Benefits	\$ 759,443	\$ 791,755	4.3%
Materials/Supplies/Services	126,940	108,306	(14.7)
Expenses Charged to Others	(2,754)	(2,830)	2.8
	<b>\$ 883,629</b>	<b>\$ 897,231</b>	<b>1.5%</b>

## Authorized Full-Time

	FY2015	FY2016	FY2017
	<b>5</b>	<b>4</b>	<b>4</b>
Administrative Assistant	1	1	1
Chief of Police	1	1	1
Deputy Chief of Police	2	2	2
Police Officer	1	0	0

POLICE ADMINISTRATION  
BUDGET SUMMARY  
Revenues and Expenditures

	2015 ACTUAL	2016 ORIGINAL BUDGET	2016 AMENDED BUDGET	2016 ESTIMATED	2017 BUDGET
Revenues					
Intergovernmental	\$ 37,649	\$ 40,000	\$ 40,000	\$ 35,956	\$ 40,000
<b>TOTAL REVENUES</b>	<b>37,649</b>	<b>40,000</b>	<b>40,000</b>	<b>35,956</b>	<b>40,000</b>
Expenditures					
Staffing					
Salaries and Wages	541,943	569,588	569,588	576,690	581,740
Benefits	190,416	189,855	189,855	201,205	210,015
Operating Expenditures					
Professional and Technical Services	108	-	-	425	-
Utilities and Maintenance	-	202	202	-	202
Operations	9,073	9,991	9,991	13,375	10,260
City Support Services	107,766	113,095	113,095	113,149	94,155
Materials and Supplies	6,605	3,652	3,652	2,777	3,689
<b>TOTAL EXPENDITURES</b>	<b>855,911</b>	<b>886,383</b>	<b>886,383</b>	<b>907,621</b>	<b>900,061</b>
Less Expenses Charged to Other Funds	(2,688)	(2,754)	(2,754)	(2,760)	(2,830)
<b>NET TOTAL EXPENDITURES</b>	<b>\$ 853,223</b>	<b>\$ 883,629</b>	<b>\$ 883,629</b>	<b>\$ 904,861</b>	<b>\$ 897,231</b>



# Police - Operations

## Activities

### Patrol

### Investigations

### Special Operations



### 2015 Police

#### Operations:

- 363 DWI Arrests
- 10,641 Traffic Citations
- 14,471 Traffic Stops
- 5,713 Directed Patrols

Over 90 Percent of Police Officers serve in Operations.

124 Commercial Vehicle Inspections conducted in 2016.

348 National Night Out Parties held in 2016.

The Patrol activity provides twenty-four hour, seven-day a week response to 49,574 requests for officer assistance each year, 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. Four K-9 teams and Crime Scene Technicians are also part of the Patrol response resources.

### 2017 Objectives

- S** Work with neighborhoods and businesses to identify and solve problems such as repeat calls for service.
- S** Reduce number of reported stolen vehicles in 2017 through auto theft prevention education.
- S** 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 2017.
- I** Conduct at least one Community Engagement Event at each of our Elementary Schools, providing a positive contact between patrol officers and our youth.
- S** Maintain a Field Training Program that emphasizes strong training ethics for 6-7 new officers in 2017.
- S** Work with City Attorney's Office and the School District in designing a school bus stop arm violators program that withstands a rigorous defense and leads to increased convictions by 10%
- S** Decrease the number of traffic crashes resulting in injury by ten percent in 2017 by operating speed patrols and DUI enforcement. Continue to work Towards Zero Deaths (TZD) on our roadways through aggressive traffic enforcement.
- S** Continue to utilize our Police Canines to their fullest abilities to detect hazards, detect crime and apprehend criminals.
- S** Provide education to local businesses to prevent the sale and distribution of alcohol and tobacco products to underage persons.
- S** Educate Hotel and Hospitality groups on Narcotics / Human Trafficking recognition to prevent criminal activities in local hotels.
- I** Provide information to parent, teacher, and social workers on the identification of current youth drug trends to prevent future use by juveniles and adolescents.
- S** Continue to provide evening and weekend investigative staff to the public with scheduled Investigative Division personnel beyond traditional business hours, and Saturdays.
- S** Continue to work collaboratively across police divisions and other city staff to address issues with identified problem properties.

### 2016 Results

- Used technology to increase stolen vehicle recovery in 2016, resulting in 89 recoveries.
- Currently 16,341 homes, 419 watch groups, 710 Block Captains in the Neighborhood Watch group.
- Received 160,720 calls to the dispatch center in 2016; 47,517 of these were 911 calls.
- Responded to 71,861 requests for Police services in 2016.
- Worked 629 traffic enforcement details that resulted from citizen complaints and traffic crash data.
- Conducted 613 Hit and Run Investigations.
- Traffic Fatalities were reduced from 6 in 2015 to 2 in 2016.
- A Field Training program that trained 14 new officers in 2016
- Deployed our Police Canines 277 times in 2016.
- Maintained and expanded a proactive mall unit, improving police presence.
- Conducted alcohol and tobacco compliance checks of licensed establishments, done each year.
- Continued the PROTECT (Proactive Objectives Targeting Emerging Crime Trends) Program to respond efficiently to problem addresses in the City.
- Bomb Squad responded to 42 calls for service and provided EOD planning and response for the Ryder Cup
- SWAT Team responded to 16 high-risk warrants and callouts..
- Investigations was assigned 4,610 cases to follow-up on in 2016, many that involved detailed work with computer forensics, financial records, interviews and evidence processing.

### Expenditures

	FY2016 Original Budget	FY2017 Approved Budget	Percent Change
Salaries/Wages/Benefits	\$ 14,394,247	\$ 14,902,057	3.5%
Materials/Supplies/Services	3,617,774	3,736,829	3.3
Capital	0	0	0.0
Expenses Charged to Others	0	0	(0.0)
	<b>\$ 18,012,021</b>	<b>\$ 18,601,886</b>	<b>3.3%</b>

### Authorized Full-Time

	FY2015	FY2016	FY2017
	<b>108</b>	<b>115</b>	<b>115</b>
Police Lieutenant	3	4	4
Police Officer	89	95	95
Police Sergeant	16	16	16

### Part I Crimes

	2012	2013	2014	2015	2016	5 Year Average
Homicide	0	1	1	0	1	1
Rape	25	19	26	43	58*	34*
Robbery	59	54	77	61	64	63
Aggravated Assault	62	60	59	58	68	61
Burglary	234	197	207	199	182	203
Theft	2,957	3,059	2,919	2,643	2,519	2,819
Vehicle Theft	86	119	128	104	132	113
Arson	20	16	6	10	11	13

\*Note: In April 2015, the State Legislature changed multiple state statutes to be categorized as Part I "Forcible Rape" instead of Part II "Other Sex Offenses". This is the primary reason for the large increase from the 5 year average.

POLICE OPERATIONS BUDGET SUMMARY Revenues and Expenditures					
	2015 ACTUAL	2016 ORIGINAL BUDGET	2016 AMENDED BUDGET	2016 ESTIMATED	2017 BUDGET
Revenues					
Program Income	\$ 224,737	\$ 246,200	\$ 246,200	\$ 88,421	\$ 239,200
Intergovernmental	55,186	40,000	101,425	67,174	38,000
<b>TOTAL REVENUES</b>	<b>279,923</b>	<b>286,200</b>	<b>347,625</b>	<b>155,595</b>	<b>277,200</b>
Expenditures					
Staffing					
Salaries and Wages	9,796,930	10,509,990	10,598,415	10,365,703	10,796,830
Benefits	3,689,637	3,884,257	3,884,257	4,036,756	4,105,227
Operating Expenditures					
Professional and Technical Services	73,839	96,167	96,167	68,145	96,167
Utilities and Maintenance	95,638	99,754	94,167	98,199	98,970
Operations	71,798	74,760	67,460	56,225	74,792
City Support Services	2,809,536	3,021,588	3,021,588	3,019,665	3,088,227
Materials and Supplies	336,468	325,505	311,202	330,062	336,673
Transfer Out	-	-	-	-	42,000
<b>TOTAL EXPENDITURES</b>	<b>16,873,846</b>	<b>18,012,021</b>	<b>18,073,256</b>	<b>17,974,755</b>	<b>18,638,886</b>
Less Expenses Charged to Other Funds	-	-	-	-	(37,000)
<b>NET TOTAL EXPENDITURES</b>	<b>\$16,873,846</b>	<b>\$18,012,021</b>	<b>\$18,073,256</b>	<b>\$17,974,755</b>	<b>\$18,601,886</b>

	2015	2016	2017
<b>Property tax cost of service for median value home per month:</b>			
<b>Police Investigations</b>	<b>\$5.17</b>	<b>\$4.50</b>	<b>\$4.10</b>
<b>Police Patrol</b>	<b>\$18.47</b>	<b>\$19.11</b>	<b>\$17.87</b>
<b>Bomb Squad</b>	<b>\$0.06</b>	<b>\$0.06</b>	<b>\$0.06</b>

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

- 309 employee training requests for classes were approved;
- 442 audio statements transcribed;
- Responded to 1132 requests for video evidence for Prosecutors.
- Processed 954 requests for permits to purchase a firearm.
- Processed 12,271 police reports in E-Forms.
- Trained the department on Crisis Intervention/De-escalation training.

# 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.

## 2017 Objectives

- I** Partner with Bloomington Chamber of Commerce to enhance the Police Business Academy in 2017.
- S** Encourage predictive policing and directed patrols by providing daily information to department personnel and advising of high priority areas.
- S** Continue to support Business Watch initiatives to help local businesses improve the safety of customers and employees and work to reduce crime.
- S** Continue to support Neighborhood Watch and National Night Out as a way to communicate with residents and improve their safety and quality of life.
- IE** Continue expanding community engagement efforts, Coffee with a Cop, Safe Summer Nights, Kids to Cops, etc.
- S** Expand the number of officers receiving the 40 hour C.I.T./De-escalation training in 2017
- I** Continue to enhance the Police Citizens Academy which takes place annually.

## 2016 Results

- Entered 12,271 police reports into the record management system (RMS) in 2016.
- Implemented Patrol Online training for all officers to more efficiently provide mandated training while creating opportunity for additional training as desired.
- Met state-mandated training objectives for all personnel:
  - 48 continuing law enforcement credits every three years.
  - Other mandated training, such as Use of Force, Pursuit Driving and Community Policing
- Implemented information systems which support the department's problem solving approach to police services.
- Completed Physical Fitness Assessments on all sworn personnel.
- Continued to review and update Department Policy Manual.
- Partnered with a local school and significantly increased participation in the New Americans Academy.
- Expanded the Multi-Cultural Advisory Board for multi-cultural residents, and broadened their scope. .
- Property and Evidence room received 10,313 property items that were held as evidence. This room currently holds over 31,000 pieces of evidence and averages 28 pieces received each day.
- Again participated in Safe Summer Nights and Voices Heard, and developed a Coffee With a Cop program, holding monthly events at various locations around the city.
- Increased our Twitter followers, and expanded other social media efforts, to include the use of NextDoor to better connect with the community.
- All sworn personnel received 10 hours of C.I.T./De-escalation training

### Expenditures

	FY2016 Original Budget	FY2017 Approved Budget	Percent Change
Salaries/Wages/Benefits	\$ 3,895,401	\$ 3,964,874	1.8%
Materials/Supplies/Services	1,709,835	1,686,509	1.4
Capital	0	0	0.0
Expenses Charged to Others	(288,823)	(296,766)	2.8
	<b>\$ 5,316,413</b>	<b>\$ 5,354,617</b>	<b>0.7%</b>

### Authorized Full-Time

	FY2015	FY2016	FY2017
	<b>38</b>	<b>36</b>	<b>36</b>
Accounting Assistant	1	1	1
Animal Control Officer	2	2	2
Civilian Police Dispatcher	14	14	14
Civilian Services Manager	0	1	1
Crime Analyst	1	1	1
Crime Prevention Coordinator	1	1	1
Lead Records Assistant	1	0	0
Police Lieutenant	3	1	1
Police Officer	2	2	2
Police Records Assistant	10	10	10
Police Sergeant	2	2	2
Property Control Assistant	1	1	1



POLICE SUPPORT  
BUDGET SUMMARY  
Revenues and Expenditures

	2015 ACTUAL	2016 ORIGINAL BUDGET	2016 AMENDED BUDGET	2016 ESTIMATED	2017 BUDGET
Revenues					
Program Income	\$ 89,513	\$ 75,600	\$ 76,200	\$ 86,153	\$ 75,600
Intergovernmental	11,991	-	-	4,953	-
<b>TOTAL REVENUES</b>	<b>101,504</b>	<b>75,600</b>	<b>76,200</b>	<b>91,106</b>	<b>75,600</b>
Expenditures					
Staffing					
Salaries and Wages	2,521,074	2,900,570	2,900,570	2,656,177	2,905,128
Benefits	988,550	994,831	994,831	979,749	1,059,746
Operating Expenditures					
Professional and Technical Services	9,354	13,486	13,486	6,630	13,495
Utilities and Maintenance	244,145	250,440	581,660	640,464	257,006
Operations	156,986	154,395	139,795	148,044	154,320
City Support Services	1,128,049	1,159,524	1,159,524	1,157,850	1,135,376
Materials and Supplies	275,063	131,990	126,625	129,059	126,312
Transfers Out	-	-	-	800	-
<b>TOTAL EXPENDITURES</b>	<b>5,323,221</b>	<b>5,605,236</b>	<b>5,916,491</b>	<b>5,718,773</b>	<b>5,651,383</b>
Less Expenses Charged to Other Funds	(281,784)	(288,823)	(288,823)	(288,816)	(296,766)
<b>NET TOTAL EXPENDITURES</b>	<b>\$ 5,041,437</b>	<b>\$ 5,316,413</b>	<b>\$ 5,627,668</b>	<b>\$ 5,429,957</b>	<b>\$ 5,354,617</b>

	2015	2016	2017
<b>Property tax cost of service for median value home per month:</b>			
<b>Crime Prevention</b>	<b>\$0.73</b>	<b>\$0.93</b>	<b>\$0.89</b>

**Activities****Operations and Training****Fire Prevention****Emergency Management**

**95 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 responds to an average of 1,200 calls per year. These range from water rescues and vehicle extractions to structural fires and hazardous materials emergencies. The average response time, from the dispatch of the fire call until the first fire unit reaches the scene, is approximately 4.5 minutes. To accomplish this, volunteers located near the City's fire stations are actively recruited. All firefighters are required to meet training standards throughout the year.

The volunteer/paid on call Fire Department operates out of six fire stations and utilizes the latest in firefighting equipment including engines, ladders, and other specialty units. The Fire Prevention activity is moved here from Community Development. Firefighters will install battery operated smoke detectors for homes that need them or replace batteries upon request.

## 2017 Objectives

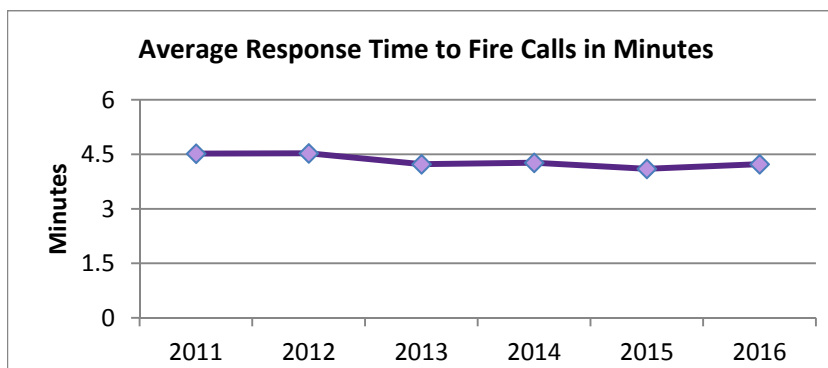
- S** Provide fire prevention and education.
- S** Respond to fires, hazardous materials incidents, and rescues.
- S** Preservation and protection of life, property, and the environment against injury and damage from fires, hazardous materials incidents, natural and manmade disasters, and other incidents occurring within the City of Bloomington
- S** Respond on average within 4 minutes 30 seconds of the dispatched call.

## 2016 Results

- Averaged a 4 minute 14 second response time in 2016 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 5 minute 28 second response time in 2016 from the time the call is received at 911 until the first fire department unit arrived on scene.

Expenditures	FY2016 Original Budget	FY2017 Approved Budget	Percent Change
Salaries/Wages/Benefits	\$ 1,150,371	\$ 1,223,477	6.4%
Materials/Supplies/Services	3,369,225	3,607,047	7.1
Capital Outlay	20,000	20,000	0.0
	<b>\$ 4,539,596</b>	<b>\$ 4,850,524</b>	<b>6.8%</b>

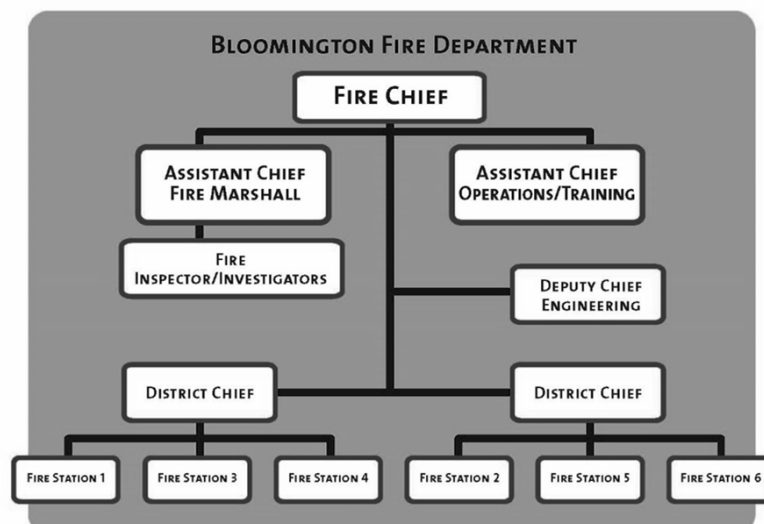
Authorized Full-Time	FY2015	FY2016	FY2017
	<b>4</b>	<b>9</b>	<b>9</b>
Administrative Assistant	2	2	2
Assistant Fire Chief	2	2	2
Fire Chief	1	1	1
Fire Inspector I	1	1	1
Fire Inspector II	3	3	3
Volunteers	113	125	124



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					
	2015 ACTUAL	2016 ORIGINAL BUDGET	2016 AMENDED BUDGET	2016 ESTIMATED	2017 BUDGET
<b>Revenues</b>					
Program Income	\$ 17,160	\$ -	\$ 350	\$ 526	\$ -
Intergovernmental	23,490	20,000	20,000	37,736	-
<b>TOTAL REVENUES</b>	<b>40,650</b>	<b>20,000</b>	<b>20,350</b>	<b>38,262</b>	<b>-</b>
<b>Expenditures</b>					
<b>Staffing</b>					
Salaries and Wages	774,785	803,110	803,110	796,135	843,464
Benefits	349,865	347,261	347,261	375,373	380,013
<b>Operating Expenditures</b>					
Professional and Technical Services	721,270	832,600	829,233	756,553	832,600
Utilities and Maintenance	291,960	313,100	311,645	372,572	345,850
Operations	99,165	123,110	123,110	86,632	122,110
City Support Services	1,655,213	1,905,215	1,905,215	1,903,525	2,109,187
Materials and Supplies	138,847	195,200	195,550	190,814	197,300
<b>Capital Outlay</b>					
Buildings and Improvements	-	-	-	-	-
Equipment	4,329	20,000	20,000	15,899	20,000
<b>TOTAL EXPENDITURES</b>	<b>4,035,434</b>	<b>4,539,596</b>	<b>4,535,124</b>	<b>4,497,503</b>	<b>4,850,524</b>
Less Expenses Charged to Other Funds	-	-	-	-	-
<b>NET TOTAL EXPENDITURES</b>	<b>\$ 4,035,434</b>	<b>\$ 4,539,596</b>	<b>\$ 4,535,124</b>	<b>\$ 4,497,503</b>	<b>\$ 4,850,524</b>



# Public Safety - 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.

## 2017 Objectives

- S** Respond to all emergency calls for service in 4 minutes 30 seconds or less.
- S** Respond with 15 firefighters within 9 minutes to structure fires where attack lines are deployed.
- S** Provide quality training to firefighters to meet or exceed Federal and State training requirements
- S** Continue to work with dispatch to maintain call processing time of less than 1 minute from receipt of 911 call to dispatch of resources.
- S** Continue to maintain and improve, when necessary, equipment for fire response.

## 2016 Results

- Responded to 1769 emergency calls for service in an average of 4 minutes, 14 seconds
- Responded with 15 or more firefighters within 9 minutes 59.3% of the time to all structure fires where attack lines were deployed
- Responded to 360 non-emergency calls for service.
- Provided 12,446 hours of training for current firefighters to meet Federal and State requirements
- Provided 1804 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
- Maintained and updated the fire box alarm assignments to ensure the appropriate rapid response to calls for service.
- Represented the Fire Department in implementing the new Computer Aided Dispatch (CAD) system.
- Developed aerial ladder apparatus specifications for a new tractor drawn aerial ladder truck to be delivered in 2017.

## Expenses

	FY2016 Original Budget	FY2017 Approved Budget	Percent Change
Salaries/Wages/Benefits	\$ 723,994	\$ 765,762	5.8%
Materials/Supplies/Services	3,195,152	3,466,491	8.5%
	<b>\$ 3,919,146</b>	<b>\$ 4,232,253</b>	<b>8.0%</b>
	FY2015	FY2016	FY2017
<b>Authorized Full-Time</b>	<b>4</b>	<b>4</b>	<b>4</b>
Administrative Assistant	2	2	2
Assistant Fire Chief	1	1	1
Fire Chief	1	1	1
<b>Authorized Paid on Call</b>			
Deputy Chief	1	1	1
District Chief	2	2	2
Captains	20	20	19
Firefighters	90	102	102
Total	113	125	124

FIRE OPERATIONS AND TRAINING BUDGET SUMMARY Revenues and Expenditures					
	2015 ACTUAL	2016 ORIGINAL BUDGET	2016 AMENDED BUDGET	2016 ESTIMATED	2017 BUDGET
Revenues					
Program Income	\$ 2,160	\$ -	\$ 350	\$ 526	\$ -
Intergovernmental	23,490	20,000	20,000	37,736	-
<b>TOTAL REVENUES</b>	<b>25,650</b>	<b>20,000</b>	<b>20,350</b>	<b>38,262</b>	<b>-</b>
Expenditures					
Staffing					
Salaries and Wages	473,549	493,373	493,373	488,191	514,588
Benefits	219,579	230,621	230,621	244,227	251,174
Operating Expenditures					
Professional and Technical Services	704,248	810,000	806,633	744,955	810,000
Utilities and Maintenance	287,481	304,500	303,045	362,309	337,000
Operations	85,486	106,600	106,600	75,030	105,600
City Support Services	1,558,449	1,803,552	1,803,552	1,802,251	2,043,291
Materials and Supplies	123,060	170,500	170,850	174,197	170,600
Capital Outlay					
Buildings and Improvements					
Equipment	-	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>3,451,852</b>	<b>3,919,146</b>	<b>3,914,674</b>	<b>3,891,160</b>	<b>4,232,253</b>
Less Expenses Charged to Other Funds					
<b>NET TOTAL EXPENDITURES</b>	<b>\$ 3,451,852</b>	<b>\$ 3,919,146</b>	<b>\$ 3,914,674</b>	<b>\$ 3,891,160</b>	<b>\$ 4,232,253</b>

	2015	2016	2017
<b>Property tax cost of service for median value home per month:</b>			
<b>Fire Suppression</b>	<b>\$4.18</b>	<b>\$4.59</b>	<b>\$4.52</b>

# Public Safety – Fire Prevention

## Activities

### Fire Prevention

#### Determine Fire Cause and Origin

### Arson

#### Investigation

### Fire Safety Education

### Sprinkler, Fire Alarm Inspections and Plan Review

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.

## 2017 Objectives

- S** 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.
- S** 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.
- S** Investigate complaints within one business day.
- S** Respond to a majority of fire scenes within 24 hours of a report by the Police Department or Fire Operations.
- S** Follow up on requests by Fire Operations as a result of a fire call response
- S** Clear one half of the incendiary and suspicious fire cases.
- S** Minimize the number of incendiary and suspicious fires through education and effective investigations.
- S** Conduct fire education programs for business and resident groups upon request:
  - Assist and monitor fire education and fire drills at all schools.
  - Expand fire education program to include persons over age 55.
  - Develop fire education programs and materials in multiple languages.
  - Assist and monitor the Fire Department open house.

## 2016 Results

- Performed 2219 inspections (annual, building final, fire alarm testing, rough-in, tanks)
- Annual inspections done at 494 buildings out of approximately 1225 properties, 41%.
- Reviewed 232 plans
- Conducted 115 cause and origin fire investigations including follow-ups with a 66% clearance rate (not including cases pending). 13% of these investigations were a result of arson.
- Made 335 follow-ups on orders written, inspections, and non-fire calls
- Followed up on requests by Fire Operations because of fire call responses.

## Expenses

	FY2016 Original Budget	FY2017 Approved Budget	Percent Change
Salaries/Wages/Benefits	\$ 423,377	\$ 456,715	7.8%
Materials/Supplies/Services	142,323	108,556	(23.7)%
	<b>\$ 565,700</b>	<b>\$ 565,271</b>	<b>0.0%</b>

	FY2015	FY2016	FY2017
<b>Authorized Full-Time</b>	<b>5</b>	<b>5</b>	<b>5</b>
Assistant Chief/Fire Marshal	1	1	1
Fire Inspectors	4	4	4



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

FIRE PREVENTION BUDGET SUMMARY Revenues and Expenditures					
	2015 ACTUAL	2016 ORIGINAL BUDGET	2016 AMENDED BUDGET	2016 ESTIMATED	2017 BUDGET
Revenues					
Program Income	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental					
TOTAL REVENUES	-	-	-	-	-
Expenditures					
Staffing					
Salaries and Wages	301,127	306,737	306,737	307,944	327,876
Benefits	130,242	116,640	116,640	131,146	128,839
Operating Expenditures					
Professional and Technical Services	1,300	2,600	2,600	-	2,600
Utilities and Maintenance	354	350	350	-	350
Operations	13,317	16,010	16,010	11,602	16,010
City Support Services	96,764	101,663	101,663	101,274	65,896
Materials and Supplies	14,629	21,700	21,700	15,969	23,700
Capital Outlay					
Buildings and Improvements					
Equipment					
TOTAL EXPENDITURES	557,733	565,700	565,700	567,935	565,271
Less Expenses Charged to Other Funds					
NET TOTAL EXPENDITURES	\$ 557,733	\$ 565,700	\$ 565,700	\$ 567,935	\$ 565,271

Fire Prevention Division moved here from Community Development.

	2015	2016	2017
Property tax cost of service for median value home per month:			
Fire Prevention	\$0.66	\$1.12	\$0.96

**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.

# Public Safety – 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 EOP and 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 as needed.

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. The implementation of the Everbridge alerting system was introduced in 2014.

## 2017 Objectives

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

## 2016 Results

- Performed monthly checks on the City's 22 emergency warning sirens
- Replaced one of the existing warning sirens that was beyond its useful life.
- 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	FY2016 Approved Budget	FY2017 Approved Budget	Percent Change
Salaries/Wages/Benefits	\$ 3,000	\$ 1,000	(66.6)%
Materials/Supplies/Services	\$ 31,750	\$ 32,000	.8%
Capital Outlay	\$ 20,000	\$ 20,000	0%
	<b>\$ 54,750</b>	<b>\$ 53,000</b>	<b>(3.3)%</b>



EMERGENCY MANAGEMENT BUDGET SUMMARY Revenues and Expenditures					
	2015 ACTUAL	2016 ORIGINAL BUDGET	2016 AMENDED BUDGET	2016 ESTIMATED	2017 BUDGET
Revenues					
Program Income	\$ 15,000				
Intergovernmental					
TOTAL REVENUES	15,000	-	-	-	-
Expenditures					
Staffing					
Salaries and Wages	109	3,000	3,000	-	1,000
Benefits	44	-	-	-	-
Operating Expenditures					
Professional and Technical Services	15,722	20,000	20,000	11,598	20,000
Utilities and Maintenance	4,125	8,250	8,250	10,263	8,500
Operations	362	500	500	-	500
City Support Services	-	-	-	-	-
Materials and Supplies	1,158	3,000	3,000	648	3,000
Capital Outlay					
Buildings and Improvements					
Equipment	4,329	20,000	20,000	15,899	20,000
TOTAL EXPENDITURES	25,849	54,750	54,750	38,408	53,000
Less Expenses Charged to Other Funds					
NET TOTAL EXPENDITURES	\$ 25,849	\$ 54,750	\$ 54,750	\$ 38,408	\$ 53,000

	2015	2016	2017
Property tax cost of service for median value home per month:			
Emergency Management	\$0.19	\$0.12	\$0.07

# Community Development

## Divisions

Administration

Planning &  
Economic  
Development

Building &  
Inspection

Environmental  
Health

## 2017 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.
- R** 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.
- S** Coordinate services with other government units.
- S** Offer user-friendly documents, processes and customer contacts.
- R** Define and implement the City's economic development strategy.

## Expenditures

	FY2016 Original Budget	FY2017 Approved Budget	Percent Change
Salaries/Wages/Benefits	\$5,720,490	\$5,846,097	2.2%
Materials/Supplies/Services	1,239,980	1,275,644	2.9
Expense Charge to Others	0	0	-
	<b>\$6,960,470</b>	<b>\$7,121,741</b>	<b>2.3%</b>

## Authorized Full-Time

FY2015	FY2016	FY2017
51	51	52

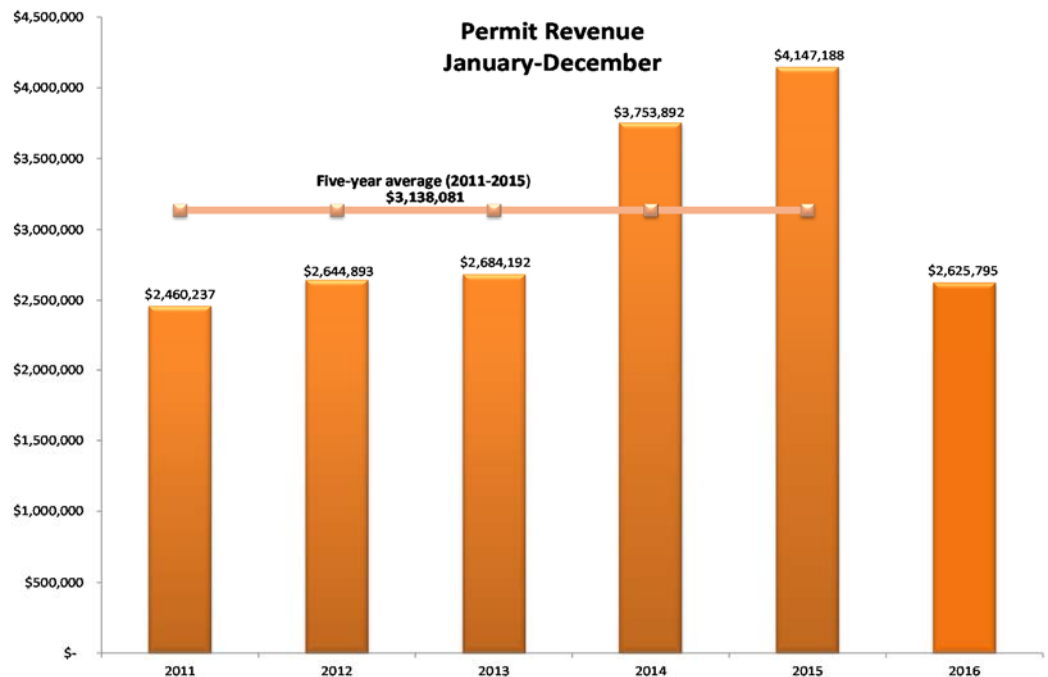


63 percent of residents surveyed ranked land use, planning and zoning services excellent or good.

68% of residents ranked economic development excellent or good.

70 percent of residents say the City's overall direction is excellent or good.

## ANNUAL PERMIT REVENUE



COMMUNITY DEVELOPMENT BUDGET SUMMARY Revenues and Expenditures					
	2015 ACTUAL	2016 ORIGINAL BUDGET	2016 AMENDED BUDGET	2016 ESTIMATED	2017 BUDGET
<b>Revenues</b>					
Program Income	\$ 244,041	\$ 285,550	\$ 285,550	\$ 270,691	\$ 288,960
Intergovernmental	11,211	11,000	11,000	11,216	11,000
<b>TOTAL REVENUES</b>	<b>255,252</b>	<b>296,550</b>	<b>296,550</b>	<b>281,907</b>	<b>299,960</b>
<b>Expenditures</b>					
<b>Staffing</b>					
Salaries and Wages	3,807,315	4,260,978	4,260,978	3,997,616	4,323,323
Benefits	1,425,672	1,459,512	1,459,512	1,430,166	1,522,774
<b>Operating Expenditures</b>					
Professional and Technical Services	7,262	7,000	7,000	33,781	27,000
Utilities and Maintenance	5,209	7,200	5,568	7,190	6,050
Operations	92,836	98,140	98,140	106,909	124,630
City Support Services	1,011,870	1,072,735	1,072,735	1,097,175	1,041,050
Materials and Supplies	58,926	54,905	46,905	37,889	32,914
<b>Transfers Out</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>44,000</b>
<b>TOTAL EXPENDITURES</b>	<b>\$ 6,409,090</b>	<b>\$ 6,960,470</b>	<b>\$ 6,950,838</b>	<b>\$ 6,710,726</b>	<b>\$ 7,121,741</b>

	2015	2016	2017
<b>Property tax cost of service for median value home per month:</b>			
Community Development	\$4.09	\$3.33	\$2.93



# Community Development – Management & Services

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

The Office Supervisor and a seven person staff handle customer-contacts, maintain records, issue permits and schedule inspections for the Building Inspection, Environmental Health and Fire Prevention Divisions.

## 2017 Objectives

- S** Provide department staff with resources they need to achieve their objectives.
- S** Facilitate communication between department staff, the public, the City Council and the City Manager.
- S** Assure that resources are used to provide high quality work products and effective customer service.
- S** Implement new permitting and inspection software; improve processes.

## Expenditures

	FY2016 Original Budget	FY2017 Approved Budget	Percent Change
Salaries/Wages/Benefits	\$917,338	\$947,355	3.3%
Materials/Supplies/Services	347,660	334,510	(3.8)
	<b>\$1,264,998</b>	<b>\$1,281,865</b>	<b>1.3%</b>

## Authorized Full-Time

	FY2015	FY2016	FY2017
	<b>9</b>	<b>9</b>	<b>9</b>
Administrative Assistant	1	1	1
Director-Community Development	1	1	1
Office Assistant	1	0	0
Office Supervisor	1	1	1
Office Support Specialist	5	6	6



COMMUNITY DEVELOPMENT - MANAGEMENT & SERVICES  
BUDGET SUMMARY  
Revenues and Expenditures

	2015 ACTUAL	2016 ORIGINAL BUDGET	2016 AMENDED BUDGET	2016 ESTIMATED	2017 BUDGET
Revenues					
Program Income	\$ 9,628	\$ 8,000	\$ 8,000	\$ 6,610	\$ 8,000
<b>TOTAL REVENUES</b>	<b>9,628</b>	<b>8,000</b>	<b>8,000</b>	<b>6,610</b>	<b>8,000</b>
Expenditures					
Staffing					
Salaries and Wages	616,897	690,123	690,123	650,478	702,596
Benefits	242,553	227,215	227,215	236,942	244,759
Operating Expenditures					
Professional and Technical Services	5,661	5,000	5,000	4,079	5,000
Utilities and Maintenance	5,034	7,100	5,468	7,050	6,050
Operations	14,355	14,015	14,015	15,005	38,305
City Support Services	323,613	302,995	302,995	303,357	266,755
Materials and Supplies	16,545	18,550	18,550	15,237	18,400
<b>TOTAL EXPENDITURES</b>	<b>\$ 1,224,658</b>	<b>\$ 1,264,998</b>	<b>\$ 1,263,366</b>	<b>\$ 1,232,148</b>	<b>\$ 1,281,865</b>

# Community Development - Planning

## Activities

### Development Review

### Long Range Planning

### Customer Services



In 2016, the City began a three year process to update its Comprehensive Plan (Forward 2040). The focus in 2016 was on obtaining broad community input related to issues the City should address over the next 20 years. Over the summer, three town hall style community meetings were attended by over 140 participants. Input was also obtained through an online survey, questions posed on the City's Facebook page, and at various public events such as farmers markets, Summer Fete, and Heritage Days).

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.

## 2017 Objectives

- R** Promote renewal and guide growth to maximize benefits for Bloomington and Bloomington property owners.
- R** Review development proposals to ensure Code compliance.
- R** Update the Zoning Ordinance as described in the Planning Commission's 2017 Work Plan.
- S** Negotiate and administer City wireless and fiber leases.
- A I E S** Update the City's Comprehensive Plan.

## 2016 Results

- Began Forward 2040, the comprehensive plan update process including significant community outreach and input. Created a project advisory committee.
- Implemented District Plans
- Reviewed numerous development proposals.
- Prepared a Neighborhood Commercial Redevelopment Study and Priorities.
- Updated firearms standards

## Expenditures

	FY2016 Original Budget	FY2017 Approved Budget	Percent Change
Salaries/Wages/Benefits	\$1,020,032	\$1,074,377	5.3%
Materials/Supplies/Services	139,042	146,038	5.0
	<b>\$1,159,074</b>	<b>\$1,220,415</b>	<b>5.3%</b>

## Authorized Full-Time

	FY2015 10	FY2016 9	FY2017 10
Office Assistant	1	1	1
Office Support Specialist	1	1	1
Planner	5	4	5
Planning Manager	1	1	1
Senior Planner	2	2	2



COMMUNITY DEVELOPMENT - PLANNING  
BUDGET SUMMARY  
Revenues and Expenditures

	2015 ACTUAL	2016 ORIGINAL BUDGET	2016 AMENDED BUDGET	2016 ESTIMATED	2017 BUDGET
Revenues					
Program Income	\$ 6,260	\$ 6,050	\$ 6,050	\$ 5,032	\$ 5,660
<b>TOTAL REVENUES</b>	<b>6,260</b>	<b>6,050</b>	<b>6,050</b>	<b>5,032</b>	<b>5,660</b>
Expenditures					
Staffing					
Salaries and Wages	652,130	750,309	688,427	691,130	784,879
Benefits	256,524	269,723	244,068	248,124	289,498
Operating Expenditures					
Professional and Technical Services	1,581	2,000	2,000	4,108	2,000
Operations	17,901	20,725	20,725	19,890	21,175
City Support Services	103,438	108,462	108,462	108,080	116,949
Materials and Supplies	4,253	7,855	7,855	4,132	5,914
<b>TOTAL EXPENDITURES</b>	<b>\$ 1,035,827</b>	<b>\$ 1,159,074</b>	<b>\$ 1,071,537</b>	<b>\$ 1,075,464</b>	<b>\$ 1,220,415</b>

	2015	2016	2017
<b>Property tax cost of service for median value home per month:</b>			
<b>Planning</b>	<b>\$1.75</b>	<b>\$1.78</b>	<b>\$1.67</b>

Activities

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

73% of residents rate the City's overall built environment as excellent or good.

# 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. B&I also administers the time-of-sale inspection program for owner-occupied housing.

## 2017 Objectives

- S** Issue residential remodeling, plumbing, electrical and mechanical permits on the same day as application.
- S** By December 2017, 30% of plans will be submitted and reviewed electronically.
- S** Complete 45% of all time of sale inspections by City TOS inspectors.
- S** Complete 98% of all inspections within 48 hours of request.
- S** Complete 90% of all Plan review within 7 working days.
- S** Implement an automated customer satisfaction survey to be delivered with each emailed permit.
- S** Promote two inspectors to General Inspectors to better align staffing with work.

## 2016 Results

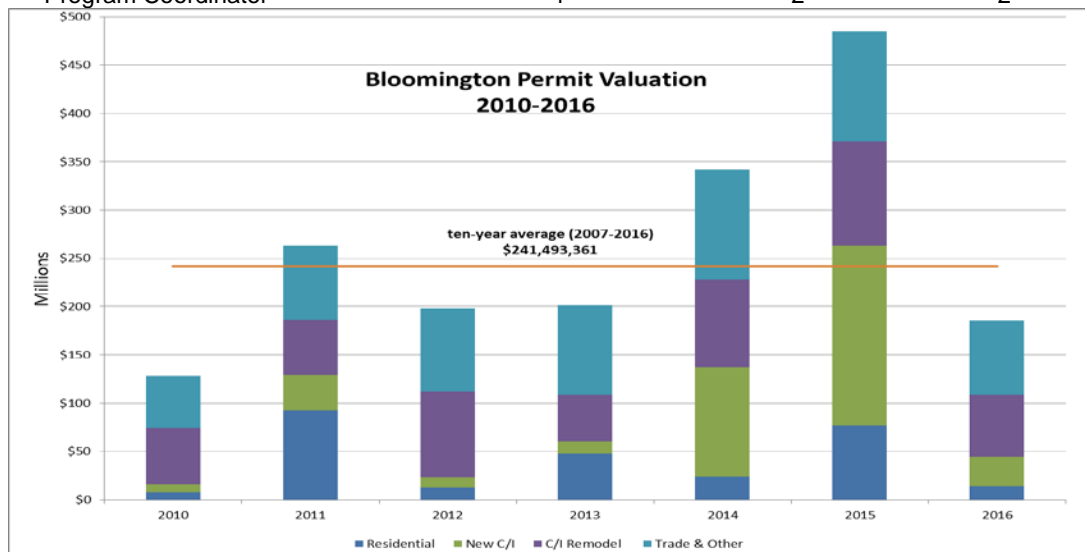
- All objectives from 2016 were met.

## Expenditures

	FY2016 Original Budget	FY2017 Approved Budget	Percent Change
Salaries/Wages/Benefits	\$1,861,566	\$1,923,886	3.4%
Materials/Supplies/Services	372,827	374,591	.5
Transfers	0	44,000	-
	<b>\$2,234,393</b>	<b>\$2,342,477</b>	<b>4.84%</b>

## Authorized Full-Time

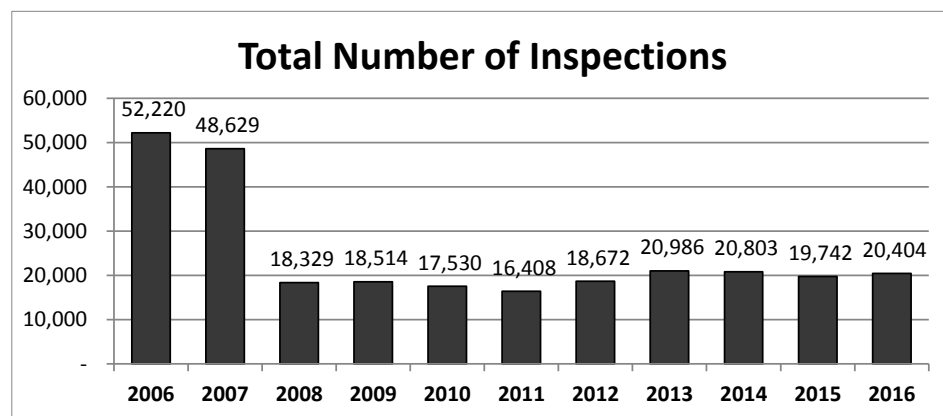
	FY2014	FY2016	FY2017
	<b>15</b>	<b>16</b>	<b>16</b>
Building & Inspection Manager	1	1	1
Inspectors	11	12	12
Plan Check Engineer	2	1	1
Program Coordinator	1	2	2



**COMMUNITY DEVELOPMENT - BUILDING & INSPECTIONS**  
**BUDGET SUMMARY**  
Revenues and Expenditures

	2015 ACTUAL	2016 ORIGINAL BUDGET	2016 AMENDED BUDGET	2016 ESTIMATED	2017 BUDGET
<b>Revenues</b>					
Program Income	\$ 89,859	\$ 90,000	\$ 90,000	\$ 113,558	\$ 90,000
<b>TOTAL REVENUES</b>	<b>89,859</b>	<b>90,000</b>	<b>90,000</b>	<b>113,558</b>	<b>90,000</b>
<b>Expenditures</b>					
<b>Staffing</b>					
Salaries and Wages	1,240,369	1,407,700	1,469,582	1,311,797	1,450,884
Benefits	434,687	453,866	479,521	444,007	473,002
<b>Operating Expenditures</b>					
Professional and Technical Services	-	-	-	25,594	20,000
Operations	31,884	28,640	28,640	35,528	30,390
City Support Services	260,944	319,687	319,687	336,621	319,701
Materials and Supplies	32,142	24,500	16,500	8,348	4,500
<b>Transfers Out</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>44,000</b>
<b>TOTAL EXPENDITURES</b>	<b>\$ 2,000,026</b>	<b>\$ 2,234,393</b>	<b>\$ 2,313,930</b>	<b>\$ 2,161,895</b>	<b>\$ 2,342,477</b>

	2015	2016	2017
<b>Property tax cost of service for median value home per month:</b>			
<b>Building &amp; Inspections</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>



Activities

Residential and  
Commercial  
Property  
Inspections

Zoning Enforcement

Rental Property  
Inspection

Food Establishment  
Inspections

Food Safety  
Education

Hotel and Pool  
Inspections

Well Inspections

2016 NCS shows  
90% of residents  
rate their  
neighborhood  
excellent or good  
as a place to live.

78% of residents  
rate the overall  
appearance of  
Bloomington as  
excellent or good.

57% of residents  
rate code  
enforcement as  
excellent or good.

72% of residents  
reported housing  
maintenance as  
essential or very  
important in the  
next 5 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.

### 2017 Objectives

- S I** 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.
- S** Inspect public pools two to three times per year and hotels once per year.
- S** Inspect at least 70 percent of all well permits.
- S I** Investigate all complaints of food or waterborne illness within 24 hours of receiving the complaint.
- S I** Promptly investigate all residential and commercial nuisance and rental complaints.
- S I** Systematically inspect all residential properties at least once per year.

### 2016 Results

- Two confirmed outbreaks of foodborne illness investigated in 2016
- 1,266 food safety inspections, 73 illness complaints investigated and 55 food and hotel establishment plan reviews
- 227 temporary food and 24 farmers' market stands inspected
- 486 inspections at 180 licensed public pools
- 42 hotels with 8,975 rooms; all hotels inspected, including 10 percent of rooms
- 448 multiple-family licensed rental buildings inspected
- 1,711 single-family and duplex rental dwelling units licensed and inspected
- 3,377 residential, rental and commercial complaints investigated
- 125 of 150 well permits (83%) inspected
- Richfield Inspections: 240 food safety, 72 pool, and 5 lodging inspections; 1 illness outbreak, 5 plan reviews, 71 temporary food inspections and 1 lead assessment.

### Expenditures

	FY2016 Original Budget	FY2017 Approved Budget	Percent Change
Salaries/Wages/Benefits	\$1,921,554	\$1,900,479	(1.1)%
Materials/Supplies/Services	380,451	376,505	(1.0)
Transfers Out	0	0	-
	<b>\$2,302,005</b>	<b>\$2,276,984</b>	<b>(1.1)%</b>

### Authorized Full-Time

	FY2015 17	FY2016 17	FY2017 17
Environmental Health Manager	1	1	1
Environmental Health Prog. Coord.	4	2	2
Environmental Health Specialist	10	10	10
Environmental Health Supervisor	0	2	2
Office Support Specialist	2	2	2

COMMUNITY DEVELOPMENT - ENVIRONMENTAL HEALTH  
BUDGET SUMMARY  
Revenues and Expenditures

	2015 ACTUAL	2016 ORIGINAL BUDGET	2016 AMENDED BUDGET	2016 ESTIMATED	2017 BUDGET
Revenues					
Program Income	\$ 138,294	\$ 181,500	\$ 181,500	\$ 145,491	\$ 185,300
Intergovernmental	11,211	11,000	11,000	11,216	11,000
<b>TOTAL REVENUES</b>	<b>149,505</b>	<b>192,500</b>	<b>192,500</b>	<b>156,707</b>	<b>196,300</b>
Expenditures					
Staffing					
Salaries and Wages	1,297,919	1,412,846	1,412,846	1,344,211	1,384,964
Benefits	491,908	508,708	508,708	501,093	515,515
Operating Expenditures					
Professional and Technical Services	20				
Utilities and Maintenance	175	100	100	140	-
Operations	28,696	34,760	34,760	36,486	34,760
City Support Services	323,875	341,591	341,591	349,117	337,645
Materials and Supplies	5,986	4,000	4,000	10,172	4,100
Transfers Out	-	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>\$ 2,148,579</b>	<b>\$ 2,302,005</b>	<b>\$ 2,302,005</b>	<b>\$ 2,241,219</b>	<b>\$ 2,276,984</b>

	2015	2016	2017
<b>Property tax cost of service for median value home per month:</b>			
<b>Environmental Health</b>	<b>\$2.34</b>	<b>\$1.54</b>	<b>\$1.26</b>

# Community Services

## Divisions

Administration  
Public Health  
Human Services  
Cultural/Arts  
Events  
General  
Recreation

Community Services provides programs and facilities that enhance the lives of all who live and work in Bloomington. The Department oversees the Human Services, Parks and Recreation and Public Health divisions. Dwan and Hyland Greens golf courses, Bloomington Ice Garden, the outdoor swimming facilities and the Bloomington Center for the Arts are supported through a proprietary or Enterprise Fund. 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.

Community Services has a total of 82 full-time positions (included in the General Fund, Special Revenue Fund and Enterprise Fund) and more than 350 part time positions.

## 2017 Objectives

- A** Preserve and enhance Bloomington's 3,700 acres of parks and open spaces.
- I** Fulfill the community's recreational needs through park facilities and recreational programs.
- S** Provide neighborhood gathering places for recreation, arts, culture and history.
- S** Protect and improve the health of the community through education, promotion of healthy lifestyles, public policy development and clinical services.
- S** Strengthen families and individuals through access to human services and public health programs.
- IE** Support Bloomington's changing diversity as it becomes more racially, ethnically and culturally distinct.
- S** Educate the community about the City's programs, services and activities through a variety of communication vehicles.

87 percent of residents surveyed rated the City of Bloomington parks excellent or good.

*The National Citizen Survey™,  
City of Bloomington, MN 2016*

## Expenditures

	FY2016 Original Budget	FY2017 Approved Budget	Percent Change
Salaries/Wages/Benefits	\$ 5,415,042	\$ 5,727,182	5.8%
Materials/Supplies/Services	8,506,639	8,471,679	(0.4)
Capital	30,000	30,000	0.0
Expenses Charged to Others	(71,314)	(72,556)	1.7
	<b>\$ 13,880,367</b>	<b>\$ 14,156,305</b>	<b>2.0%</b>

## Authorized Full-Time

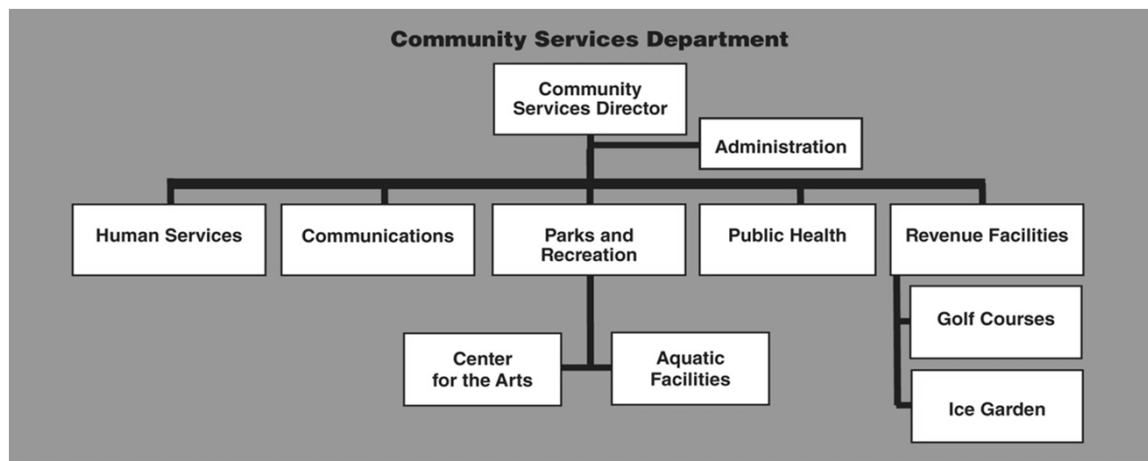
FY2015	FY2016	FY2017
40	40	40



COMMUNITY SERVICES  
BUDGET SUMMARY  
Revenues and Expenditures

	2015 ACTUAL	2016 ORIGINAL BUDGET	2016 AMENDED BUDGET	2016 ESTIMATED	2017 BUDGET
<b>Revenues</b>					
Program Income	\$ 2,223,817	\$ 2,099,100	\$ 2,172,031	\$ 2,151,347	\$ 2,212,016
Intergovernmental	1,169,175	1,170,816	1,272,786	1,235,545	1,190,560
<b>TOTAL REVENUES</b>	<b>3,392,992</b>	<b>3,269,916</b>	<b>3,444,817</b>	<b>3,386,892</b>	<b>3,402,576</b>
<b>Expenditures</b>					
<b>Staffing</b>					
Salaries and Wages	3,884,796	4,132,916	4,231,532	4,105,429	4,346,995
Benefits	1,232,786	1,282,126	1,287,126	1,337,264	1,380,187
<b>Operating Expenditures</b>					
Professional and Technical Services	35,948	38,979	77,016	76,467	48,679
Utilities and Maintenance	943,290	1,106,405	1,083,429	1,011,802	1,118,477
Operations	111,163	123,231	128,514	119,253	130,560
City Support Services	6,244,664	6,960,335	6,960,335	6,953,447	6,906,356
Materials and Supplies	240,055	277,689	295,359	238,549	267,607
<b>Capital Outlay</b>					
Equipment	16,443	30,000	616	263	30,000
<b>TOTAL EXPENDITURES</b>	<b>12,709,145</b>	<b>13,951,681</b>	<b>14,063,927</b>	<b>13,842,474</b>	<b>14,228,861</b>
Less Expenses Charged to Other Funds	(69,534)	(71,314)	(71,314)	(71,279)	(72,556)
<b>NET TOTAL EXPENDITURES</b>	<b>\$ 12,639,611</b>	<b>\$ 13,880,367</b>	<b>\$ 13,992,613</b>	<b>\$ 13,771,195</b>	<b>\$ 14,156,305</b>

	2015	2016	2017
<b>Property tax cost of service for median value home per month:</b>			
<b>Community Services</b>	<b>\$14.37</b>	<b>\$16.41</b>	<b>\$15.84</b>



207b (2/2013)

# Community Services – Administration

The Community Services Administration provides managerial support to its divisions.

## 2017 Objectives

- I** Mobilize partners from the community to launch the One Bloomington initiative to more effectively tell the Bloomington story and improve the city's image by April 2017.
- A** Explore a potential site, funding options and collaboration opportunities for a new community center in Bloomington to replace Creekside Community Center.
- A** Provide for the potential to eliminate ongoing operating deficits at Hyland Greens Golf and Learning Center by securing direction from the City Council on the sale of the former driving range property.
- S** Revamp the 2017 National Citizen Survey™ of residents to provide for more custom questions and complete data collection and analysis by July 2017.
- A** Tap into new sources of funding such as Charter Bonds to reconstruct playgrounds at 12 parks in Bloomington by December 2017.

## 2016 Results

- Coordinated the work of the Community Center Task Force which recommended replacement of Creekside Community Center with a new facility that would attract and retain people of all ages and backgrounds with amenities such as a gymnasium, aquatics, indoor playground, and large and small multipurpose meeting spaces.
- Convened a "One Bloomington Summit" of 70 community leaders to brainstorm how to enhance Bloomington's image regionally and nationally.
- Conducted the National Citizen Survey™ of Bloomington residents for the fifth consecutive year and the National Business Survey™ for the second year.
- Introduced an interactive element to the second annual Business Day at City Hall in collaboration with the Bloomington Chamber of Commerce, facilitating roundtable discussion to probe into the results of the 2016 National Business Survey™.
- Completed work of the Hyland Greens Task Force, which recommended that the City continue to operate Hyland Greens as a golf facility and implement measures to improve the bottom line and partially develop the east side of Hyland Greens while maintaining the golf course to fund future capital improvements at the golf courses.

## Expenditures

	FY2016 Original Budget	FY2017 Approved Budget	Percent Change
Salaries/Wages/Benefits	\$ 241,945	\$ 249,918	3.3%
Materials/Supplies/Services	70,102	74,985	7.0
Expenses Charged to Others	(70,614)	(72,556)	2.8
	<b>\$ 241,433</b>	<b>\$ 252,347</b>	<b>4.5%</b>

## Authorized Full-Time

	FY2015	FY2016	FY2017
	<b>2</b>	<b>2</b>	<b>2</b>
Administrative Assistant	1	1	1
Director Community Services	1	1	1



While nearly 9 out of ten residents rated the overall quality of life in Bloomington as excellent or good, just three-quarters were positive about Bloomington's overall image, a rating that has dropped by 9 percent since 2012.

*The National Citizen Survey™,  
City of Bloomington, MN 2016*

COMMUNITY SERVICES - ADMINISTRATION  
BUDGET SUMMARY  
Revenues and Expenditures

	2015 ACTUAL	2016 ORIGINAL BUDGET	2016 AMENDED BUDGET	2016 ESTIMATED	2017 BUDGET
Revenues					
Program Income					
Intergovernmental	\$ -	\$ -	\$ -	\$ 30	\$ -
TOTAL REVENUES	-	-	-	30	-
Expenditures					
Staffing					
Salaries and Wages	177,961	185,861	185,861	187,839	192,552
Benefits	56,672	56,084	56,084	63,476	57,366
Operating Expenditures					
Utilities and Maintenance	1,450	1,040	1,040	-	1,040
Operations	3,863	6,437	6,437	4,533	8,214
City Support Services	54,048	53,587	53,587	55,379	58,377
Materials and Supplies	8,930	9,038	9,038	8,263	7,354
TOTAL EXPENDITURES	302,924	312,047	312,047	319,490	324,903
Less Expenses Charged to Other Funds	(68,892)	(70,614)	(70,614)	(70,620)	(72,556)
NET TOTAL EXPENDITURES	\$ 234,032	\$ 241,433	\$ 241,433	\$ 248,870	\$ 252,347

Activities

Prenatal and  
parenting support

Women, Infants &  
Children (WIC)  
Program

Immunization  
Services

Help Me Grow  
developmental  
screening

Community Health  
Education

Senior Health  
Promotion

Community Health  
Assessment and  
Planning

# Community Services – Public Health

Mission – To promote, protect and improve the health of our community.

## 2017 Objectives

- S** Assess at least 80% of prenatal women referred to Public Health to determine needs to promote healthy pregnancy outcomes (full term births, healthy birth weights).
- S** Access and provide appropriate follow up for all Bloomington police nuisance referrals.
- S** Continue to follow up on vaccine-preventable disease reports within 24 hours in order to prevent the spread of infectious diseases.
- S** 80% of children referred to Help Me Grow early childhood birth-3 program will receive a developmental screening.
- S** Improve service outcomes as tracked by performance management system
- IE** Develop the Division's first health equity report, which will examine the health disparities that exist in Bloomington by race and socioeconomic status in 2017.
- IE** Provide health in all policies and equity in comprehensive planning.

## 2016 Results

- Received national accreditation from the Public Health Accreditation Board
- Continued to exceed the state average for breastfeeding initiation in the WIC program and increased the duration rates.
- Followed up on vaccine-preventable disease reports within 24 hours in order to prevent the spread of infectious diseases.
- 74% of children referred to Help Me Grow received a developmental screening.
- Implemented the Quality Improvement Plan within the division.

## Expenditures

	FY2016 Original Budget	FY2017 Approved Budget	Percent Change
Salaries/Wages/Benefits	\$2,379,577	\$2,457,836	3.29%
Materials/Supplies/Services	552,316	554,784	0.45
	<b>\$2,931,893</b>	<b>\$3,012,620</b>	<b>2.75%</b>

## Authorized Full-Time

	FY2015 20	FY2016 20	FY2017 20
Accountant	1	1	1
Accounting Assistant	1	1	1
Assistant Health Administrator	1	1	1
Health Administrator	1	1	1
Health Program Manager	3	3	3
Health Specialist	3	3	3
Office Assistant	1	1	1
Office Supervisor	1	1	1
Office Support Specialist	1	1	1
Public Health Nurse	7	7	7

While Bloomington remains a healthy city, there are disparities in the health of our residents, based on their income and/or ethnicity. Public Health is focused on reducing these disparities through our programming, sharing health equity data and learning how we can improve our services from the community.

COMMUNITY SERVICES - PUBLIC HEALTH  
BUDGET SUMMARY  
Revenues and Expenditures

	2015 ACTUAL	2016 ORIGINAL BUDGET	2016 AMENDED BUDGET	2016 ESTIMATED	2017 BUDGET
Revenues					
Program Income	\$ 1,005,489	\$ 915,334	\$ 977,142	\$ 895,069	\$ 942,033
Intergovernmental	1,169,175	1,170,816	1,272,786	1,229,815	1,190,560
<b>TOTAL REVENUES</b>	<b>2,174,664</b>	<b>2,086,150</b>	<b>2,249,928</b>	<b>2,124,884</b>	<b>2,132,593</b>
Expenditures					
Staffing					
Salaries and Wages	1,670,234	1,797,987	1,896,603	1,861,251	1,840,107
Benefits	575,280	581,590	586,590	642,457	617,729
Operating Expenditures					
Professional and Technical Services	29,889	31,167	69,204	56,312	21,267
Utilities and Maintenance	8,341	3,096	3,096	3,048	3,096
Operations	41,448	42,108	47,391	47,364	40,225
City Support Services	355,521	392,729	392,729	386,659	404,967
Materials and Supplies	67,160	83,216	95,086	83,722	85,229
<b>TOTAL EXPENDITURES</b>	<b>\$ 2,747,873</b>	<b>\$ 2,931,893</b>	<b>\$ 3,090,699</b>	<b>\$ 3,080,813</b>	<b>\$ 3,012,620</b>

	2015	2016	2017
<b>Property tax cost of service for median value home per month:</b>			
<b>Public Health Services</b>	<b>\$0.84</b>	<b>\$1.06</b>	<b>\$1.03</b>

# Community Services – Human Services

## Target Populations

- Individuals with disabilities
- Older adults
- Multi-cultural individuals and families
- Children, youth and families with low-income
- Individuals who are Homeless

## Activities

- Contractual Agencies
- Community Support Services
- Volunteer Services
- Meal Programs
- Ages 50+Programs
- Programs and Events
- Creekside Community Center
- Food Resource Programs
- Americans with Disabilities Compliance Program



The Bloomington City Council signed the 50<sup>th</sup> Anniversary Vietnam War Commemorative Partnership Agreement at its September 12, 2016 Council meeting.

**Vision** – Human Services strengthens the quality of life of Bloomington citizens by addressing relevant community issues through its expertise, resources, and partnerships.

**Mission** – to assure human services needs are met through the engagement of Bloomington residents.

## 2017 Objectives

- IE** Develop a fair housing policy with the Human Rights Commission and the HRA board to be in compliance with the Metropolitan Council housing performance requirements.
- S** Citizens are directly connected to State, County, local, business and non-profit services and informal service providers, such as faith and neighborhood organizations.
- S** Act as a resource to internal departments by supporting City staff to provide effective customer service for target populations.
- IE** Human Rights Commission: Provide support to implement the 2017 work plan including multicultural dinners, discussions on race and International Day of Peace activities.

## 2016 Results

- In Partnership with Arc Greater Twin Cities 50 parents and individuals with disabilities learned the history of the Olmstead Act, details on the Minnesota Olmstead Plan and heard from a panel of experts on how to make an informed choice on living in the community. Based on participant feedback a workshop on "Person Centered Planning" will be offered in 2017.
- In partnership with Martin Luther Campus, offered a workshop for 56 professionals working with older adults on "Racial and Ethnic Disparities in Health". Professionals were able to identify disparities in health and healthcare for minority older adults and the role of social environmental determinants for the well-being of minority older adults.
- As a Vietnam War Commemorative Partner, sponsored a reunion brunch for 44 people providing entertainment and an opportunity for informal conversation between fellow service men and women.
- In partnership with Community Action Partnership of Suburban Hennepin (CAPSH), offered in-person application assistance for MNSURE, MN-Care, SNAP and Energy Assistance.
- Supported 332 volunteers to provide 30,125 hours totaling \$759,150 (\$25.20/hr) in value-added service.
- Received \$20,329 cash and in-kind donations.

## Expenditures

	FY2016 Original Budget	FY2017 Approved Budget	Percent Change
Salaries/Wages/Benefits	\$ 1,365,909	\$ 1,416,161	3.7%
Materials/Supplies/Services	915,290	910,375	(0.5)
Capital	30,000	30,000	0.0
Expenses Charged to Others	(700)		(100.0)
	<b>\$ 2,310,499</b>	<b>2,356,536</b>	<b>2.0%</b>

## Authorized Full-Time

	FY2015	FY2016	FY2017
	11	11	11
Administrative Assistant	1	1	1
Creekside Community Ctr. Coordinator	1	1	1
Human Services Admin. Coordinator	1	1	1
Human Services Manager	1	1	1
Human Services Program Coordinator	4	4	4
Maintenance Worker	1	1	1
Office Assistant	2	2	2



COMMUNITY SERVICES - HUMAN SERVICES  
BUDGET SUMMARY  
Revenues and Expenditures

	2015 ACTUAL	2016 ORIGINAL BUDGET	2016 AMENDED BUDGET	2016 ESTIMATED	2017 BUDGET
Revenues					
Program Income	\$ 172,699	\$ 169,170	\$ 180,293	\$ 176,573	\$ 124,174
<b>TOTAL REVENUES</b>	<b>172,699</b>	<b>169,170</b>	<b>180,293</b>	<b>176,573</b>	<b>124,174</b>
Expenditures					
Staffing					
Salaries and Wages	902,472	1,008,112	1,008,112	934,938	1,040,687
Benefits	313,414	357,797	357,797	338,078	375,474
Operating Expenditures					
Professional and Technical Services	6,078	6,812	6,812	4,621	9,512
Utilities and Maintenance	185,005	225,903	202,288	180,190	228,896
Operations	22,170	25,760	25,760	23,454	27,488
City Support Services	548,858	583,468	583,468	570,693	566,322
Materials and Supplies	71,319	73,347	79,147	73,306	78,157
Capital Outlay					
Equipment	16,443	30,000	616	263	30,000
<b>TOTAL EXPENDITURES</b>	<b>2,065,759</b>	<b>2,311,199</b>	<b>2,264,000</b>	<b>2,125,543</b>	<b>2,356,536</b>
Less Expenses Charged to Other Funds	(642)	(700)	(700)	(659)	-
<b>NET TOTAL EXPENDITURES</b>	<b>\$ 2,065,117</b>	<b>\$ 2,310,499</b>	<b>\$ 2,263,300</b>	<b>\$ 2,124,884</b>	<b>\$ 2,356,536</b>

	2015	2016	2017
<b>Property tax cost of service for median value home per month:</b>			
Human Services	\$2.58	\$2.90	\$2.70

## Community Services – 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.

### 2017 Objectives

- ES S** Begin marketing of historic and natural resources based Pond House programs to scout groups as possibilities for merit badge requirement fulfillment.
- S I** Add four new activities to the Pond House hands-on family program lineup and begin reducing number Pond Dakota Heritage Society lecture style programs to increase attendance and create a better family experience.
- ES S** Create a two new environment/ecology based activities utilizing the Minnesota River Valley and native prairie environments as tools to teach about invasive plant species.
- A ES** Continue building partnerships with organizations such as the Isaac Walton League to conduct natural resources restoration projects at low costs to the city. In 2017 begin with a partnership with that organization for monitoring and caring for restored property at Bush Lake.
- A ES** Reintegrate objects owned by the Bloomington Historical Society back into the BHS collections and reorganize the basement storage at the Pond House for invasive species removal equipment.
- S** Develop a guide to assist renters who wish to hold events such as 5K's at Lake Normandale Park.
- IE S** Work with other divisions to identify and reach underserved populations in Bloomington to enhance inclusion in cultural arts programming.
- IE I** Increase attendance at Arts in the Parks performances by underserved audiences by creating two additional programs taking place at neighborhood parks.
- I S** Create one additional cosponsored event the week of Summer Fete to be added to the Pond House concert, Summer Fete, and Sandcastles.
- S I** Add four additional food vendors at Summer Fete, two on the east side of Normandale Lake and two food trucks along 84<sup>th</sup> Street.

### 2016 Results

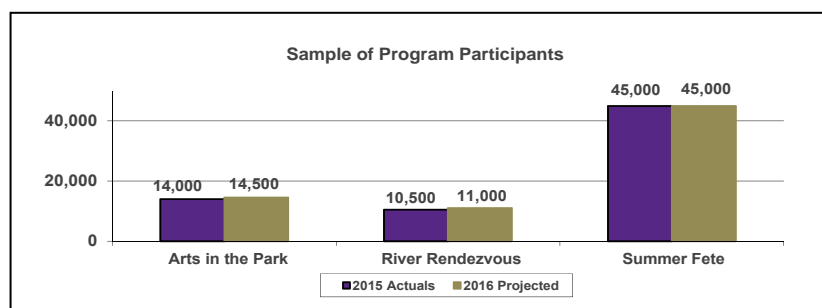
- Expanded the Thursday Night Blockbuster series to include every Thursday night in the summer (addition of three more shows with food options and expanded stage setups)
- Added more carnival games to Summer Fete and expanded the carnival area to create easier navigation around the site and a better visitor experience.
- Added four more food trucks to Summer Fete to help alleviate lines, and cultivated more food truck contacts for Arts in the Parks events.
- Began cultural resources section of the MN River Valley Master Plan and will work with that committee to create the plan by January/February 2017; also coordinated contracting the natural resources portion of the Minnesota River Valley strategic plan with Great River Greening.
- Implemented an additional three-film Alfred Hitchcock movie series outdoors at Civic Plaza.
- Revamped the Arts in the Parks sponsorship package and successfully obtained sponsorships for some movies, blockbusters, and Monday morning shows.
- Maintained improving cost per participant numbers for Bloomington River Rendezvous and enjoyed the third straight year of full attendance. Successfully identified and obtained several new reenactors and leveraged them to create quality stations at reasonable prices.

### Expenditures

	FY2016 Original Budget	FY2017 Approved Budget	Percent Change
Salaries/Wages/Benefits	\$ 196,133	\$ 212,125	8.2%
Materials/Supplies/Services	509,747	520,013	2.0
	<b>\$ 705,880</b>	<b>\$ 732,138</b>	<b>3.7%</b>

### Authorized Full-Time

	FY2015	FY2016	FY2017
Recreation Supervisor	1	1	1



The Blockbuster Concert Series has transformed Normandale Lake Park into the destination for food and fun on Thursday nights in the South Metro.

COMMUNITY SERVICES - CULTURAL/ARTS EVENTS  
BUDGET SUMMARY  
Revenues and Expenditures

	2015 ACTUAL	2016 ORIGINAL BUDGET	2016 AMENDED BUDGET	2016 ESTIMATED	2017 BUDGET
Revenues					
Program Income	\$ 153,840	\$ 135,600	\$ 135,600	\$ 154,746	\$ 147,400
<b>TOTAL REVENUES</b>	<b>153,840</b>	<b>135,600</b>	<b>135,600</b>	<b>154,746</b>	<b>147,400</b>
Expenditures					
Staffing					
Salaries and Wages	143,321	150,908	150,908	158,703	161,827
Benefits	45,136	45,225	45,225	50,378	50,298
Operating Expenditures					
Professional and Technical Services	(44)	1,000	1,000	943	2,900
Utilities and Maintenance	310,989	316,374	316,374	307,719	322,260
Operations	12,924	11,765	11,765	10,782	13,073
City Support Services	158,757	166,821	166,821	169,030	166,151
Materials and Supplies	9,849	13,787	13,787	14,578	15,629
<b>TOTAL EXPENDITURES</b>	<b>\$ 680,932</b>	<b>\$ 705,880</b>	<b>\$ 705,880</b>	<b>\$ 712,133</b>	<b>\$ 732,138</b>

	2015	2016	2017
Property tax cost of service for median value home per month:			
Cultural/Special Events	\$0.74	\$0.77	\$0.70

# Community Services – 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.

## 2017 Objectives

- I** Expand volunteerism by continuing relationships with community service groups and businesses.
- IE** Enhance Adaptive Recreation program offerings to meet the needs of people with disabilities in Bloomington, Richfield, Edina and Eden Prairie.
- S** Work with Three Rivers Park District, Artistry and other community partners to provide high quality summer recreational opportunities for youth preschool through ninth grade.
- S** Introduce Key Log Rolling into summer camp as an additional activity to expand programming offerings and meet changing recreational trends.
- IE** Collaborate with Three Rivers Park District to offer nature based programming to various programs locations, focusing on underrepresented populations.
- IE S** Enhance community engagement near Wright's Lake Park.
- S** Provide teen volunteer opportunities to enhance programming and offer leadership development.
- S** Increase skating hours at volunteer staffed rinks to maximize facility use for neighborhood residents and hockey teams.
- S** Continue to enhance the partnership with The Bloomington Optimists Club on events including the Spring Egg Hunt and City Wide Halloween Party.
- S** Continue development of the summer student internship program, now in its third year, in order to offer the most desirable, educational, and beneficial program in the state.
- R A** Continue to undertake data collection for the park asset inventory.
- S** Continually update field allocation policies and procedures to equitably allocate athletic facilities to the Recognized Bloomington Youth Athletic Associations (RBYAOs) and area schools.
- S** Continue to evaluate all adult athletic leagues, in order to offer the most sought after league experience in the metro area.
- I** Enhance relationships and partnerships with RBYAOs, area schools, and local businesses in order to better market youth and adult Parks and Recreation programs.

## 2016 Results

- Advertised and accepted seasonal job applications through an online application system called NEOGOV.
- Continued to work with the AR&LE partners to provide a variety of programs to meet the diverse needs of youth and adults with disabilities.
- Provided and expanded high quality recreation programs for the residents of Bloomington:
  - Summer Adventure Playgrounds served over 250 participants.
  - The View and Mini View filled to capacity and served 180 participants.
  - Camp Kota served over 700 participants.
  - Adaptive Softball served over 100 youth and adults with disabilities.
  - Playground Partnership served over 250 participants.
  - Adult Recreation had over 460 teams participate in over 60 different men's women's and co-rec adult sport leagues.
  - Over 700 community volunteers gave their time and talent to the park systems.
- Adjusted staffed warming house hours resulting in 6,728 skaters attending Bloomington's outdoor warming houses.
- Worked in partnership with 7 recognized Bloomington youth athletic organizations and 6 Bloomington schools to create a comprehensive schedule for use of Bloomington athletic facilities.
- Utilized the Minnesota Recreation and Park Foundation Grant to successfully develop and offer the City's inaugural summer Adult Spikeball league, which is part of the Adult Sports League Collaboration.
- Revitalized adult athletic marketing material, which is now easier to read, registration friendly and more widely available.
- Increased participation in adult basketball and adult volleyball leagues.
- Increased the visibility of the internship program by not only creating and maintaining relationships with Minnesota-based collegiate recreation programs but generating a new relationship with University of Wisconsin La Crosse.

## Expenditures

	FY2016 Original Budget	FY2017 Approved Budget	Percent Change
Salaries/Wages/Benefits	\$ 1,231,478	\$ 1,391,142	13.0%
Materials/Supplies/Services	6,459,184	6,411,522	(.7)
	<b>\$ 7,690,662</b>	<b>\$ 7,802,664</b>	<b>1.5%</b>

## Authorized Full-Time

	FY2015	FY2016	FY2017
	<b>6</b>	<b>6</b>	<b>6</b>
Assistant Parks & Recreation Manager	1	1	1
Office Assistant	1	1	1
Office Support Specialist	1	1	1
Parks & Recreation Manager	1	1	1
Recreation Supervisor	2	2	2

## Activities

### Skating

### Playgrounds

### Adaptive Recreation & Learning Exchange (AR&LE)

### Youth Events

### Adult Sports

### Administration

### Youth Athletics

### Galaxy Youth Center

### Armory

### Volunteer Services



79 percent of residents surveyed rated Bloomington's recreational opportunities excellent or good.

*The National Citizen Survey™, City of Bloomington, MN 2016*

COMMUNITY SERVICES - GENERAL RECREATION  
BUDGET SUMMARY  
Revenues and Expenditures

	2015 ACTUAL	2016 ORIGINAL BUDGET	2016 AMENDED BUDGET	2016 ESTIMATED	2017 BUDGET
Revenues					
Program Income	\$ 891,789	\$ 878,996	\$ 878,996	\$ 924,959	\$ 998,409
Intergovernmental	-	-	-	5,700	-
<b>TOTAL REVENUES</b>	<b>891,789</b>	<b>878,996</b>	<b>878,996</b>	<b>930,659</b>	<b>998,409</b>
Expenditures					
Staffing					
Salaries and Wages	990,808	990,048	990,048	962,698	1,111,822
Benefits	242,284	241,430	241,430	242,875	279,320
Operating Expenditures					
Professional and Technical Services	25	-	-	14,591	15,000
Utilities and Maintenance	437,505	559,992	560,631	520,845	563,185
Operations	30,758	37,161	37,161	33,120	41,560
City Support Services	5,127,480	5,763,730	5,763,730	5,771,686	5,710,539
Materials and Supplies	82,797	98,301	98,301	58,680	81,238
<b>TOTAL EXPENDITURES</b>	<b>\$ 6,911,657</b>	<b>\$ 7,690,662</b>	<b>\$ 7,691,301</b>	<b>\$ 7,604,495</b>	<b>\$ 7,802,664</b>

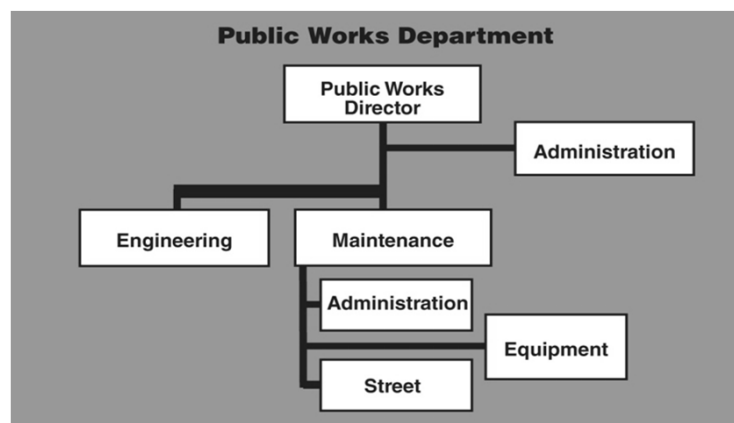
	2015	2016	2017
<b>Property tax cost of service for median value home per month:</b>			
<b>General Recreation</b>	<b>\$7.95</b>	<b>\$9.20</b>	<b>\$8.21</b>





PUBLIC WORKS BUDGET SUMMARY Revenues and Expenditures					
	2015 ACTUAL	2016 ORIGINAL BUDGET	2016 AMENDED BUDGET	2016 ESTIMATED	2017 BUDGET
Revenues					
Program Income	\$ 74,303	\$ 85,500	\$ 85,500	\$ 67,477	\$ 69,200
Transfers In	\$ -	\$ -	\$ -	\$ 150,000	\$ -
Permits	13,325	10,000	10,000	12,062	10,000
<b>TOTAL REVENUES</b>	<b>87,628</b>	<b>95,500</b>	<b>95,500</b>	<b>229,539</b>	<b>79,200</b>
Expenditures					
Staffing					
Salaries and Wages	4,874,395	5,230,220	5,230,220	5,080,804	5,384,604
Benefits	1,904,096	1,871,882	1,871,882	2,007,813	2,140,974
Operating Expenditures					
Professional and Technical Services	105,231	227,030	227,030	131,681	167,967
Utilities and Maintenance	1,428,393	1,570,730	1,570,730	1,533,531	1,688,077
Operations	127,221	154,045	154,045	132,364	166,230
City Support Services	3,069,221	3,367,884	3,367,884	3,384,749	3,343,219
Materials and Supplies	1,631,960	1,686,957	1,686,957	1,631,763	1,777,392
Capital Outlay					
Equipment	65,283	62,000	62,000	60,377	62,000
<b>TOTAL EXPENDITURES</b>	<b>13,205,801</b>	<b>14,170,748</b>	<b>14,170,748</b>	<b>13,963,082</b>	<b>14,730,463</b>
Less Expenses Charged to Other Funds	(2,551,072)	(2,968,231)	(2,968,231)	(2,557,764)	(2,842,013)
<b>NET TOTAL EXPENDITURES</b>	<b>\$10,654,729</b>	<b>\$11,202,517</b>	<b>\$ 11,202,517</b>	<b>\$ 11,405,318</b>	<b>\$11,888,450</b>

	2015	2016	2017
<b>Property tax cost of service for median value home per month:</b>			
<b>Public Works</b>	<b>\$13.81</b>	<b>\$14.65</b>	<b>\$14.73</b>



209b (02/13)

# 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.

## 2017 Objectives

- S** Provide management and leadership direction to Public Works Administration Division
- ES** Work with Sustainability Commission, City Council, and staff to develop and administer an annual work plan for sustainability initiatives
- S** Coordinate organizational development efforts
- ES** Continue to develop and grow the garbage and recycling efforts in the city

## Expenditures

	FY2016 Original Budget	FY2017 Approved Budget	Percent Change
Salaries/Wages/Benefits	\$ 570,914	\$ 603,398	5.7%
Materials/Supplies/Services	147,634	158,136	7.1
Expenses Charged to Others	(593,544)	(556,147)	(6.3)
	<b>\$ 125,004</b>	<b>\$ 205,387</b>	<b>64.30%</b>

## Authorized Full-Time

	FY2015	FY2016	FY2017
	<b>6</b>	<b>4</b>	<b>4</b>
Accountant	1	1	1
Administrative Assistant	1	0	0
Analyst	1	0	0
Deputy Director of Public Works	1	1	1
Director of Public Works	1	1	1
Office Supervisor	0	1	1
Safety & Compliance Coordinator	1	0	0



**GARBAGE AND RECYCLING**  
BLOOMINGTON • MINNESOTA

The new Garbage and Recycling program began October 3, 2016. Approximately 21,841 households are participating in the program. That means there are a minimum of 43,862 residential garbage and recycling carts in the program.

PUBLIC WORKS - ADMINISTRATION  
BUDGET SUMMARY  
Revenues and Expenditures

	2015 ACTUAL	2016 ORIGINAL BUDGET	2016 AMENDED BUDGET	2016 ESTIMATED	2017 BUDGET
Revenues					
Program Income	\$ 3,006	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000
<b>TOTAL REVENUES</b>	<b>3,006</b>	<b>2,000</b>	<b>2,000</b>	<b>2,000</b>	<b>2,000</b>
Expenditures					
Staffing					
Salaries and Wages	\$ 469,495	\$ 445,114	\$ 445,114	\$ 414,747	\$ 450,194
Benefits	164,826	125,800	125,800	149,498	153,204
Operating Expenditures					
Professional and Technical Services	49,000	51,000	51,000	49,000	50,000
Utilities and Maintenance					
Operations	16,550	21,600	21,600	12,441	21,200
City Support Services	62,031	72,634	72,634	72,140	83,836
Materials and Supplies	5,095	2,400	2,400	3,359	3,100
<b>TOTAL EXPENDITURES</b>	<b>766,998</b>	<b>718,548</b>	<b>718,548</b>	<b>701,185</b>	<b>761,534</b>
Less Expenses Charged to Other Funds	(593,544)	(593,544)	(593,544)	(576,959)	(556,147)
<b>NET TOTAL EXPENDITURES</b>	<b>\$ 173,454</b>	<b>\$ 125,004</b>	<b>\$ 125,004</b>	<b>\$ 124,226</b>	<b>\$ 205,387</b>

# Public Works – Engineering

## Activities

Administration

Infrastructure

Construction &  
Design

Engineering  
Services

Traffic and  
Transportation  
Engineering



Built in 1920, the Old Cedar Avenue Bridge is a historic five-span, 865-foot-long, steel truss bridge crossing over Long Meadow Lake. Originally constructed as a vehicular bridge, it was converted to a bicycle/pedestrian facility in 1993, but closed in 2002 due to significant deterioration and safety concerns. The rehabilitation work included steel truss repairs, substructure repair and reconstruction, deck and railing replacement, and repainting.

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, the construction of approximately 12 miles of reconstructed or overlaid streets per year and other local and regional projects.

## 2017 Objectives

- 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** Renew the City's transportation and utility infrastructure in a cost effective manner to accommodate forecasted growth and to keep costs affordable.
- 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.
- AESR** Provide comprehensive long-range planning, design and construction for local and regional transportation system, sanitary/storm sewer and water main infrastructure within Bloomington.

## 2016 Results

- Reconstructed 4.06 miles and overlaid 6.47 miles of pavement management streets in 2016.
- Installed 36 new accessible pedestrian ramps and upgraded 134 accessible pedestrian ramps.
- Installed 4,200 lineal feet of new sidewalk and replaced 7,000 lineal feet of existing sidewalk.
- Installed 29 new street and pedestrian lights.
- Installed 6 rectangular rapid flashing beacon enhanced crosswalks and school crossings.

Expenditures	FY2016	FY2017	Percent Change
	Original Budget	Approved Budget	
Salaries/Wages/Benefits	\$2,880,697	\$3,275,999	13.7%
Materials/Supplies/Services	904,836	821,103	(9.3)
Capital	34,000	34,000	-
Expenses Charged to Others	(1,967,822)	(1,873,532)	(4.8)
	<b>\$1,851,711</b>	<b>\$2,257,570</b>	<b>21.92%</b>

Authorized Full-Time	FY2015	FY2016	FY2017
	26	28	29
Analyst	0	1	1
Assistant Traffic Engineer	1	1	1
City Engineer	1	1	1
Civil Engineer	3	4	4
Engineering Technician	9	10	11
Computer Specialist	1	1	1
Office Assistant	1	1	1
Office Support Specialist	1	0	0
Professional Land Surveyor	1	1	1
Senior Civil Engineer	1	1	1
Sr. Engineering Technician	6	6	6
Traffic & Transportation Engineer	1	1	1

PUBLIC WORKS - ENGINEERING BUDGET SUMMARY Revenues and Expenditures					
	2015 ACTUAL	2016 ORIGINAL BUDGET	2016 AMENDED BUDGET	2016 ESTIMATED	2017 BUDGET
Revenues					
Program Income	\$ 1,854	\$ 5,200	\$ 5,200	\$ 338	\$ 900
Permits	13,325	10,000	10,000	12,062	10,000
<b>TOTAL REVENUES</b>	<b>15,179</b>	<b>15,200</b>	<b>15,200</b>	<b>12,400</b>	<b>10,900</b>
Expenditures					
Staffing					
Salaries and Wages	2,117,951	2,169,647	2,169,647	2,235,397	2,418,362
Benefits	734,499	711,050	711,050	771,995	857,637
Operating Expenditures					
Professional and Technical Services	55,287	174,330	174,330	81,786	116,267
Utilities and Maintenance	7,835	14,564	14,564	4,161	8,852
Operations	50,400	69,625	69,625	59,891	72,520
City Support Services	476,329	523,367	523,367	515,069	496,828
Materials and Supplies	93,281	122,950	122,950	95,473	126,636
Capital Outlay					
Equipment	38,457	34,000	34,000	33,551	34,000
<b>TOTAL EXPENDITURES</b>	<b>3,574,040</b>	<b>3,819,533</b>	<b>3,819,533</b>	<b>3,797,323</b>	<b>4,131,102</b>
Less Expenses Charged to Other Funds	(1,672,530)	(1,967,822)	(1,967,822)	(1,755,115)	(1,873,532)
<b>NET TOTAL EXPENDITURES</b>	<b>\$ 1,901,510</b>	<b>\$ 1,851,711</b>	<b>\$ 1,851,711</b>	<b>\$ 2,042,208</b>	<b>\$ 2,257,570</b>

	2015	2016	2017
<b>Property tax cost of service for median value home per month:</b>			
Engineering	\$2.52	\$2.45	\$2.68

Activities

## Street Lighting

Traffic Operation and  
Maintenance

Traffic Maintenance staff paints 500 crosswalks, 300 traffic arrows, 50 railroad crossing symbols, 245 lineal miles of road lines (100 percent of inventory) every year and maintains 70 signal systems and 1,175 street lights. 59 percent of citizens surveyed rated traffic signal timing excellent or good, similar to other cities included in a nationwide data base.

## Public Works – Maintenance Administration

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

### 2017 Objectives

- S** Provide functional and informative signage and traffic markings on City roadways.
- S** Provide street light services for the safety of the public.
- S** Provide maintenance of traffic signal systems for the safety of the public.

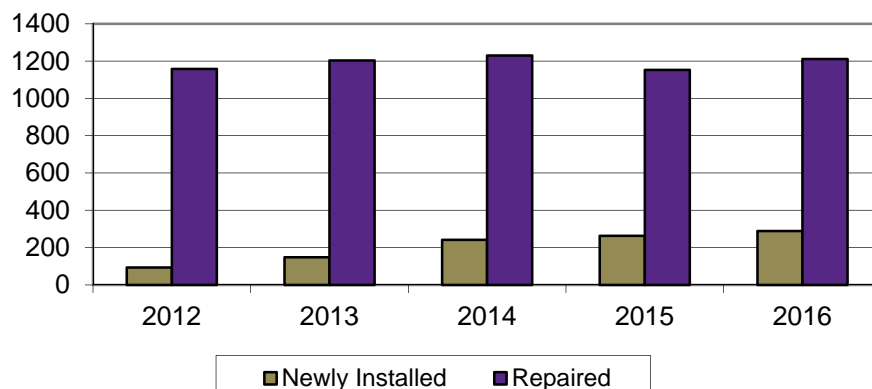
### Expenditures

	FY2016 Original Budget	FY2017 Approved Budget	Percent Change
Salaries/Wages/Benefits	\$ 980,316	\$ 1,056,311	7.5%
Materials/Supplies/Services	1,565,703	1,683,723	7.5
Capital	28,000	28,000	--
Expenses Charged to Others	(30,000)	(30,000)	-
	<b>\$ 2,544,019</b>	<b>\$ 2,738,034</b>	<b>7.09%</b>

### Authorized Full-Time

	FY2015	FY2016	FY2017
	<b>10</b>	<b>11</b>	<b>11</b>
Analyst	1	1	1
Computer Specialist	0	1	1
Equipment Operator I	2	2	2
Maintenance Superintendent	1	1	1
Office Support Specialist	2	2	2
PW Project Coordinator	1	0	0
Senior Signal/Inst. Tech.	1	1	1
Signal/Inst. Tech.	1	2	2
Traffic Supervisor	1	1	1

**Traffic and Street Signs Installed and Repaired**



PUBLIC WORKS - MAINTENANCE ADMINISTRATION  
BUDGET SUMMARY  
Revenues and Expenditures

	2015 ACTUAL	2016 ORIGINAL BUDGET	2016 AMENDED BUDGET	2016 ESTIMATED	2017 BUDGET
Revenues					
Program Income	\$ 46,425	\$ 48,300	\$ 48,300	\$ 46,948	\$ 48,300
<b>TOTAL REVENUES</b>	<b>46,425</b>	<b>48,300</b>	<b>48,300</b>	<b>46,948</b>	<b>48,300</b>
Expenditures					
Staffing					
Salaries and Wages	707,659	698,664	698,664	778,963	734,362
Benefits	284,046	281,652	281,652	309,335	321,949
Operating Expenditures					
Professional and Technical Services	170	300	300	260	300
Utilities and Maintenance	1,021,952	1,121,342	1,121,342	1,085,315	1,117,250
Operations	14,021	24,465	24,465	19,846	22,055
City Support Services	286,409	290,539	290,539	315,571	404,312
Materials and Supplies	110,133	129,057	129,057	122,459	139,806
Capital Outlay					
Equipment	26,826	28,000	28,000	26,826	28,000
<b>TOTAL EXPENDITURES</b>	<b>2,451,215</b>	<b>2,574,019</b>	<b>2,574,019</b>	<b>2,658,575</b>	<b>2,768,034</b>
Less Expenses Charged to Other Funds	(983)	(30,000)	(30,000)	(26,826)	(30,000)
<b>NET TOTAL EXPENDITURES</b>	<b>\$ 2,450,232</b>	<b>\$ 2,544,019</b>	<b>\$ 2,544,019</b>	<b>\$ 2,631,749</b>	<b>\$ 2,738,034</b>

	2015	2016	2017
<b>Property tax cost of service for median value home per month:</b>			
<b>Traffic Control and Street Lights</b>	<b>\$3.02</b>	<b>\$3.32</b>	<b>\$3.21</b>



## Activities

Administration

General Pavement  
Maintenance

Sealcoating

Public Right-of-Way

Snow and Ice

# 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.

## 2017 Objectives

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

## 2016 Results

- For 2016, 94 percent of roadways are above problem condition.

## Expenditures

	FY2016 Original Budget	FY2017 Approved Budget	Percent Change
Salaries/Wages/Benefits	\$2,670,175	\$2,589,870	(3.0)%
Materials/Supplies/Services	4,388,473	4,479,925	2.1
Expenses Charged to Others	(376,865)	(382,334)	1.5
	<b>\$6,681,783</b>	<b>\$6,687,461</b>	-

## Authorized Full-Time

	FY2015	FY2016	FY2017
	<b>24</b>	<b>23</b>	<b>23</b>
Asst. Maint. Superintendent	1	1	1
Equipment Operator I	13	13	13
Equipment Operator II	8	8	8
Street Maintenance Supervisor	2	1	1

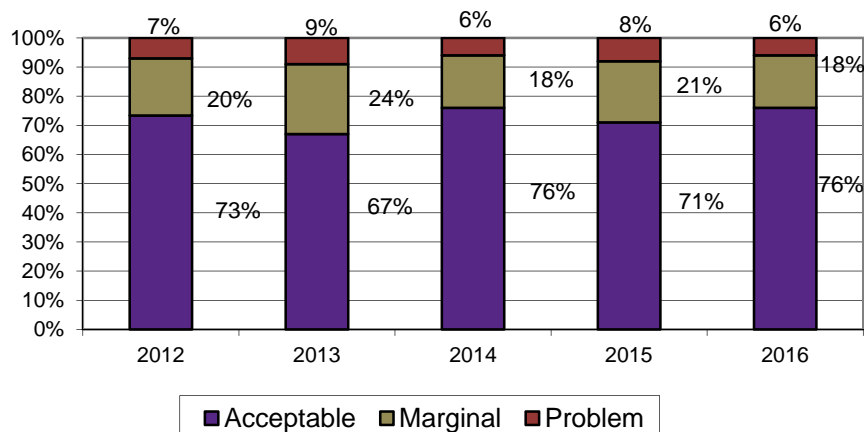


In 2016, 342 miles of streets were maintained, including approximately 30 miles of sealcoating and over 120,000 feet of cracks sealed.

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

81 percent of citizens surveyed rated snow removal excellent or good, higher than most peer cities in a nationwide data base.

City Pavement Condition



PUBLIC WORKS - STREET MAINTENANCE  
BUDGET SUMMARY  
Revenues and Expenditures

	2015 ACTUAL	2016 ORIGINAL BUDGET	2016 AMENDED BUDGET	2016 ESTIMATED	2017 BUDGET
Revenues					
Transfers In	-	-	-	150,000	-
Program Income	\$ 23,019	\$ 30,000	\$ 30,000	\$ 18,191	\$ 18,000
<b>TOTAL REVENUES</b>	<b>23,019</b>	<b>30,000</b>	<b>30,000</b>	<b>168,191</b>	<b>18,000</b>
Expenditures					
Staffing					
Salaries and Wages	1,579,290	1,916,795	1,916,795	1,651,697	1,781,686
Benefits	720,725	753,380	753,380	776,985	808,184
Operating Expenditures					
Professional and Technical Services	774	1,400	1,400	635	1,400
Utilities and Maintenance	398,607	434,824	434,824	444,055	561,975
Operations	46,250	38,355	38,355	40,186	50,455
City Support Services	2,244,452	2,481,344	2,481,344	2,481,969	2,358,245
Materials and Supplies	1,423,451	1,432,550	1,432,550	1,410,472	1,507,850
<b>TOTAL EXPENDITURES</b>	<b>6,413,547</b>	<b>7,058,648</b>	<b>7,058,648</b>	<b>6,805,999</b>	<b>7,069,795</b>
Less Expenses Charged to Other Funds	(284,015)	(376,865)	(376,865)	(198,864)	(382,334)
<b>NET TOTAL EXPENDITURES</b>	<b>\$ 6,129,532</b>	<b>\$ 6,681,783</b>	<b>\$ 6,681,783</b>	<b>\$ 6,607,135</b>	<b>\$ 6,687,461</b>

	2015	2016	2017
<b>Property tax cost of service for median value home per month:</b>			
<b>Street Maintenance</b>	<b>\$8.27</b>	<b>\$8.86</b>	<b>\$8.83</b>

**Divisions****Assessing  
City Clerk**

## Technical Services Group

The City Assessor's office provides appraisal services and administration of special assessments and property records for property tax, condemnation, acquisitions and other values for local properties. The City Clerk's office is responsible for services related to voter registration, election administration, Bloomington Cemetery administration, business licensing, passports, and records management and oversight of the Deputy Registrar/Motor Vehicle enterprise.

A Steering Committee made up of Department Directors and the City Manager provides direction to the programs within this group. The group also includes Information Systems which is budgeted for separately in the Internal Service Fund group.

**Expenditures**

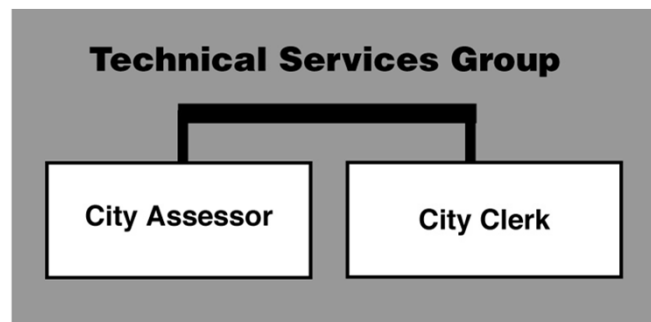
	<b>FY2016 Original Budget</b>	<b>FY2017 Approved Budget</b>	<b>Percent Change</b>
Salaries/Wages/Benefits	\$2,434,198	\$2,502,680	2.9%
Materials/Supplies/Services	649,915	623,437	(4.1)
Reimbursed Expenditures	(150,809)	(130,519)	(13.5)
	<b>\$2,933,304</b>	<b>\$2,995,598</b>	<b>2.1%</b>

**Authorized Full-Time**

<b>FY2015</b>	<b>FY2016</b>	<b>FY2017</b>
<b>20</b>	<b>21</b>	<b>21</b>



TECHNICAL SERVICES BUDGET SUMMARY Revenues and Expenditures					
	2015 ACTUAL	2016 ORIGINAL BUDGET	2016 AMENDED BUDGET	2016 ESTIMATED	2017 BUDGET
Revenues					
Program Income	\$ 96,568	\$ 66,850	\$ 66,850	\$ 32,463	\$ 96,700
<b>TOTAL REVENUES</b>	<b>96,568</b>	<b>66,850</b>	<b>66,850</b>	<b>32,463</b>	<b>96,700</b>
Expenditures					
Staffing					
Salaries and Wages	1,615,999	1,832,319	1,832,319	1,817,336	1,821,621
Benefits	577,083	601,879	601,879	643,824	681,059
Operating Expenditures					
Professional and Technical Services	12,247	14,900	14,900	7,309	7,814
Utilities and Maintenance	57,439	86,855	87,655	49,956	86,710
Operations	46,359	57,305	57,305	51,176	68,217
City Support Services	428,183	454,710	454,710	459,601	427,886
Materials and Supplies	27,668	36,145	40,145	35,410	32,810
<b>TOTAL EXPENDITURES</b>	<b>2,764,978</b>	<b>3,084,113</b>	<b>3,088,913</b>	<b>3,064,612</b>	<b>3,126,117</b>
Less Expenses Charged to Other Funds	(89,489)	(150,809)	(150,809)	(128,653)	(130,519)
<b>NET TOTAL EXPENDITURES</b>	<b>\$ 2,675,489</b>	<b>\$ 2,933,304</b>	<b>\$ 2,938,104</b>	<b>\$ 2,935,959</b>	<b>\$ 2,995,598</b>



204b (01/10)

Activities

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

# Technical Services Group – 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.

## 2017 Objectives

- S** Complete field review and revaluation of required number of residential and commercial-industrial parcels annually per State Statute.
- IE** Participate in the City's Welcome Bag Initiative
- S** Track improvements and changes to properties completed during the year.
- S** Ensure that statistical measurements of accuracy and equalization for both the residential and commercial assessments remain within the desired targets set by the Department of Revenue.

## 2016 Results

- Reviewed more than the 20 percent of parcels required – more than 7,510 out of approximately 32,000 parcels.

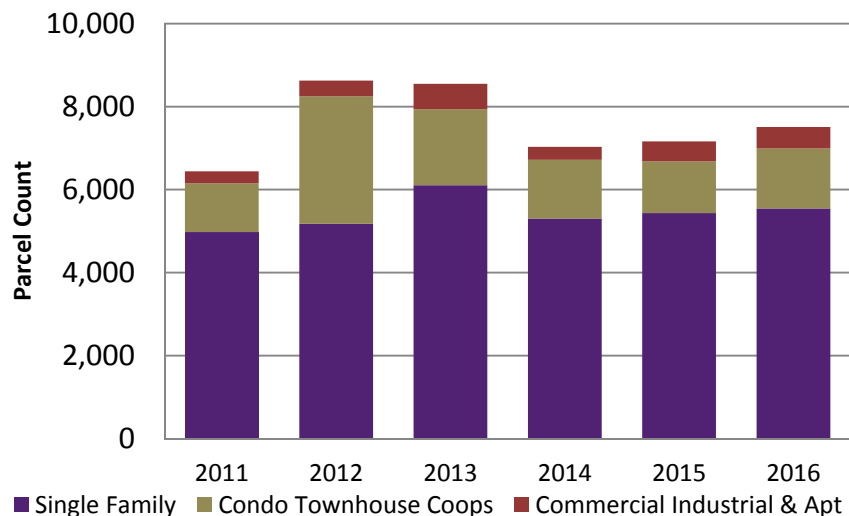
## Expenditures

	FY2016 Original Budget	FY2017 Approved Budget	Percent Change
Salaries/Wages/Benefits	\$1,482,487	\$1,566,055	5.6%
Materials/Supplies/Services	348,772	312,789	(10.3)
Reimbursed Expenditures	(61,210)	(37,736)	(38.4)
	<b>\$1,770,049</b>	<b>\$1,841,108</b>	<b>4.0%</b>

## Authorized Full-Time

	FY2015 13	FY2016 13	FY2017 13
Assessment Assistant	2	2	2
Assessment Specialist	1	1	1
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	3	3

Parcel Review Statistics



The residential  
 assessment for  
 the City of  
 Bloomington is  
 divided into 29  
 single-family  
 housing districts,  
 111 townhouse  
 districts and 178  
 condominium  
 districts.

TECHNICAL SERVICES - ASSESSING  
BUDGET SUMMARY  
Revenues and Expenditures

	2015 ACTUAL	2016 ORIGINAL BUDGET	2016 AMENDED BUDGET	2016 ESTIMATED	2017 BUDGET
Revenues					
Program Income	\$ 890	\$ 1,400	\$ 1,400	\$ 601	\$ 1,500
<b>TOTAL REVENUES</b>	<b>890</b>	<b>1,400</b>	<b>1,400</b>	<b>601</b>	<b>1,500</b>
Expenditures					
Staffing					
Salaries and Wages	1,050,119	1,105,279	1,105,279	1,058,411	1,136,541
Benefits	387,185	377,208	377,208	407,113	429,514
Operating Expenditures					
Utilities and Maintenance	21,725	39,500	39,500	24,906	37,750
Operations	24,288	32,835	32,835	31,604	32,650
City Support Services	258,460	270,867	270,867	267,631	236,189
Materials and Supplies	3,969	5,570	5,570	8,570	6,200
<b>TOTAL EXPENDITURES</b>	<b>1,745,746</b>	<b>1,831,259</b>	<b>1,831,259</b>	<b>1,798,235</b>	<b>1,878,844</b>
Less Expenses Charged to Other Funds	(35,969)	(61,210)	(61,210)	(41,437)	(37,736)
<b>NET TOTAL EXPENDITURES</b>	<b>\$ 1,709,777</b>	<b>\$ 1,770,049</b>	<b>\$ 1,770,049</b>	<b>\$ 1,756,798</b>	<b>\$ 1,841,108</b>

Activities

Administration  
Cemetery  
Elections  
Licensing  
Passports  
Records Management



**Voters**  
*appreciated new Early Voting processes with over 30% of eligible voters using this voting option in 2016.*

**Customers**  
*utilized the online passport appointment system with 3,331 appointments scheduled in 2016.*

# Technical Services Group – City Clerk

The City Clerk Division conducts federal, state, and county elections during the even-numbered years and city and school district elections in the odd-numbered years. The Division manages business licensing and passports, maintains the records and processes sales for the City cemetery, and oversees an off-site local Deputy Registrar Office. This Division provides Records Management Services for all City records, manages off-site storage, and develops the Electronic Document Management System (EDMS). Lastly, the Division coordinates multi-departmental public data requests.

## 2017 Objectives

- I S** Ensure eligible voters can vote in an environment where elections are efficiently and accurately administered according to law
- IE S** Develop outreach programs to hire and train underrepresented populations as election judges
- I S** Operate effective licensing programs to promote the health and welfare of citizens and customers
- S** Continue implementation of new licensing software and processes to promote efficiency and transparency
- S** Manage City records to minimize costs of storage and retrieval and to maximize accessibility
- I S** Coordinate multi-departmental data requests under the Minnesota Government Data Practices Act
- I S** Implement effective data request software to promote transparency of government records for residents and the general public

## 2016 Results

- Issued 7,906 total licenses (including but not limited to 4,573 business and 3,333 pet)
- Coordinated and processed 81 multi-departmental data requests for the general public
- Implemented 114 e-poll books for use during the 2016 elections in all voting precincts
- Administered a Special Election; Primary and Presidential Elections efficiently and accurately

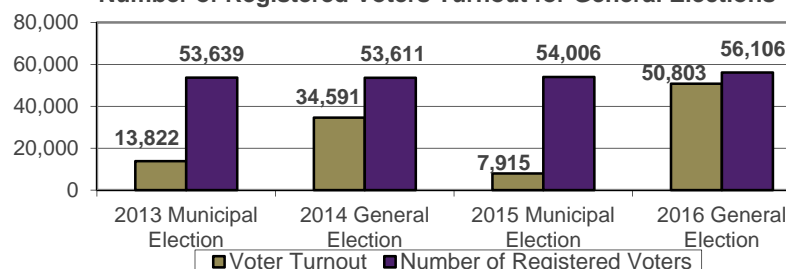
## Expenditures

	FY2016 Original Budget	FY2017 Approved Budget	Percent Change
Salaries/Wages/Benefits	\$ 951,711	\$ 936,625	(1.6)%
Materials/Supplies/Services	301,143	310,648	3.2
Reimbursed Expenditures	(89,599)	(92,783)	3.6
	<b>\$ 1,163,255</b>	<b>\$ 1,154,490</b>	<b>0.8%</b>

## Authorized Full Time

	FY2015 7	FY2016 8	FY2017 8
City Clerk	1	1	1
Deputy City Clerk			
Elections/Administration	1	1	1
License Examiner/Deputy City Clerk	1	1	1
Office Assistant	2	2	2
Office Support Specialist	1	1	1
Records Manager	1	1	1
Records Specialist	0	1	1

Number of Registered Voters Turnout for General Elections





TECHNICAL SERVICES - CITY CLERK  
BUDGET SUMMARY  
Revenues and Expenditures

	2015 ACTUAL	2016 ORIGINAL BUDGET	2016 AMENDED BUDGET	2016 ESTIMATED	2017 BUDGET
Revenues					
Program Income	\$ 95,678	\$ 65,450	\$ 65,450	\$ 31,862	\$ 95,200
<b>TOTAL REVENUES</b>	<b>95,678</b>	<b>65,450</b>	<b>65,450</b>	<b>31,862</b>	<b>95,200</b>
Expenditures					
Staffing					
Salaries and Wages	565,880	727,040	727,040	758,925	685,080
Benefits	189,898	224,671	224,671	236,711	251,545
Operating Expenditures					
Professional and Technical Services	12,247	14,900	14,900	7,309	7,814
Utilities and Maintenance	35,714	47,355	48,155	25,050	48,960
Operations	22,071	24,470	24,470	19,572	35,567
City Support Services	169,723	183,843	183,843	191,970	191,697
Materials and Supplies	23,699	30,575	34,575	26,840	26,610
<b>TOTAL EXPENDITURES</b>	<b>1,019,232</b>	<b>1,252,854</b>	<b>1,257,654</b>	<b>1,266,377</b>	<b>1,247,273</b>
Less Expenses Charged to Other Funds	(53,520)	(89,599)	(89,599)	(87,216)	(92,783)
<b>NET TOTAL EXPENDITURES</b>	<b>\$ 965,712</b>	<b>\$ 1,163,255</b>	<b>\$ 1,168,055</b>	<b>\$ 1,179,161</b>	<b>\$ 1,154,490</b>

# 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.



94 percent of residents surveyed rated Bloomington as either excellent or good as a place to live.

91 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.

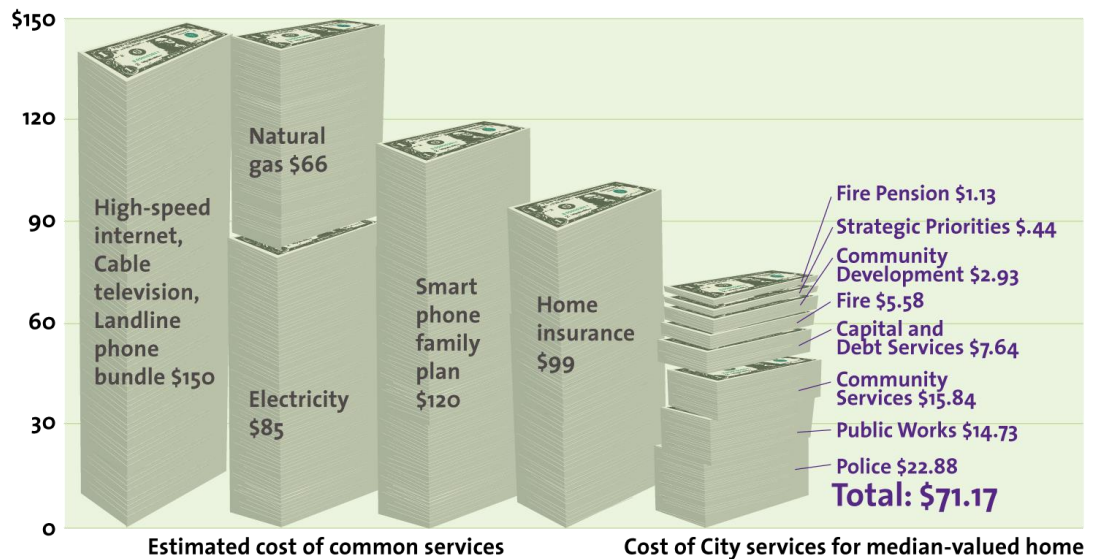
## Expenditures

	FY2016 Original Budget	FY2017 Approved Budget	Percent Change
Salaries/Wages/Benefits	\$407,848	\$393,026	(3.6)%
Materials/Supplies/Services	376,826	380,243	0.9
Expenses Charged to Others	(215,172)	(204,723)	(4.9)
	<b>\$569,502</b>	<b>\$568,546</b>	<b>0.2%</b>

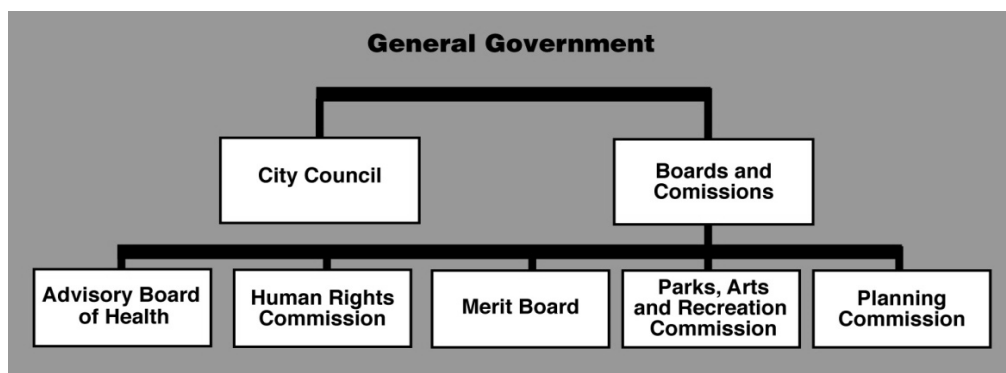
## Authorized Full-Time

FY2015	FY2016	FY2017
1	1	1

## COMPARISON OF MONTHLY COST OF SERVICES



GENERAL GOVERNMENT BUDGET SUMMARY Revenues and Expenditures					
	2015 ACTUAL	2016 ORIGINAL BUDGET	2016 AMENDED BUDGET	2016 ESTIMATED	2017 BUDGET
<b>Revenues</b>					
Program Income	\$ 2,950	\$ 500	\$ 500	\$ 1,600	\$ 500
<b>TOTAL REVENUES</b>	<b>2,950</b>	<b>500</b>	<b>500</b>	<b>1,600</b>	<b>500</b>
<b>Expenditures</b>					
<b>Staffing</b>					
Salaries and Wages	246,046	251,597	251,597	234,554	238,665
Benefits	152,436	156,251	156,251	158,441	154,361
<b>Operating Expenditures</b>					
Professional and Technical Services	45,079	58,446	58,446	95,682	61,134
Utilities and Maintenance	5,452	3,800	3,800	5,869	6,200
Operations	157,061	174,655	174,655	161,559	173,855
City Support Services	120,856	119,408	119,408	110,805	118,195
Materials and Supplies	30,855	20,517	20,517	33,346	20,859
<b>TOTAL EXPENDITURES</b>	<b>757,785</b>	<b>784,674</b>	<b>784,674</b>	<b>800,256</b>	<b>773,269</b>
Less Expenses Charged to Other Funds	(214,104)	(215,172)	(215,172)	(213,772)	(204,723)
<b>NET TOTAL EXPENDITURES</b>	<b>\$ 543,681</b>	<b>\$ 569,502</b>	<b>\$ 569,502</b>	<b>\$ 586,484</b>	<b>\$ 568,546</b>



212b (02/10)

# General Government – City Council

## Activities

General  
Government  
General  
Promotion  
Special Projects

The City is governed by an elected, part-time City Council consisting of a Mayor who is elected at-large and six Council members, two of whom are elected at-large and four of whom are 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. The Council also appoints citizens to various advisory commissions.

## 2017 Objectives

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

## 2016 Results

- Adopted a 2017-2020 Strategic Plan which prioritizes Community Amenities, Community Image, Environmental Sustainability, Focused Renewal, High Quality Service Delivery and Inclusion & Equity.
- Successfully implemented the new garbage and recycling program.
- Advanced consideration of a new community center following receipt of a task force recommendation to move forward.

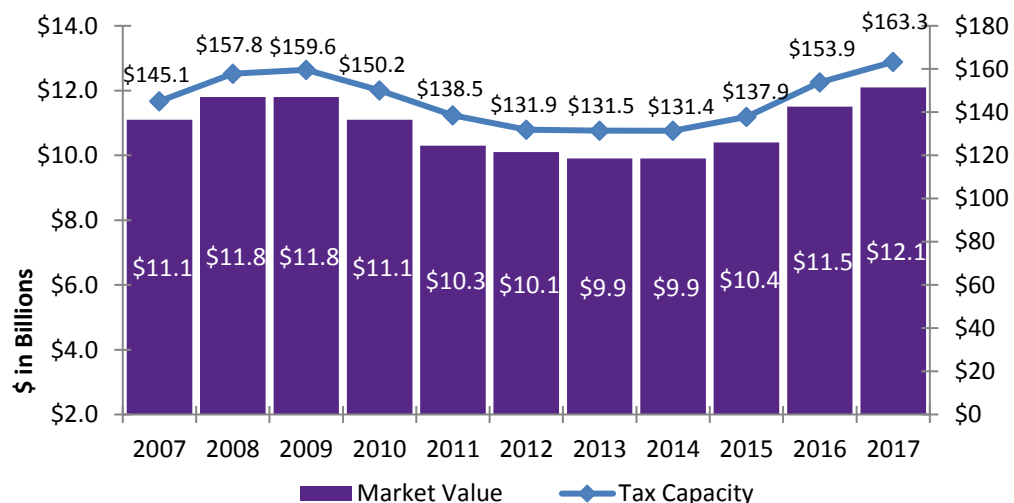
## Expenditures

	FY2016 Original Budget	FY2017 Approved Budget	Percent Change
Salaries/Wages/Benefits	\$ 322,526	\$ 299,790	(7.0)%
Materials/Supplies/Services	336,731	338,016	0.4
Expenses Charged to Others	(215,172)	(204,723)	(4.9)
	<b>\$ 444,085</b>	<b>\$ 433,083</b>	<b>(2.9)%</b>

## Authorized Full-Time

	FY2015	FY2016	FY2017
	1	1	1
Administrative Assistant	1	1	1

## Total City Market Value and Tax Capacity by Tax Year



In a random citizen survey conducted in 2016, 85 percent of respondents rated "government services overall" as excellent or good.

GENERAL GOVERNMENT - CITY COUNCIL  
BUDGET SUMMARY  
Revenues and Expenditures

	2015 ACTUAL	2016 ORIGINAL BUDGET	2016 AMENDED BUDGET	2016 ESTIMATED	2017 BUDGET
Revenues					
Program Income	\$ 750	\$ -		\$ 100	\$ -
<b>TOTAL REVENUES</b>	<b>750</b>	<b>-</b>	<b>-</b>	<b>100</b>	<b>-</b>
Expenditures					
Staffing					
Salaries and Wages	188,484	187,052	187,052	170,627	168,670
Benefits	132,938	135,474	135,474	134,762	131,120
Operating Expenditures					
Professional and Technical Services	45,079	57,099	57,099	95,682	59,774
Utilities and Maintenance	1,427	1,200	1,200	1,769	1,200
Operations	132,978	147,650	147,650	141,887	147,650
City Support Services	117,583	115,682	115,682	107,049	114,292
Materials and Supplies	6,906	15,100	15,100	8,223	15,100
<b>TOTAL EXPENDITURES</b>	<b>625,395</b>	<b>659,257</b>	<b>659,257</b>	<b>659,999</b>	<b>637,806</b>
Less Expenses Charged to Other Funds	(214,104)	(215,172)	(215,172)	(213,772)	(204,723)
<b>NET TOTAL EXPENDITURES</b>	<b>\$ 411,291</b>	<b>\$ 444,085</b>	<b>\$ 444,085</b>	<b>\$ 446,227</b>	<b>\$ 433,083</b>

## 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**

# General Government – Boards and Commissions

Six 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.

## 2017 Objectives

- A I S** Ensure a fair and equitable process for reviewing development applications in the best interests of the City. (Planning Commission)
- A I R** Maintain land development ordinances to reflect best practices for managing land use and implementing the *Comprehensive Plan*. (Planning Commission)
- A S** Continue work on the GIS-based asset inventory of the Bloomington parks system. (Parks, Arts and Recreation Commission)
- I S** 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)
- IE** Participate in Beyond Diversity training to explore how to conduct healthy dialogues to compliment the City's internal participation in a cohort of local and regional governments in Minnesota, Advancing Racial Equity: Putting Theory into Action. Explore with community organizations, the faith community and citizens, planning and implementing multicultural dinners. (Human Rights Commission)

## 2016 Results

- Participated in the Community Center Task Force and presented recommendations to the City Council in October 2017. (Parks, Arts and Recreation Commission, Human Rights Commission and Advisory Board of Health)
- Presented six awards to food establishments, recognizing their achievement and commitment to food safety. (Advisory Board of Health)
- Held public hearings and rated playground equipment proposals for Dupont and Hampshire Hill Parks. (Parks, Arts and Recreation Commission)
- Provided input on the Alternative Transportation Plan Update and the Minnesota River Valley Master Plan. (Parks, Arts and Recreation Commission)
- Created cultural awareness. 140 individuals from 38 countries were naturalized on International Day of Peace, September 21, 2016. (Human Rights Commission)
- Recognized American Indian Heritage Month in November. Collaborative partners include the Bloomington Historical Society, Minnesota Indian Affairs Council, Cultural Arts-Parks and Recreation/Pond Dakota Society and Oak Grove Presbyterian Church. Activities include Why Treaties Matter Exhibit, Coffee with the Curator, Employee Racial Equity lunch and learn, and community event featuring Don Bartlette, Chippewa Indian. (Human Rights Commission)

## Expenditures

	FY2016	FY2017	
	Original Budget	Approved Budget	Percent Change
Salaries/Wages/Benefits*	\$ 85,322	\$ 93,236	9.3%
Materials/Supplies/Services	40,095	42,227	5.3
	<b>\$ 125,417</b>	<b>\$ 135,463</b>	<b>8.0%</b>

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



Foster a welcoming community by sponsoring a Naturalization Ceremony for immigrants during the 2016 International Day of Peace activities (Human Rights Commission).



140 individuals from 38 countries were naturalized on Sept. 21, 2016.

GENERAL GOVERNMENT - BOARDS AND COMMISSIONS  
BUDGET SUMMARY  
Revenues and Expenditures

	2015 ACTUAL	2016 ORIGINAL BUDGET	2016 AMENDED BUDGET	2016 ESTIMATED	2017 BUDGET
Revenues					
Program Income	\$ 2,200	\$ 500	\$ 500	\$ 1,500	\$ 500
TOTAL REVENUES	2,200	500	500	1,500	500
Expenditures					
Staffing					
Salaries and Wages	57,562	64,545	64,545	63,927	69,995
Benefits	19,498	20,777	20,777	23,679	23,241
Operating Expenditures					
Professional and Technical Services	-	1,347	1,347	-	1,360
Utilities and Maintenance	4,025	2,600	2,600	4,100	5,000
Operations	24,083	27,005	27,005	19,672	26,205
City Support Services	3,273	3,726	3,726	3,756	3,903
Materials and Supplies	23,949	5,417	5,417	25,123	5,759
TOTAL EXPENDITURES	\$ 132,390	\$ 125,417	\$ 125,417	\$ 140,257	\$ 135,463
Less Expenses Charged to Other Funds					
NET TOTAL EXPENDITURES	132,390	125,417	125,417	140,257	135,463



Activities

Strategic  
Organizational  
Development

Municipal Service  
Provider

Policy  
Development &  
Support to City  
Council

Administration  
Intergovernmental  
Relations

Overall  
Organizational  
Operation

# City Manager

The City Manager has the power and duty to enforce all City ordinances and resolutions, direct the operations of the City, and recommend to the Council measures which the City Manager feels are necessary for the welfare of the citizens and for efficient administration. The City Manager also appoints all other employees of the City and performs other duties required by the Council.

## 2017 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** Build effective working partnerships with educational, business, and non-profit organizations.
- S** Implement organizational development programs to build capacity of city staff to provide innovative, creative, and customer-focused services.
- 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.

## 2016 Results

- Led the Council through a strategic planning process to develop the 2017-2020 Strategic Plan.
- Initiated 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.
- Provided positive operational financial results.

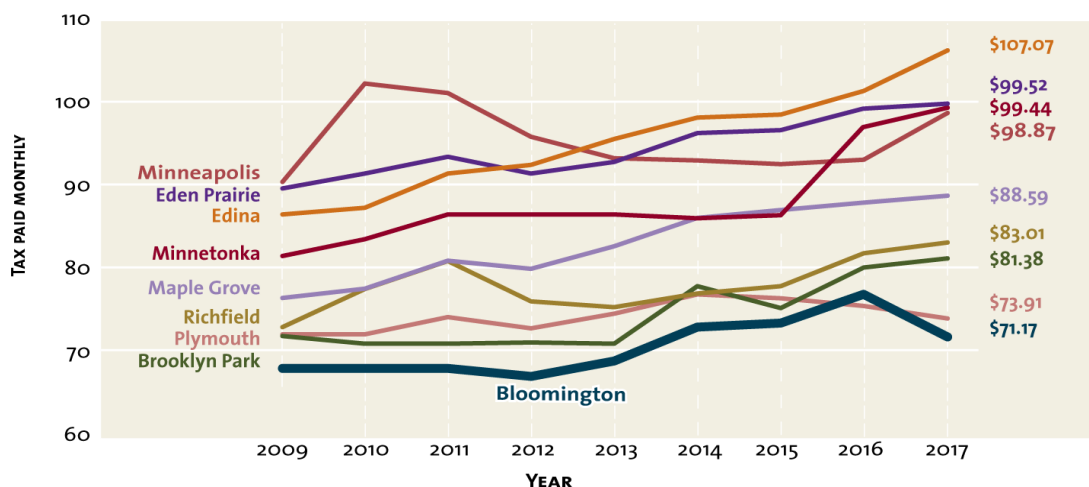
## Expenditures

	FY2016 Original Budget	FY2017 Approved Budget	Percent Change
Salaries/Wages/Benefits	\$ 558,242	\$ 561,731	0.6%
Materials/Supplies/Services	218,799	228,190	4.3
Expenses Charged to Others	(154,819))	(147,666)	(4.6)
	<b>\$ 622,222</b>	<b>\$ 642,255</b>	<b>3.2%</b>

## Authorized Full-Time

	FY2015	FY2016	FY2017
	<b>3</b>	<b>4</b>	<b>4</b>
Assistant City Manager	1	1	1
City Manager	1	1	1
City Manager's Secretary	1	1	1
Placemaking Program Manager	0	1	1

## CITY PROPERTY TAX ON MEDIAN VALUE SINGLE-FAMILY HOME



CITY MANAGER  
BUDGET SUMMARY  
Revenues and Expenditures

	2015 ACTUAL	2016 ORIGINAL BUDGET	2016 AMENDED BUDGET	2016 ESTIMATED	2017 BUDGET
Expenditures					
Staffing					
Salaries and Wages	\$ 218,086	\$ 431,813	\$ 431,813	\$ 384,511	\$ 431,232
Benefits	80,976	126,429	126,429	113,542	130,499
Operating Expenditures					
Professional and Technical Services	51,379	25,000	25,000	51,737	25,000
Utilities and Maintenance	1,427	1,200	1,200	1,622	1,200
Operations	43,063	123,350	93,350	100,399	122,900
City Support Services	58,963	64,949	64,949	65,080	67,790
Materials and Supplies	5,291	4,300	4,300	16,573	11,300
TOTAL EXPENDITURES	459,185	777,041	747,041	733,464	789,921
Less Expenses Charged to Other Funds	(150,312)	(154,819)	(154,819)	(153,844)	(147,666)
NET TOTAL EXPENDITURES	\$ 308,873	\$ 622,222	\$ 592,222	\$ 579,620	\$ 642,255

# 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.

## Divisions

### Prosecution

### Civil



Our attorneys  
made over  
21,000 court  
appearances in  
2016.

## 2017 Objectives

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

## 2016 Results

- Finalized litigation of two MOA protest cases and argued two criminal cases at the Appellate Court
- Implemented electronic litigation hold software to minimize the City's exposure to lawsuits
- Negotiated, drafted and reviewed over 655 liability waivers, releases, agreements and contracts
- Collaborated with BPD to present at Cornerstone Advocacy Services regarding domestic violence
- Opened over 5,400 new criminal and 82 vehicle forfeiture cases
- Negotiated Master Redevelopment Contract for the MOA's subsequent phases
- Worked with multiple City Departments to improve data management
- Continued committee leadership roles in State, County, and 4<sup>th</sup> Judicial District

### Expenditures

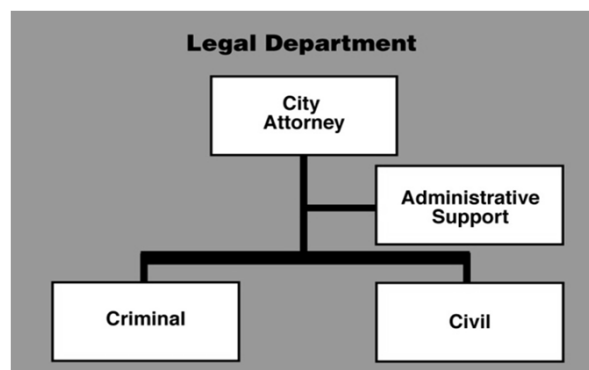
	FY2016 Original Budget	FY2017 Approved Budget	Percent Change
Salaries/Wages/Benefits	\$ 1,470,423	\$1,570,023	6.7 %
Materials/Supplies/Services	299,087	301,452	0.8
Expenses Charged to Others	(378,375)	(359,727)	4.9
	\$ 1,391,135	\$1,511,748	8.7%

### Authorized Full-Time

	FY2015	FY2016	FY2017
	12	12	12
Assistant Attorney	6	6	6
City Attorney	1	1	1
Legal Administrative Assistant	2	2	2
Office Assistant	1	1	1
Paralegal/Legal Assistant	2	2	2

**LEGAL  
BUDGET SUMMARY**  
Revenues and Expenditures

	<u>2015 ACTUAL</u>	<u>2016 ORIGINAL BUDGET</u>	<u>2016 AMENDED BUDGET</u>	<u>2016 ESTIMATED</u>	<u>2017 BUDGET</u>
<b>Revenues</b>					
Program Income	\$ 24,543	\$ 20,750	\$ 20,750	\$ 21,407	\$ 20,250
<b>TOTAL REVENUES</b>	<u>24,543</u>	<u>20,750</u>	<u>20,750</u>	<u>21,407</u>	<u>20,250</u>
<b>Expenditures</b>					
<b>Staffing</b>					
Salaries and Wages	1,058,213	1,107,510	1,107,510	1,053,441	1,163,155
Benefits	357,513	362,913	362,913	379,716	406,868
<b>Operating Expenditures</b>					
Professional and Technical Services	9,394	4,939	4,939	1,478	5,439
Utilities and Maintenance	2,309	2,250	2,250	1,906	2,250
Operations	66,694	69,600	69,600	60,431	70,825
City Support Services	200,715	207,698	207,698	207,585	208,338
Materials and Supplies	12,954	14,600	14,600	11,237	14,600
<b>TOTAL EXPENDITURES</b>	<u>1,707,792</u>	<u>1,769,510</u>	<u>1,769,510</u>	<u>1,715,794</u>	<u>1,871,475</u>
Less Expenses Charged to Other Funds	<u>(341,026)</u>	<u>(378,375)</u>	<u>(378,375)</u>	<u>(366,254)</u>	<u>(359,727)</u>
<b>NET TOTAL EXPENDITURES</b>	<u>\$ 1,366,766</u>	<u>\$ 1,391,135</u>	<u>\$ 1,391,135</u>	<u>\$ 1,349,540</u>	<u>\$ 1,511,748</u>



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# Human Resources

The Human Resources Department coordinates staff recruitment and hiring, designs and services employee benefit programs and conducts employee relations activities for all City employees. This department provides service to internal City departments for staffing by utilizing a fair and legal employee selection process. The Human Resources Department administers the City's job classification systems as approved by the Bloomington Merit Board and the City Council, and is the coordinating department for all job recruiting.

## 2017 Objectives

- S** Conduct a comprehensive review of the City's employee compensation systems to ensure the City's ability to attract and retain highly qualified employees while also maintaining fiscal stability.
- S** Improve the employment experience and increase employee engagement through the development and implementation of new policies and procedures in areas such as telecommuting / remote work and paid time off for part-time employees.
- S** Build toward a more diverse City workforce through expanded recruitment efforts and initiatives to create employment and career pathways for under-represented populations.

## 2016 Results

- Working with the Merit Board, HR completed a comprehensive update of the City's Employment Rules, with input from employees and the Executive Leadership Team.
- Following a competitive RFP process, the City selected a new broker/advisor for its insurance benefits and then worked with that advisor to receive and evaluate competitive proposals for employee health insurance, leading to a 6.5% decrease in premium costs.

## Expenditures

	<b>FY2016 Original Budget</b>	<b>FY2017 Approved Budget</b>	<b>Percent Change</b>
Salaries/Wages/Benefits	\$717,580	\$ 873,144	21.7%
Materials/Supplies/Services	253,388	251,395	(0.8)%
Expenses Charged to Others	(313,420)	(322,822)	3.0%
	<b>\$657,548</b>	<b>\$801,717</b>	<b>21.9%</b>

## Authorized Full-Time

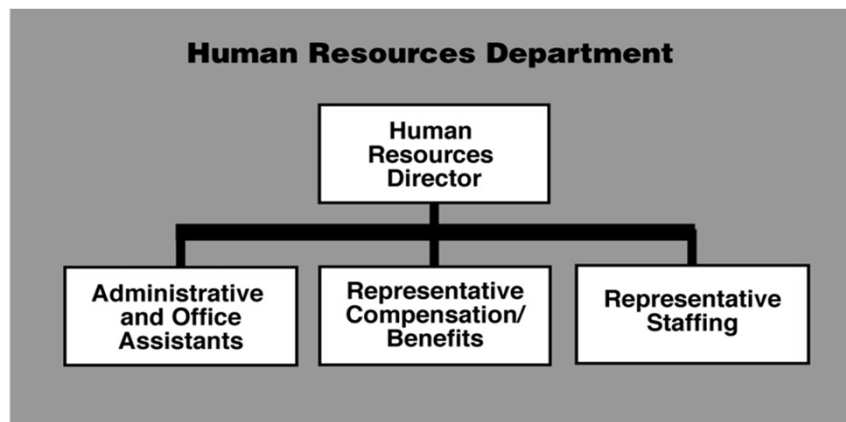
	<b>FY2015</b>	<b>FY2016</b>	<b>FY2017</b>
	<b>6</b>	<b>6</b>	<b>6</b>
Director Human Resources	1	1	1
Human Resources Representative	3	3	3
Office Assistant	2	2	1
Administrative Assistant	2	2	1



Through a generous Tuition Reimbursement program, the City supports employees seeking to advance their education in a manner that will contribute to their current position or prepare them for future advancement with the City.

**HUMAN RESOURCES  
BUDGET SUMMARY**  
Revenues and Expenditures

	2015 ACTUAL	2016 ORIGINAL BUDGET	2016 AMENDED BUDGET	2016 ESTIMATED	2017 BUDGET
<b>Revenues</b>					
Program Income	\$ 134	\$ -	\$ -	\$ -	\$ -
<b>TOTAL REVENUES</b>	<b>134</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Expenditures</b>					
<b>Staffing</b>					
Salaries and Wages	486,425	535,532	532,132	478,729	525,374
Benefits	180,538	182,048	181,533	171,201	347,770
<b>Operating Expenditures</b>					
Professional and Technical Services	63,249	107,600	107,600	100,845	98,000
Utilities and Maintenance	1,877	500	500	1,622	1,500
Operations	18,194	22,500	27,500	31,962	43,000
City Support Services	99,273	103,288	103,288	101,947	93,395
Materials and Supplies	9,606	19,500	16,239	18,754	15,500
<b>TOTAL EXPENDITURES</b>	<b>859,162</b>	<b>970,968</b>	<b>968,792</b>	<b>905,060</b>	<b>1,124,539</b>
Less Expenses Charged to Other Funds	(307,668)	(313,420)	(313,420)	(313,416)	(322,822)
<b>NET TOTAL EXPENDITURES</b>	<b>\$ 551,494</b>	<b>\$ 657,548</b>	<b>\$ 655,372</b>	<b>\$ 591,644</b>	<b>\$ 801,717</b>



203b (01/10)

# Finance

## Divisions

Administration

Accounting

Risk Management

The Finance Department provides financial management for the City, Port Authority, Housing and Redevelopment Authority and support services to other departments. Financial services include financial management and advice, accounting, audit, budget and risk management. The department also oversees the billings and collection activities for the appropriate Utility Funds.

## 2017 Objectives

- S** Publish a Comprehensive Annual Financial Report (CAFR), a Budget document, and a Popular Report each year by June 30
- AIR** Publish the Five Year Capital Improvement Plan (CIP) report by April 30.
- S** Provide monthly financial reports to City Council, staff and management by the 30<sup>th</sup> of the following month.
- S** Revenue and expense projections will be within 0.5 percent of actual by year end.
- S** 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.

## 2016 Results

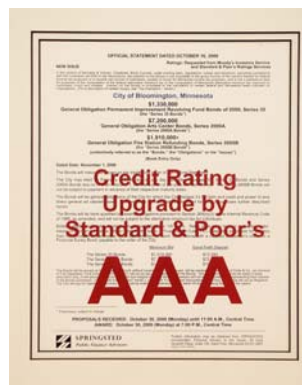
- Reviewed all departmental submissions to City Council agendas for financial matters.
- Coordinated, analyzed, and reviewed 2017 and 2018 Conceptual budgets for all appropriated funds. 100% of required budgets were approved by year end.
- Coordinated, analyzed, reviewed and updated the 5-Year Capital Improvement Plan (2016-2020) for submittal to the City Council.
- Received the Government Finance Officers Association highest awards in Budget (21 years), CAFR (45 years) and Popular Report (16 years).
- Continually updated financial information on the City's website including Budget, Property Tax, Risk Management and the CAFR.

## Expenditures

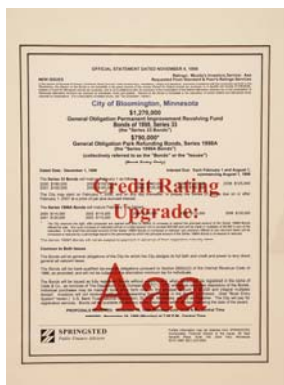
	FY2016 Original Budget	FY2017 Approved Budget	Percent Change
Salaries/Wages/Benefits	\$ 2,158,719	\$ 2,217,413	2.7%
Materials/Supplies/Services	676,759	691,005	2.1
Expenses Charged to Others	(1,762,633)	(1,782,766)	5.2
	<b>\$ 1,072,845</b>	<b>\$ 1,125,652</b>	<b>1.1%</b>

## Personnel

FY2015	FY2016	FY2017
<b>22</b>	<b>23</b>	<b>24</b>



Standard & Poor's



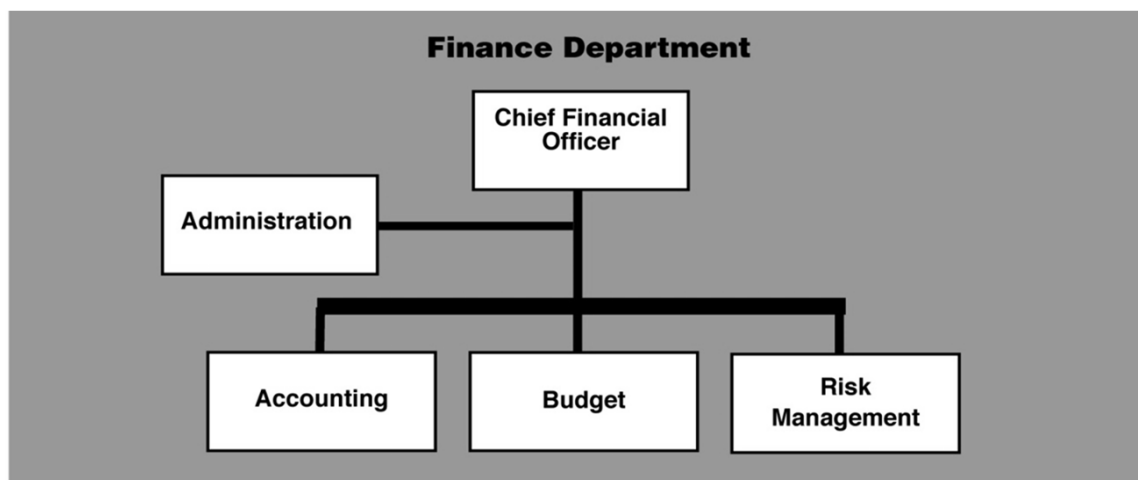
Moody's



Fitch



FINANCE BUDGET SUMMARY Revenues and Expenditures					
	2015 ACTUAL	2016 ORIGINAL BUDGET	2016 AMENDED BUDGET	2016 ESTIMATED	2017 BUDGET
Revenues					
Program Income	\$ 162,958	\$ 153,000	\$ 153,700	\$ 195,425	\$ 163,000
TOTAL REVENUES	175,089	165,000	165,700	207,636	175,000
Expenditures					
Staffing					
Salaries and Wages	1,464,443	1,581,335	1,561,235	1,525,912	1,591,275
Benefits	563,709	577,384	577,384	596,660	626,138
Operating Expenditures					
Professional and Technical Services	12,938	26,930	26,930	9,309	26,589
Utilities and Maintenance	1,320	1,400	1,400	1,317	1,320
Operations	141,045	184,979	176,357	154,782	205,865
City Support Services	366,292	379,173	379,173	368,336	376,459
Materials and Supplies	61,927	84,277	92,077	67,149	80,772
TOTAL EXPENDITURES	2,611,674	2,835,478	2,814,556	2,723,465	2,908,418
Less Expenses Charged to Other Funds	(1,616,511)	(1,762,633)	(1,762,633)	(1,678,730)	(1,782,766)
NET TOTAL EXPENDITURES	\$ 995,163	\$ 1,072,845	\$ 1,051,923	\$ 1,044,735	\$ 1,125,652



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 Five-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.

## 2017 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.
- S** 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 I E S** 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 Five Year Capital Improvement Plan (CIP) for approvals.

## 2016 Results

- 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 21st consecutive year.
- Received the GFOA Award for Outstanding Achievement in Popular Annual Financial Reporting for the 16th year.

## Expenditures

	<b>FY2016 Original Budget</b>	<b>FY2017 Approved Budget</b>	<b>Percent Change</b>
Salaries/Wages/Benefits	\$409,070	\$434,413	6.2%
Materials/Supplies/Services	164,120	171,206	4.3
Expenses Charged to Others	(248,235)	(255,682)	3.0
	<b>\$324,955</b>	<b>\$ 349,937</b>	<b>7.7%</b>

## Personnel

	<b>FY2015</b>	<b>FY2016</b>	<b>FY2017</b>
	<b>3</b>	<b>3</b>	<b>3</b>
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

	2015 ACTUAL	2016 ORIGINAL BUDGET	2016 AMENDED BUDGET	2016 ESTIMATED	2017 BUDGET
Revenues					
Program Income	\$ -	\$ -	\$ 700	\$ 3,800	\$ -
Intergovernmental	12,131	12,000	12,000	12,211	12,000
<b>TOTAL REVENUES</b>	<b>12,131</b>	<b>12,000</b>	<b>12,700</b>	<b>16,011</b>	<b>12,000</b>
Expenditures					
Staffing					
Salaries and Wages	301,081	309,420	309,420	293,490	325,256
Benefits	101,110	99,650	99,650	96,990	109,157
Operating Expenditures					
Professional and Technical Services	10,758	17,930	17,930	6,491	17,589
Operations	22,453	27,240	23,640	23,248	33,400
City Support Services	56,256	60,125	60,125	54,868	60,915
Materials and Supplies	50,733	58,825	62,825	52,646	59,302
<b>TOTAL EXPENDITURES</b>	<b>542,391</b>	<b>573,190</b>	<b>573,590</b>	<b>527,733</b>	<b>605,619</b>
Less Expenses Charged to Other Funds	(234,564)	(248,235)	(248,235)	(248,232)	(255,682)
<b>NET TOTAL EXPENDITURES</b>	<b>\$ 307,827</b>	<b>\$ 324,955</b>	<b>\$ 325,355</b>	<b>\$ 279,501</b>	<b>\$ 349,937</b>

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

# 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.

**2017 Objectives**

- S** Provide quality accounting and related financial services to all City departments efficiently and effectively.
- S** Report accurate and transparent monthly financial statements in an easily understood format to both internal and external users by the following month end.
- S** Invest public funds in such a manner that all daily cash flow needs are met and the portfolio yield does not fall below 25 basis points of a U.S. Treasury obligation of comparable duration.
- S** Produce vendor checks 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.
- S** Implement an improved interface from the Purchasing Card system to the ERP Accounts Payable module during the first quarter of 2017.
- S** Update City Ordinances and Sales Tax Audit procedures in order for the City to collect lodging taxes from online travel companies depending on State of Minnesota legislation.

**2016 Results**

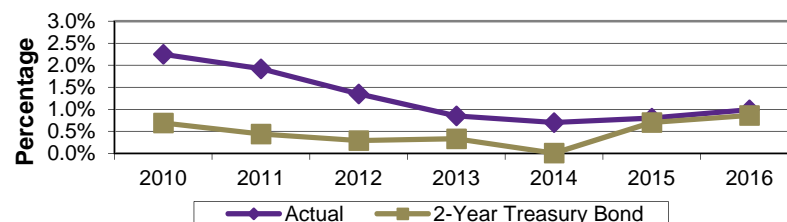
- Received Certificate of Achievement for Excellence in Financial Reporting for last 45 years.
- Received Popular Annual Financial Reporting Award for last 16 years.
- Successfully added organized collection billing to existing Utility Billing software.
- Effectively and efficiently completed a major upgrade of the City's ERP software to the newest version available in September 2016.

**Expenditures**

	<b>FY2015 Original Budget</b>	<b>FY2016 Approved Budget</b>	<b>Percent Change</b>
Salaries/Wages/Benefits	\$ 1,681,504	\$1,713,915	1.9%
Materials/Supplies/Services	474,228	484,249	4.2
Expenses Charged to Others	(1,407,842)	(1,422,449)	1.0
	<b>\$ 747,890</b>	<b>\$ 775,715</b>	<b>3.7%</b>

**Authorized Full-Time**

	<b>FY2015</b>	<b>FY2016</b>	<b>FY2017</b>
	<b>18</b>	<b>19</b>	<b>20</b>
Accountant	3	3	3
Accounting Assistant	4	6	6
Assistant Finance Manager	1	1	1
Auditor	1	1	1
Customer Billing Supervisor	1	1	1
Finance Manager	1	1	1
Office Assistant	3	2	3
Office Support Specialist	2	2	2
Payroll Specialist	1	1	1
Purchasing Agent	1	1	1

**Portfolio Return Versus Benchmark**

FINANCE - ACCOUNTING BUDGET SUMMARY Revenues and Expenditures					
	2015 ACTUAL	2016 ORIGINAL BUDGET	2016 AMENDED BUDGET	2016 ESTIMATED	2017 BUDGET
Revenues					
Program Income	\$ 162,958	\$ 153,000	\$ 153,000	\$ 191,625	\$ 163,000
TOTAL REVENUES	162,958	153,000	153,000	191,625	163,000
Expenditures					
Staffing					
Salaries and Wages	1,123,653	1,218,425	1,203,925	1,191,646	1,212,828
Benefits	449,944	463,079	463,079	486,171	501,087
Operating Expenditures					
Professional and Technical Services	1,155	8,000	8,000	2,818	6,500
Utilities and Maintenance	1,320	1,400	1,400	1,317	1,320
Operations	115,332	151,875	146,853	126,750	166,895
City Support Services	273,877	288,001	288,001	282,516	288,514
Materials and Supplies	10,982	24,952	28,752	13,840	21,020
TOTAL EXPENDITURES	1,976,263	2,155,732	2,140,010	2,105,058	2,198,164
Less Expenses Charged to Other Funds	(1,291,787)	(1,407,842)	(1,407,842)	(1,323,374)	(1,422,449)
NET TOTAL EXPENDITURES	\$ 684,476	\$ 747,890	\$ 732,168	\$ 781,684	\$ 775,715

# Finance – Risk and Litigation Management

## Activities

### Risk Management

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

#### 2017 Objectives

- A S** Complete required insurance renewals and provide necessary reports to City Council.
- I S** Re-establish a working City-wide Safety Committee to augment work of department committees.
- I S** Continue to work with other departments to evaluate/revise City policies relating to safety.

#### 2016 Results

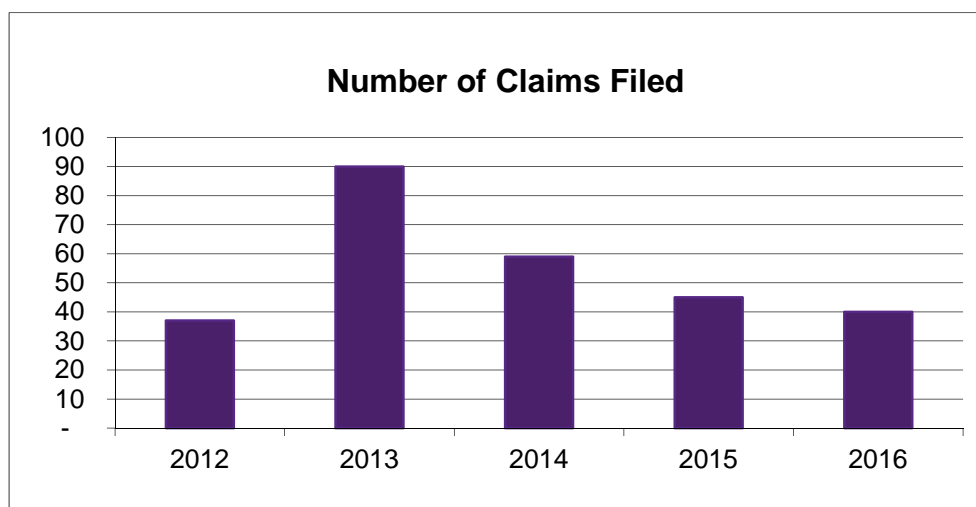
- Renewed insurance policies for 2016.
- Reviewed 444 of 668 contracts and requests for proposals.
- Received a \$256,794 dividend from the City's insurance trust.

#### Expenditures

	FY2016 Original Budget	FY2017 Approved Budget	Percent Change
Salaries/Wages/Benefits	\$ 68,145	\$ 69,085	1.4%
Materials/Supplies/Services	38,411	35,550	(7.5)
Expenses Charged to Others	(106,556)	(104,635)	(1.8)
	<b>\$ 0</b>	<b>\$ 0</b>	<b>--</b>

#### Authorized Full-Time

	FY2014	FY2015	FY2016
	<b>1</b>	<b>1</b>	<b>1</b>
Risk & Litigation Manager	1	1	1



FINANCE - RISK MANAGEMENT  
BUDGET SUMMARY  
Revenues and Expenditures

	2015 ACTUAL	2016 ORIGINAL BUDGET	2016 AMENDED BUDGET	2016 ESTIMATED	2017 BUDGET
Expenditures					
Staffing					
Salaries and Wages	\$ 39,709	\$ 53,490	\$ 47,890	\$ 40,776	\$ 53,191
Benefits	12,655	14,655	14,655	13,499	15,894
Operating Expenditures					
Professional and Technical Services	1,025	1,000	1,000	-	2,500
Operations	3,260	5,864	5,864	4,784	5,570
City Support Services	36,159	31,047	31,047	30,952	27,030
Materials and Supplies	212	500	500	663	450
TOTAL EXPENDITURES	93,020	106,556	100,956	90,674	104,635
Less Expenses Charged to Other Funds	(90,160)	(106,556)	(106,556)	(107,124)	(104,635)
NET TOTAL EXPENDITURES	2,860	-	(5,600)	(16,450)	-



# 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.

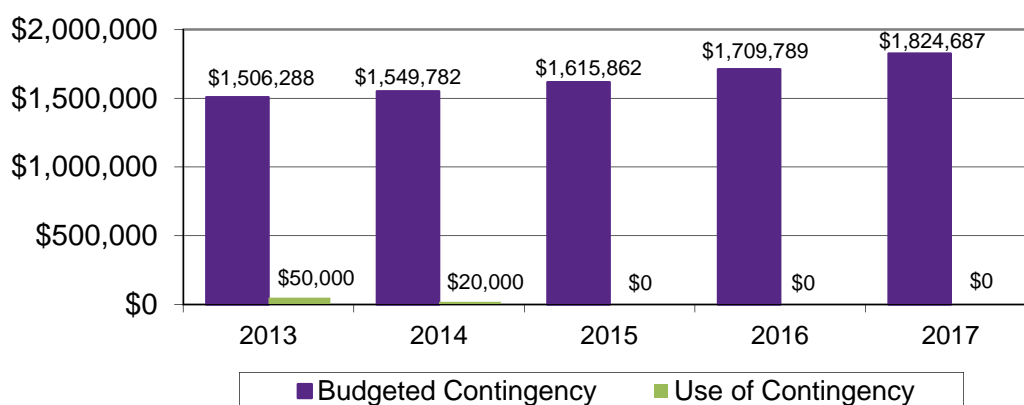
## 2017 Objectives

- 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.

## 2016 Results

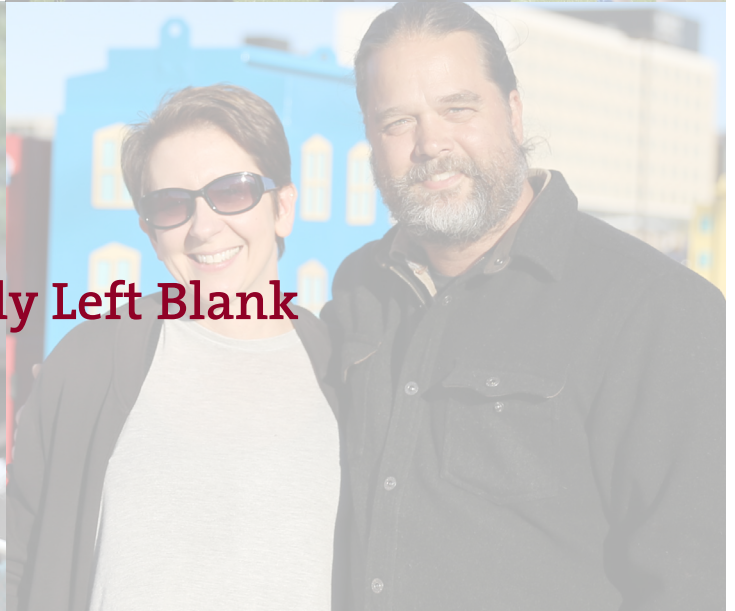
- The City continues to meet the Charter requirement while maintaining average property tax levy increases at or below the rate of inflation plus property tax base growth.

Expenditures	FY2016 Original Budget	FY2017 Approved Budget	Percent Change
Transfers to Other Funds	\$1,709,789	\$1,824,687	6.7%
	<b>\$1,709,789</b>	<b>\$1,824,687</b>	<b>6.7%</b>



CONTINGENCY  
BUDGET SUMMARY  
Revenues and Expenditures

	2015 ACTUAL	2016 ORIGINAL BUDGET	2016 AMENDED BUDGET	2016 ESTIMATED	2017 BUDGET
Expenditures					
TOTAL EXPENDITURES					
Transfers Out	\$ -	\$ 1,709,789	\$ 1,709,789	\$ -	\$ 1,824,387
NET TOTAL EXPENDITURES	-	1,709,789	1,709,789	-	1,824,387



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## SPECIAL REVENUE FUNDS

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# 2017 Budget Summary – Special Revenue Funds

REVENUES				
	2015 Actual	2016 Budget	2016 Estimate	2017 Budget
Health Grants	\$ 1,316,038	\$1,122,335	\$ 905,989	\$ 1,065,390
DWI Forfeiture	126,097	65,550	46,486	51,000
Enhanced 911	203,125	111,824	111,721	291,824
Drug Forfeiture	203,937	100,100	151,040	100,100
Police Grants	227,158	267,598	178,661	214
Pension Residual	1,875,841	2,020,857	1,973,608	2,372,414
Communications	1,668,371	1,687,135	1,399,652	1,826,844
South Loop	408,739	401,900	40,922	250,200
Park Grants	62,948	65,000	305,867	63,000
Fire Grants	930,290	1,389,246	1,470,462	0
Placemaking	0	400,000	401,980	400,000
Cemetery	131,480	143,460	132,366	176,382
	<b>\$ 7,154,024</b>	<b>\$7,775,005</b>	<b>\$7,118,754</b>	<b>\$ 6,597,368</b>
EXPENDITURES				
	2015 Actual	2016 Budget	2016 Estimate	2017 Budget
Health Grants	\$ 1,312,774	\$1,129,301	\$ 871,270	\$ 1,090,500
DWI Forfeiture	73,666	74,078	31,985	60,156
Enhanced 911	456,125	118,394	118,392	281,414
Drug Forfeiture	10,320	12,300	10,320	59,300
Police Grants	210,733	267,598	209,769	214
Pension Residual	1,853,785	1,160,850	1,160,850	1,758,355
Communications	1,420,077	1,896,100	1,604,708	1,848,299
South Loop	187,881	180,000	266,303	197,000
Park Grants	68,975	100,000	61,192	165,000
Fire Grants	929,981	1,389,246	1,450,677	0
Placemaking	0	400,000	154,723	400,000
Cemetery	86,764	454,582	422,270	310,221
	<b>\$ 6,611,081</b>	<b>\$ 7,182,450</b>	<b>\$6,362,459</b>	<b>\$ 6,170,459</b>

# Public Safety – Special Revenue

## Activities

Police Grants

DWI Forfeiture Fund

Enhanced 911

Drug Forfeiture

Pension Residual

The DWI Forfeiture, 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.

## 2017 Objectives

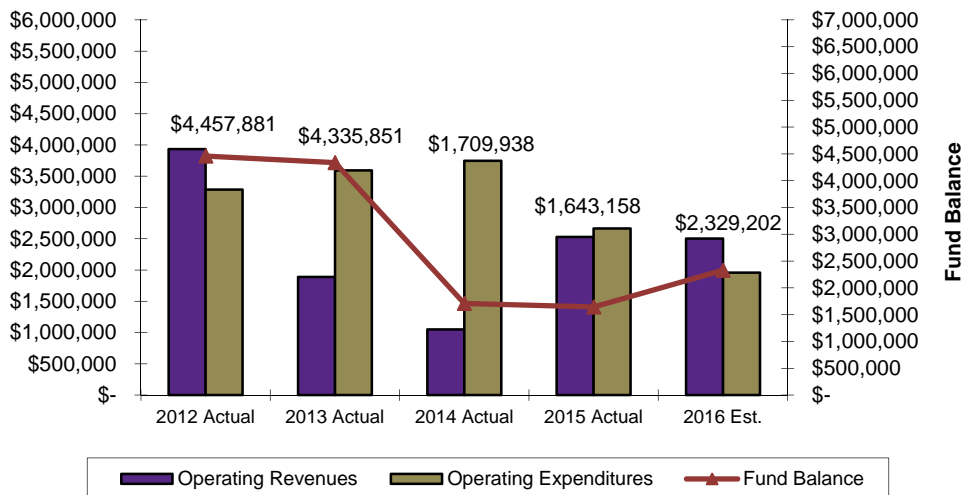
- Enhance the consequences for criminal activities and criminal enterprises by seizing the proceeds and instrumentalities from these criminals and their organizations and using them to reduce the burden upon taxpayers for enhanced law enforcement efforts.

## Expenditures

	FY2016 Original Budget	FY2017 Approved Budget
Salaries/Wages/Benefits*	\$1,205,250	\$1,641,873
Materials/Supplies/Services	259,470	187,084
Capital Outlay	20,000	206,000
Transfers Out	148,500	124,482
	<b>\$1,633,220</b>	<b>\$2,159,439</b>

\*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

	2015 ACTUAL	2016 ORIGINAL BUDGET	2016 AMENDED BUDGET	2016 ESTIMATED	2017 BUDGET
Revenues					
Tax Revenues	\$ -	\$ 500,000	\$ 500,000	\$ 494,156	\$ 750,000
Program Income	263,582	165,000	165,000	190,809	150,000
Intergovernmental (Grant Revenue)	911,983	841,419	971,840	864,631	623,821
Donations	29,998	50,000	55,807	29,983	214
Interest Income	25,276	9,510	9,510	16,719	17,517
Other Income	1,750	-	-	-	-
Transfers In	1,403,567	1,000,000	1,000,000	905,855	1,274,000
<b>TOTAL REVENUES</b>	<b>2,636,156</b>	<b>2,565,929</b>	<b>2,702,157</b>	<b>2,502,153</b>	<b>2,815,552</b>
Expenditures					
Salaries and Wages	53,959	127,650	149,571	71,899	6,000
Benefits	1,725,879	1,077,600	1,081,000	1,483,570	1,635,873
Operations	19,080	87,198	93,198	22,845	31,000
City Support Services	83,742	86,672	86,872	86,676	128,484
Materials and Supplies	77,179	85,600	125,307	69,154	27,600
Capital Outlay	506,284	20,000	94,530	74,530	206,000
Transfers Out	138,504	148,500	148,500	148,500	124,482
<b>TOTAL EXPENDITURES</b>	<b>2,604,627</b>	<b>1,633,220</b>	<b>1,778,978</b>	<b>1,957,174</b>	<b>2,159,439</b>
<b>FUND BALANCE SOURCES (USES)</b>	<b>31,529</b>	<b>932,709</b>	<b>923,179</b>	<b>544,979</b>	<b>656,113</b>
Fund Balance at Beginning of Year	1,752,694	1,784,223	1,784,223	1,784,223	2,329,202
<b>Fund Balance At Year-End</b>	<b>\$ 1,784,223</b>	<b>\$ 2,716,932</b>	<b>\$ 2,707,402</b>	<b>\$ 2,329,202</b>	<b>\$ 2,985,315</b>

# Public Safety – Police Grants

## 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

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, response to homeland security and/or terrorism, and on-going training in the above areas. .

## 2017 Objectives

- S** Improve quality of life within the community through an aggressive approach to reducing and preventing crime.

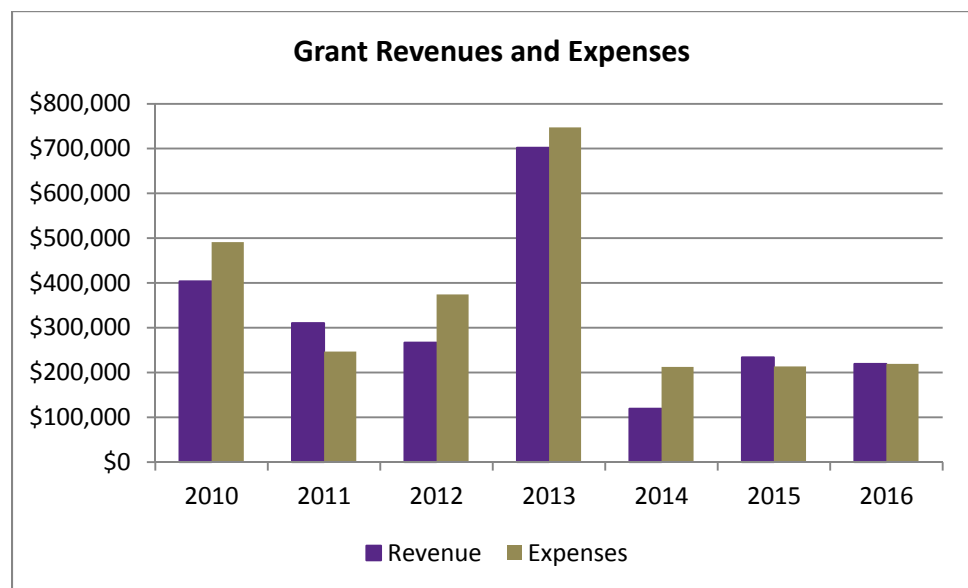
## 2016 Results

- Conducted a proactive strategy to reduce auto theft through public education and enforcement initiatives.
- 35 Officers worked 91 Auto Theft details to prevent Auto Theft and locate and arrest occupants of stolen vehicles.
- 109 Officers worked 36 Toward Zero Death (TZD) details in 2016 to locate and arrest impaired drivers and enforce other traffic laws such as the Trooper Ted Foss “Move-Over” law.

## Expenditures

	FY2016 Original Budget	FY2017 Approved Budget
Salaries/Wages/Benefits*	\$ 139,900	\$ -**
Materials/Supplies/Services	107,698	214
Capital	20,000	-
	<b>\$ 267,598</b>	<b>\$ 214</b>

\*Wages paid for part-time workers or portions of full-time employees officially allocated to other activities. \*\* In 2017, budget requests for grant expenditures will be brought to the City Council as new grant funding becomes available.



POLICE GRANTS BUDGET SUMMARY Revenues and Expenditures					
	2015 ACTUAL	2016 ORIGINAL BUDGET	2016 AMENDED BUDGET	2016 ESTIMATED	2017 BUDGET
Revenues					
Tax Revenues	\$ -	\$ -	\$ -	\$ -	\$ -
Program Income	-	-	-	-	-
Intergovernmental (Grant Revenue)	195,408	217,598	348,019	189,315	-
Donations	29,998	50,000	55,807	29,983	214
Interest Income					
Other Income	1,750				
Transfers In					
<b>TOTAL REVENUES</b>	<b>227,156</b>	<b>267,598</b>	<b>403,826</b>	<b>219,298</b>	<b>214</b>
Expenditures					
Salaries and Wages	53,959	121,650	143,571	71,899	-
Benefits	10,598	18,250	21,650	14,088	-
Operations	7,891	67,698	73,698	5,096	-
City Support Services	150		200		214
Materials and Supplies	16,371	40,000	79,707	53,685	
Capital Outlay	121,763	20,000	94,530	74,530	-
Transfers Out	-	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>210,732</b>	<b>267,598</b>	<b>413,356</b>	<b>219,298</b>	<b>214</b>
<b>FUND BALANCE SOURCES (USES)</b>	<b>16,424</b>	<b>-</b>	<b>(9,530)</b>	<b>-</b>	<b>-</b>
Fund Balance at Beginning of Year	(47,739)	(31,315)	(31,315)	(31,315)	(31,315)
<b>Fund Balance At Year-End</b>	<b>\$ (31,315)</b>	<b>\$ (31,315)</b>	<b>\$ (40,845)</b>	<b>\$ (31,315)</b>	<b>\$ (31,315)</b>

# 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 designed to offset the expense of administering the forfeiture process with any residual committed to enforcement of DWI offenses.

## 2017 Objectives

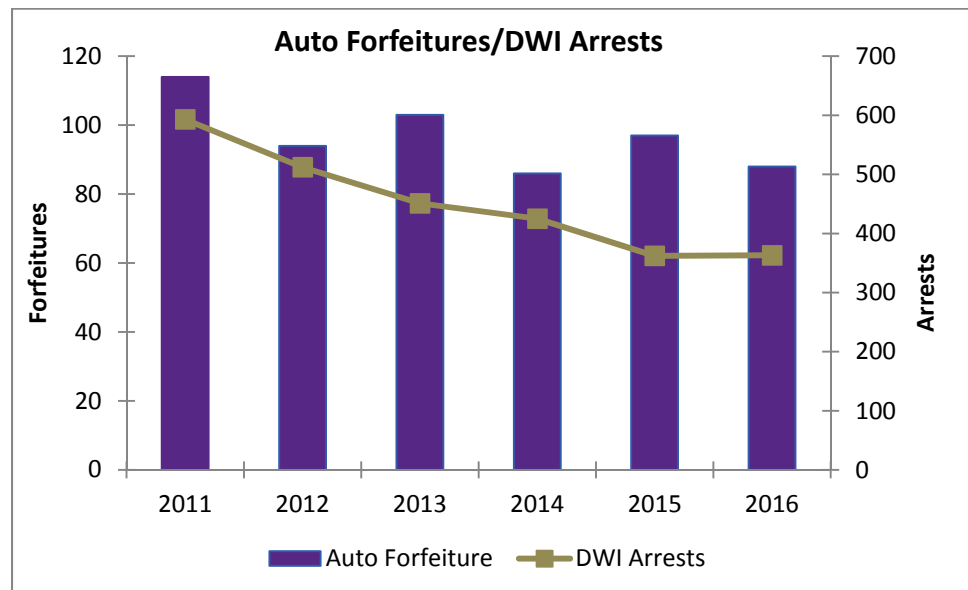
- S** Reduce internal costs associated with DWI enforcement in order to provide additional resources for DWI enforcement.
- S** Continue efforts to uniformly and fairly seize vehicles under the DWI forfeiture law.
- S** Internally account for expenses associated with DWI forfeitures to assure proper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

## 2016 Results

- Processed 88 DWI forfeited vehicles with 363 DWI arrests.

Expenditures	FY2016 Original Budget	FY2017 Approved Budget
Salaries/Wages/Benefits*	\$ 8,000	\$ 8,000
Materials/Supplies/Services	66,078	52,156
Capital	-	-
	<b>\$ 74,078</b>	<b>\$ 60,156</b>

\*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

	2015 ACTUAL	2016 ORIGINAL BUDGET	2016 AMENDED BUDGET	2016 ESTIMATED	2017 BUDGET
Revenues					
Tax Revenues	\$ -	\$ -	\$ -	\$ -	\$ -
Program Income	59,750	65,000	65,000	43,635	50,000
Intergovernmental (Grant Revenue)	64,700	-	-	-	-
Donations					
Interest Income	1,647	550	550	2,851	1,000
Other Income					
Transfers In	-	-	-	-	-
<b>TOTAL REVENUES</b>	<b>126,097</b>	<b>65,550</b>	<b>65,550</b>	<b>46,486</b>	<b>51,000</b>
Expenditures					
Salaries and Wages	-	6,000	6,000	-	6,000
Benefits	-	2,000	2,000	-	2,000
Operations	11,189	19,500	19,500	17,749	31,000
City Support Services	11,988	13,278	13,278	13,284	5,856
Materials and Supplies	50,488	33,300	33,300	5,149	15,300
Capital Outlay	-	-	-	-	-
Transfers Out					
<b>TOTAL EXPENDITURES</b>	<b>73,665</b>	<b>74,078</b>	<b>74,078</b>	<b>36,182</b>	<b>60,156</b>
<b>FUND BALANCE SOURCES (USES)</b>	<b>52,432</b>	<b>(8,528)</b>	<b>(8,528)</b>	<b>10,304</b>	<b>(9,156)</b>
Fund Balance at Beginning of Year	262,229	314,661	314,661	314,661	324,965
<b>Fund Balance At Year-End</b>	<b>\$ 314,661</b>	<b>\$ 306,133</b>	<b>\$ 306,133</b>	<b>\$ 324,965</b>	<b>\$ 315,809</b>

# 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.

## 2017 Objectives

- S** Ensure critical systems are reliable.
- S** Maintain and improve communication center staffing, training, and equipment.
- S** Develop quality assurance program.
- S** Transition communications center supervision from sworn to civilian.

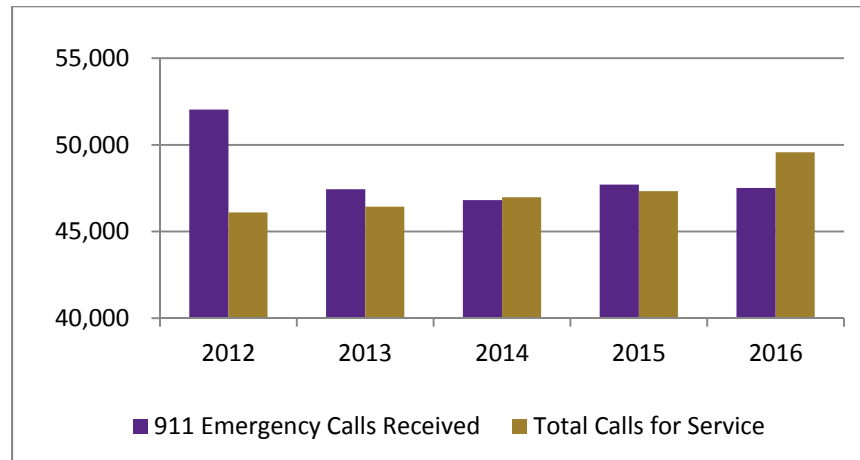
## 2016 Results

- Communications center staff completed critical regional response training.
- Met or exceeded national benchmark standards.
- Maintained and upgraded 911 communications technology.
- Maintained and improved communications center staffing, training and equipment.

## Expenditures

	FY2016 Original Budget	FY2017 Approved Budget
Materials/Supplies/Services	\$ 73,394	\$ 75,414
Transfer Out	45,000	-
Capital	-	206,000
	<b>\$118,394</b>	<b>\$281,414</b>

## 911 Calls



In 2016, BPD received 47,517 911 emergency calls and responded to 49,574 calls for service. This includes Mall of America, which had 5,585 calls for service and averaged 11 percent of all calls for service.

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					
	2015 ACTUAL	2016 ORIGINAL BUDGET	2016 AMENDED BUDGET	2016 ESTIMATED	2017 BUDGET
Revenues					
Tax Revenues	\$ -	\$ -	\$ -	\$ -	\$ -
Program Income	-	-	-	-	-
Intergovernmental (Grant Revenue)	111,689	111,689	111,689	111,689	111,689
Donations					
Interest Income	1,436	135	135	32	135
Other Income					
Transfers In	90,000	-	-	-	180,000
<b>TOTAL REVENUES</b>	<b>203,125</b>	<b>111,824</b>	<b>111,824</b>	<b>111,721</b>	<b>291,824</b>
Expenditures					
Salaries and Wages	-	-	-	-	-
Benefits	-	-	-	-	-
Operations					
City Support Services	71,604	73,394	73,394	73,392	75,414
Materials and Supplies	-	-	-	-	-
Capital Outlay	384,521	-	-	-	206,000
Transfers Out		45,000	45,000	45,000	
<b>TOTAL EXPENDITURES</b>	<b>456,125</b>	<b>118,394</b>	<b>118,394</b>	<b>118,392</b>	<b>281,414</b>
<b>FUND BALANCE SOURCES (USES)</b>	<b>(253,000)</b>	<b>(6,570)</b>	<b>(6,570)</b>	<b>(6,671)</b>	<b>10,410</b>
Fund Balance at Beginning of Year	268,154	15,154	15,154	15,154	8,483
<b>Fund Balance At Year-End</b>	<b>\$ 15,154</b>	<b>\$ 8,584</b>	<b>\$ 8,584</b>	<b>\$ 8,483</b>	<b>\$ 18,893</b>



# Drug Forfeiture

This fund accumulates proceeds from the sale of assets (proceeds or instrumentality of criminal enterprises) seized in drug related arrests under state and federal laws. The funds must be used for law enforcement purposes.

## 2017 Objectives

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

- S** Secure Federal H.I.D.T.A. (High Intensity Drug Trafficking Area) funding to assist in partnering with other Federal, State and Local agencies to combat drug trafficking.
- S** Conduct specialized training for law enforcement activities such as hotel/motel and motor vehicle interdiction.

## 2016 Results

- Removed drugs worth approximately \$1,100,000 from the community.
- Purchased a tablet through grant funding for use in drafting search warrants and accessing information off site.
- Purchased a wireless camera capable of monitoring via the web for use in hotels and other structures.

Expenditures	FY2016 Original Budget	FY2017 Approved Budget
Materials/Supplies/Services	\$ 12,300	\$ 59,300
Equipment	-	-
	<b>\$ 12,300</b>	<b>\$ 59,300</b>

## DRUG FORFEITURE ACTIVITY

	<u>2014</u>		<u>2015</u>		<u>2016</u>	
	# grams	Est. Street Value	# grams	Est. Street Value	# grams	Est. Street Value
Marijuana	10,414	\$104,140	30,333	\$303,330	10,022	\$100,220
Methamphetamine	685	\$68,500	26,511	\$2,651,100	8309	\$830,900
Crack (Rock) Cocaine	2	\$200	16	\$1,600	16	\$1600
Cocaine	748	\$74,800	302	\$302,000	112	\$11,200
Heroin	N/A	N/A	39	\$15,600	389	\$155,600
<b>TOTAL</b>		\$247,806		\$3,273,630		\$1,099,520

POLICE - DRUG FORFEITURE BUDGET SUMMARY Revenues and Expenditures					
	2015 ACTUAL	2016 ORIGINAL BUDGET	2016 AMENDED BUDGET	2016 ESTIMATED	2017 BUDGET
Revenues					
Tax Revenues	\$ -	\$ -	\$ -	\$ -	\$ -
Program Income	203,832	100,000	100,000	147,174	100,000
Intergovernmental (Grant Revenue)					
Donations					
Interest Income	105	100	100	3,866	100
Other Income					
Transfers In					
TOTAL REVENUES	203,937	100,100	100,100	151,040	100,100
Expenditures					
Salaries and Wages					
Benefits					
Operations					
City Support Services	-	-	-	-	47,000
Materials and Supplies	10,320	12,300	12,300	10,320	12,300
Capital Outlay					
Transfers Out	-	-	-	-	-
TOTAL EXPENDITURES	10,320	12,300	12,300	10,320	59,300
FUND BALANCE SOURCES (USES)	193,617	87,800	87,800	140,720	40,800
Fund Balance at Beginning of Year	90,961	284,578	284,578	284,578	425,298
Fund Balance At Year-End	\$ 284,578	\$ 372,378	\$ 372,378	\$ 425,298	\$ 466,098

# Pension Residual Asset Fund

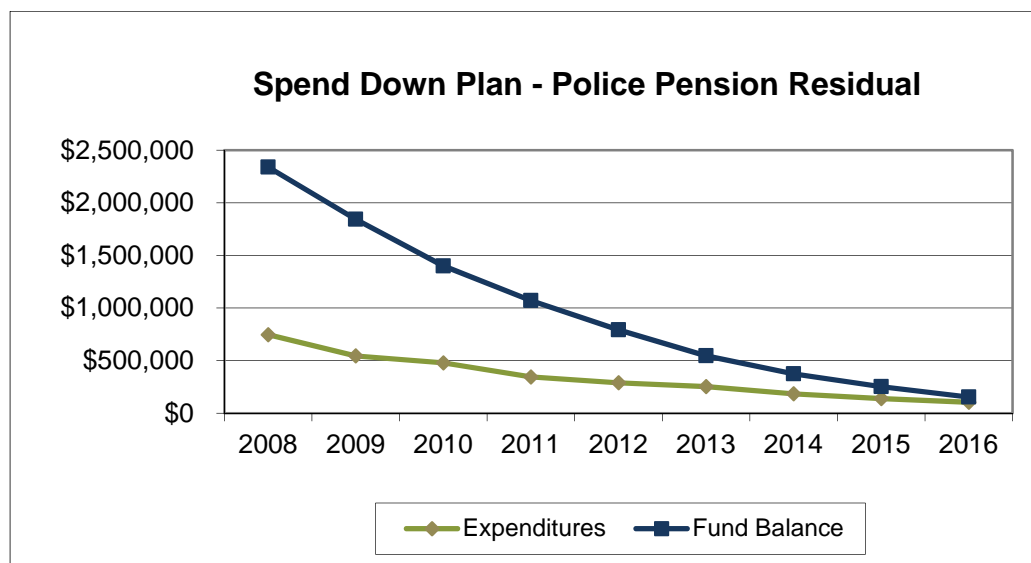
This fund accounts for proceeds reimbursed from the state administered Police Consolidated Pension Fund. Most of the initial reimbursement plus interest earnings generated by the fund are transferred to other funds where they are expended. Beginning in 2004, a Fire Pension levy, if needed, and the corresponding contribution were included in this fund.

## 2017 Objectives

- S** Implement the approved spend-down plan to fund Police services and cause minimum disruption to taxpayers when this fund is depleted in 2019.

Expenditures	FY2016 Original Budget	FY2017 Approved Budget
Salaries/Wages/Benefits*	\$1,057,350	\$ 1,633,873
Transfers Out	103,500	124,482
	<b>\$1,160,850</b>	<b>\$1,758,355</b>

\*Annual contribution to Fire Pension.



PENSION RESIDUAL ASSET FUND					
BUDGET SUMMARY					
Revenues and Expenditures					
	2015 ACTUAL	2016 ORIGINAL BUDGET	2016 AMENDED BUDGET	2016 ESTIMATED	2017 BUDGET
Revenues					
Tax Revenues	\$ -	\$ 500,000	\$ 500,000	\$ 494,156	\$ 750,000
Program Income					
Intergovernmental (Grant Revenue)	540,186	512,132	512,132	563,627	512,132
Donations					
Interest Income	22,088	8,725	8,725	9,970	16,282
Other Income					
Transfers In	1,313,567	1,000,000	1,000,000	905,855	1,094,000
TOTAL REVENUES	1,875,841	2,020,857	2,020,857	1,973,608	2,372,414
Expenditures					
Salaries and Wages					
Benefits	1,715,281	1,057,350	1,057,350	1,469,482	1,633,873
Operations					
City Support Services					
Materials and Supplies					
Capital Outlay					
Transfers Out	138,504	103,500	103,500	103,500	124,482
TOTAL EXPENDITURES	1,853,785	1,160,850	1,160,850	1,572,982	1,758,355
FUND BALANCE SOURCES (USES)	22,056	860,007	860,007	400,626	614,059
Fund Balance at Beginning of Year	1,179,089	1,201,145	1,201,145	1,201,145	1,601,771
Fund Balance At Year-End	\$ 1,201,145	\$ 2,061,152	\$ 2,061,152	\$ 1,601,771	\$ 2,215,830

# City Clerk – Cemetery

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

## 2017 Objectives

- A I S R** Develop in-ground cremation burial plots
- A I S R** Continue developing the master plan for cemetery development and expansion
- A I S R** Add burial records and GIS mapping tools to the website
- A I S R** Market new burial options to general public
- A I S R** Expand service road within the cemetery

## 2016 Results

- Provided compassionate and timely service for sales and burials
- Coordinated the installation of four columbaria with landscaping and walkways
- Established a new fee structure which includes competitive rates and preferred pricing
- Created a vision where the cemetery is self-sustaining, using no taxpayer funding

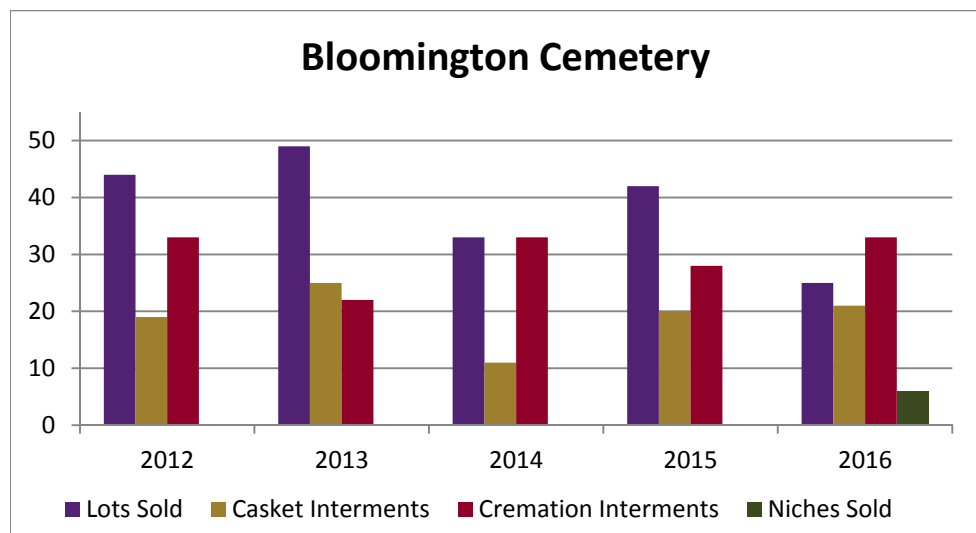
## Expenditures

	FY2016 Original Budget	FY2017 Approved Budget	Percent Change
Salaries/Wages/Benefits	\$ 0	\$ 0	0.0%
Materials/Supplies/Services	146,582	150,221	82.4
Capital	308,000	160,000	48.5
	<b>\$ 454,582</b>	<b>\$310,221</b>	

Four columbaria were added to the cemetery in 2016.

In 1864, the Township of Bloomington became the owners and custodians of the cemetery built in 1856 by Oak Grove Presbyterian Church.

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



CEMETERY TRUST FUND BUDGET SUMMARY Revenues and Expenditures					
	2015 ACTUAL	2016 ORIGINAL BUDGET	2016 AMENDED BUDGET	2016 ESTIMATED	2017 BUDGET
Revenues					
Program Income	\$ 29,735	\$ 21,805	\$ 21,805	\$ 44,470	\$ 29,395
Other Income	94,115	115,360	115,360	82,200	142,000
Interest Income	7,630	6,295	6,295	5,696	4,987
TOTAL REVENUES	131,480	143,460	143,460	132,366	176,382
Expenditures					
Operating Expenditures					
Professional and Technical Services	-	-	-	-	-
Utilities and Maintenance	2,688	-	-	-	-
Operations	-	-	-	-	6,400
City Support Services	80,376	142,882	142,882	143,820	143,821
Materials and Supplies	3,700	3,700	3,700	-	-
Capital Outlay					
Building and Improvements	-	308,000	408,000	278,450	160,000
TOTAL EXPENDITURES	86,764	454,582	554,582	422,270	310,221
FUND BALANCE SOURCES (USES)	44,716	(311,122)	(411,122)	(289,904)	(133,839)
Fund Balance at Beginning of Year	865,104	909,820	909,820	909,820	619,916
Fund Balance At Year-End	\$ 909,820	\$ 598,698	\$ 498,698	\$ 619,916	\$ 486,077

# Community Services - Communications

## Activities

### Cable Administration Municipal Services

#### Cable

#### Media Support Services

#### Public Access Cable

#### Contractual Services Graphics

#### City Capital

#### Equipment

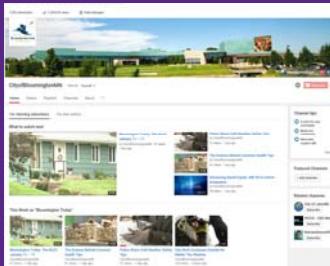
#### School District 271

#### Capital

#### Public Access Capital

#### The Bloomington

#### Channel Capital



**Fast Fact:**  
The City's videos achieved an all-time high of more than 1.2 million views on its YouTube channel in 2016.

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 bimonthly *Briefing*. The Communications Division also oversees the City's cable television franchise with Comcast. The Communications Division fund is supported by cable franchise fees.

## 2017 Objectives

- I IE** Carry out the One Bloomington theme in marketing materials, City communications and events and campaigns involving organizations and the business community.
- S IE** Conduct a usability study to assess the strengths and weaknesses of the external website.
- S A** Purchase and install \$250,000 in equipment upgrades to completely transfer the City's cable transmission from SD to HD and work with the School District on equipment purchases to complete HD transmission for BEC-TV.
- S I IE** Implement communications surveys – Briefing, Insider, (last conducted in 2009) or a general communications survey to assess audience communication preferences and gauge performance.
- S I IE** Improve operations at BCAT, including assessing current operations, promoting the facility to the community to increase usage.

## 2016 Results

- Completed the next phases of the City's website redesign, which included improvements to Ask the City and online forms, further design enhancements and integrating various new third-party services.
- Launched a major communications campaign to promote and educate residents about the City's new garbage and recycling services.
- Rebranded TBC14 giving it a fresh look and logo, along with a complete revamp of Bloomington Today.
- Increased users to the City's social media sites, attracting 7,304 Facebook fans (a 127% increase over 2015) and 3,493 Twitter followers (a 29% increase over 2015), 750 Instagram users
- Achieved 56,228 views of staff-produced videos on YouTube (a 200% increase over 2015) and attracted a total of 1,318 new subscribers (a 123% increase over 2015).
- Renewed the Southwest Suburban Cable Commission's contract, adding \$15,000 in revenue.
- Recorded more than 100 on-location events and presentations for cable television; produced 48 Bloomington Today shows, 12 BPD Roll Call shows, 24 live City Council and 22 Planning Commission meetings, and 24 City Council Agendas and Commission Updates; ran more than 147 announcements on the Ch. 17 bulletin board.
- Honored with six awards from MAGC: three first place for Bloomington Today, Insider and Facebook, one second place for the Briefing and two 3<sup>rd</sup> place for Art in the Loop video and Corporate Report and three awards from 3CMA: two first place for Bloomington Today and the Briefing and a third place for the Bloomington Honor Guard video. The City's video productions also received two awards from NATOA.

## Expenditures

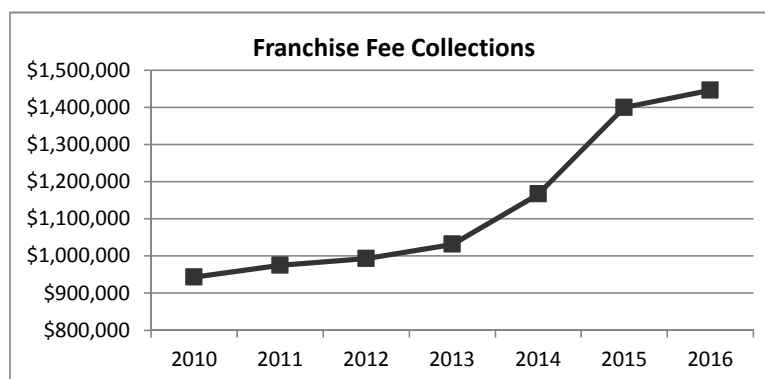
	FY2016 Original Budget	FY2017 Approved Budget
Salaries/Wages/Benefits	\$ 861,270	\$ 896,275
Materials/Supplies/Services	582,331	580,805
Capital Outlay	452,499	371,219
Transfer Out		
	<b>\$1,896,100</b>	<b>\$1,848,299</b>

## Authorized Full-Time

	FY2015	FY2016	FY2017
	8	9	9
Communications Administrator	1	1	1
Communications Specialist	2	2	2
Graphics Production Specialist	1	1	1
Municipal Cable Coordinator	1	1	1
Senior Production Specialist	1	2	2
Web Coordinator	2	2	2



COMMUNICATIONS BUDGET SUMMARY Revenues and Expenditures					
	2015 ACTUAL	2016 ORIGINAL BUDGET	2016 AMENDED BUDGET	2016 ESTIMATED	2017 BUDGET
<b>Revenues</b>					
Program Income	\$ 1,543,692	\$ 1,558,900	\$ 1,558,900	\$ 1,522,392	\$ 1,636,724
Interest Income	2,555	-	-	5,706	5,000
Transfers In	122,124	128,235	128,235	128,028	185,120
<b>TOTAL REVENUES</b>	<b>1,668,371</b>	<b>1,687,135</b>	<b>1,687,135</b>	<b>1,656,126</b>	<b>1,826,844</b>
<b>Expenditures</b>					
<b>Staffing</b>					
Salaries and Wages	583,273	619,953	619,953	619,567	633,341
Benefits	227,764	241,317	241,317	237,751	262,934
<b>Operating Expenditures</b>					
Professional and Technical Services	106,245	107,100	89,130	65,892	107,300
Utilities and Maintenance	176,446	184,669	184,669	185,137	184,690
Operations	12,851	16,860	16,860	17,527	18,038
City Support Services	222,219	237,103	237,103	236,076	234,172
Materials and Supplies	32,727	36,599	34,999	32,021	36,605
<b>Capital Outlay</b>					
Equipment	73,766	452,499	234,167	238,820	371,219
<b>Transfers Out</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL EXPENDITURES</b>	<b>1,435,291</b>	<b>1,896,100</b>	<b>1,658,198</b>	<b>1,632,791</b>	<b>1,848,299</b>
<b>FUND BALANCE SOURCES (USES)</b>	<b>233,080</b>	<b>(208,965)</b>	<b>28,937</b>	<b>23,335</b>	<b>(21,455)</b>
<b>Fund Balance at Beginning of Year</b>	<b>478,474</b>	<b>711,554</b>	<b>711,554</b>	<b>711,554</b>	<b>734,889</b>
<b>Fund Balance At Year-End</b>	<b>\$ 711,554</b>	<b>\$ 502,589</b>	<b>\$ 740,491</b>	<b>\$ 734,889</b>	<b>\$ 713,434</b>



# Park Grants Special Revenue

## Activities

### Operations &

#### Maintenance Grants

### Lottery-in-Lieu Operation & Maintenance Grant

### Athletic Association Donations

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.

## 2017 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.
- A** Work with the other Metropolitan Regional Parks implementing agencies to lobby the Legislature for continued Lottery-in-Lieu of operations and maintenance funding.
- A** Focus fund expenditures on equipment and services that support the active usage of the park reserve including but not limited to:
  - ES** Natural resources restorations – Complete work on Izaak Walton Road properties and undertake wildlife habitat improvements at Bush Lake Park.
    - **A** Replace picnic tables, grills, benches, etc.
    - **R** Fog coat bituminous trails at Bush Lake Park.
    - **R** Repair retaining wall adjacent to Bush Lake Shelter #1
    - **R** Supplement budget for Summer Fete fireworks.
    - **R** West Bush Lake parking lot reconstruction project.
    - **IE** Implement Park Ambassador Program.
    - **S** Purchase log rollers, camping tents and various supplies for Camp Kota.
    - **I** Repair concrete floors at West Bush Lake Shelters #1 and #2.
    - **A** Purchase Normandale Bandshell equipment.
    - **R** Sealcoat/restripe Bush Lake Beach parking lots.

## 2016 Results

- Purchased sound and lighting equipment for Normandale Lake Bandshell.
- Performed natural resources improvement projects at Izaak Walton Road properties.
- Deferred additional expenditures to 2017 to provide additional contingency for the West Bush Lake parking lot reconstruction project.
- Supplemented the budget for Summer Fete fireworks.
- Replaced miscellaneous equipment (picnic tables, grills, benches, etc).
- Installed wildlife fencing at Bush Lake Park.
- Purchased utility vehicle for Normandale Lake.
- Purchased shelving for Camp Kota trailer.
- Fog-sealed Normandale Lake Trail.

## Expenditures

	FY2016 Original Budget	FY2017 Approved Budget
Materials/Supplies/Services	\$100,000	\$165,000
	<b>\$100,000</b>	<b>\$165,000</b>

PARK GRANTS FUND BUDGET SUMMARY Revenues and Expenditures					
	2015 ACTUAL	2016 ORIGINAL BUDGET	2016 AMENDED BUDGET	2016 ESTIMATED	2017 BUDGET
Revenues					
Program Income	\$ 61,483	\$ 65,000	\$ 303,789	\$ 303,302	\$ 63,000
Interest Income	1,464	-	-	2,565	-
TOTAL REVENUES	62,947	65,000	303,789	305,867	63,000
Expenditures					
Operating Expenditures					
Utilities and Maintenance	55	5,000	5,000	5,000	6,000
Materials and Supplies	68,920	95,000	95,000	56,192	159,000
TOTAL EXPENDITURES	68,975	100,000	100,000	61,192	165,000
FUND BALANCE SOURCES (USES)	(6,028)	(35,000)	203,789	244,675	(102,000)
Fund Balance at Beginning of Year	20,478	14,450	14,450	14,450	259,125
Fund Balance At Year-End	<u>\$ 14,450</u>	<u>\$ (20,550)</u>	<u>\$ 218,239</u>	<u>\$ 259,125</u>	<u>\$ 157,125</u>

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

## Grants

**Sage Clinic  
Temporary  
Assistance to  
Needy Families  
(TANF)  
Maternal, Infant and  
Early Childhood  
Home Visiting  
Grant (MIECHV 2)  
State Health  
Improvement  
Partnership (SHIP)  
Public Health  
Emergency  
Preparedness and  
Response**



**Public Health  
continues to work  
on smoke-free,  
multi-unit housing.  
26 multi-unit  
housing properties  
in Richfield and  
Bloomington went  
smoke free,  
protecting  
residents living in  
2,559 units from  
the dangers of  
tobacco smoke.**

## Public Health Special Revenue

### 2017 Objectives

- IE** Provide support, resources and education to support high-risk families to assure infants are born healthy and grow up safe and nurtured.
- S** Implement obesity and tobacco strategies for the Statewide Health Improvement Partnership (SHIP).
- IE** Improve the ability to plan for and provide culturally appropriate responses during public health emergencies.

### 2016 Results

#### SAGE CLINIC

- Of the 215 women screened for cancer, 2 breast cancers were diagnosed (and treated through other sources); staff helped these women find medical and financial resources for their treatment.

#### TANF and MIECHV 2 Grants

- Made 1,311 home visits to 139 clients who were pregnant and parenting teens and women 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 with significant risk factors for raising children with poor childhood outcomes learn how to positively respond to their babies' needs and foster healthy development.
- Taught over 2,000 students in local middle and high schools about preventing teen pregnancy and sexually-transmitted infections.

#### Statewide Health Improvement Partnership (SHIP) Grant

- 28 staff from 10 Bloomington Elementary Schools completed training on active recess strategies impacting 4,516 students.
- 11 informational interviews were conducted with hotels, labor groups and hospitality representatives to assess worksite wellness strategies for hotel employees. Report forthcoming in 2017.
- SHIP staff are providing technical assistance in all three cities on Comprehensive Plan updates to incorporate healthier environments in city design, services and programs.
- 151 Latino childcare providers from Bloomington and Richfield met in Richfield for monthly trainings to improve health eating, physical activity and school readiness skills for the children they care for.
- 26 falls risk screenings were performed at private and multi-unit residences for seniors to prevent falls due to environmental hazards.

#### Public Health Emergency Preparedness and Response Grants

- Trained 10 people in Community Emergency Response Team (CERT) basic training.
- Trained over 150 residents to use AEDs and perform CPR.
- Successfully coauthored a report on recommendations for culturally competent response and recovery efforts based on the psychosocial effects the Ebola epidemic had on the West African community.

### Expenditures

	<b>FY2016 Original Budget</b>	<b>FY2017 Approved Budget</b>
Salaries/Wages/Benefits	\$ 948,702	\$934,487
Materials/Supplies/Services	180,599	156,013
	<b>\$1,129,301</b>	<b>\$1,090,500</b>

### Authorized Full-Time

	<b>FY2015</b>	<b>FY2016</b>	<b>FY2017</b>
	<b>7</b>	<b>6</b>	<b>6</b>
Health Specialist	5	4	4
Public Health Nurse	2	2	2

PUBLIC HEALTH SPECIAL REVENUE FUND  
BUDGET SUMMARY  
Revenues and Expenditures

	2015 ACTUAL	2016 ORIGINAL BUDGET	2016 AMENDED BUDGET	2016 ESTIMATED	2017 BUDGET
Revenues					
Intergovernmental	\$ 1,206,296	\$ 1,087,875	\$ 1,098,376	\$ 821,165	\$ 1,027,005
Program Income	109,678	34,460	58,235	83,653	38,385
Interest Income	64	-	-	63	-
<b>TOTAL REVENUES</b>	<b>1,316,038</b>	<b>1,122,335</b>	<b>1,156,611</b>	<b>904,881</b>	<b>1,065,390</b>
Expenditures					
Staffing					
Salaries and Wages	728,423	709,369	739,305	539,325	686,586
Benefits	243,608	239,333	239,333	197,459	246,901
Operating Expenditures					
Professional and Technical Services	110,160	51,000	55,340	27,572	41,204
Utilities and Maintenance	48,697	8,164	8,164	2,613	-
Operations	12,380	18,792	18,792	17,810	15,101
City Support Services	63,217	73,261	73,261	68,794	74,585
Materials and Supplies	106,289	29,382	29,382	17,697	26,123
<b>TOTAL EXPENDITURES</b>	<b>1,312,774</b>	<b>1,129,301</b>	<b>1,163,577</b>	<b>871,270</b>	<b>1,090,500</b>
<b>FUND BALANCE SOURCES (USES)</b>	<b>3,264</b>	<b>(6,966)</b>	<b>(6,966)</b>	<b>33,611</b>	<b>(25,110)</b>
Fund Balance at Beginning of Year	112,899	116,163	116,163	116,163	149,774
<b>Fund Balance At Year-End</b>	<b>\$ 116,163</b>	<b>\$ 109,197</b>	<b>\$ 109,197</b>	<b>\$ 149,774</b>	<b>\$ 124,664</b>

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 account for studies funded from this special revenue stream outside of the General Fund.

## 2017 Objectives

**RAS** 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.

**RAS** To plan and develop programs to conserve and protect resources such as energy, surface and subsurface water, and existing infrastructure.

## 2016 Results

- Started a comprehensive traffic analysis study for South Loop using a consultant as part of the Alternative Urban Areawide Review (AUAR) update for the district.

## Expenditures

	FY2016 Original Budget	FY2017 Approved Budget
Salaries/Wages/Benefits	\$ 0	\$ 0
Materials/Supplies/Services	180,000	197,000
Debt Service	0	0
Operating Transfer Out	0	0
	<b>\$ 180,000</b>	<b>\$197,000</b>

	FY2015	FY2016	FY2017
	<b>5*</b>	<b>5*</b>	<b>5*</b>
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.



Aerial view of South Loop

SOUTH LOOP REVOLVING DEVELOPMENT SERVICES FUND  
BUDGET SUMMARY  
Revenues and Expenditures

	2015 ACTUAL	2016 ORIGINAL BUDGET	2016 AMENDED BUDGET	2016 ESTIMATED	2017 BUDGET
Revenues					
Program Income	\$ 407,763	\$ 400,000	\$ 400,000	\$ 39,881	\$ 250,000
Interest Income	976	1,900	1,900	1,041	200
<b>TOTAL REVENUES</b>	<b>408,739</b>	<b>401,900</b>	<b>401,900</b>	<b>40,922</b>	<b>250,200</b>
Expenditures					
Staffing					
Salaries and Wages	708			9,560	
Benefits	188			2,136	
Operating Expenditures					
Professional and Technical Services	78,985	180,000	180,000	254,607	197,000
Debt Service					
Operating Transfers Out	108,000	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>187,881</b>	<b>180,000</b>	<b>180,000</b>	<b>266,303</b>	<b>197,000</b>
FUND BALANCE SOURCES (USES)	220,858	221,900	221,900	(225,381)	53,200
Fund Balance at Beginning of Year	38,571	259,429	259,429	259,429	34,048
Fund Balance At Year-End	<u>\$ 259,429</u>	<u>\$ 481,329</u>	<u>\$ 481,329</u>	<u>\$ 34,048</u>	<u>\$ 87,248</u>

# Creative Placemaking

Placemaking is an emerging field that works to build vibrant, distinctive, and sustainable communities through the arts. It engages artists and others 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.

## 2017 Objectives

- Engage artists, designers, and performers in building social fabric and making place-based improvements.
- 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 newly formed Creative Placemaking Commission to maintain the momentum to sustain Creative Placemaking well into the future in the South Loop and all of Bloomington.

## 2016 Results

- Implement new staff position – Director of Creative Placemaking & Engagement
- Appoint Commissioners to first Creative Placemaking Commission
- Raise awareness of Creative Placemaking activity (projects, new staff and commission), resulting in media articles
- Three clusters of Utility Box Art Projects:
  - Killebrew & 22nd Ave: Artist Teresa Cox, 2 boxes
  - Lindau Lane & 30th Ave: Artist Erik Sletten, 5 boxes
  - Old Shakopee & 28th Ave: Artist Jesse Golfis, 1 box
- Contract Art Gate Project from Artist Alexander Tylevich at TownePlace Suites. Fabrication in progress, installation expected Spring 2017.
- Contract previously postponed landform project by Tom Henry, updated location off of Killebrew between Country Inn Suites & Radisson Blu. Planning in progress, installation expected Spring 2017.

## Expenditures

	FY2016 Original Budget	FY2017 Approved Budget	Percent Change
Salaries/Wages/Benefits	\$ 45,000	\$ 56,136	24.7%
Materials/Supplies/Services	205,000	193,864	(5.4)
Capital Outlay	150,000	150,000	0.0
	<b>\$ 400,000</b>	<b>\$400,000</b>	<b>0.0</b>

## Authorized Full-Time

	FY2015	FY2016	FY2017
	<b>0*</b>	<b>1*</b>	<b>1*</b>
Director	0	1	1

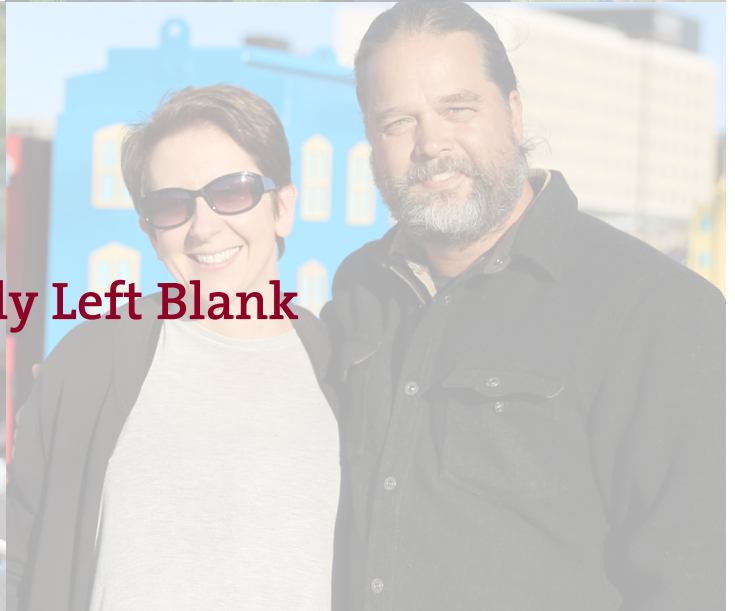
\*The creative placemaking commission was established by ordinance on November 2, 2015. Therefore, 2016 is the initial year of activity with an adopted budget.



Utility Box Art  
Project at  
Bloomington  
Central Station by  
Artist Erik Sletten



CREATIVE PLACEMAKING BUDGET SUMMARY Revenues and Expenditures					
	2015 ACTUAL	2016 ORIGINAL BUDGET	2016 AMENDED BUDGET	2016 ESTIMATED	2017 BUDGET
Revenues					
Transfers In	\$ -	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000
Investment Income	-	-	-	1,980	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
<b>TOTAL REVENUES</b>	<b>-</b>	<b>400,000</b>	<b>400,000</b>	<b>401,980</b>	<b>400,000</b>
Expenditures					
Salaries and Benefits	-	45,000	45,000	29,234	56,136
Materials and Supplies	-	205,000	86,000	85,989	193,864
Capital Outlay	-	150,000	39,500	39,500	150,000
<b>TOTAL EXPENDITURES</b>	<b>-</b>	<b>400,000</b>	<b>170,500</b>	<b>154,723</b>	<b>400,000</b>
<b>FUND BALANCE SOURCES (USES)</b>	<b>-</b>	<b>-</b>	<b>229,500</b>	<b>247,257</b>	<b>-</b>
Fund Balance at Beginning of Year	-	-	-	-	247,257
Fund Balance At Year-End	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 229,500</u>	<u>\$ 247,257</u>	<u>\$ 247,257</u>



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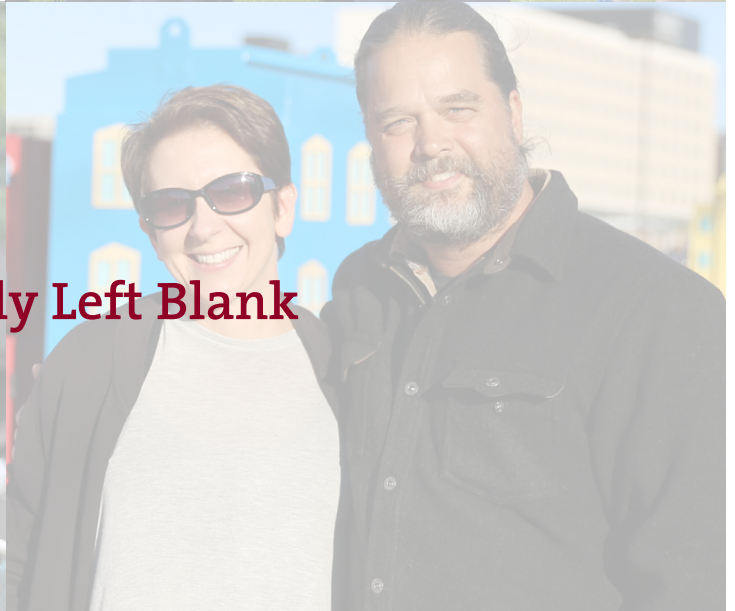
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# 2017 Budget Summary – Enterprise Funds

REVENUES				
	2015 Actual	2016 Budget	2016 Estimate	2017 Budget
Recreational Facilities				
Golf Courses				
- Operating	\$ 1,736,101	\$1,680,500	\$1,689,312	\$ 1,673,000
- Non-Operating	6,312	227,800	227,411	302,912
Ice Garden				
- Operating	1,469,761	1,483,700	1,518,484	1,503,200
- Non-Operating	6,896	4,500	5,757	4,590
Aquatic Facilities				
- Operating	332,342	291,590	355,399	336,050
- Non-Operating	900,288	920,305	902,828	1,007,363
Center for the Arts				
- Operating	156,255	156,000	194,868	169,000
- Non-Operating	559,105	576,259	574,832	722,293
Water Utility				
- Operating	10,660,172	12,348,380	10,466,974	13,313,123
- Non-Operating	371,811	1,682,000	205,658	1,637,000
Wastewater Utility				
- Operating	10,530,328	11,346,750	11,213,684	12,440,980
- Non-Operating	83,953	3,620,116	84,974	3,849,200
Storm Water Utility				
- Operating	5,168,505	5,502,464	5,343,545	5,884,977
- Non-Operating	250,725	66,000	336,117	10,769,088
Solid Waste Utility				
- Operating	1,016,742	4,997,741	1,608,211	7,802,574
- Non-Operating Revenues	662,342	2,121,928	2,118,732	371,049
Contractual Police	1,922,781	600,000	2,031,178	1,745,000
Motor Vehicle				
- Operating	730,253	727,030	714,715	729,040
- Non-Operating Revenues	3,036	3,000	3792	3,000
	<u>\$36,567,708</u>	<u>\$48,356,063</u>	<u>39,596,471</u>	<u>\$64,263,439</u>

EXPENDITURES				
	2015 Actual	2016 Budget	2016 Estimate	2017 Budget
Recreational Facilities				
Golf Courses				
- Operating	\$ 1,837,249	\$ 1,875,457	1,891,464	\$ 1,954,455
- Capital	30,753	31,500	12,179	54,000
Ice Garden				
- Operating	1,240,488	1,322,548	1,261,630	1,354,997
- Capital	183,365	115,000	48,294	168,000
Aquatic Facilities				
- Operating	1,289,728	1,317,744	1,285,849	1,489,495
- Capital	0	136,806	39,389	160,000
Center for the Arts				
- Operating	705,167	763,271	772,431	774,224
- Capital	42,263	70,000	49,386	168,000
Water Utility				
- Operating	10,976,055	12,302,483	11,301,441	12,472,908
- Capital	234,133	947,000	314,702	2,844,000
Wastewater Utility				
- Operating	9,747,121	12,584,126	12,062,182	11,692,794
- Capital	367,774	5,155,000	473,914	5,430,000
Storm Water Utility				
- Operating	2,465,562	3,038,061	2,879,088	3,203,289
- Capital	1,789,629	3,450,000	2,371,292	13,702,993
Solid Waste Utility				
- Operating	1,554,656	6,577,202	2,913,876	8,166,475
- Capital	0	0	0	350,000
Contractual Police	1,922,781	600,000	2,031,178	1,745,000
Motor Vehicle	698,777	840,919	792,939	795,969
	\$35,085,501	\$51,127,117	\$40,501,234	\$66,526,600

# Public Works – Water Utility

## Activities

Administration

Customer Service

Water Supply and Treatment

Water Distribution and Storage



In 2016, the Utilities Division completed programmed twice-annual inspections of the approximate 2,632 public and private fire hydrants. Additionally, over 335 were cleaned, prepped and re-painted as part of the Division's overall asset management program.



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

## 2017 Objectives

**ES** Provide an 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 other cities supplying softened water.

### Expenses

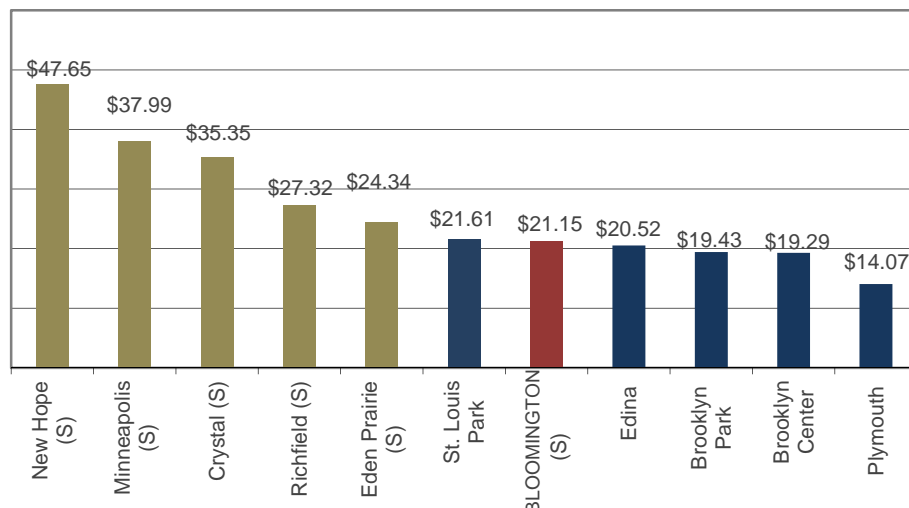
	FY2016 Original Budget	FY2017 Approved Budget	Percent Change
Salaries/Wages/Benefits	\$ 3,439,685	\$ 3,330,426	(3.2)%
Materials/Supplies/Services	8,862,798	9,142,482	3.2
Capital Outlay	947,000	2,844,000	200.3
Transfers Out	0	0	--
Capitalized Assets	(947,000)	(2,844,000)	200.3
Depreciation Expense	1,000,000	1,000,000	0.00
	<b>\$13,302,483</b>	<b>\$13,472,908</b>	<b>1.3%</b>

### Authorized Full-Time

	FY2015	FY2016	FY2017
	<b>32</b>	<b>32</b>	<b>32</b>
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	12	12	10
Utility Superintendent	1	1	1
Utility Supervisor	2	2	2
Water Quality Supervisor	1	1	1
Utility Service Specialist	0	0	2

(S) = Softened

2016 Water Rate Survey Monthly Cost  
Per 7,500 Gallons



Note: See combined monthly cost of utilities comparable table on page 269.



WATER OPERATING BUDGET SUMMARY Revenues and Expenses					
	2015 ACTUAL	2016 ORIGINAL BUDGET	2016 AMENDED BUDGET	2016 ESTIMATED	2017 BUDGET
Revenues					
Program Income	\$ 11,012,597	\$ 14,025,380	\$ 14,025,380	\$ 10,661,059	\$ 14,945,123
Interest Income	19,386	5,000	5,000	11,512	5,000
<b>TOTAL REVENUES</b>	<b>11,031,983</b>	<b>14,030,380</b>	<b>14,030,380</b>	<b>10,672,571</b>	<b>14,950,123</b>
Expenses					
Staffing					
Salaries and Wages	2,277,874	2,466,418	2,466,418	2,314,664	2,365,708
Benefits	997,493	973,267	973,267	976,212	964,718
Operating Expenses					
Professional and Technical Services	68,173	183,602	189,102	155,015	318,175
Utilities and Maintenance	1,096,046	1,678,700	1,678,700	833,739	1,672,200
Operations	60,465	66,650	66,650	61,003	70,575
City Support Services	1,903,012	2,006,421	2,006,421	1,974,285	2,052,480
Materials and Supplies	4,554,895	4,927,425	4,927,425	4,932,561	5,029,053
Capital Outlay					
Equipment	46,289	307,000	155,000	151,997	244,000
Building and Improvements	187,844	640,000	1,180,600	162,705	2,600,000
Transfers Out	18,098	-	-	53,000	-
<b>TOTAL EXPENSES</b>	<b>11,210,189</b>	<b>13,249,483</b>	<b>13,643,583</b>	<b>11,615,181</b>	<b>15,316,908</b>
Less Capitalized Assets	(234,133)	(947,000)	(1,335,600)	(314,702)	(2,844,000)
Add Depreciation Expense	1,050,322	1,000,000	1,000,000	1,000,000	1,000,000
<b>NET TOTAL EXPENSES</b>	<b>12,026,378</b>	<b>13,302,483</b>	<b>13,307,983</b>	<b>12,300,479</b>	<b>13,472,908</b>
<b>NET INCOME (LOSS)</b>	<b>(994,395)</b>	<b>727,897</b>	<b>722,397</b>	<b>(1,627,908)</b>	<b>1,477,215</b>
Net Position at Beginning of Year	42,827,971	41,833,576	41,833,576	41,833,576	40,205,668
<b>Net Position At Year-End</b>	<b>\$ 41,833,576</b>	<b>\$ 42,561,473</b>	<b>\$ 42,555,973</b>	<b>\$ 40,205,668</b>	<b>\$ 41,682,883</b>

Activities

Administration

Customer Service

Wastewater  
Collection

In 2016, 243,746 linear feet of sanitary sewer mainline pipe (size ranges from 6" to 36") was televised. 43,942 LF of storm sewer mainline pipe (size ranges from 12" – 54" diameter) was televised for the Pavement Management Projects.



# Public Works – Wastewater Utility

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

## 2017 Objectives

**ES** Provide professional sanitary sewer operations to make available needed capacity while minimizing system blockages and infiltration/inflow, keeping rates below the average cost of other comparable cities.

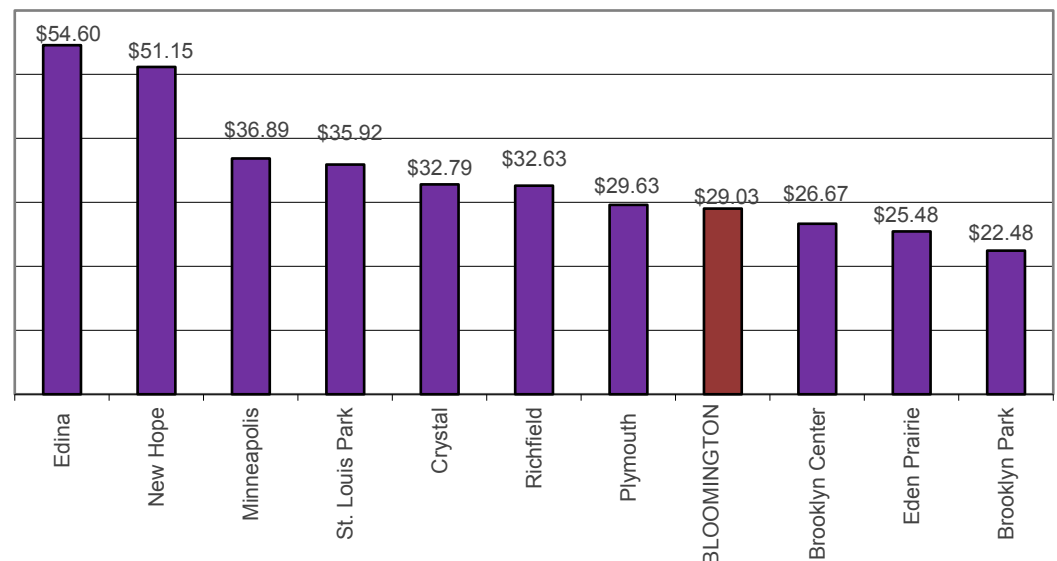
## Expenses

	FY2016 Original Budget	FY2017 Approved Budget	Percent Change
Salaries/Wages/Benefits	\$ 2,332,208	\$ 2,500,865	7.2%
Materials/Supplies/Services	8,751,918	9,191,929	5.0
Capital Outlay	5,155,000	5,430,000	5.3
Transfers Out	1,500,000	0	--
Capitalized Assets	(5,155,000)	(5,430,000)	5.3
Depreciation Expense	1,200,000	1,200,000	0.0
	<b>\$13,784,126</b>	<b>\$12,892,794</b>	<b>5.0%</b>

## Authorized Full-Time

	FY2015	FY2016	FY2017
	<b>22</b>	<b>22</b>	<b>22</b>
Analyst	1	2	1
Assistant Utilities Supt.	1	1	0
Civil Engineer – Utilities	1	1	1
Computer Specialist	2	1	1
Customer Service Supervisor	0	0	1
Office Support Specialist	1	1	1
Senior Utility Operator	8	8	8
Technical Services Supervisor	0	0	1
Utility Operator	7	7	7
Utility Supervisor	1	1	1

2016 Wastewater Rate Survey Monthly Cost  
Per 7,500 Gallons Cost



Note: See combined monthly cost of utilities comparable on page 270.

WASTEWATER OPERATING BUDGET SUMMARY Revenues and Expenses					
	2015 ACTUAL	2016 ORIGINAL BUDGET	2016 AMENDED BUDGET	2016 ESTIMATED	2017 BUDGET
Revenues					
Program Income	\$ 10,605,139	\$ 14,911,866	\$ 14,911,866	\$ 11,240,739	\$ 16,277,180
Interest Income	9,142	55,000	55,000	9,912	13,000
Intergovernmental	-	-	-	47,110	-
TOTAL REVENUES	10,614,281	14,966,866	14,966,866	11,297,761	16,290,180
Expenses					
Staffing					
Salaries and Wages	1,384,506	1,661,177	1,661,177	1,423,479	1,761,947
Benefits	580,524	671,031	671,031	628,217	738,918
Operating Expenses					
Professional and Technical Services	41,126	209,952	214,552	77,308	243,075
Utilities and Maintenance	6,318,041	7,074,187	7,074,187	7,028,482	7,487,118
Operations	32,368	34,580	34,580	19,829	35,750
City Support Services	1,288,365	1,332,599	1,332,599	1,291,142	1,325,252
Materials and Supplies	102,191	100,600	100,600	92,963	100,735
Capital Outlay					
Equipment	4,228	-	-	-	-
Building and Improvements	363,546	5,155,000	5,295,000	473,914	5,430,000
Transfers Out	-	1,500,000	1,500,000	1,500,000	-
TOTAL EXPENSES	10,114,895	17,739,126	17,883,726	12,535,334	17,122,794
Less Capitalized Assets	(367,774)	(5,155,000)	(5,295,000)	(473,914)	(5,430,000)
Add Depreciation Expense	1,081,106	1,200,000	1,200,000	1,200,000	1,200,000
NET TOTAL EXPENSES	10,828,227	13,784,126	13,788,726	13,261,420	12,892,794
NET INCOME (LOSS)	(213,946)	1,182,740	1,178,140	(1,963,659)	3,397,386
Net Position at Beginning of Year	14,558,524	14,344,578	14,344,578	14,344,578	12,380,919
Net Position At Year-End	\$ 14,344,578	\$ 15,527,318	\$ 15,522,718	\$ 12,380,919	\$ 15,778,304

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

The city completed 2 projects related to the 2014 flood recovery efforts including streambank repairs to the Nine Mile Creek Lower Valley and the flood proofing of 4 homes. In addition, the city upgraded its brine making equipment and installed its first iron enhanced sand filter storm water treatment BMP.

# Public Works – Storm Water Utility

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

## 2017 Objectives

- ES** Provide outstanding value storm water services and manage water resource assets in a safe and cost effective manner.
- ES** Consult with city property owners, developers and contractors and provide guidance on drainage and erosion control concerns.

## 2016 Results

- Inspected: 316 catch basins, 203 manholes and over 8 miles of storm sewer pipe.
- Installed 10 rain gardens and 1 iron enhanced sand filter.
- Maintained: 82 rain garden inlet structures and 127 trap manhole structures.

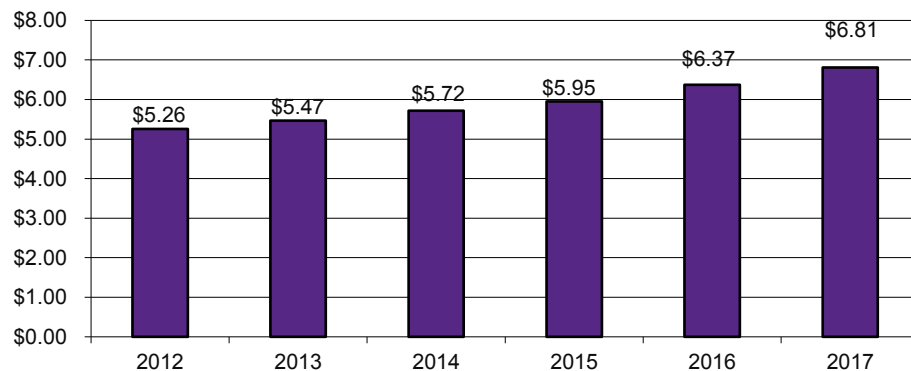
## Expenses

	FY2016 Original Budget	FY2017 Approved Budget	Percent Change
Salaries/Wages/Benefits	\$ 1,231,219	\$ 1,603,246	30.2%
Materials/Supplies/Services	1,806,842	1,600,043	11.4
Capital Outlay	3,450,000	13,702,993	297.2
Capitalized Assets	(3,450,000)	(13,702,993)	297.2
Depreciation Expense	1,069,000	1,069,000	0.00
	<b>\$ 4,107,061</b>	<b>\$ 4,272,289</b>	<b>4.0%</b>

## Personnel

	FY2015 12	FY2016 12	FY2017 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					
	2015 ACTUAL	2016 ORIGINAL BUDGET	2016 AMENDED BUDGET	2016 ESTIMATED	2017 BUDGET
Revenues					
Program Income	\$ 5,168,505	\$ 5,502,464	\$ 5,502,464	\$ 5,343,545	\$ 5,884,977
Other Income	100,600	-	-	4,748	10,702,088
Intergovernmental	120,571	25,000	135,000	278,044	-
Interest Income	29,553	41,000	41,000	53,325	67,000
<b>TOTAL REVENUES</b>	<b>5,419,229</b>	<b>5,568,464</b>	<b>5,678,464</b>	<b>5,679,662</b>	<b>16,654,065</b>
Expenses					
Staffing					
Salaries and Wages	889,866	880,358	880,358	886,976	1,086,548
Benefits	362,982	350,861	350,861	372,794	516,698
Operating Expenses					
Professional and Technical Services	28,090	372,052	372,052	392,206	223,375
Utilities and Maintenance	101,264	213,000	213,000	85,721	208,000
Operations	16,890	20,520	20,520	14,879	26,685
City Support Services	1,035,331	1,094,612	1,094,612	1,078,329	1,040,538
Materials and Supplies	31,140	106,658	106,658	48,183	101,446
Capital Outlay					
Building and Improvements	1,789,629	3,450,000	4,206,824	2,371,292	13,702,993
Transfers Out	-	-	-	-	-
<b>TOTAL EXPENSES</b>	<b>4,255,191</b>	<b>6,488,061</b>	<b>7,244,885</b>	<b>5,250,380</b>	<b>16,906,282</b>
Less Capitalized Assets	(1,789,629)	(3,450,000)	(4,206,824)	(2,371,292)	(13,702,993)
Add Depreciation Expense	1,305,730	1,069,000	1,069,000	1,069,000	1,069,000
<b>NET TOTAL EXPENSES</b>	<b>3,771,292</b>	<b>4,107,061</b>	<b>4,107,061</b>	<b>3,948,088</b>	<b>4,272,289</b>
<b>NET INCOME (LOSS)</b>	<b>1,647,937</b>	<b>1,461,403</b>	<b>1,571,403</b>	<b>1,731,574</b>	<b>12,381,776</b>
Net Position at Beginning of Year	30,801,274	32,449,211	32,449,211	32,449,211	34,180,785
<b>Net Position At Year-End</b>	<b>\$ 32,449,211</b>	<b>\$ 33,910,614</b>	<b>\$ 34,020,614</b>	<b>\$ 34,180,785</b>	<b>\$ 46,562,561</b>

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

## Public Works – Solid Waste Utility

This fund pays for the administration and operations of the new garbage and recycling program, curbside cleanup and environmental education of residents. These funds will also be utilized to meet the counties goal of reducing reliance on landfills by increasing collection rates of recycling and organic collection

### 2017 Objectives

- ES** Continue to offer Curbside Cleanup as part of the new garbage and recycling program to residents.
- ES** Provide education on other options for recycling during Curbside Cleanup.
- ES** Collaborate with other agencies to define resources for the collection of organics to meet county goals.
- ES** Work with the Sustainability Commission to continue to work towards “zero waste” in Bloomington.



The new garbage and recycling program began Oct 13, 2016. Six haulers currently serve 22,000 households in Bloomington.

### Expenses

	<b>FY2016 Original Budget</b>	<b>FY2017 Approved Budget</b>	<b>Percent Change</b>
Salaries/Wages/Benefits	\$ 256,929	\$ 170,960	(33.5)%
Materials/Supplies/Services	6,320,273	8,036,515	27.5
Capital Outlay	0	0	--
Transfers Out	0	309,000	--
Capitalized Assets	(0)	(0)	--
Depreciation Expense	0	0	0.00
	<b>\$6,577,202</b>	<b>\$8,516,475</b>	<b>29.5%</b>

### Authorized Full-Time

	<b>FY2015</b>	<b>FY2016</b>	<b>FY2017</b>
	<b>0</b>	<b>1</b>	<b>1</b>
PW Project Coordinator	0	1	1

SOLID WASTE MANAGEMENT BUDGET SUMMARY Revenues and Expenses					
	2015 ACTUAL	2016 ORIGINAL BUDGET	2016 AMENDED BUDGET	2016 ESTIMATED	2017 BUDGET
Revenues					
Program Income	\$ 1,374,176	\$ 5,264,669	\$ 5,264,669	\$ 1,866,781	\$ 8,069,723
Interest Income	4,908	5,000	5,000	10,158	3,900
Transfer In	300,000	1,850,000	1,850,000	1,850,004	100,000
<b>TOTAL REVENUES</b>	<b>1,679,084</b>	<b>7,119,669</b>	<b>7,119,669</b>	<b>3,726,943</b>	<b>8,173,623</b>
Expenses					
Staffing					
Salaries and Wages	74,721	178,376	178,376	160,596	123,701
Benefits	40,604	78,553	78,553	60,549	47,259
Operating Expenses					
Professional and Technical Services	(29,134)	82,452	82,452	3,900	2,575
Utilities and Maintenance	1,316,385	5,995,374	5,995,374	2,456,692	7,782,752
Operations	3,098	2,650	2,650	3,448	2,750
City Support Services	135,881	215,010	215,010	186,343	223,439
Materials and Supplies	13,100	24,787	24,787	42,348	25,000
Transfers Out	-	-	-	-	309,000
<b>TOTAL EXPENSES</b>	<b>1,554,655</b>	<b>6,577,202</b>	<b>6,577,202</b>	<b>2,913,876</b>	<b>8,516,475</b>
Add Depreciation Expense	-	-	-	-	-
<b>NET TOTAL EXPENSES</b>	<b>1,554,655</b>	<b>6,577,202</b>	<b>6,577,202</b>	<b>2,913,876</b>	<b>8,516,475</b>
<b>NET INCOME (LOSS)</b>	<b>124,429</b>	<b>542,467</b>	<b>542,467</b>	<b>813,068</b>	<b>(342,852)</b>
Net Position at Beginning of Year	930,025	1,054,454	1,054,454	1,054,454	1,867,522
<b>Net Position At Year-End</b>	<b>\$ 1,054,454</b>	<b>\$ 1,596,921</b>	<b>\$ 1,596,921</b>	<b>\$ 1,867,522</b>	<b>\$ 1,524,670</b>



## Community Services – Recreational Facilities

### Activities

Dwan Golf

Hyland Greens  
Golf and  
Learning Center

Bloomington Ice  
Garden

Bloomington  
Family Aquatic  
Center

Bush Lake Beach

Bloomington  
Center for the  
Arts



In 2016, Dwan Golf Club exceeded its goal of 40,000 rounds played by selling 40,154 rounds, the most rounds sold since 2013.

This group of funds includes Dwan and Hyland Greens golf courses, Ice Garden, Center for the Arts, the aquatics facilities of Bush Lake Beach and the Bloomington Family Aquatic Center.

### 2017 Objectives

**S** Install a point-of-sale system at Dwan Golf Club by April 2017.

**S** Expand marketing of the golf courses by hiring a Communications Specialist to create a comprehensive marketing plan and implement promotional and marketing activities by February 2017.

**S** Identify funding options for facility improvements at the Bloomington Ice Garden by December 2017.

**S** Host the 2018 Midwestern sectionals at the Bloomington Ice Garden in November 2017.

**S** Offer additional opportunities for swim team rentals, parent/tot swim time and general lap swim with increased hours.

**S** Adjust day and time of aquatic exercise class offerings to maximize participation.

**IE** **P** Present a two-week/8 performance run premiering Alive & Kickin's new production of "Unsung Heroes" with attendance of 2,000 people and facility revenue of \$20,000.

**IE** **S** Increase City programming in the Black Box Theater to include multi-cultural and youth activities.

**A** **R** Begin usage analysis and concept design for Center for the Arts (storage) expansion.

### 2016 Results

- Completed the work of the Hyland Greens Task Force which recommended continued operation of the golf course and the sale of the former driving range to generate funding for future capital improvements at both golf courses. Installed an online tee time service to expand customer service at Dwan Golf Club.
- Hosted the juvenile and intermediate competitions of the 2016 Prudential U.S. Figure Skating Championships at the Bloomington Ice Garden in January 2016.
- Completed installation of a building automation system and controls upgrade at Bloomington Ice Garden to improve energy efficiency and mechanical operation.
- Hired National Golf Foundation Consulting, Inc., to conduct a comprehensive review of operations at both golf courses and incorporated recommendations into the courses' 2017 business plan.
- Increased summer rentals at the Bloomington Ice Garden by making rates more competitive with other ice arenas.
- Implemented online Skate School registrations at the Bloomington Ice Garden, significantly boosting attendance in fall 2016.
- Debuted a new tot-open swim time that brought new patrons to the Bloomington Family Aquatic Center.
- Presented a sold-out, two-week/seven performance run premiering Alive & Kickin's production, "The 60s", with attendance of 2,542 people and facility revenue of \$24,159. Refurbished a 6' 11" Steinway B grand piano for the Bloomington Center for the Arts.

#### Expenses

	FY2016 Original Budget	FY2017 Approved Budget	Percent Change
Salaries/Wages/Benefits	\$2,399,348	\$2,572,492	7.2%
Materials/Supplies/Services	2,879,671	3,000,679	4.2
Capital Outlay	378,306	550,000	45.4
Debt Service	0	0	--
Transfers Out	0	0	--
Less Capitalized Assets	(378,306)	(550,000)	45.4
Less Debt Service Principal	0	0	--
Add Depreciation Expense	650,000	650,000	0.0
	<b>5,929,019</b>	<b>\$6,223,171</b>	<b>5.0%</b>

#### Authorized Full-Time

	FY2015 18	FY2016 18	FY2017 18
Arts Center Manager	1	1	1
Assistant Golf Course Maint. Supt	2	2	2
Assistant Golf Course Manager	2	2	2
Food and Beverage Coordinator	1	1	1
Golf Course Maintenance Supt.	1	1	1
Golf Course Manager	1	1	1
Ice Garden Manager	1	1	1
Ice Garden Maintenance Supt.	1	1	1
Maintenance Worker	3	3	3
Mechanic	1	1	1
Office Assistant	1	1	1
Parts Room Attendant	1	1	1
Recreation Supervisor	2	2	2

RECREATIONAL FACILITIES BUDGET SUMMARY Revenues and Expenses					
	2015 ACTUAL	2016 ORIGINAL BUDGET	2016 AMENDED BUDGET	2016 ESTIMATED	2017 BUDGET
Revenues					
Program Income	\$ 3,694,460	\$ 3,611,790	\$ 3,611,790	\$ 3,758,062	\$ 3,681,250
Tax Revenues	1,414,133	1,445,874	1,445,874	1,427,982	1,929,945
Other Revenue	16,106	10,050	20,630	22,351	10,450
Intergovernmental	30,826	32,320	32,320	30,899	30,836
Interest Income	11,431	15,620	15,620	4,595	15,927
Transfers In	-	225,000	225,000	225,000	50,000
<b>TOTAL REVENUES</b>	<b>5,166,956</b>	<b>5,340,654</b>	<b>5,351,234</b>	<b>5,468,889</b>	<b>5,718,408</b>
Expenses					
Staffing					
Salaries and Wages	1,875,318	1,862,499	1,862,499	1,865,711	1,974,387
Benefits	543,910	536,849	536,849	565,136	598,105
Operating Expenses					
Professional and Technical Services	61,002	78,485	148,485	95,771	98,144
Utilities and Maintenance	567,245	634,337	634,717	565,136	648,482
Operations	32,765	53,119	53,119	39,850	45,268
City Support Services	1,725,365	1,817,936	1,817,936	1,826,136	1,918,172
Materials and Supplies	267,027	295,794	295,794	248,055	290,613
Debt Service Principal and Interest	-	-	-	-	-
Capital Outlay					
Equipment	27,912	31,500	33,575	9,411	54,000
Building and Improvements	399,807	321,806	706,208	405,953	496,000
Transfers Out	-	-	-	-	-
<b>TOTAL EXPENSES</b>	<b>5,500,351</b>	<b>5,632,325</b>	<b>6,089,182</b>	<b>5,621,159</b>	<b>6,123,171</b>
Less Capitalized Assets	(397,070)	(353,306)	(739,783)	(415,364)	(550,000)
Less Debt Service Principal	-	-	-	-	-
Add Depreciation Expense	550,000	650,000	650,000	650,000	650,000
<b>NET TOTAL EXPENSES</b>	<b>5,653,281</b>	<b>5,929,019</b>	<b>5,999,399</b>	<b>5,855,795</b>	<b>6,223,171</b>
<b>NET INCOME (LOSS)</b>	<b>(486,325)</b>	<b>(588,365)</b>	<b>(648,165)</b>	<b>(386,906)</b>	<b>(504,763)</b>
Net Position at Beginning of Year	11,119,182	10,632,857	10,632,857	10,632,857	10,245,951
Net Position At Year-End	<u>\$ 10,632,857</u>	<u>\$ 10,044,492</u>	<u>\$ 9,984,692</u>	<u>\$ 10,245,951</u>	<u>\$ 9,741,188</u>

	2015	2016	2017
<b>Property tax cost of service for median value home per month:</b>			
<b>Aquatics Facilities</b>	<b>\$1.38</b>	<b>\$1.50</b>	<b>\$1.45</b>
<b>Center for the Arts</b>	<b>\$0.88</b>	<b>\$0.96</b>	<b>\$0.99</b>

# 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.

### 2017 Objectives

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

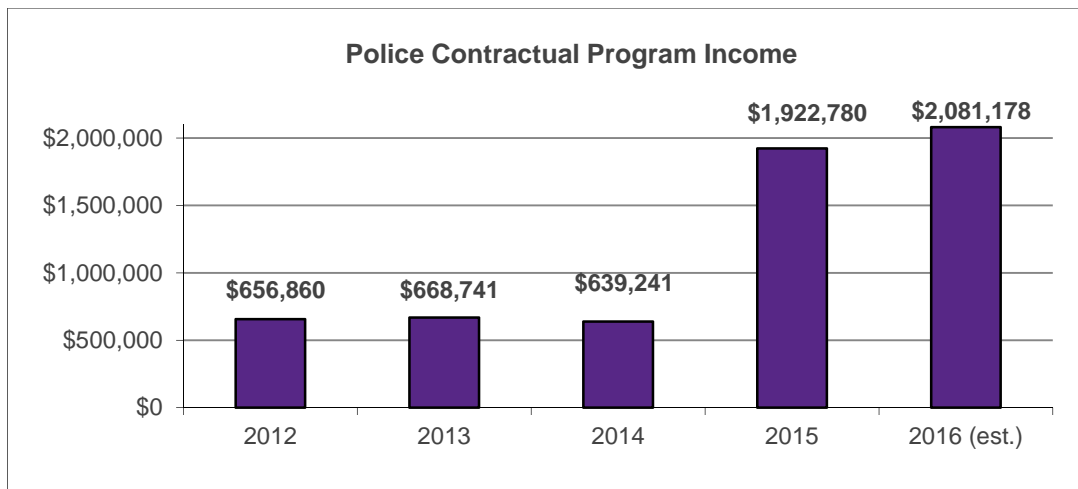
### 2016 Results

- 1,981 events were scheduled for Contractual Police Services. There was a 51% increase in scheduled events compared to 2015.
- 4,678 officers worked the 1,981 events that were scheduled.

### Expenses

	FY2016 Original Budget	FY2017 Approved Budget	Percent Change
Salaries/Wages/Benefits*	\$ 538,000	\$1,510,000	180.7%
Materials/Supplies/Services	26,643	41,122	54.3
Transfers Out	35,357	193,878	448.3
	<b>\$ 600,000</b>	<b>\$1,745,000</b>	<b>190.8%</b>

\*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					
	2015 ACTUAL	2016 ORIGINAL BUDGET	2016 AMENDED BUDGET	2016 ESTIMATED	2017 BUDGET
Revenues					
Federal Grants	48,853		50,000	50,000	
Program Income	<u>\$ 1,873,927</u>	<u>\$ 600,000</u>	<u>\$ 600,000</u>	<u>\$ 2,031,178</u>	<u>\$ 1,745,000</u>
TOTAL REVENUES	<u>1,922,780</u>	<u>600,000</u>	<u>650,000</u>	<u>2,081,178</u>	<u>1,745,000</u>
Expenses					
Staffing					
Salaries and Wages	1,256,980	460,000	500,520	1,449,777	1,260,000
Benefits	247,147	78,000	87,480	287,274	250,000
Operating Expenses					
Contractual Services	157,330	11,000	11,000	48,921	25,000
City Support Services	14,688	15,643	15,643	15,666	16,122
Transfers Out	<u>246,635</u>	<u>35,357</u>	<u>35,357</u>	<u>279,540</u>	<u>193,878</u>
TOTAL EXPENSES	<u>1,922,780</u>	<u>600,000</u>	<u>650,000</u>	<u>2,081,178</u>	<u>1,745,000</u>
NET INCOME (LOSS)	-	-	-	-	-
Net Position at Beginning of Year	-	-	-	-	-
Net Position At Year-End	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Activities

Boat Licenses

Driver Licenses

Motor Vehicle  
LicensesSnowmobile  
Licenses

Title transfers

# Technical Services Group – 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.

**2017 Objectives**

- S** Pursue authorization from state to offer on-line transactions
- S** Provide convenient, efficient, friendly services measured by customer satisfaction surveys, low wait times, and an accuracy rating of excellent by the MN DPS
- S** Train staff to enhance and maintain customer service levels and to gain technical skills related to business needs
- IE** Provide staff training on diversity
- AS** Market services to the community and local businesses
- AS** Promote fast-track transactions for customers who need to expedite title transfers
- AS** Research viable options to relocate services in a new building

**2016 Results**

- Processed 93,004 total transactions
- Provided services solely by user fees without tax dollar support
- Arranged daily pick-up/delivery services for local automobile dealers
- Maintained a high transaction accuracy rating
- Received external and internal building upgrades for aging infrastructure

**Expenses**

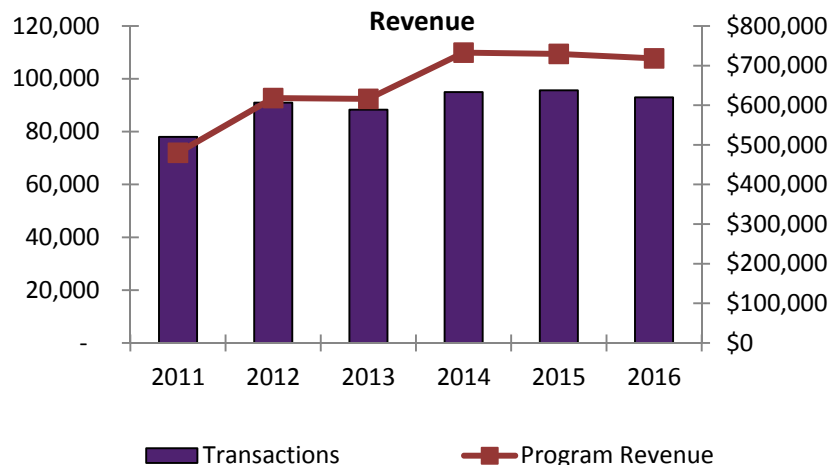
	<b>FY2016 Original Budget</b>	<b>FY2017 Approved Budget</b>	<b>Percent Change</b>
Salaries/Wages/Benefits	\$595,236	\$596,038	0.14%
Materials/Supplies/Services	135,683	134,931	(0.55)
Transfer Out	110,000	65,000	0.00
	<b>\$840,919</b>	<b>\$795,969</b>	<b>(5.36)%</b>

**Personnel**

	<b>FY2015 6</b>	<b>FY2016 6</b>	<b>FY2017 6</b>
Customer Service Assistant	1	1	1
Motor Vehicle Supervisor	1	1	1
Office Assistant	3	3	3
Office Support Specialist	1	1	1

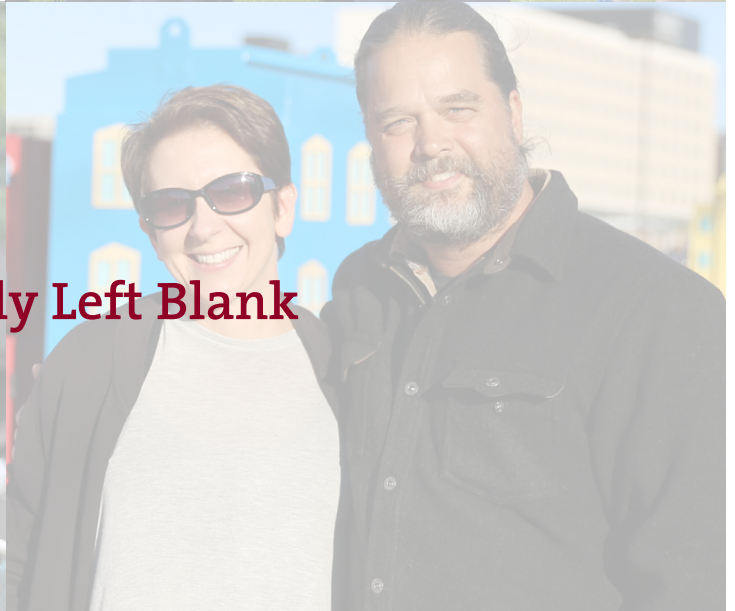
Bloomington's Registrar Office is a founding member of the Deputy Registrar Association which celebrated its 40<sup>th</sup> Anniversary in 2016.

A new operating system will be implemented in 2017 that will create efficiencies and improve title turn-around times for customers.

**Number of Customer Transactions Per Year/Program**

MOTOR VEHICLE BUDGET SUMMARY Revenues and Expenses					
	2015 ACTUAL	2016 ORIGINAL BUDGET	2016 AMENDED BUDGET	2016 ESTIMATED	2017 BUDGET
Revenues					
Program Income	\$ 729,472	\$ 727,030	\$ 727,030	\$ 714,400	\$ 729,040
Interest Income	3,817	3,000	3,000	4,107	3,000
TOTAL REVENUES	733,289	730,030	730,030	718,507	732,040
Expenses					
Staffing					
Salaries and Wages	392,346	441,596	441,596	395,836	442,422
Benefits	148,728	153,640	153,640	156,764	153,616
Operating Expenses					
Professional and Technical Services	120	-	-	-	-
Utilities and Maintenance	924	1,320	1,320	475	1,050
Operations	3,872	6,615	6,615	4,233	6,858
City Support Services	119,409	124,178	124,178	123,861	123,067
Materials and Supplies	3,378	3,570	3,570	1,766	3,956
Transfers Out	30,000	110,000	110,000	110,004	65,000
TOTAL EXPENSES	698,777	840,919	840,919	792,939	795,969
NET INCOME (LOSS)	34,512	(110,889)	(110,889)	(74,432)	(63,929)
Net Position at Beginning of Year	326,694	361,206	361,206	361,206	286,774
Net Position At Year-End	\$ 361,206	\$ 250,317	\$ 250,317	\$ 286,774	\$ 222,845





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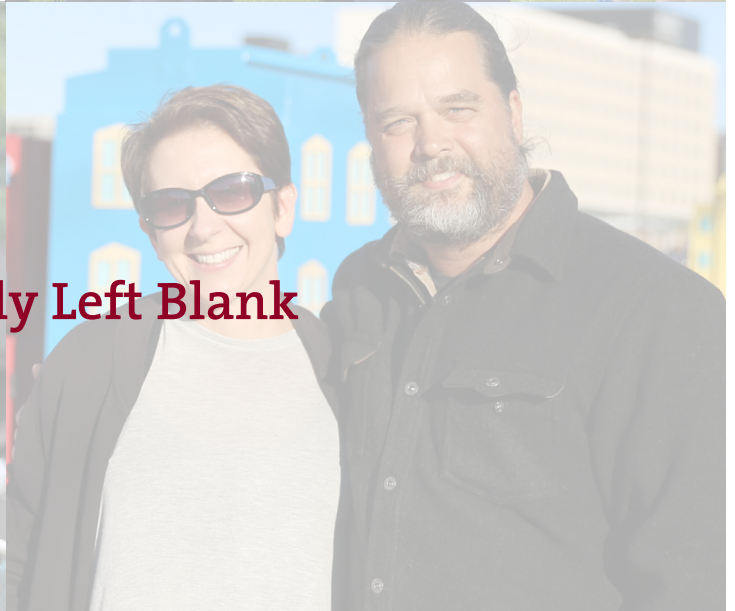
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Accrued Compensated Absences – Fund 7450	198 - 199
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## 2017 Budget Summary – Internal Service Funds

REVENUES				
	2015 Actual	2016 Budget	2016 Estimate	2017 Budget
Support Services	\$ 415,534	\$ 478,671	\$ 457,125	\$ 498,047
Equipment Fund				
- Operations & Maintenance	4,537,805	5,310,335	5,274,273	3,979,983
- Replacement Reserve	1,625,574	1,692,018	1,762,604	2,372,659
- Fire Equipment	300,000	450,000	461,112	550,000
- Fire – Small Equipment	330,000	400,000	399,996	350,000
- Police – Small Equipment	25,000	30,000	30,000	50,000
Information Systems	4,731,218	4,804,256	4,797,119	4,960,370
Radio	578,660	663,639	668,889	683,607
Insured Benefits	8,904,944	9,661,889	9,722,343	8,975,364
Self-Insurance	2,742,430	2,246,655	2,381,630	2,293,833
Accrued Benefits	2,223,174	1,411,800	1,407,029	2,304,303
Facilities Replacement				
- Admin. & Maintenance	3,182,465	3,562,196	3,617,627	3,597,398
- Police/City Hall Replacement	2,281,662	2,134,586	2,134,608	6,262,661
- Fire Station Maintenance	296,040	309,075	309,534	319,675
- Parks Building Maintenance	5,172,385	5,841,538	5,846,403	5,854,791
- Cemetery Maintenance	70,128	134,904	134,904	164,908
	<u>\$37,417,019</u>	<u>\$39,131,562</u>	<u>\$39,405,196</u>	<u>\$43,217,599</u>

# 2017 Budget Summary – Internal Service Funds (continued)

EXPENDITURES				
	2015 Actual	2016 Budget	2016 Estimate	2017 Budget
Support Services	\$ 460,749	\$ 508,208	483,278	\$ 510,281
- Capital	0	0		0
Fleet Maintenance				
- Operations & Maintenance	4,021,523	4,848,982	4,538,855	5,035,742
- Capital	26,983	486,427	21,549	220,000
- Replacement Capital	1,353,440	2,051,357	1,586,589	2,125,000
- Fire Equipment	0	562	0	0
- Capital	449,625	880,000	879,953	225,000
- Fire – Small Equipment	131,035	410,000	190,797	143,400
- Police Small Equipment	39,791	23,690	16,675	75,555
Information Systems				
- Operating	3,680,807	4,852,057	5,447,120	5,166,273
- Capital	132,717	133,000	190,201	311,000
Radio				
- Operating	757,476	1,070,466	972,952	1,083,599
- Capital	0	96,000	59,150	40,000
Insured Benefits	10,244,067	9,984,413	9,975,665	9,217,351
Self Insurance	1,236,562	2,321,344	1,761,339	2,226,036
Accrued Benefits	1,914,550	1,815,284	1,424,624	1,873,738
Facilities Replacement				
- Admin. & Maintenance	3,107,117	3,758,172	3,340,847	3,581,154
- Police/City Hall Replacement	755,087	2,072,739	625,428	6,713,723
- Fire Station Maintenance	191,132	223,924	146,707	211,151
- Parks Buildings Maintenance	4,813,820	5,830,839	5,349,127	5,673,815
- Cemetery Maintenance	160,654	132,756	136,499	118,859
- Parks/Median Maintenance	99,142	0	52,030	0
	\$ 33,576,277	\$ 41,500,220	\$ 37,214,979	\$44,551,676

# Public Works – Fleet Maintenance Fund

## Activities

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

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 will be funded by the general fund through a general property tax levy, or from a transfer of funds, if the purchase is for an enterprise operation.

## 2017 Objectives

- S** Optimize Fleet performance to provide a well maintained and efficient quantity of vehicles to support City services and programs
- S** Use new tools to measure Fleet utilization and return on investment
- S** Set benchmarks for service expectations
- IE** Work collaboratively with employee committees in the selection of new equipment
- S** Look for new technologies, processes, and procedures to meet budget demands

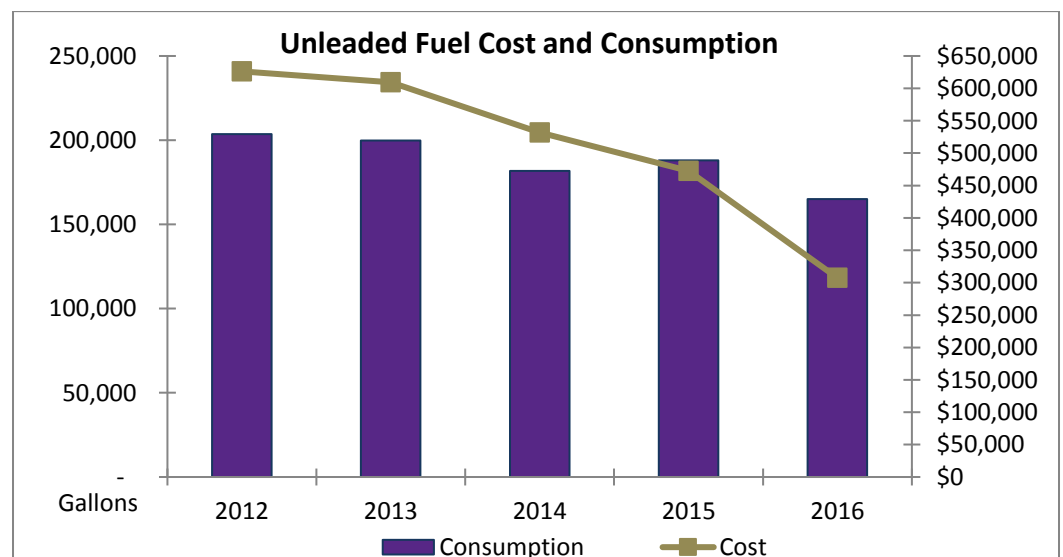
## Expenses

	FY2016 Original Budget	FY2017 Approved Budget	Percent Change
Salaries/Wages/Benefits	\$ 1,359,853	\$ 1,409,814	3.7%
Materials/Supplies/Services	3,923,381	3,844,883	(2.0)
Capital Outlay	3,417,784	2,570,000	(24.8)
Less Capitalized Assets	(3,417,784)	(2,570,000)	24.8
Add Depreciation Expense	1,750,000	1,750,000	--
	<b>\$ 7,033,234</b>	<b>\$ 7,004,697</b>	<b>(0.4)%</b>

## Authorized Full-Time

	FY2015	FY2016	FY2017
	<b>15</b>	<b>15</b>	<b>15</b>
Fleet Supervisor	2	2	2
Fleet Technician	5	5	5
Office Support Specialist	1	1	1
Parts Room Attendant	2	2	2
Senior Technician	5	5	5

The Fleet Maintenance Fund maintains 880 active units.  
25% of the of the \$27,000,000 fleet replacement value is Plow Trucks.



FLEET MAINTENANCE FUND BUDGET SUMMARY Revenues and Expenses					
	2015 ACTUAL	2016 ORIGINAL BUDGET	2016 AMENDED BUDGET	2016 ESTIMATED	2017 BUDGET
Revenues					
Program Income	\$ 6,762,160	\$ 7,800,796	\$ 7,800,796	\$ 7,687,753	\$ 7,151,342
Interest Income	38,121	37,700	37,700	58,353	61,300
Transfers In	18,098	43,857	43,857	181,880	90,000
<b>TOTAL REVENUES</b>	<b>6,818,379</b>	<b>7,882,353</b>	<b>7,882,353</b>	<b>7,927,986</b>	<b>7,302,642</b>
Expenses					
Staffing					
Salaries and Wages	899,867	947,592	947,592	916,315	977,401
Benefits	388,217	412,261	412,261	423,362	432,413
Operating Expenses					
Professional and Technical Services	11,251	63,483	224,483	22,064	53,062
Utilities and Maintenance	254,754	249,373	214,373	348,505	409,400
Operations	16,474	25,621	25,621	16,357	20,025
City Support Services	1,181,308	1,284,199	1,284,199	1,283,091	1,297,121
Materials and Supplies	1,440,477	2,300,705	2,343,705	1,736,633	2,075,275
Capital Outlay					
Equipment	1,830,049	3,417,784	3,525,284	2,488,091	2,570,000
<b>TOTAL EXPENSES</b>	<b>6,022,397</b>	<b>8,701,018</b>	<b>8,977,518</b>	<b>7,234,418</b>	<b>7,834,697</b>
Less Expenses Charged to Other Funds	-	-	-	-	(10,000)
Less Capitalized Assets	(1,830,049)	(3,417,784)	(3,525,284)	(2,488,091)	(2,570,000)
Add Depreciation Expense	2,021,529	1,750,000	1,750,000	1,750,000	1,750,000
<b>NET TOTAL EXPENSES</b>	<b>6,213,877</b>	<b>7,033,234</b>	<b>7,202,234</b>	<b>6,496,327</b>	<b>7,004,697</b>
<b>NET INCOME (LOSS)</b>	<b>604,502</b>	<b>849,119</b>	<b>680,119</b>	<b>1,431,660</b>	<b>297,945</b>
Net Position at Beginning of Year	13,438,012	14,042,514	14,042,514	14,042,514	15,474,174
<b>Net Position At Year-End</b>	<b>\$ 14,042,514</b>	<b>\$ 14,891,633</b>	<b>\$ 14,722,633</b>	<b>\$ 15,474,174</b>	<b>\$ 15,772,119</b>



# Public Safety – Radio Operations

## Activities

### Equipment - Replacement & Operations

### Mobile Data Computers (MDC's)

### Equipment - Fiber Optics

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 City's redundant fiber optics data communications system.

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.

Expansion of the City's metropolitan area network (MAN) could include a redundant fiber loop to connect City Hall to facilities on the east side via American Boulevard and additional connections to fire stations and recreation facilities. Currently, the fund balance for fiber optics is not enough to schedule projects of the scope required to expand the City's MAN.

## 2017 Objectives

- S** Maintain a reliable and efficient communications system for public safety and other uses within the City.
- S** 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.
- S** Utilize Hennepin County's technical support for the MESB radio system.
- S** Continued upgrade on public safety Mobile Data Computer system for Police and Fire and various features with the LOGIS consortium.
- S** Police Department: Replace 44 mobile radios and 40 Panasonic CF-31 Mobile Data Computers for Police squads. Purchase 12 additional complete portable radios for the new Police Officers to be hired in 2017.
- S** Fire Department: Replace 29 mobile radios for the Fire Department rigs and Chief vehicles.
- S** Public Works: Replace 35 portable radios complete with chargers, batteries and speaker microphones.

## 2016 Results

A degraded fiber link at 24<sup>th</sup> Avenue and Killebrew Drive was replaced.

Replaced the 24 Fire Department iPads with Panasonic CF-20 Mobile Data Computers for the new TriTech CAD. Replaced 141 portable radios, chargers and accessories for the Police Department.

### Expenses

	FY2016 Original Budget	FY2017 Approved Budget	Percent Change
Salaries/Wages/Benefits	\$100,826	\$105,688	4.8%
Materials/Supplies/Services	969,640	797,911	-17.7
Capital Outlay	96,000	40,000	-58.3
Less Capitalized Assets	(96,000)	(40,000)	-58.3
Transfers Out	0	180,000	100.0
Add Depreciation Expense	165,000	130,000	-21.2
	<b>\$1,235,466</b>	<b>\$1,213,599</b>	<b>-1.8%</b>

### Authorized Full-Time

	FY2015	FY2016	FY2017
	1	1	1
Communications Technician	1	1	1

PUBLIC SAFETY RADIO BUDGET SUMMARY Revenues and Expenses					
	2015 ACTUAL	2016 ORIGINAL BUDGET	2016 AMENDED BUDGET	2016 ESTIMATED	2017 BUDGET
Revenues					
Program Income	\$ 553,383	\$ 613,639	\$ 613,639	\$ 613,644	\$ 678,607
Interest Income	7,469	5,000	5,000	10,195	5,000
Other Income				567	-
Transfers In	17,808	45,000	45,000	45,000	-
<b>TOTAL REVENUES</b>	<b>578,660</b>	<b>663,639</b>	<b>663,639</b>	<b>669,406</b>	<b>683,607</b>
Expenses					
Staffing					
Salaries and Wages	82,967	73,635	73,635	76,447	75,501
Benefits	30,611	27,191	27,191	31,091	30,187
Operating Expenses					
Professional and Technical Services	13,420	22,000	26,545	4,124	2,000
Utilities and Maintenance	146,157	150,020	150,020	167,765	160,000
Operations	80	500	500	228	100
City Support Services	14,378	13,815	13,815	13,824	14,219
Materials and Supplies	379,862	783,305	783,305	634,469	621,592
Capital Outlay					
Equipment	-	96,000	96,000	43,080	40,000
Transfers Out	90,000	-	-	-	180,000
<b>TOTAL EXPENSES</b>	<b>757,475</b>	<b>1,166,466</b>	<b>1,171,011</b>	<b>971,028</b>	<b>1,123,599</b>
Less Capitalized Assets		(96,000)	(96,000)	(43,080)	(40,000)
Gain/Loss on Sale of Assets	12,327				
Add Depreciation Expense	125,044	165,000	165,000	130,000	130,000
<b>NET TOTAL EXPENSES</b>	<b>894,846</b>	<b>1,235,466</b>	<b>1,240,011</b>	<b>1,057,948</b>	<b>1,213,599</b>
<b>NET INCOME (LOSS)</b>	<b>(316,186)</b>	<b>(571,827)</b>	<b>(576,372)</b>	<b>(388,542)</b>	<b>(529,992)</b>
Net Position at Beginning of Year	1,925,544	1,609,358	1,609,358	1,609,358	1,220,816
<b>Net Position At Year-End</b>	<b>\$ 1,609,358</b>	<b>\$ 1,037,531</b>	<b>\$ 1,032,986</b>	<b>\$ 1,220,816</b>	<b>\$ 690,824</b>

# 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 and cemetery property.

## 2017 Objectives

- AS** To support strategic priorities through efficient and sustainable operation and planned maintenance of the City's building and Park facilities.
- AS** Participate in long term planning to establish appropriate funding levels required to maintain quality City Facilities.
- ES** Explore improved maintenance options that are environmentally sustainable and financially responsible.

### Activities

#### Maintenance

#### Building Capital Repairs

#### Parks and Park Building Maintenance

#### Fire Station Maintenance

#### Cemetery 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

## Expenses

	FY2016 Original Budget	FY2017 Approved Budget	Percent Change
Salaries/Wages/Benefits	\$ 4,006,091	\$3,929,921	(1.9)%
Materials/Supplies/Services	5,928,109	5,705,057	(3.8)
Capital Outlay	1,386,492	6,000,000	332.7
Transfer	--	--	--
Capitalized Assets	(1,386,492)	(6,000,000)	(332.7)
Debt Service	697,739	663,723	(4.9)
Depreciation Expense	1,400,000	1,400,000	--
	<b>\$12,031,939</b>	<b>\$11,698,701</b>	<b>(2.8)%</b>

## Authorized Full-Time

	FY2015	FY2016	FY2017
	<b>38</b>	<b>40</b>	<b>40</b>
Assistant Maintenance Superintendent	2	2	2
Custodian	1	1	1
Park Maintenance Supervisor	2	2	2
Parkkeeper I	15	15	15
Parkkeeper II	9	10	10
Service Technician II	3	3	3
Service Technician I	5	6	6
Facilities Maintenance Supervisor	1	1	1

FACILITIES AND PARKS MAINTENANCE BUDGET SUMMARY Revenues and Expenses					
	2015 ACTUAL	2016 ORIGINAL BUDGET	2016 AMENDED BUDGET	2016 ESTIMATED	2017 BUDGET
Revenues					
Program Income	\$ 10,821,229	\$ 11,953,999	\$ 11,953,999	\$ 11,954,028	\$ 12,153,533
Interest Income	39,997	28,000	28,000	58,314	45,000
Other	21,252	300	300	7,975	900
Bond Proceeds	-	-	-	-	4,000,000
Transfers In	120,000	-	-	-	-
<b>TOTAL REVENUES</b>	<b>11,002,478</b>	<b>11,982,299</b>	<b>11,982,299</b>	<b>12,020,317</b>	<b>16,199,433</b>
Operating Expenses					
Staffing					
Salaries and Wages	2,353,538	2,877,557	2,877,557	2,578,357	2,800,461
Benefits	1,004,533	1,128,534	1,128,534	1,040,870	1,129,460
Operating Expenses					
Professional and Technical Services	97,176	383,010	383,010	51,331	206,010
Utilities and Maintenance	2,133,212	2,454,825	2,454,825	2,174,405	2,486,681
Operations	52,765	59,693	59,693	62,076	60,463
City Support Services	2,268,111	2,497,664	2,497,664	2,488,763	2,357,986
Materials and Supplies	499,546	532,917	552,917	484,933	593,917
Debt Service Principal and Interest	706,077	697,739	697,739	697,739	663,723
Capital Outlay					
Equipment	-	-	-	-	-
Building and Improvements	709,534	1,386,492	1,827,992	755,586	6,000,000
Transfers Out	-	-	-	-	-
<b>TOTAL EXPENSES</b>	<b>9,824,492</b>	<b>12,018,431</b>	<b>12,479,931</b>	<b>10,334,060</b>	<b>16,298,701</b>
Less Capitalized Assets	(709,534)	(1,386,492)	(1,827,992)	(755,586)	(6,000,000)
Less Expenses Charged to Other Funds	-	-	-	-	-
Add Depreciation Expense	1,496,197	1,400,000	1,400,000	1,400,000	1,400,000
<b>NET TOTAL EXPENSES</b>	<b>10,611,155</b>	<b>12,031,939</b>	<b>12,051,939</b>	<b>10,978,474</b>	<b>11,698,701</b>
<b>NET INCOME (LOSS)</b>	<b>391,323</b>	<b>(49,640)</b>	<b>(69,640)</b>	<b>1,041,843</b>	<b>4,500,732</b>
Net Position at Beginning of Year	42,456,145	42,847,468	42,847,468	42,847,468	43,889,311
<b>Net Position at Year-End</b>	<b>\$ 42,847,468</b>	<b>\$ 42,797,828</b>	<b>\$ 42,777,828</b>	<b>\$ 43,889,311</b>	<b>\$ 48,390,043</b>

# Community Services – Support Services

## Activities

Print Shop

Mail Room

Information Desk

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.

## 2017 Objectives

- S** Finish an assessment of the Print Shop that will provide a cost comparison with outside vendor printing and a summary of a focused conversation with a goal to produce a set of recommendations for new services or ways to improve current offerings.
- S** Promote Print Shop activities, with a goal to increase revenue, by increasing the visibility of the Print Shop, marketing services to staff and looking into additional partnerships with outside organizations.
- S** Revise Office Depot delivery process so that office supplies orders go directly to the appropriate building rather than being redistributed from the warehouse.
- S** Move copy paper and envelope inventory from warehouse to Civic Plaza, where most of it is used.

## 2016 Results

- Replaced an aging Pitney Bows postage meter with a new, more dependable and more technologically up to date postage meter.
- Improved accuracy of copy paper inventory and reduced delivery time.
- Changed from F/T mail coordinator to two P/T job-share positions that resulted in increased mail room efficiency and reduced the need for back-up coverage by administrative staff.
- Increased Information Desk staff productivity by training Information Assistants on basic use of RecTrac software.
- Conducted a facilitated conversation with Print Shop customers to assess the value of operations, gather feedback and gain more insight into services provided.
- Printed jobs for outside organizations and employees, which resulted in more than \$3,300 in revenues – a \$1,100 increase from 2015.

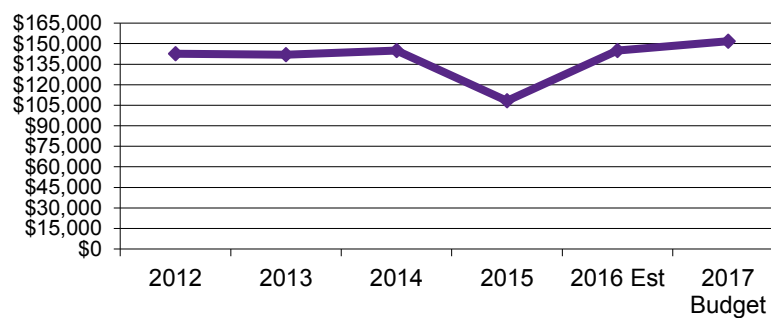
### Expenses

	FY2016 Original Budget	FY2017 Approved Budget	Percent Change
Salaries/Wages/Benefits	\$205,434	\$219,076	6.6%
Materials/Supplies/Services	302,774	291,204	(3.8)
Add Depreciation Expense	30,000	15,000	(50.0)
	<b>\$538,208</b>	<b>\$525,280</b>	<b>(2.4)%</b>

### Authorized Full-Time

	FY2015	FY2016	FY2017
	<b>3</b>	<b>3</b>	<b>3</b>
Information Assistant	1	1	1
Mail Coordinator	1	1	1
Print Shop Coordinator	1	1	1

### Revenue from Print Shop



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.

SUPPORT SERVICES INTERNAL SERVICE FUND					
BUDGET SUMMARY					
Revenues and Expenses					
	2015 ACTUAL	2016 ORIGINAL BUDGET	2016 AMENDED BUDGET	2016 ESTIMATED	2017 BUDGET
Revenues					
Program Income	\$ 413,692	\$ 476,671	\$ 476,671	\$ 455,651	\$ 495,047
Interest Income	1,841	2,000	2,000	1,474	3,000
TOTAL REVENUES	415,533	478,671	478,671	457,125	498,047
Expenses					
Staffing					
Salaries and Wages	148,694	160,339	160,339	156,962	168,286
Benefits	46,159	45,095	45,095	44,793	50,790
Operating Expenses					
Professional and Technical Services	281	4,000	4,000	91	4,000
Utilities and Maintenance	30,784	39,400	39,400	31,891	38,200
Operations	1,281	1,400	1,400	1,216	1,500
City Support Services	192,311	223,674	223,674	216,599	213,404
Materials and Supplies	26,293	34,300	34,300	31,726	34,100
Capital Outlay					
Equipment	14,945	-	-	15,594	-
Transfers Out	-	-	-	-	-
TOTAL EXPENSES	460,748	508,208	508,208	498,872	510,280
Less Capitalized Assets	(14,945)	-	-	(15,594)	-
Add Depreciation Expense	5,280	30,000	30,000	30,000	15,000
NET TOTAL EXPENSES	451,083	538,208	538,208	513,278	525,280
NET INCOME (LOSS)	(35,550)	(59,537)	(59,537)	(56,153)	(27,233)
Net Position at Beginning of Year	235,111	199,561	199,561	199,561	143,408
Net Position At Year-End	\$ 199,561	\$ 140,024	\$ 140,024	\$ 143,408	\$ 116,175

# Technical Services Group – Information Systems

## Activities

**General System  
Maintenance/  
Support**

**Geographic  
Information  
Systems (GIS)**

Information Systems (IS) 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 Systems plan.

A Steering Committee made up of Department Heads, the Assistant City Manager and the City Manager provides work plan direction to Information Systems so that there is a matching of users' needs to available resources.

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

## 2017 Objectives

**SA** Provide technology expertise, equipment, software and services to meet Council's Goals by:

- Implementing Year 1 initiatives of the Information Systems strategic plan.
- Completing the deployment of a new permitting system by March 31, 2017.
- Assessing City's security environment and remedying vulnerabilities in advance of Super Bowl LII by October 31, 2017.
- Assisting with preparations required to construct new courts facilities by December 31, 2016.

**ES** Support and coordinate GIS functions and activities City-wide (Environmental Sustainability).

**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.

## 2016 Results

- Developed five year Information Systems strategic plan.
- Upgraded to Office 2013.
- Implemented virtual private network (VPN).
- Upgraded City's wireless network.
- 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 \$1,600,000 in hardware and software maintenance agreements.
- Provided reliable technical support and services to over 600 employees.



Wi-Fi services were improved at City facilities in 2016; providing stronger signals, increased bandwidth, and greater reliability for the public and City staff.

## Expenses

	FY2016 Original Budget	FY2017 Approved Budget	Percent Change
Salaries/Wages/Benefits	\$ 1,520,825	\$ 1,618,263	6.4%
Materials/Supplies/Services	3,003,203	3,162,891	5.3
Capital Outlay	133,000	311,000	133.8
Less Capitalized Assets	(133,000)	(311,000)	(133.8)
Transfer Out	328,029	385,120	17.4
Add Depreciation Expense	140,000	160,000	14.3
	<b>\$4,992,057</b>	<b>\$5,326,274</b>	<b>6.7%</b>

## Authorized Full-Time

	FY2015	FY2016	FY2017
	<b>13</b>	<b>13</b>	<b>13</b>
Analyst	7	7	7
Computer Specialist	1	1	1
Information Systems Manager	1	1	1
LAN Administrator	1	1	1
Supervisor	2	2	2
WAN Administrator	1	1	1



INFORMATION SYSTEMS BUDGET SUMMARY Revenues and Expenses					
	2015 ACTUAL	2016 ORIGINAL BUDGET	2016 AMENDED BUDGET	2016 ESTIMATED	2017 BUDGET
Revenues					
Program Income	\$ 4,706,918	\$ 4,781,255	\$ 4,781,255	\$ 4,775,956	\$ 4,938,370
Other	3,908	-	-	4,418	-
Interest Income	20,391	23,001	23,001	16,745	22,000
Transfers In	-	-	-	-	-
<b>TOTAL REVENUES</b>	<b>4,731,217</b>	<b>4,804,256</b>	<b>4,804,256</b>	<b>4,797,119</b>	<b>4,960,370</b>
Expenses					
Staffing					
Salaries and Wages	1,189,403	1,142,294	1,142,294	1,213,098	1,203,996
Benefits	414,478	378,531	378,531	407,891	414,267
Operating Expenses					
Professional and Technical Services	(382,945)	573,870	1,248,870	993,159	507,070
Utilities and Maintenance	1,588,393	1,708,600	1,720,600	1,822,572	1,903,430
Operations	149,297	160,600	160,600	149,957	154,000
City Support Services	282,344	294,659	294,659	296,921	301,111
Materials and Supplies	257,712	265,474	265,474	235,298	297,280
Capital Outlay					
Equipment	132,717	133,000	337,000	190,201	311,000
Transfers Out	182,124	328,029	328,029	328,020	385,120
<b>TOTAL EXPENSES</b>	<b>3,813,523</b>	<b>4,985,057</b>	<b>5,876,057</b>	<b>5,637,117</b>	<b>5,477,274</b>
Less Capitalized Assets	(132,717)	(133,000)	(337,000)	(190,201)	(311,000)
Add Depreciation Expense	209,106	140,000	140,000	140,000	160,000
<b>NET TOTAL EXPENSES</b>	<b>3,889,912</b>	<b>4,992,057</b>	<b>5,679,057</b>	<b>5,586,916</b>	<b>5,326,274</b>
<b>NET INCOME (LOSS)</b>	<b>841,305</b>	<b>(187,801)</b>	<b>(874,801)</b>	<b>(789,797)</b>	<b>(365,904)</b>
Net Position at Beginning of Year	3,166,049	4,007,354	4,007,354	4,007,354	3,217,557
<b>Net Position At Year-End</b>	<b>\$ 4,007,354</b>	<b>\$ 3,819,553</b>	<b>\$ 3,132,553</b>	<b>\$ 3,217,557</b>	<b>\$ 2,851,653</b>

## 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.

### 2017 Objectives

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

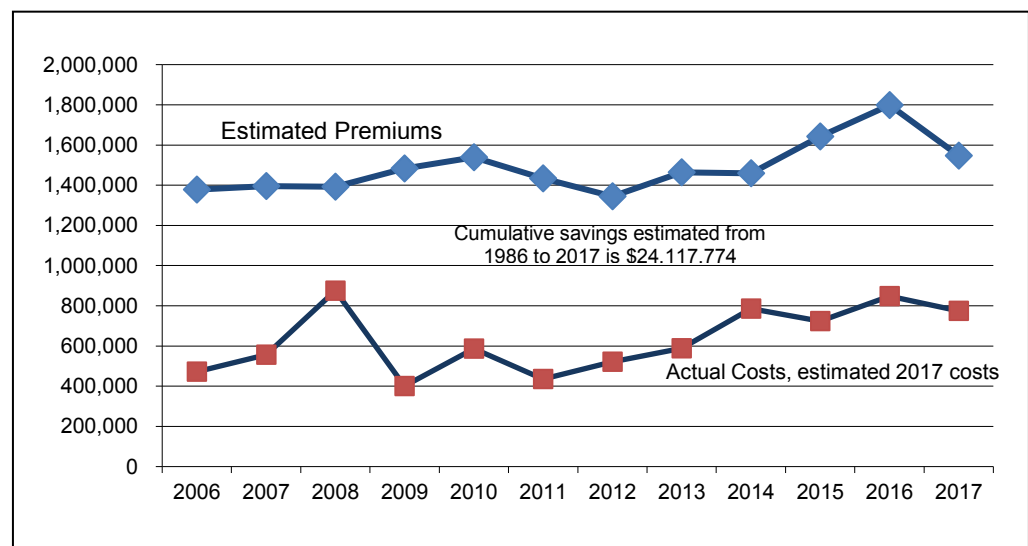
### 2016 Results

- Reduced workers' compensation modification factor from .9 to .87, saving \$100,000 on estimated premium.
- Received a dividend from LMCIT of \$256, 000.

### Expenses

	FY2016 Original Budget	FY2017 Approved Budget	Percent Change
Materials/Supplies/Services	\$ 2,321,344	\$2,226,036	(4.1)%
	<b>\$ 2,321,344</b>	<b>\$2,226,036</b>	<b>(4.1)%</b>

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



SELF-INSURANCE BUDGET SUMMARY Revenues and Expenses					
	2015 ACTUAL	2016 ORIGINAL BUDGET	2016 AMENDED BUDGET	2016 ESTIMATED	2017 BUDGET
Revenues					
Departmental Charges	\$ 2,226,406	\$ 2,239,655	\$ 2,239,655	\$ 2,345,707	\$ 2,278,833
Interest Income	16,020	7,000	7,000	35,923	15,000
Transfers In	500,004	-	-	-	-
TOTAL REVENUES	2,742,430	2,246,655	2,246,655	2,381,630	2,293,833
Expenses					
Operating Expenses					
Workers' Compensation	298,755	1,051,514	1,051,514	1,022,317	929,884
General Liability	664,341	920,117	920,117	448,814	903,208
Auto Liability	132,310	162,717	162,717	133,641	194,041
Property Liability	141,158	186,996	186,996	156,567	198,903
TOTAL EXPENSES	1,236,564	2,321,344	2,321,344	1,761,339	2,226,036
NET INCOME (LOSS)	1,505,866	(74,689)	(74,689)	620,291	67,797
Net Position at Beginning of Year	185,157	1,691,023	1,691,023	1,691,023	2,311,314
Net Position At Year-End	\$ 1,691,023	\$ 1,616,334	\$ 1,616,334	\$ 2,311,314	\$ 2,379,111

# Human Resources – Insured Benefits

In 2002, the Insured Benefits fund was created from savings that were achieved through the normal bid process. These savings were the initial funding for this internal service fund. Large expense increases anticipated in future years will be absorbed through this fund. Revenues come from user fees to operating budgets. While costs will increase, annual increases to operating departments will be flatter and more predictable with this fund.

## 2017 Objectives

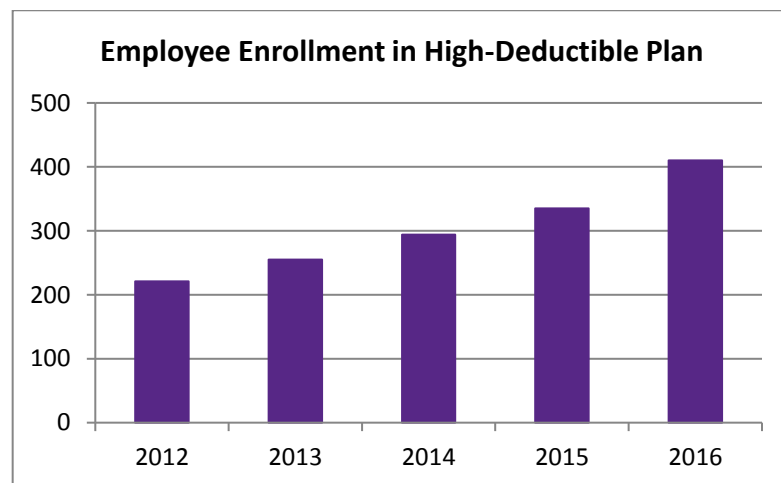
- S** Monitor the federal and state regulatory environment for potential impacts to the City's health insurance and reporting obligations.
- S** Monitor the City's claims experience for health insurance quarterly and work with the Employee Benefits Committee to manage costs for 2018 benefits.

## 2016 Results

- The City entered into a contract with a new consultant/agent-of-record to represent the City in obtaining quality insurance benefits at an affordable price. The new consultant, NFP, will assist the City with plan design, rate negotiations, escalated customer service issues and legal compliance.
- Following a formal RFP process for all fully-insured benefits (health, life and long-term disability insurance), contracts with all three existing carriers were renewed at lower rates. Health insurance premiums declined 6.5%, life insurance rates saw a 23.1% decrease and long-term disability rates are down 6%, while benefits for our employees remained stable.

## Expenses

	FY2016 Original Budget	FY2017 Approved Budget	Percent Change
Materials/Supplies/Services	\$9,984,413	\$9,217,351	(7.7)%
	<b>\$9,984,413</b>	<b>\$9,217,351</b>	<b>(7.7)%</b>



INSURED BENEFITS BUDGET SUMMARY Revenues and Expenses					
	2015 ACTUAL	2016 ORIGINAL BUDGET	2016 AMENDED BUDGET	2016 ESTIMATED	2017 BUDGET
Revenues					
Departmental Charges/Payroll Deductions	\$ 8,245,736	\$ 8,870,702	\$ 8,870,702	\$ 9,037,566	\$ 8,381,539
Retiree/COBRA Contributions	577,609	727,187	727,187	608,822	530,324
Interest Income	26,096	8,000	8,000	19,959	8,000
Other Income	25,000	25,000	25,000	25,000	25,000
Transfers In	30,504	31,000	31,000	30,996	30,500
<b>TOTAL REVENUES</b>	<b>8,904,945</b>	<b>9,661,889</b>	<b>9,661,889</b>	<b>9,722,343</b>	<b>8,975,363</b>
Expenses					
Operating Expenses					
Health Insurance Premiums	8,384,177	8,913,113	8,913,113	8,935,775	8,379,676
Dental Insurance Premiums	610,541	607,700	607,700	579,251	589,000
Life Insurance Premiums	141,275	152,000	152,000	149,234	142,075
Short Term Disability Premiums	14,568	15,000	15,000	12,948	15,000
Long Term Disability Premiums	93,507	96,600	96,600	98,454	91,600
Transfers Out	1,000,000	200,000	200,000	200,004	-
<b>TOTAL EXPENSES</b>	<b>10,244,068</b>	<b>9,984,413</b>	<b>9,984,413</b>	<b>9,975,666</b>	<b>9,217,351</b>
<b>NET TOTAL EXPENDITURES</b>	<b>10,244,068</b>	<b>9,984,413</b>	<b>9,984,413</b>	<b>9,975,666</b>	<b>9,217,351</b>
<b>NET INCOME (LOSS)</b>	<b>(1,339,123)</b>	<b>(322,524)</b>	<b>(322,524)</b>	<b>(253,323)</b>	<b>(241,988)</b>
Net Position at Beginning of Year	4,021,583	2,682,460	2,682,460	2,682,460	2,429,137
<b>Net Position At Year-End</b>	<b>\$ 2,682,460</b>	<b>\$ 2,359,936</b>	<b>\$ 2,359,936</b>	<b>\$ 2,429,137</b>	<b>\$ 2,187,149</b>

# 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 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.

## 2017 Objectives

- S** Be in a fully-funded position by 2021.
- S** Continue providing City employees with fair leave policies to retain and attract good employees.

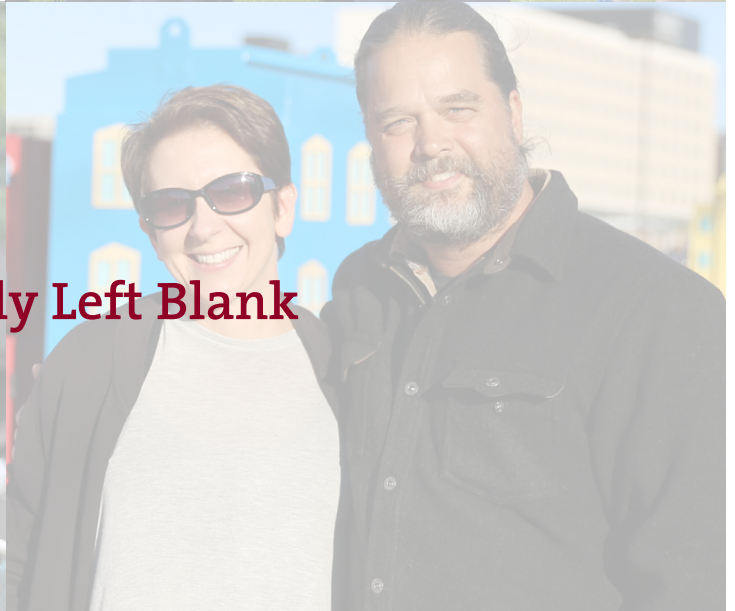
## 2016 Results

- Increased contributions to this fund to 5% of full-time salary, up from 3% in 2016.

Expenses	FY2016 Original Budget	FY2017 Approved Budget	Percent Change
Materials/Supplies/Services	\$1,815,284	\$1,873,738	3.2%
	<b>\$1,815,284</b>	<b>\$1,873,738</b>	<b>3.2%</b>

ACCRUED BENEFITS BUDGET SUMMARY Revenues and Expenses					
	2015 ACTUAL	2016 ORIGINAL BUDGET	2016 AMENDED BUDGET	2016 ESTIMATED	2017 BUDGET
Revenues					
Departmental Charges	\$ 1,642,998	\$ 1,310,000	\$ 1,310,000	\$ 1,295,244	\$ 2,209,103
Interest Income	80,172	101,800	101,800	111,785	95,200
Transfers In	500,004	-	-	-	-
TOTAL REVENUES	2,223,174	1,411,800	1,411,800	1,407,029	2,304,303
Expenses					
Staffing					
Salaries and Wages	1,902,374	1,795,284	1,795,284	1,393,316	1,836,000
Benefits	12,176	20,000	20,000	31,308	37,738
TOTAL EXPENSES	1,914,550	1,815,284	1,815,284	1,424,624	1,873,738
NET INCOME (LOSS)	308,624	(403,484)	(403,484)	(17,595)	430,565
Net Position at Beginning of Year	(1,802,914)	(1,494,290)	(1,494,290)	(1,494,290)	(1,511,885)
Net Position At Year-End	(1,494,290)	(1,897,774)	(1,897,774)	(1,511,885)	(1,081,320)





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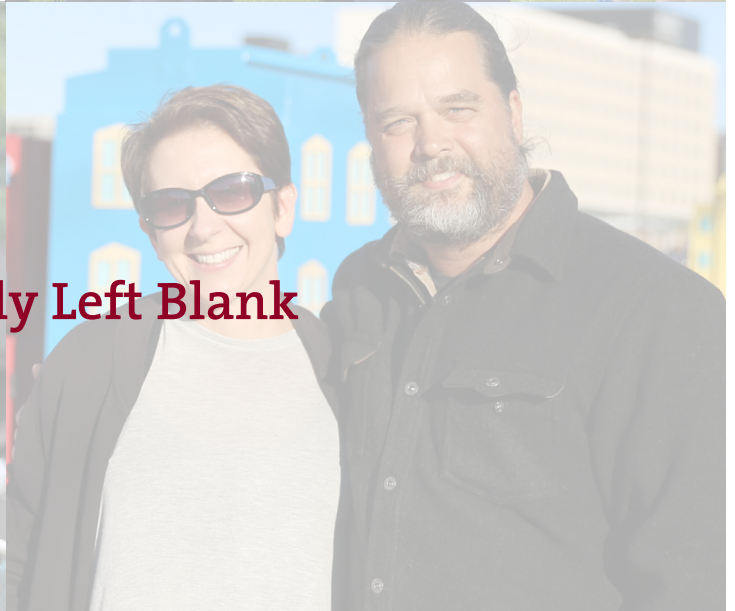
# COMPONENT UNITS

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# Housing and Redevelopment Authority

## Activities

### Administration

### Rental Housing Development

### Rental Assistance

### Home Ownership

### Commercial Redevelopment

### Single-Family Redevelopment

### Public Housing

### Neighborhood Revitalization

### Rental and Single-Family Rehabilitation

The Housing and Redevelopment Authority's (HRA) purpose is to provide housing and redevelopment programs to Bloomington. The HRA contracts with the City of Bloomington to provide day-to-day management and staff. 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.

## 2017 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 second year – provide 15 loans to homeowners in the target neighborhood
- R** Assist with the acquisition/rehabilitation of two homes for the Land Trust Program for re-sale to first-time low/mod 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 as funding permits
- R** Partner with Minnesota Multi-Housing Association to offer Fair Housing Workshop to landlords
- R** Begin initial stages of Phase 3 of the redevelopment of Penn and American to possibly include housing and hotel uses
- R** Offer the Housing Improvement Area program to assist common interest communities with rehabilitation funding
- R** Continue the Home Energy Squad Enhanced program with Center for Energy and Environment and serve 250 homeowners
- R** Begin planning for future redevelopment opportunities in commercial-retail nodes of the City
- R** Implement direct deposit of assistance payments to Section 8 Voucher landlords

## 2016 Results

- Held successful Home Improvement Fair for over 1,500 guests and 60 vendors
- Assisted 172 seniors with housing maintenance and homemaking services
- Provided housing rehabilitation loans to 85 homeowners, including CDBG, Neighborhood and Curb Appeal programs.
- Provided rental property and manager education through three landlord collaborative meetings (71 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 45 large families through the HRA's two rental housing programs.
- Sold two vacant lots to private owners to build owner-occupied single-family homes
- 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 two substandard homes to be demolished and land re-sold for new owner occupied single-family home
- The Home Energy Squad Enhanced Program provided 249 homeowner visits

## Expenditures

	FY2016 Original Budget	FY2017 Approved Budget	Percent Change
Salaries/Wages/Benefits	\$ 1,028,347	\$ 1,150,534	11.9%
Materials/Supplies/Services	7,167,855	7,934,644	10.7%
	<b>\$ 8,196,202</b>	<b>\$ 9,085,178</b>	<b>10.8%</b>

## Authorized Full-Time

	FY2015 10	FY2016 10	FY2017 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



In 2016, the HRA assisted 15 homeowners with Curb Appeal Loans to improve the street-appearance of their homes. Offered in a focus neighborhood, the program is funded by the City Council to improve the look and character of the neighborhood.



HOUSING AND REDEVELOPMENT AUTHORITY  
BUDGET SUMMARY  
Revenues and Expenditures

	2015 ACTUAL	2016 ORIGINAL BUDGET	2016 AMENDED BUDGET	2016 ESTIMATED	2017 BUDGET
Revenues					
Program Income	\$ 710,517	\$ 785,575	\$ 1,295,575	\$ 1,312,722	\$ 862,925
Tax Revenues	1,847,805	1,963,090	1,963,090	1,925,145	2,139,335
Intergovernmental	5,035,790	5,447,537	5,532,537	5,463,557	6,082,918
Interest Income	(845)	-	-	(3,263)	-
Transfers In	174,494	-	140,000	140,000	-
<b>TOTAL REVENUES</b>	<b>7,767,761</b>	<b>8,196,202</b>	<b>8,931,202</b>	<b>8,838,161</b>	<b>9,085,178</b>
Expenditures					
Staffing					
Salaries and Wages	742,210	761,070	776,070	782,633	849,115
Benefits	269,874	267,277	302,277	295,401	301,419
Operating Expenditures					
Professional and Technical Services	246,769	140,200	225,200	181,061	155,100
Utilities and Maintenance	5,148,223	5,693,436	6,533,436	6,428,820	6,196,030
Operations	20,471	36,620	36,620	20,258	46,875
City Support Services	187,239	208,748	213,748	204,353	215,476
Materials and Supplies	18,748	31,650	36,650	19,758	19,300
Transfers Out	132,000	-	140,000	140,000	-
Land	-	1,057,201	2,187,201	1,999,688	1,301,863
<b>TOTAL EXPENDITURES</b>	<b>6,765,534</b>	<b>8,196,202</b>	<b>10,451,202</b>	<b>10,071,972</b>	<b>9,085,178</b>
FUND BALANCE SOURCES (USES)	1,002,227	-	(1,520,000)	(1,233,811)	-
Fund Balance at Beginning of Year	8,746,479	9,748,706	9,748,706	9,748,706	8,514,895
Fund Balance At Year-End	<u>\$ 9,748,706</u>	<u>\$ 9,748,706</u>	<u>\$ 8,228,706</u>	<u>\$ 8,514,895</u>	<u>\$ 8,514,895</u>

# Port Authority

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.

## 2017 Objectives

**RA** 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.

2017 Key Projects: Mall of America (MOA) expansion, Bloomington Central Station (apartment building and office) and Alpha B (restaurant, hotel, coffee shop, market).

**RS** Oversee debt in a conservative manner to assure repayment and adequate resources.

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

## 2016 Results

- Continued implementation of the South Loop District Plan.
- Worked towards final close out of the Lindau Lane project funded in part with a state bonding grant.
- Worked towards final close out of the MOA Phase I-C expansion.
- Started construction on a project with Terratron to develop a hotel, restaurant, coffee shop, parking ramp and possible future phase (market or pharmacy on Alpha B parcel south of Lindau Lane). Terratron.
- Bloomington Central Station 394-unit apartment project was developed by Lennar with construction starting in August, 2015 and part of the building opened in the fall of 2016.

## Expenditures

	FY2016 Original Budget	FY2017 Approved Budget	Percent Change
Salaries and Benefits	\$ 110,260	\$ 150,000	36.0%
Materials/Supplies/Services	88,434	95,000	7.4
Support Services/Space & Occupancy	76,529	112,731	47.3
	<b>\$ 275,223</b>	<b>\$ 357,731</b>	<b>30.0%</b>

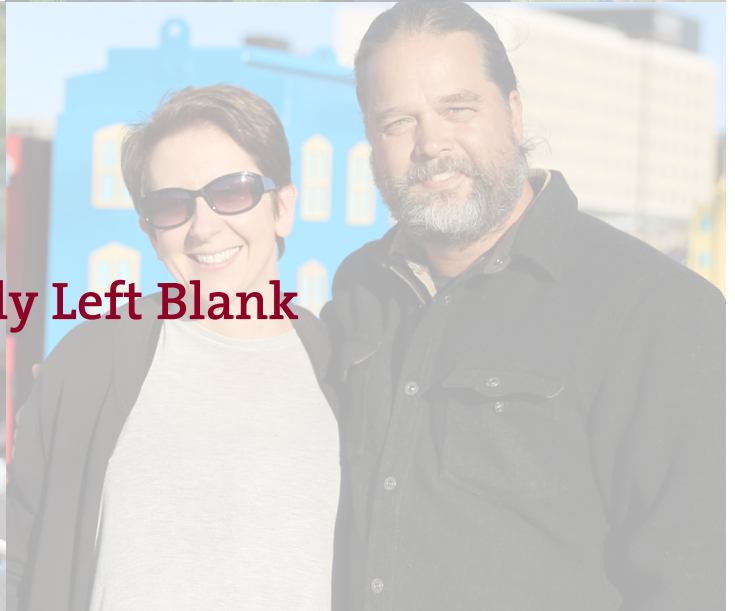
## Authorized Full-Time

	FY2015	FY2016	FY2017
	<b>3</b>	<b>3</b>	<b>4</b>
Development Analyst	1	1	2
Port Authority Administrator	1	1	1
Senior Civil Engineer** - Dev Analyst	1	1	1

\*\*Senior Civil Engineer authorized, not currently funded



PORT AUTHORITY BUDGET SUMMARY Revenues and Expenditures					
	2015 ACTUAL	2016 ORIGINAL BUDGET	2016 AMENDED BUDGET	2016 ESTIMATED	2017 BUDGET
Revenues					
Interest Income	210	-	-	53	50
Other	260,000	290,000	290,000	290,529	350,000
Transfers In	-	800	800	-	-
TOTAL REVENUES	260,210	290,800	290,800	290,582	350,050
Expenditures					
Salaries and Benefits	102,828	110,260	115,300	115,267	150,000
City Support Services	75,052	76,529	76,529	76,596	112,731
Materials and Supplies	99,272	88,434	88,434	47,044	95,000
TOTAL EXPENDITURES	277,152	275,223	280,263	238,907	357,731
FUND BALANCE SOURCES (USES)	(16,942)	15,577	10,537	51,675	(7,681)
Fund Balance at Beginning of Year	53,491	36,549	36,549	36,549	88,224
Fund Balance At Year-End	\$ 36,549	\$ 52,126	\$ 47,086	\$ 88,224	\$ 80,543



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## Capital Projects

The Capital Budget development process starts with Departments and preparing requests for needed projects using the Five-Year Community Investment Program (CIP) database. Projects can come from the Alternative Transportation Plan, the Parks Master Plan, the South Loop Master Plan as well as fifteen year modeling done for water, sewer and storm water utilities and the Pavement Management Program. Once this 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 incremental 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, which is then forwarded to the Mayor and City Council for their consideration and if appropriate, approval. According to the City's Community Investment Program Policies, operating costs must be projected and included in operating budget forecasts.

Both the proposed per capita debt and debt to market value ratios are benchmarked against City-adopted guidelines during this process. 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.

## Highlights of 2017 Capital Funding Projects:

### Parks

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- \$1,138,112 is budgeted for twelve different playground locations to replace equipment to meet current safety and accessibility standards, picnic tables and benches, lighting and other site improvements. No additional savings or operating costs are anticipated for these improvements.

### Alternative Transportation

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- \$2,820,000 is budgeted for the Old Cedar Avenue trailhead. This trailhead will service three different trails. These improvements will include reconstruction of the existing parking lot, construction of restroom facilities and provide trailhead signage. Additional maintenance costs of \$20,000 are anticipated for cleaning and maintaining the restrooms, plowing the street and trail, and trail maintenance.
- \$1,520,000 is budgeted for the Nokomis Minnesota River Trail. This trail is connected to the newly renovated bridge over Long Meadow Lake. It will also connect to the next segment to be constructed by Three Rivers Park District which will complete the route. Additional maintenance costs for the trail will be \$6,500 for the 1.5 mile segment,

## Utilities Infrastructure

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- Capital costs include \$1,400,000 for the western reservoir and the northwest water tower for repair and modifications to extend the life of these assets. Operating costs will not increase since this is just rehabilitation of existing assets, not an increase in the system.
- The Wastewater (Sewer) budget includes capital costs of \$4,500,000 for replacement of aging sanitary trunk sewer pipe and redirecting the flow within the South Loop District. This will allow for both commercial and residential growth in the South Loop and Penn/American areas. Additional annual maintenance will be \$300 to televise the line to inspect for cracks.
- The Storm Water budget includes \$10,492,243 for construction of the Northeast Penn project to reduce neighborhood flooding. Operating costs will stay the same.

## Equipment

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- The 2017 equipment budget includes \$2,570,000 of planned purchases. By regularly upgrading equipment, the City realizes approximately \$100,000 per year in savings on maintenance costs.

## South Loop Capital

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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 and is in its ninth year of a revised ten-year program. Anticipated 2017 capital expenditures include:

- \$2,000,000 for design and engineering for Fire Station 3 to be rebuilt and possibly relocated (additional maintenance costs or savings won't occur until actual construction)
- \$700,000 to upgrade the 24<sup>th</sup> Avenue/Mall of America Transit Station (not maintained by the City).
- \$150,000 for creative place-making and art installations (\$10,000 maintenance cost).

## Surface Transportation

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- A new west bound access to I-494 at East Bush Lake Road project started in 2016 with initial costs of \$500,000. The remaining project costs for construction of \$23,000,000 will occur in 2017.
- \$1,720,000 is budgeted for signal retiming, coordination and system management, and improvements.
- \$10,675,000 is budgeted for improvements to Normandale from 86<sup>th</sup> Street to 94<sup>th</sup> Street to widen the street, channelize, provide turn lanes, signals and a bikeway. This project is funded through Federal, State and County sources. No additional maintenance costs are anticipated.

## Pavement Management

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A funding and implementation plan for repair and maintenance of Bloomington roadways was adopted in 1992. First, needs are identified, then funding is provided through state aids, assessments and an annual levy. 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 2017, approximately \$7,906,000 will be invested in street reconstruction and \$3,060,000 will be spent on overlaying existing pavement. See chart on *Page 98* 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

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- After thirteen years in the new Civic Plaza building, some areas need to be refreshed. The Center for the Arts is budgeting \$133,000 to replace its theater seats. There will be no effect on maintenance costs.

## Executive Summary

The following pages summarize the significant Capital Improvement Program projects as approved, broken down by spending authority.

Fund/Activity	2017 Adopted	Purpose	Budget Page Number
Community Services	30,000	Furniture, Kitchen Equipment for Creekside Community Center	86
Fire	20,000	Emergency equipment	68
Public Works	34,000 28,000 725,000	Survey Equipment Signal Cabinets 98 <sup>th</sup> and Lyndale street scape	96 98
<b>Total General Fund</b>	<b>\$ 837,000</b>		
Police Grants	206,000	VIPER Dispatch phone system	136
Communications	371,219	Cable TV Equipment, high definition upgrades	150
Cemetery	160,000	Road, fencing	148
Creative Placemaking	150,000	Art Install	158
Water Utility	234,000 1,400,000 1,210,000	Well and pump rehabilitation, water plant equipment Rehabilitate water tower Improve distribution system	166
Wastewater Utility	930,000 4,500,000	Improve collection system Rerouting pipe capacity South Loop	168
Storm Water Utility	2,103,750 1,107,000 10,492,243	Improve collection system Flood-proofing NE Penn drainage project	170
Golf Courses	54,000	Kitchen equipment, bunker rake, fairway mower	174
Ice Garden	18,000 30,000 120,000	Boiler in Rink 3 Building amenities Electric Zamboni	174
Center for the Arts	35,000 133,000	Replace portions of theater lighting Reupholster or replace Schneider theater seats	174
Aquatics	100,000 60,000	Repaint pool vessel Install beach playground equipment	174
Information Systems	84,000 227,000	Network switches Network and technology upgrades	194
Equipment & Supplies	2,570,000	Equipment Replacement	186
Public Safety Radio	40,000	Fiber optics at American Boulevard	188
Facilities Replacement	100,000 150,000 150,000 350,000 650,000	Parking lot repair Reroofing Demolition Mechanicals Interior Finishes	190
South Loop Capital	2,000,000 113,300 700,000 75,000	Fire Station 3 design and planning Killebrew Drive and Old Shakopee Rd lane changes MOA transit station improvements and signage Pedestrian wayfinding	* * * *
Park Capital Projects	1,338,112 495,503	Playground replacements Playground improvements	* *
Road and Street Improvements	7,905,825 3,059,635 2,070,000 23,000,000	Pavement Management Program reconstruction Overlay streets Subdivision streets/Traffic signal upgrades East Bush Lake Road access to I 494	* * * *



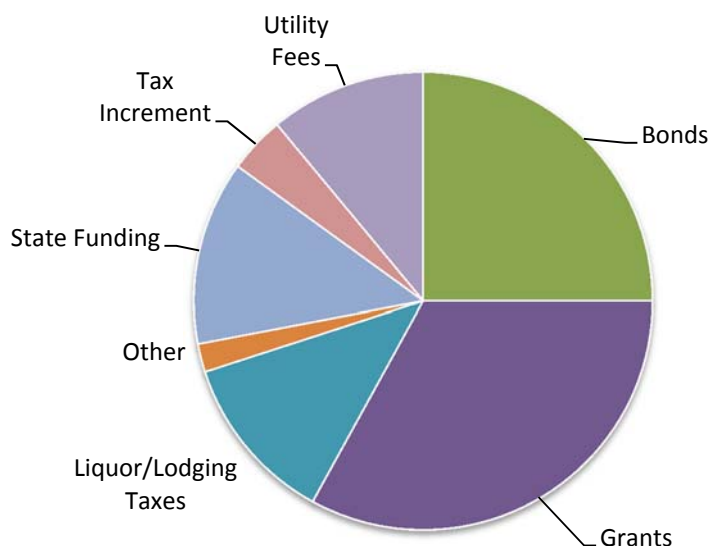
	10,675,000	Normandale Boulevard improvements	*
	550,000	PMP Right of Way trails	*
Alternative Transportation	2,820,000	Old Cedar Avenue Bridge trailhead	*
	1,200,000	Nokomis Minnesota River Trail	*
<b>TOTAL ALL FUNDS</b>	<b>\$84,574,587</b>		

## SUMMARY OF PROJECT COSTS

Project Total	2017
South Loop Capital	\$ 2,888,300
City Facilities	1,400,000
Roads & Streets	47,260,460
Sewer, Water & Storm Water	21,976,993
Park Development	1,833,615
Information Systems & Equipment	311,000
Vehicles	2,570,000
Other Equipment/Improvements	1,393,000
Communications	371,219
Recreation Facilities	550,000
Alternative Transportation	4,020,000
<b>Total Project Costs</b>	<b>\$ 84,574,587</b>

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

## 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

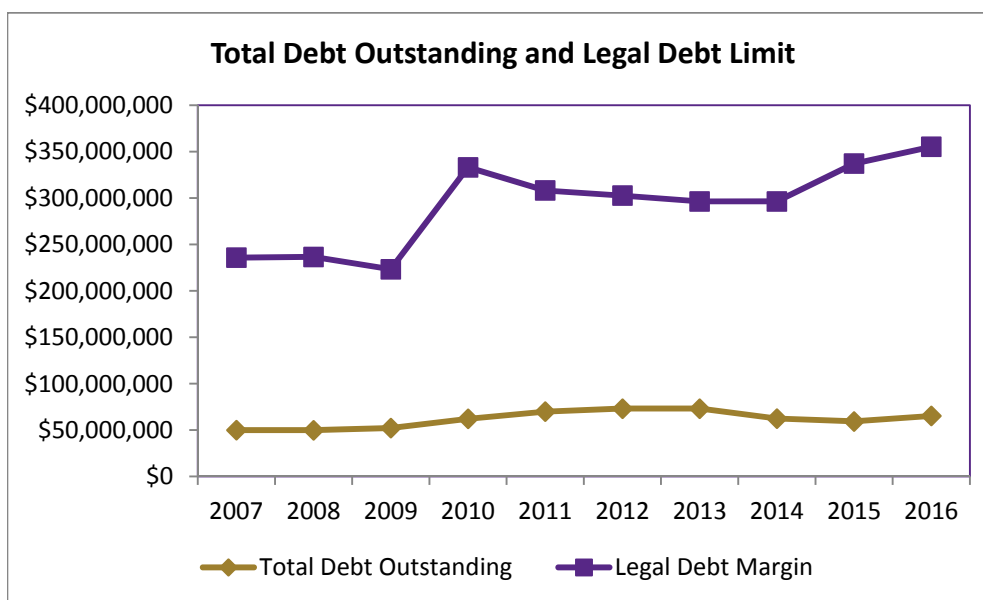
Minnesota State law limits the amount of General Obligation (GO) debt for any municipality to 3 percent of market value. This is an increase of 1 percent from mid-2008 and prior. This limitation provides reasonable assurance of the municipality's ability to pay its obligations. Bloomington's estimated taxable market value for 2016 is \$12,080,094,000. 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.

### 2016

General Obligation Debt Limit                      \$ 362,402,820

Bloomington's Debt Subject to the limit        7,180,000

Debt Margin    \$ 355,222,820



## 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 32 cities to achieve the "Triple Triple A".

## General Obligation Debt Issuances During 2016

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In December of 2016, the City issued the following debt:

- \$6,115,000 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.
- \$2,045,000 of Taxable General Obligation Tax Increment Bonds. The proceeds were used development projects for the Knox and American TIF District.
- \$1,610,000 of General Obligation Art Center Refunding Bonds. The proceeds plus cash on hand will be used to refund the 2018 through 2021 principal payments for the 2007 General Obligation Art Center Bonds.
- \$3,730,000 of General Obligation Permanent Improvement Revolving Fund Refunding Bonds. The proceeds will be used to refund the 2019 through 2029 principal payments for the 2007 and 2008 General Obligation Permanent Improvement Revolving Fund Bonds.

## Anticipated Debt Issues

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The City plans to issue Charter Bonds of \$1.5 million for park improvements and General Obligation Enterprise Utility Improvement bonds of \$1.5 million for restoration of the water storage reservoir in spring of 2017. Permanent Improvement Revolving Fund debt of approximately \$6.2 million in the fall of 2017 to replenish funds expended for the Pavement Management Program and specific developer assessment projects. In the spring of 2018 the City anticipates issuing \$5.4 million of General Obligation Community Improvement Program bonds for fire station improvements and \$1.1 million of Charter Bonds for additional park improvements. Two bonding issues are in the process of being reviewed for possible issuance in the fall of 2017 or spring 2018. The first would be General Obligation Housing Improvement Area bonds which would be 100% assessed to the properties improved. The second would be an \$11 million general obligation bond issue for storm water improvements.

The City's total outstanding tax and assessment supported debt on December 31, 2016, was \$62,165,000, for a per capita amount of \$713 (population 87,224). The per capita limit on the City's debt is \$4,155. The refunding issues of 2016 impacted the total debt outstanding because on December 31 the City was required to carry on its books both the debt that is to be refunded and the new debt that will be used to refund. Netting out the refunding and the original debt, the total outstanding tax and assessment supported debt is \$58,435,000 which would be a per capita amount of \$670.

The total debt principal and interest due in 2017 is \$10,919,764 of which \$3,234,749 is borne by the property tax levy. About 62 percent of the currently issued debt will be paid off in five years and almost 89 percent in ten years. The ability to retire at least half of a city's debt in ten years is considered a strength.



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

## **General Obligation**

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### **General Obligation Capital Improvement Plan**

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

### **General Obligation**

2007 Arts Center Refunding Bonds – Tax levy years 2008-2019. Bonds issued to advance refund the 2000 Art Center Bonds to be repaid from tax levies.

2007 Permanent Improvement Revolving, Forty-One Series (2009-2028)

2008 Permanent Improvement Revolving, Forty-Two Series (2010-2029)

2010 Permanent Improvement Revolving, Forty-Four Series Build America Bonds (2012-2021)

2011 Permanent Improvement Revolving, Forty-Five Series (2013-2031)

2011A Permanent Improvement Revolving Refunding. Bonds issued to advance refund the 2003 Permanent Improvement Revolving, Thirty-Eight Series (2014-2018)

2012 Permanent Improvement Revolving, Forty-Six Series (2014-2023)

2012A Permanent Improvement Revolving Refunding. Bonds issued to advance refund 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 issued to refund 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)

2016A Taxable General Obligation Tax Increment Bonds (2018-2022)

2016B Art Center Refunding Bonds-Tax levy years 2018-2021. Bonds issues to current refund the 2007 Art Center Refunding Bonds to be repaid from tax levies. (2018-2021)

2016C Permanent Improvement Revolving Refunding. Bonds issued to advance refund the 2007 Series Forty-One (2019-2028) and 2008 Series Forty-Two (2019-2029)

Permanent Improvement Revolving Bonds will be retired from special assessments and general property tax levies.

## Total Outstanding City Debt

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

## Existing Debt Payments

Year	Total		Proprietary Bonds		Tax & Assessment Supported Debt	
	Principal	Interest	Principal	Interest	Principal	Interest
2017	9,545,000	1,626,180	595,000	63,368	8,950,000	1,562,812
2018	12,760,000	1,385,480	605,000	51,962	12,155,000	1,333,518
2019	7,395,000	1,071,841	615,000	38,994	6,780,000	1,032,847
2020	7,005,000	883,972	630,000	24,358	6,375,000	859,614
2021	6,695,000	697,846	640,000	8,320	6,055,000	689,526
2022	5,000,000	540,110	0	0	5,000,000	540,110
2023	3,990,000	425,646	0	0	3,990,000	425,646
2024	3,460,000	328,338	0	0	3,460,000	328,338
2025	3,020,000	238,050	0	0	3,020,000	238,050
2026	1,825,000	170,378	0	0	1,825,000	170,378
2027	1,335,000	128,460	0	0	1,335,000	128,460
2028	830,000	96,661	0	0	830,000	96,661
2029	750,000	70,358	0	0	750,000	70,358
2030	510,000	48,576	0	0	510,000	48,576
2031	395,000	31,868	0	0	395,000	31,868
2032	280,000	18,998	0	0	280,000	18,998
2033	100,000	12,150	0	0	100,000	12,150
2034	100,000	9,150	0	0	100,000	9,150
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
	\$65,250,000	\$7,794,334	\$3,085,000	\$187,002	\$62,165,000	\$7,607,332





## 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

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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 October. 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 treasurer 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 except for a purpose and up to the amount authorized in the budget resolution. Any obligation incurred by any city employee for any purpose not authorized in the budget resolution or for any amount in excess of the amount authorized is a personal obligation of the person incurring the expenditure.”

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**

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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.

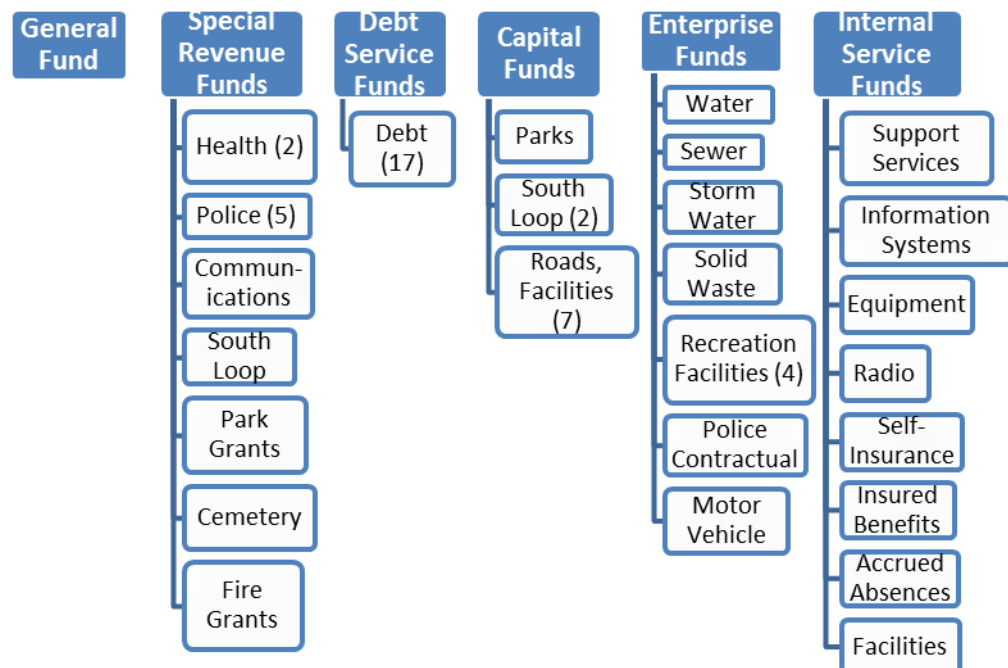
**Debt Service Funds** - Debt service funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs.

**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**

The Comprehensive Annual Financial Report (CAFR) reports the City's finances on the basis of Generally Accepted Accounting Principles (GAAP). This conforms to the way the City prepares budgets with one exception; capital outlays in the Enterprise Funds are recorded as assets on a GAAP basis and expenses on a budget basis. 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**

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- 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. City Charter Section 7.07 states any obligation incurred by any person in the employ of the City for any purpose not authorized in the budget resolution or for any amount in excess of the amount therein authorized shall be a personal obligation upon the person incurring the expenditure.
- 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.

## **Capital Improvement Program Policy**

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- 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.
- 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, not otherwise funded through an approved budget, shall require City Council approval.
- D. The City will enact each two-year capital improvement program based on a rolling multi-year capital improvement plan update.
- E. The City will coordinate development of the capital improvement budget with the development of the operating budget. Future operating costs associated with new capital improvements will be projected and included in operating budget forecasts.
- F. The City will use inter-governmental assistance to finance only those capital improvements that are consistent with the capital improvement plan and City priorities, and whose operating and maintenance costs have been included in operating budget forecasts.
- G. The City will maintain all its assets at a level adequate to protect the City's and its citizens' capital investment and to minimize future maintenance and replacement costs.

## Debt Policy

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- 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.
  - 2. 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.
  - 3. (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
  - 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 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.
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.
  2. Provide employment opportunities in the City of Bloomington.
  3. Provide or help acquire or construct public facilities.
  4. Help develop or renew blighted areas; 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 establish minimum requirements that a Recipient must meet in order to be eligible to receive a Business Subsidy.

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 H.
- The project is unlikely to go forward “But for” the Business Subsidy.
- Developments or businesses receiving 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.
- The Recipient must demonstrate the ability to develop the type and size of project proposed.
- 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 viable.
- The project will effectively utilize investments in existing public infrastructure and if applicable support public services such as transit.

The Recipient shall be required to meet the following, if the type of project being considered includes a “Business Subsidy”:

- 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 is initiated.
- The Recipient or successor must continue operations at the site where the Business Subsidy is used for at least five years from receipt of the benefit.
- The Recipient of a Business Subsidy will be required to meet wage and job goals determined by the Grantor as required by Minn. Stat. 116J.994, subd. 4, as amended.

**C. Agreements**

Any Recipient receiving a Business Subsidy will be required by the 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 J and all other requirements of Minn.



Stat. 116J.993 – 116J.995, as amended and may be incorporated into the Development Agreement for the project. The Business Subsidy Agreement must be approved by the City Council and must also be approved by the Port Authority or HRA if either is the statutory organization within the City which initially processes and approves the Business Subsidy. The Business Subsidy Agreement must be executed by both the Grantor and the Recipient.

D. Exemptions

A recipient proposing activities contained in Section I is exempt from the requirements of the Business Subsidy Act.

E. Application Process

Business or developers seeking a Business Subsidy must complete the application for assistance.

F. Fees

All applicants will be responsible for legal, financial, consultant and other costs associated with the review of the application.

G. Reports

The Recipient and Grantor must comply with the reporting requirements set forth in Section 116J.994, subdivisions 7 and 8 of the Business Subsidy Act.

H. Example of Subsidy Public Purposes

Grantors may consider certain public purposes when considering the applicant's request.

I. Exemptions from the Business Subsidy Act

The Business Subsidy Act provides that certain forms of assistance are not a Business Subsidy within the meaning of the Act.

J. Requirements for Subsidy Agreements

Section 116J.994, subdivision 3 of the Business Subsidy Act requires a Recipient must enter into a Subsidy Agreement with a Grantor.

M. Post-Issuance Compliance Procedure and Policy for Tax-Exempt Governmental Bonds -

The City of Bloomington (the "City") issues tax-exempt governmental bonds to finance capital improvements. As an issuer of tax-exempt governmental bonds, the City is required 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 tax-exempt bond issue is placed in service; or
    - (ii) the date sixty (60) days after the earlier of (A) the fifth anniversary of the issue date of the tax-exempt bond issue, or (B) the date sixty (60) days after the retirement of the tax-exempt bond issue.

- (d) The Chief Financial Officer, in consultation with Bond Counsel, shall identify proceeds of tax-exempt governmental bonds that must be yield-restricted and shall monitor the investments of any yield-restricted funds to ensure that the yield on such investments does not exceed the yield to which such investments are restricted.
  - (e) In consultation with Bond Counsel, the Chief Financial Officer shall determine whether the City is subject to the rebate requirements of Section 148(f) of the Code with respect to each issue of tax-exempt governmental bonds.
4. Procedures for Monitoring, Verification, and Inspections. The Chief Financial Officer shall institute such procedures as the Chief Financial Officer shall deem necessary and appropriate to monitor the use of the proceeds of tax-exempt governmental bonds issued by the City, to verify that certain post-issuance compliance actions have been taken by the City, and to provide for the inspection of the facilities financed with the proceeds of such bonds. At a minimum, the Chief Financial Officer shall establish the following procedures:
- (a) The Chief Financial Officer shall monitor the use of the proceeds of tax-exempt governmental bonds to: (i) ensure compliance with the expenditure and investment requirements under the temporary period provisions set forth in Treasury Regulations, Section 1.148-2(e); (ii) ensure compliance with the safe harbor restrictions on the acquisition of investments set forth in Treasury Regulations, Section 1.148-5(d); (iii) ensure that the investments of any yield-restricted funds do not exceed the yield to which such investments are restricted; and (iv) determine whether there has been compliance with the spend-down requirements under the spending exceptions to the rebate requirements set forth in Treasury Regulations, Section 1.148-7.
  - (b) The Chief Financial Officer shall monitor the use of all bond-financed facilities in order to: (i) determine whether private business uses of bond-financed facilities have exceeded the *de minimus* limits set forth in Section 141(b) of the Code; 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**

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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**

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- 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**

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**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**

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**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.
  - Credit Risk - 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 over-concentration 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**

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### **PURPOSE**

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

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

### **Policy**

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

### **Responsibility**

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

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

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

- d) Monitoring of procedures for the retaining of professional services by all Departments, Boards, Commissions, or Agencies.
- e) Coordination and oversight of the disposal of surplus, obsolete, or unused supplies, materials, or equipment.
- f) Training on purchasing procedures and regulations, monitoring compliance, and reporting any violations.
- g) Serving as a central contact for vendors and maintaining a central file of available vendors interested in doing business with the City.

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

### **Procedures**

Specific procurement requirements are addressed in the Purchasing Procedures.

### **Professional Services**

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

### **Non-Monetary Contracts**

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

### **Emergency Purchases**

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

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

### **Conflicts of Interest**

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

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

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

#### **Gifts and Gratuities**

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

#### **Compliance**

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

### **Revenue Policy**

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- 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**

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- 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 cost-effective.
- 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**

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### **I. Purpose and Scope**

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 reimbursements or travel purchasing card transactions will be authorized. Only claims for accommodations and services actually incurred or in accordance with the Standard Federal Per Diem Rate in the case of meals and incidental expenses would be reimbursed once the Travel Expense Report has been approved. Employees are expected to utilize the same care when incurring official expenses that a prudent person would utilize if traveling on personal business.

### **II. City Reimbursement of Travel Costs**

The City will pay or reimburse all travel costs that are both reasonable and necessary. All persons conducting official City business are expected to show good judgment in the nature and amount of expenses incurred while conducting City business. Per Minnesota Statute, purchases of alcoholic beverages cannot be reimbursed. Travel must be by the most direct or normally traveled route unless approved in advance by the employee's supervisor. Reimbursement will be limited to the cost of travel by a direct route or on an uninterrupted basis. The employee will be responsible for any additional costs exceeding the business purpose related expenses.

The following expenses may be approved for reimbursement:

1. **Transportation.** Coach airplane passage is considered standard for travel out of the five state region, as air travel is

usually more economical in time and money than other modes of transportation when making long trips.

2. **Traveling by Automobile (City & Personal).** When traveling in a City vehicle, the employee should use a City assigned purchasing card for fuel expenses or their 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. The City is not responsible for damage to personal vehicles while on official business, as the employee's vehicle is not covered by the City's insurance coverage. When personal automobiles are used as a mode of transportation for travel within the five state region, 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.

In instances when the person receives a car allowance, additional mileage reimbursement is not allowed in accordance with Minnesota state law.

3. **Car Rental.** 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. No personal use of car rental is allowed to be claimed on the Travel Expense Report. Car rental insurance will not be reimbursed by the City. If car rental insurance is purchased, it would be at the individual's expense. 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 employee against any claims made by the rental company for damage to the rental car. Minnesota law requires your personal insurance company to provide coverage when the rental car is being used for personal activities in most instances.

4. **Lodging.** Hotel or motel accommodations should be appropriate to the purposes of the trip. Where multiple occupancy by other than City employees/officials occurs, only the actual cost of the single room rate (if different from the double room rate) may be claimed for reimbursement or charged.

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. Expenses that are not deemed reasonable and necessary will not be reimbursed. Some 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.)

5. **Per Diem.** 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. An employee 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 (current per diem rates are located on the City's internal website). A City assigned purchasing card may **NOT** be utilized to pay for meal expenses when per diem is claimed. 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:

**(a) Meals.**

Expenses for breakfast, lunch, dinner, snacks and related tips and taxes (specifically excluded are alcoholic beverage and entertainment expenses, and any expenses incurred for other persons).

**(b) Incidental expenses.**

Fees and tips given to porters, baggage carriers, bellhops, and hotel maids.

Employee is entitled up to the allowable daily Federal per diem amount for the area. Employees may claim full per diem for the day of departure and the day of return from a business trip, regardless of the departure or arrival time. However, for meals provided by the conference or training event, the daily per diem amounts are adjusted by the following guidelines:

- If one meal is provided at no cost, the employee is still eligible for full per diem.
- If two meals are provided at no cost, per diem is reduced to two-thirds.
- If three meals are provided at no cost, per diem is reduced to one-third.

Per diem cannot be used for travel related costs that do not involve an overnight stay.

**III. 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. The employee is entitled to reimbursement of meal expenses after submitting actual 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. This includes training or meetings within the metro area.

**IV. International Travel**

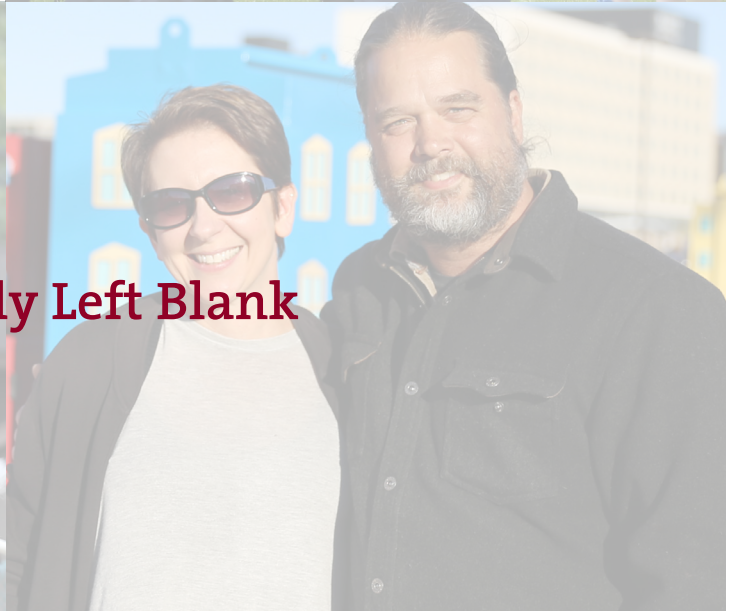
For domestic travel purposes, the IRS definition of the United States includes the 50 states and the District of Columbia. The purpose of travel outside the United States for City business must be unquestionably professional in content

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. International travel expenses for business related purposes are deductible, as outlined in the IRS Code Publication 463 (Travel Outside the United States), but may be limited if the travel involves non-business activities.

## **Financial Management Policies Adoption**

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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.



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## GAUGING THE CITY

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# Gauging the City

## Part I Crimes

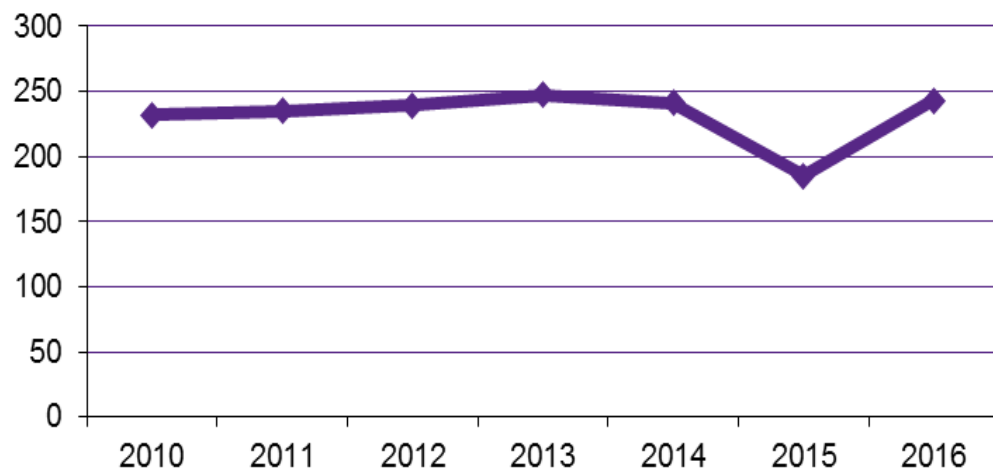
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	2014	2015	2016
Homicide	1	0	1
Rape	26	43	58
Robbery	77	61	64
Aggravated Assault	59	58	68
Burglary	207	199	182
Theft	2,919	2,643	2,519
Vehicle Theft	128	104	132
Arson	6	10	11

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

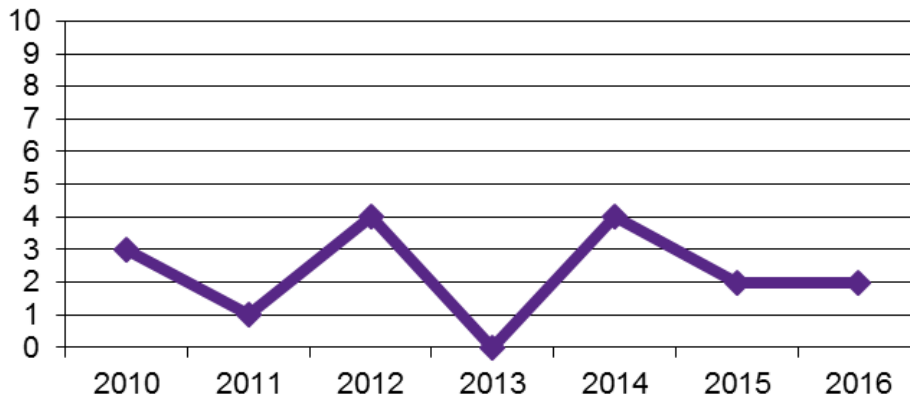
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Traffic enforcement efforts are driven by both accident data and complaints. Citizens can call the Traffic Division to report traffic concerns.

## Motor Vehicle Traffic Number of Fatal Accidents

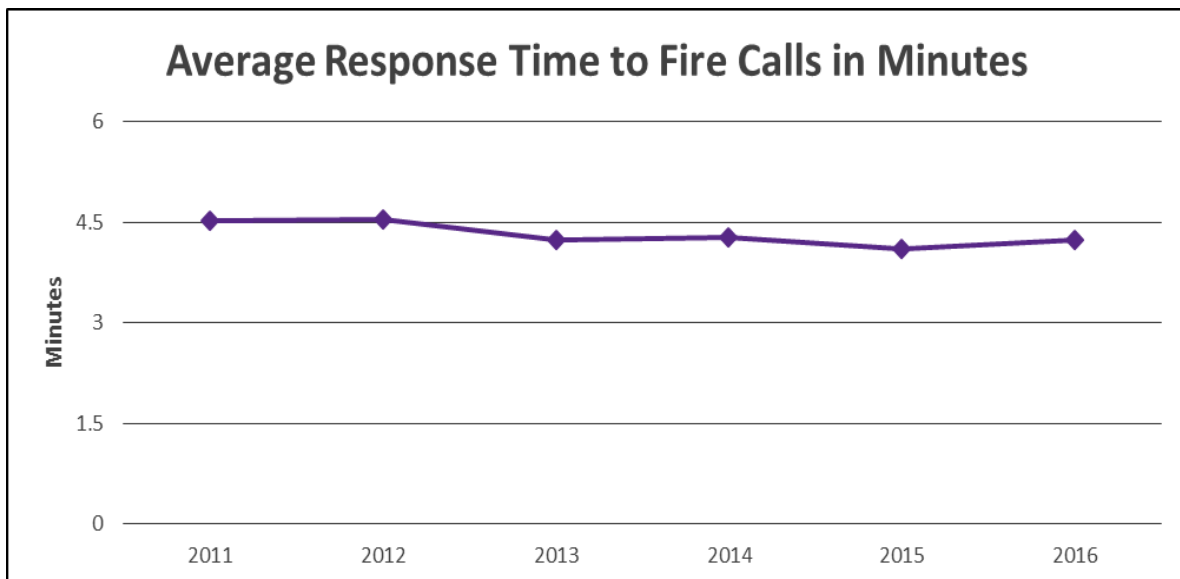
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Enhanced enforcement of speeding and drunk driving laws may have an effect on limiting motor vehicle fatalities.

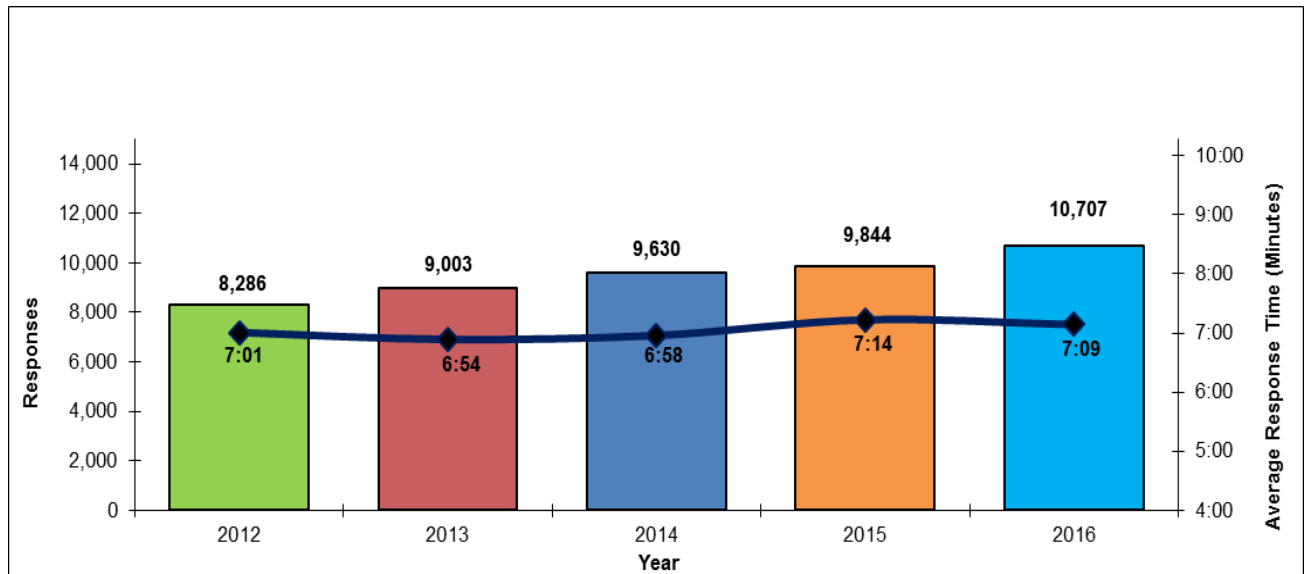
## Fire Response Time Average Annual

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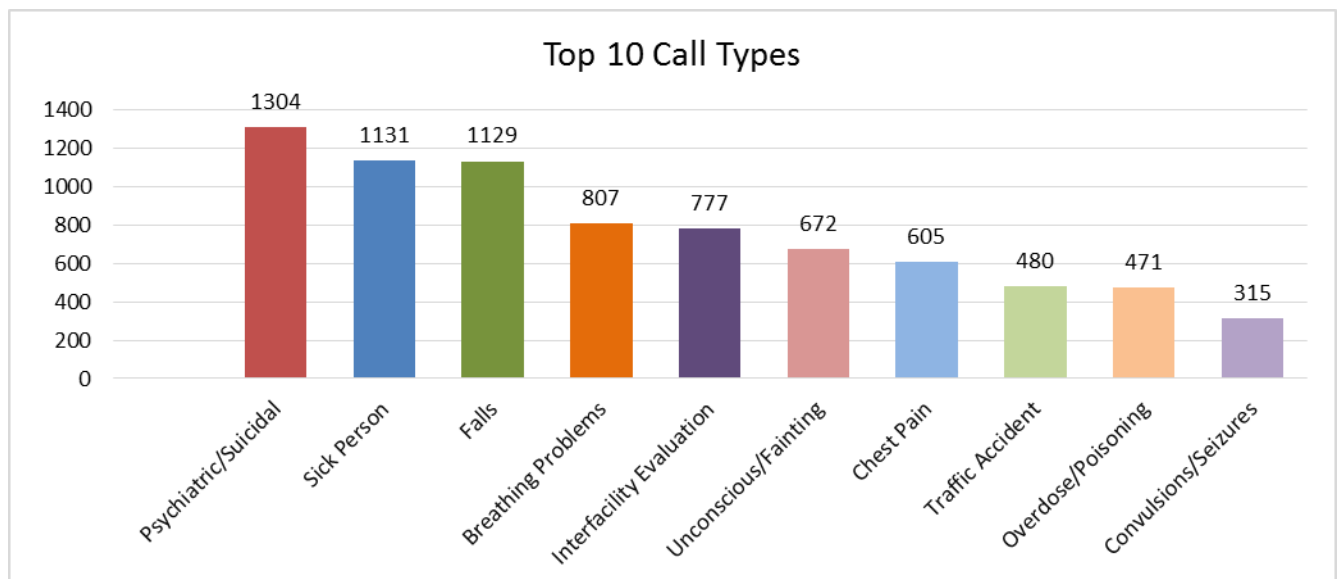
Response time is the time that elapses from the moment the dispatch alert tones are sounded until the first fire unit arrives at the scene. Bloomington has six fire stations throughout the City with approximately 125 volunteer firefighters. The Police/Fire 911 emergency system, 800 Mhz radio equipment, 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 21 Seconds



Allina Health EMS responded to 10,707 calls in 2017 within the City from January 1 – December 31. Allina Health EMS Responded within the Hennepin County Response time standard of 8 minutes and 6 seconds. Such results are equally distributed across Bloomington. The average response time for emergency medical service calls is 7 minutes and 9 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.

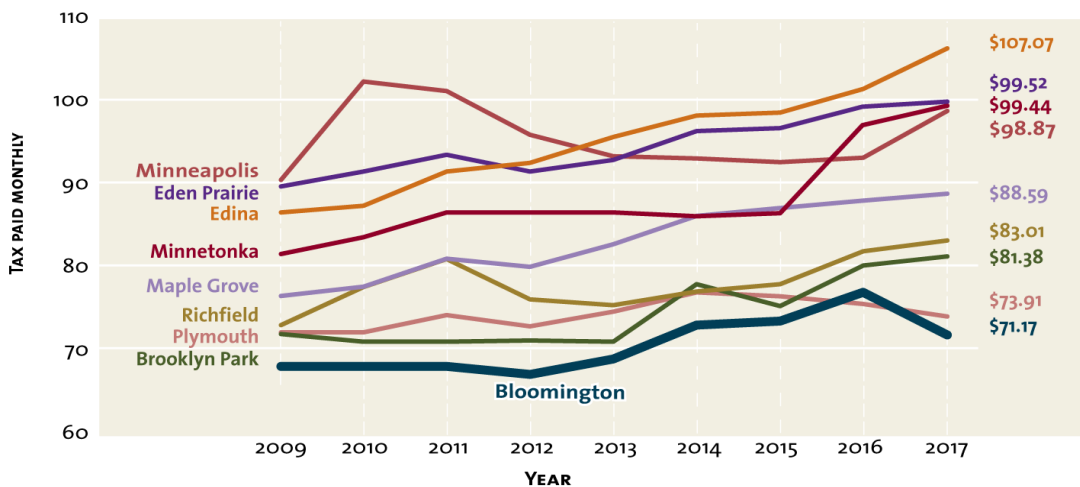
Adjusting for property tax aids means that state aid payments made in lieu of property tax are added to the tax amount for comparison purposes. Not adjusting for property tax aids focuses on what taxpayers pay regardless of how much state aid is received to decrease local taxes.

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.

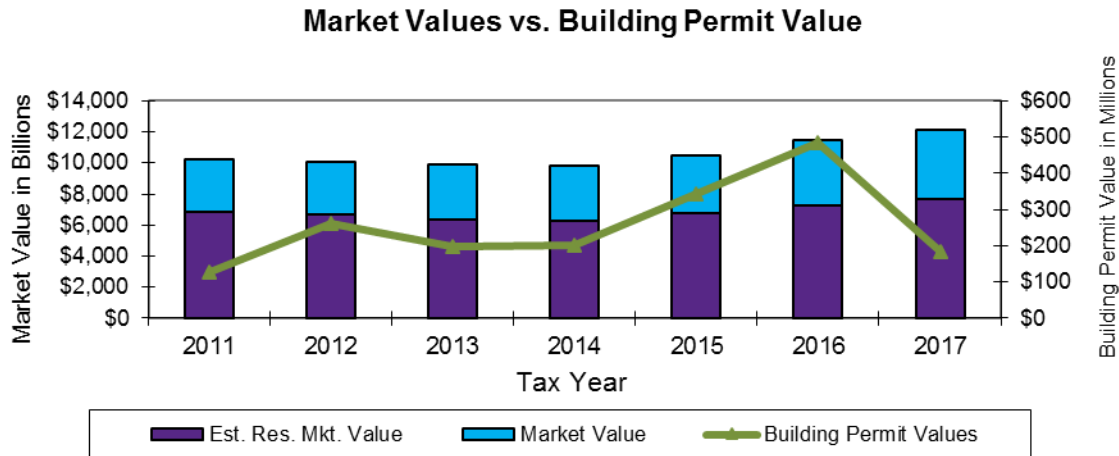
Some communities are fiscal disparities contributors and some are fiscal disparities receivers. This tax calculation reduces tax for those communities which contribute to the fiscal disparities pool and increases the tax for those who receive fiscal disparities in lieu of tax.

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**

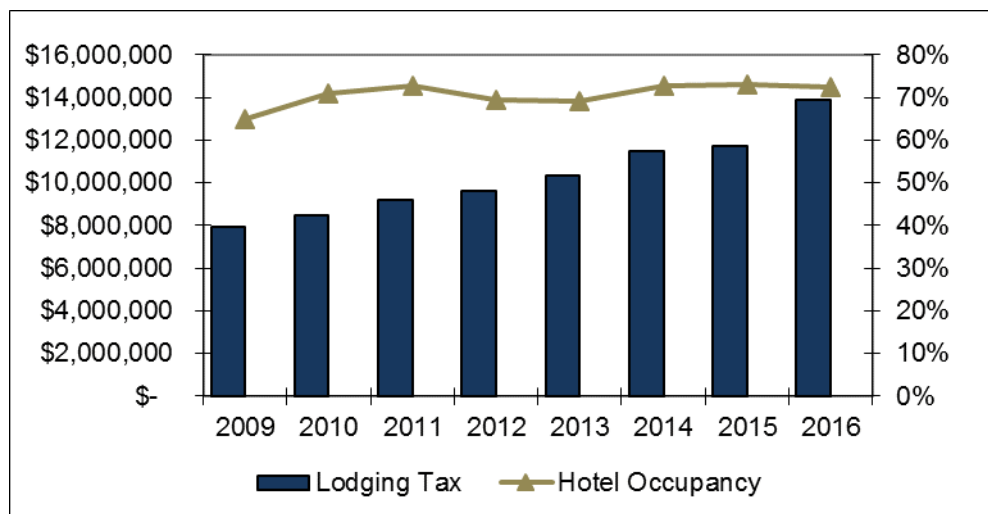


## Property Market Value versus Building Permit Value



The annual residential real property market value increased approximately 6% in tax year 2017, after growing approximately 8% in both tax year 2016 and 2015. All parcels used primarily for housing and related lands are included. The annual non-residential real property market value grew approximately 6% in tax year 2017 after being up approximately 15% in 2016 and 1% in 2015. Parcels included in this group are all commercial, industrial, utility and related lands.

## Lodging Tax and Hotel Occupancy Annual Average

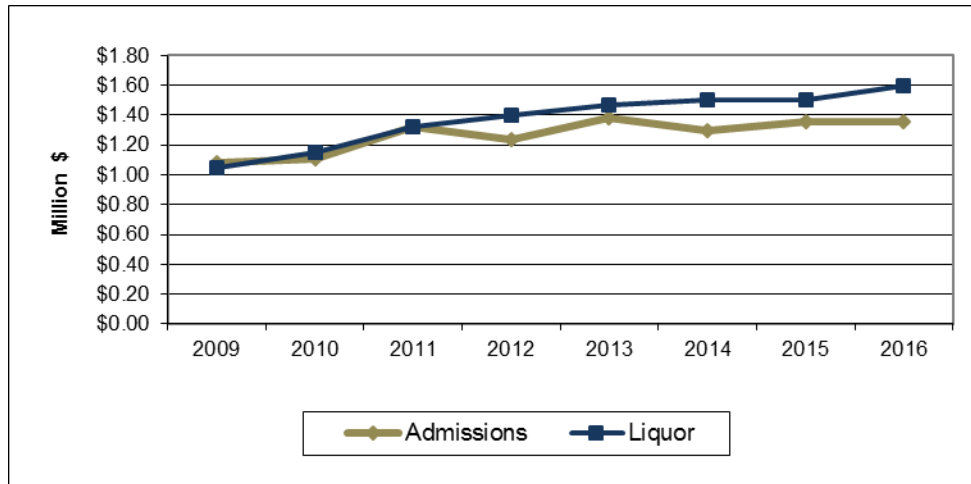


The City retains three-sevenths of lodging tax revenue collected for use in the General Fund and distributes two-sevenths to the South Loop Capital Improvement Fund. The remaining two-sevenths are remitted to the Bloomington Convention and Visitors Bureau. The graph shows the City's and South Loop Capital Improvement Fund's portion of the collections. Lodging sales tax revenue increased by 18 percent in 2016 compared to 2015.

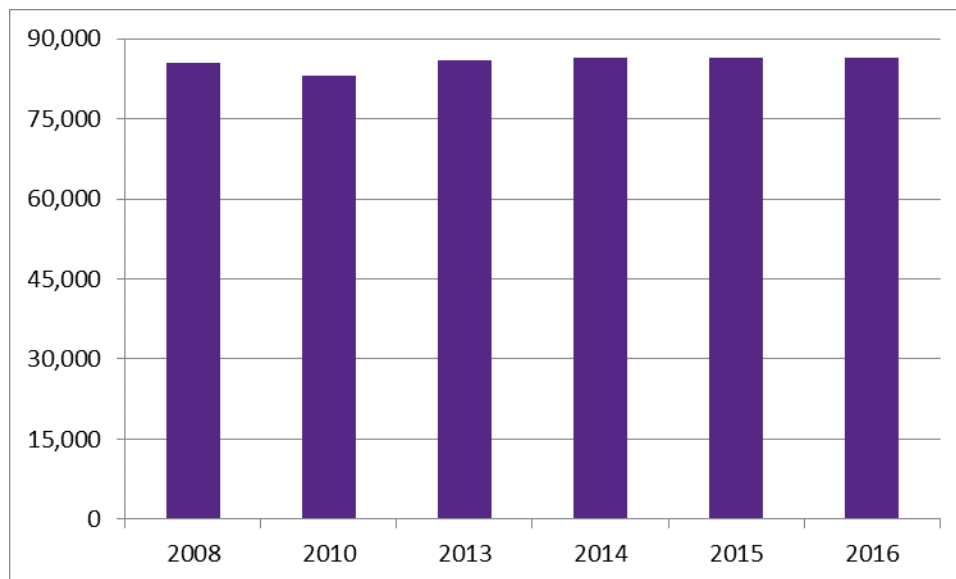
The hotel occupancy rate figures were compiled by the Bloomington Convention and Visitors Bureau and represent the occupancies as reported by an average number of Bloomington hotels each month.

## Admissions and Liquor

The City retains all admissions tax collections in the General Fund. Revenues have been between \$930,000 and \$1,385,570 since 2000. The City collects liquor tax for the South Loop Capital Improvement Fund.



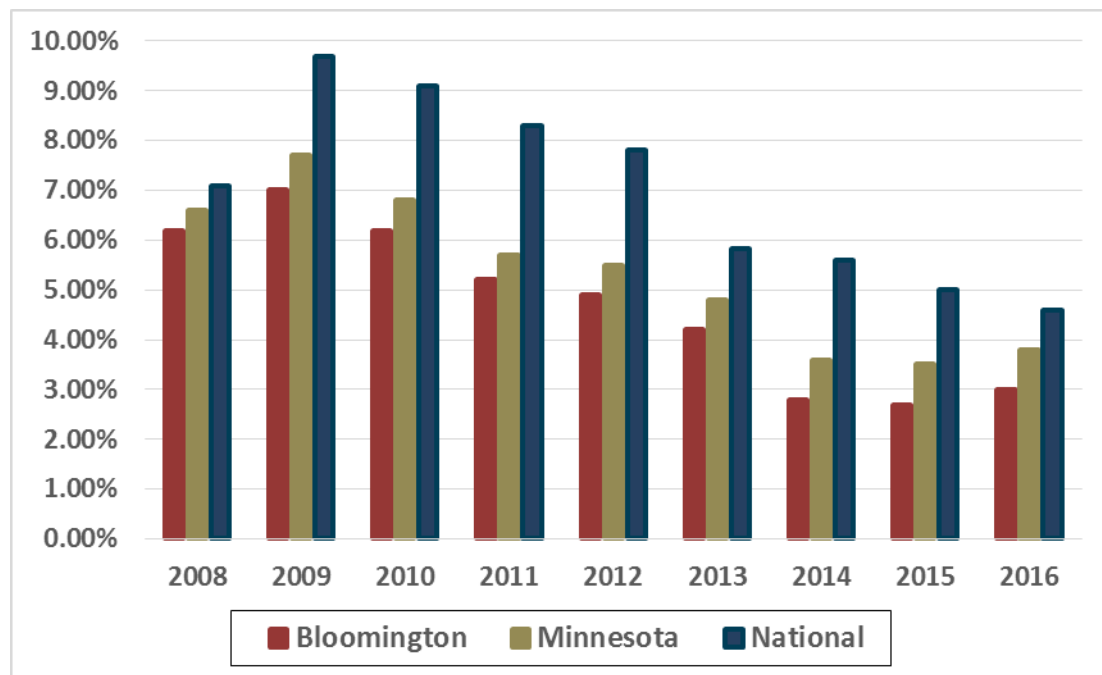
## Bloomington Population



The estimated 2016 population total was 86, 435 people. The projected population for 2017 is stable.



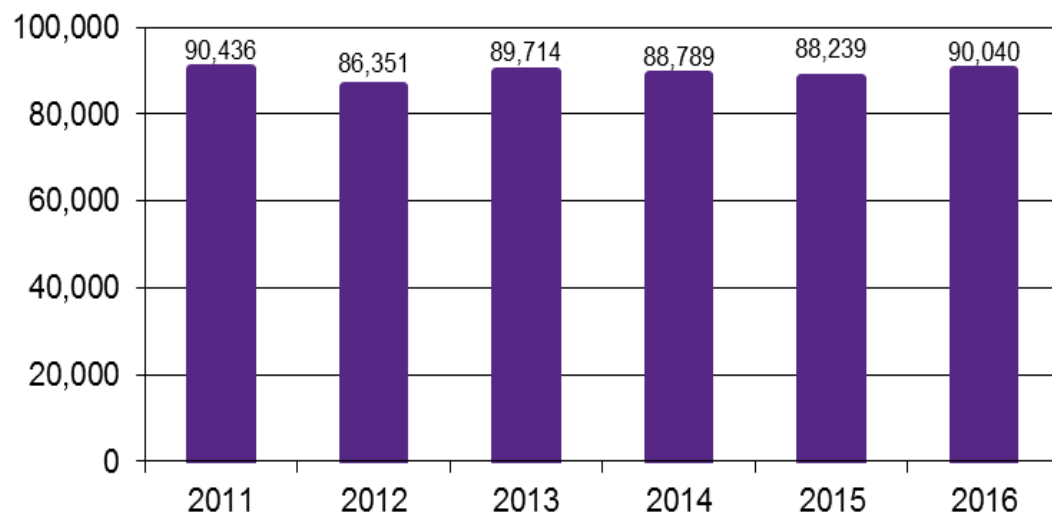
## Unemployment Rates



Bloomington's unemployment rate at 3.0 percent is below the national average (4.6 percent) and slightly below the state average (3.8 percent).

Source: U.S. Bureau of Labor Statistics – November, 2016

## Number of Jobs in Bloomington



Source: Q2 Minnesota Department of Employment and Economic Development – January, 2017.

## Major Employers in the City

<u>Employer</u>	<u>Product Service</u>	<u>Approximate Number of Employees</u>
Health Partners	Health Insurance Provider	2,792 <sup>(1)</sup>
Bloomington Public School District	Public Education	1,893
Seagate Technology	Computers/Manufacturing	1,700
The Toro Company	Lawn Equipment, Snow Blowers	1,020
Pearson Education	Education Technology	1,018
Donaldson Companies, Inc., Corporate Headquarters	Automotive Equipment	1,016
Express Scripts	Pharmacy Benefit Management	722
Normandale Community College	Post-Secondary Education	675
Minnesota Masonic Home Care Center	Home Care/Assisted Living	626
Polar Semiconductor, Inc.	Semiconductor Manufacturing	611

<sup>(1)</sup> Includes administration office and clinic employees

Source: Phone survey of individual employers, May, 2015.

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>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Water (per 1,000 gallons)				
Tier 1	2.56	2.64	2.82	3.09
Tier 2 (>20,000 gallons)	3.91	4.42	4.99	5.46
Sewer (per 1,000 gallons after 2010)	3.30	3.53	3.87	4.23
Stormwater	5.72	5.95	6.37	6.81
Solid waste (recycling)	2.54	2.84	2.84	3.04

\*Water charges converted to conservation rates for 2011. This 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>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
City property taxes on a median home	\$67.82	\$71.64	\$74.73	\$71.17
Water (per 1,000 gallons)				
Tier 1	17.41**	17.95**	19.18**	21.01**
Tier 2 (>20,000 gallons)	3.91	4.42	4.99	5.46
Sewer (per 1,000 gallons after 2010)	15.64***	16.73***	18.34***	20.05***
Stormwater	5.72	5.95	6.37	6.81
Solid waste (recycling)	2.54	2.84	2.84	3.04
Total Per Median Value Home	\$105.40	\$109.13	\$121.46	\$127.54

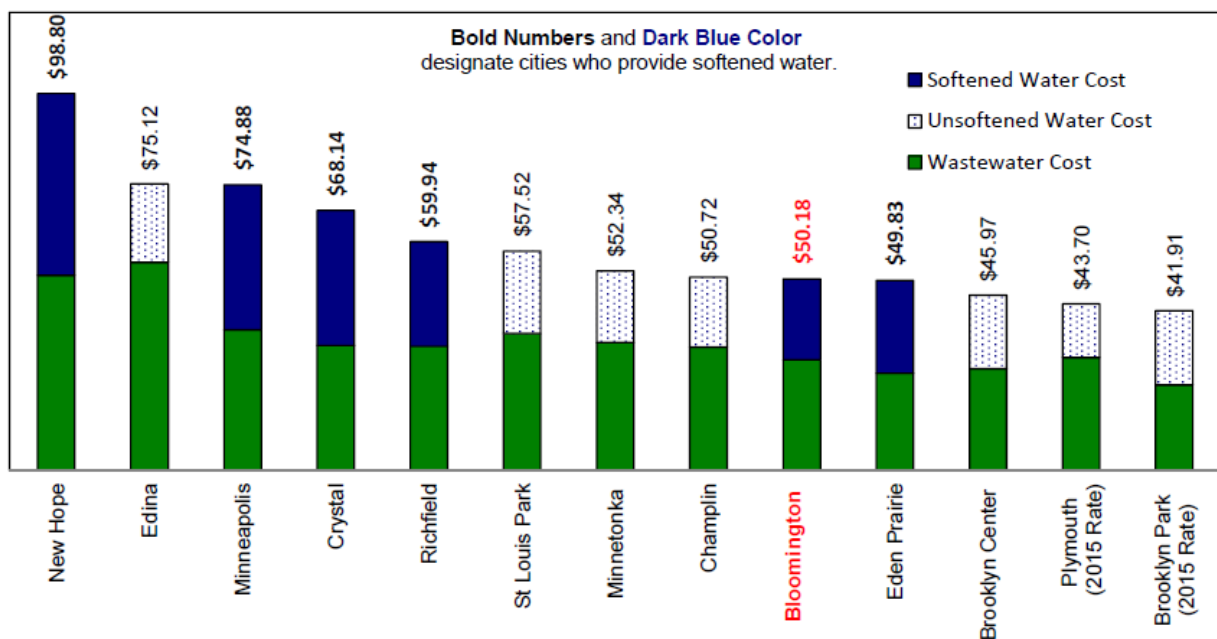
\*\* Water usage average of 6,800 gallons annually.

\*\*\* Sewer usage average of 4,740 gallons annually.

## 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 2015 rates for usage of 7,500 gallons of water and the same amount of wastewater.

2016 Rate Comparison



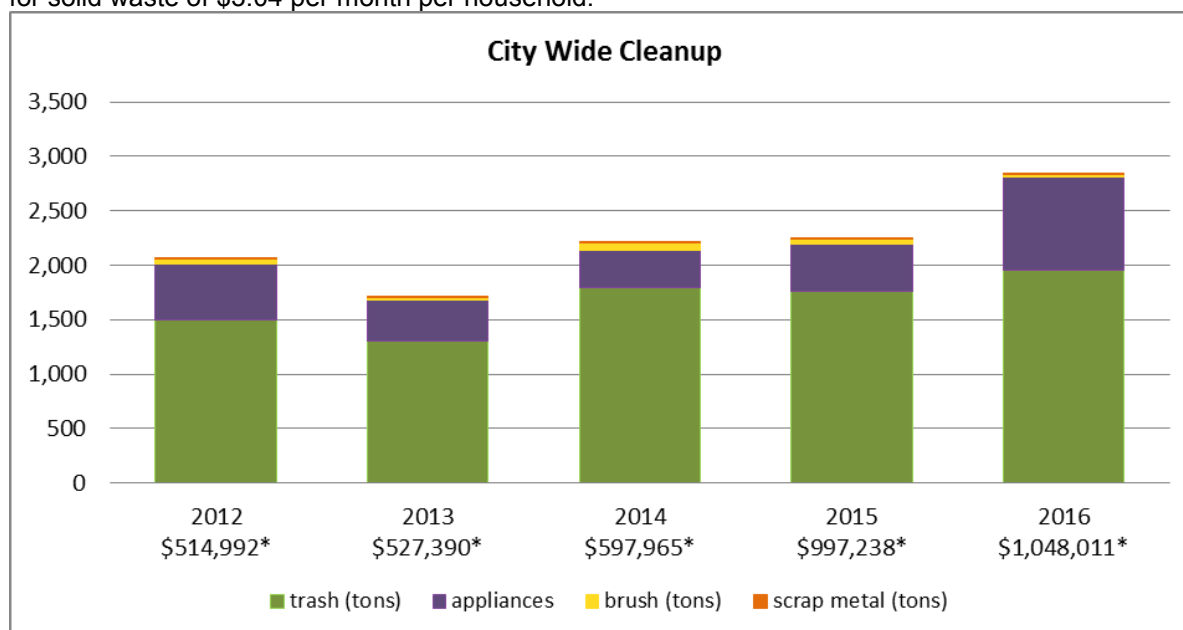
## Total Cost Comparisons

LOCATION	2016 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*	\$105.51	\$75.12	No	\$38.22	\$3.90	<b>\$222.75</b>
Minnetonka	95.27	52.34	No	38.22	2.50	188.33
St. Louis Park*	81.21	57.53	No	38.22	6.50	183.46
Minneapolis	92.65	74.88	Yes	--	14.00	181.53
Brooklyn Park	77.57	43.49	No	38.22	14.00	173.28
Plymouth*	74.14	45.67	No	38.22	4.00	162.03
Maple Grove*	87.13	33.02	No	38.22	0.00	158.37
Woodbury*	80.67	36.65	No	38.22	0.00	155.54
Eden Prairie*	97.94	49.82	Yes	--	5.00	152.76
Richfield	80.79	59.95	Yes	--	8.20	148.94
<b>Bloomington</b>	<b>74.64</b>	<b>50.18</b>	<b>Yes</b>	<b>--</b>	<b>7.50</b>	<b>132.32</b>
Blaine*	\$50.52	\$25.78	No	\$38.22	\$1.25	<b>\$115.77</b>

\*Denotes Peer Cities from Citizen Survey

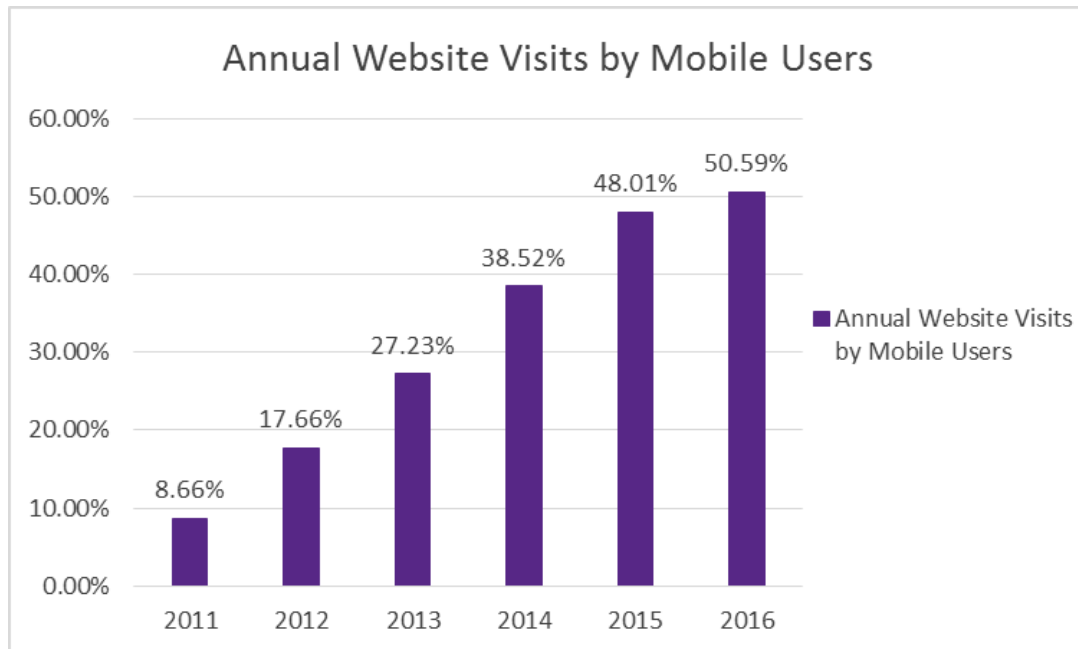
## City-Wide Cleanup

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 \$3.04 per month per household.



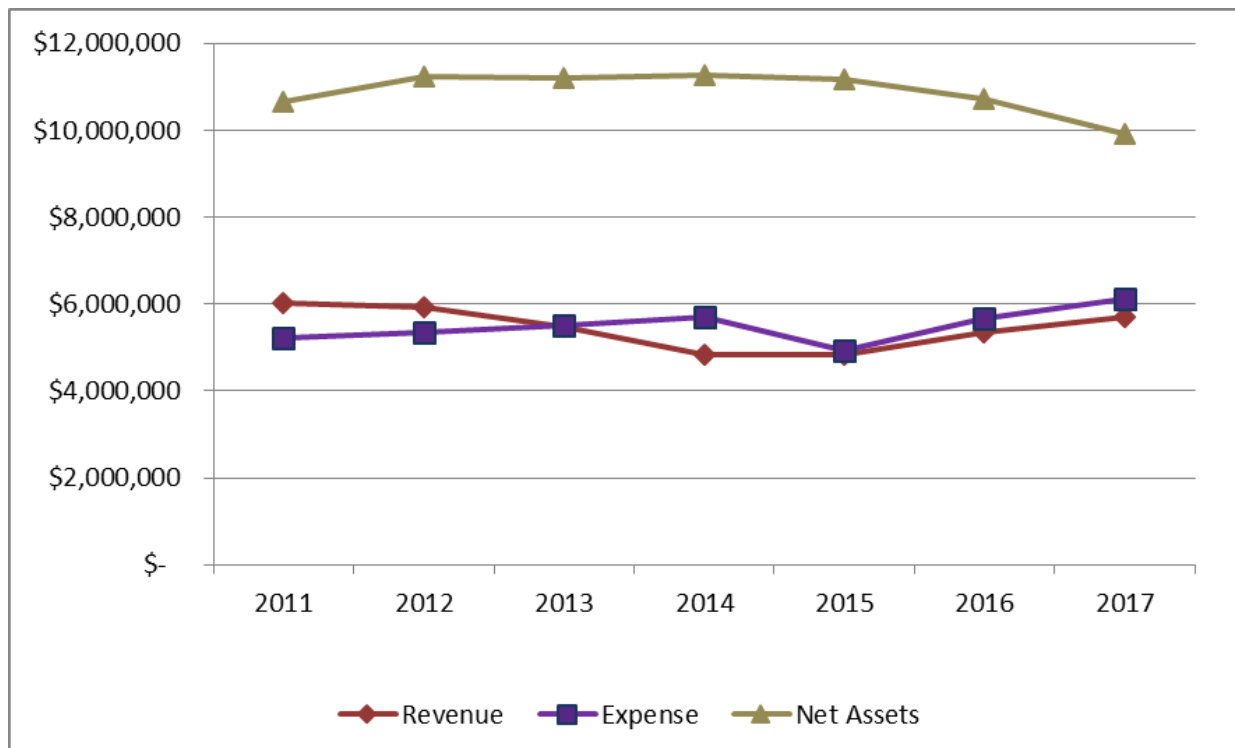
\*Cost of collection for each consecutive year.

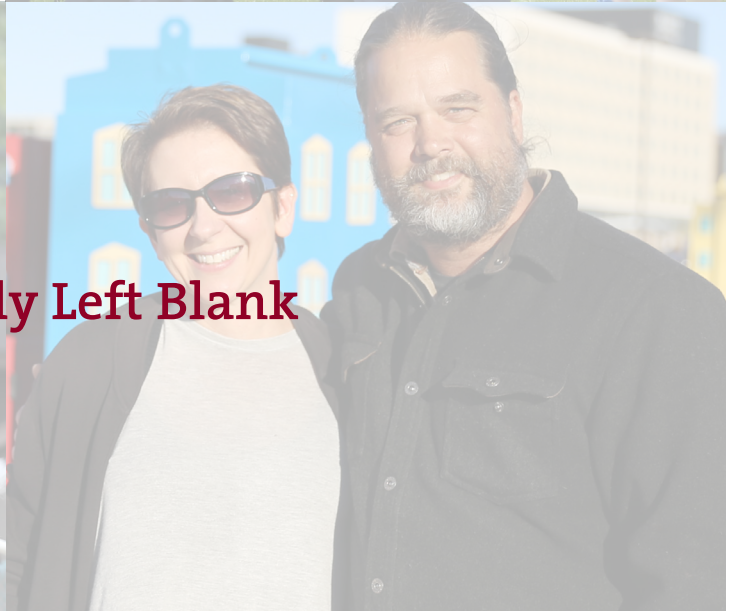
## Annual City Web-Site Visits



In 2015 the City's external website underwent major reconstruction and in the process became more mobile user friendly. Since the website update, there has been increased smart phone and mobile user device visits by 9.49% from 2014 to 2015 and 2.58% from 2015 to 2016.

## Recreational Facilities Net Assets









## GLOSSARY

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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 seven-county metropolitan area. Forty percent of the value of new commercial-industrial development since 1971 is pooled and redistributed among 300 taxing districts to address uneven business development throughout the region.

**Five-Year Model** – A planning tool used to assess the opportunities and challenges of future budget years based on scenarios of the current budget year.

**Fund** – An independent fiscal and accounting entity which is segregated for the purpose of performing specific activities or achieving certain objectives.

**Fund Balance** – Difference between fund assets and fund liabilities (the equity) in governmental funds. Fund balances will be classified as reserved or unreserved.

Reserved Fund Balance - Legally segregated for a specific use. They are not available for discretionary appropriation.

Unreserved Fund Balance -

Designated Funds - Establish tentative plans for, or restrictions on, the future use of financial resources.

Undesignated Fund Balance - The funds remaining after reduction for reserved and designated balances.

In addition, many of the special funds have restricted use, depending on the legal restrictions governing the levy of the funds they contain. Examples are the Debt Service Fund and the Capital Projects Fund.

**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.

**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:

Salaries, wages and benefits - Costs relating to employees or temporary help, including fringe benefits.

Materials, supplies and services - Costs relating to articles of a non-durable nature such as office supplies, professional and technical services, utilities and maintenance, operations and City support services.

Capital Outlay - Costs of durable goods such as furniture and equipment.

**Major Program** – The eight departments in the City of Bloomington government: Legal, Human Resources, Finance, Police, Fire, Community Development, Community Services and Public Works and one Technical Services Group.

**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.

**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.

**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.

**Working Capital** – Current assets minus current liabilities. This measure is used as a gauge in determining appropriate fund balances.



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