



*The Art of
Creating Community*

City of Bloomington, Minnesota
ANNUAL BUDGET
Fiscal Year 2014



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Creating Community*

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ANNUAL BUDGET
Fiscal Year 2014

General Fund Budget
Adopted by the
Bloomington City Council
December 16, 2013

Other Funds Adopted
October through December, 2013

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, 2013.

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 14, 2014

Dear Reader:

The 2014 Budget theme “The Art of Creating Community” describes how Bloomington is dedicated to providing the best, cost-competitive services to residents.

This theme grows from the City’s long-term vision, *Imagine Bloomington 2025* to “build and renew the community by providing services, promoting community renewal and guiding growth in sustainable, fiscally sound ways.” We do this by providing quality services at reasonable, competitive costs and by supporting the long-term property investments of residents and businesses through City reinvestment and renewal. The efforts of City staff are recognized by residents. In a 2013 resident survey, 95 percent of respondents rated Bloomington as an excellent or good place to live, much above the national comparison of other entities taking the survey and above 20 peer cities who also took the survey.

Examples of our efforts can be found throughout the pages of this document, which presents the City’s approved 2014 budget. This document also includes budget summaries for all funds, working capital goals by fund, 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 2014 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.

For more detailed financial information, please refer to the prior year’s Comprehensive Annual Financial Report (CAFR) at www.BloomingtonMN.gov.

The 2014 State of the City address was designed utilizing the same theme, “The Art of Creating Community”, and can also be found on the City’s website.

Lori Economy-Scholler
Chief Financial Officer

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The Art of Creating Community

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ANNUAL BUDGET
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The Art of Creating Community

INTRODUCTION

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City of Bloomington

City Council

Mayor



Gene Winstead
Term Expires January 2016

Council Members



Jack Baloga – District III
Term Expires January 2018



Tim Busse – At Large
Term Expires January 2016



Andrew Carlson – District II
Term Expires January 2016



Cynthia Bemis Abrams – At Large
Term Expires January 2018



Dwayne Lowman – District I
Term Expires January 2016



Jon Oleson – District IV
Term Expires January 2018

Executive Management Team

Executive Management

Mark E. Bernhardson, 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 -----Kay McAloney, Director
 Legal -----Sandra Johnson, 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

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

Council's Goals and Strategies

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

The City's sustainable strategies address energy use, accessibility, green infrastructure, choice of housing and transportation options and emphasis on using local and regional resources.

Land Use - **LU**

- Focus commercial and residential growth in three mixed use districts (South Loop, Penn/American, and Normandale Lake) where it can be served by transit, encourage short-trip lengths, promote biking and walking and reduce vehicle miles traveled.

Safety and Security – **S**

- Create a community where residents and visitors are safe.
- Be a family friendly community.
- Enhance support for members of the community as they age.

Transportation - **T**

- Support transit improvements including additional transit service.
- Implement the *Alternative Transportation Plan* including the creation of bikeway and walkway networks and their interfaces with transit and commercial and recreational destinations.
- Operate a Pavement Management Plan to adequately renew the transportation infrastructure.
- Encourage shared parking among land uses and developments.

Housing - **H**

- Guide new high-density housing toward locations near transit, services, amenities and employment.
- Encourage higher densities where appropriate as redevelopment occurs.

Utilities - **U**

- Reduce energy and resource consumption by decreasing inflow and infiltration into the sanitary system and by encouraging water conservation.
- Protect water quality using best management practices for surface and subsurface water.
- Adopt an asset management program to preserve the excellent condition of Bloomington's utilities.

Organizational Strength - **OS**

- Maintain a strong, sustainable organization in terms of the quality and affordability of services, financial strength and the professionalism and productivity of its operations.

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

You will find these colored icons associated with appropriate departmental and divisional objectives later in this document.

Organization Mission

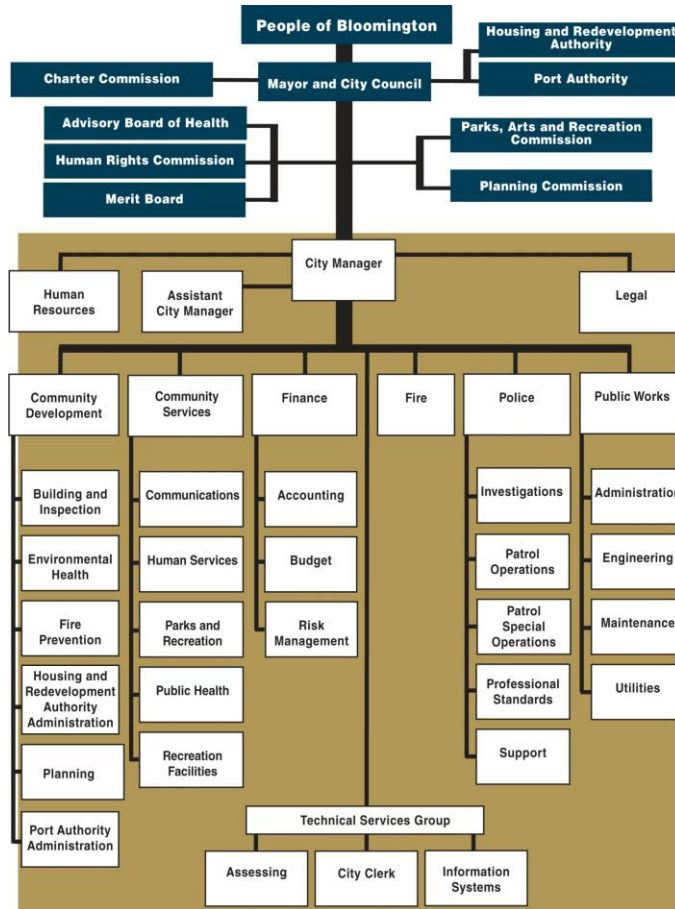
A professional, productive, learning organization that builds and renews the community by providing quality services at an affordable price.

Organization Structure and Chart

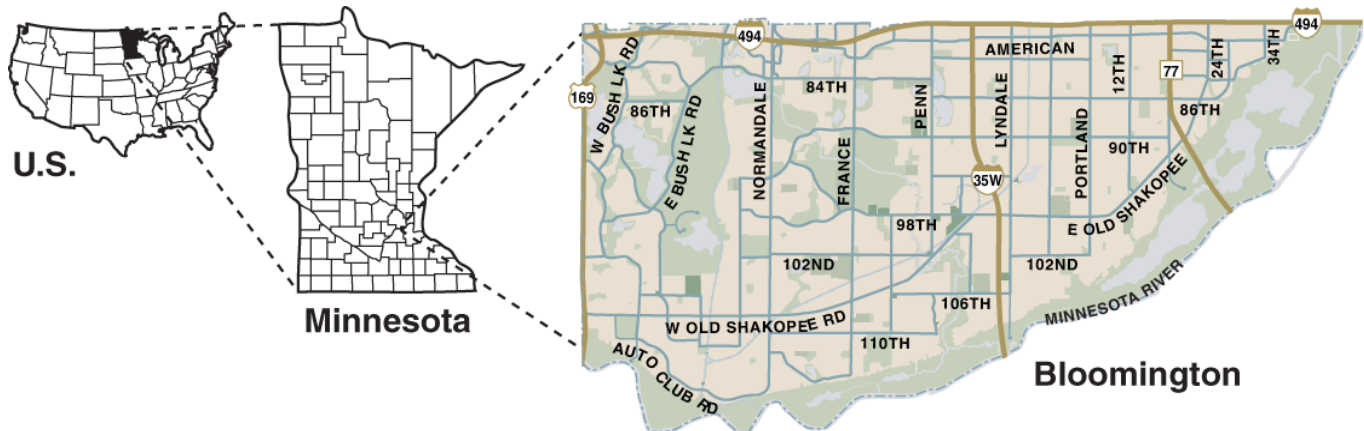
The home rule charter was adopted in November 1960. The City is a Council-Manager form of municipal government. The Council is comprised of the Mayor and six Council Members who serve four-year terms; the Mayor and two members are elected at large, the rest are elected by district. The City Manager, 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. A description of each program, its objectives and budget is 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 27 cities out of more than 19,000 municipal governments in the U.S. that have achieved triple-A ratings from all three agencies.

Bloomington residents in the Labor Force – 48,152 (December, 2013)

Total Jobs in Bloomington – 89,714 (1st Quarter 2014)

Housing – Total Units – 38,088

91.80 Percent Single-Family Homes Owner Occupied

21,252 Single-family Detached Units

2,787 Single-family Attached Units

13,917 Multiple-family Units

113 Mobile Homes and Trailers

19 Commercial/Industrial Living Units

Population (United States Census Bureau) – 86,033

Median Age – 40.2 (2010 Census Bureau's American Community Survey)

National Unemployment Rate – 6.5% (December, 2013)

Minnesota Unemployment Rate – 4.7% (December, 2013)

City of Bloomington Unemployment Rate – 4.10% (December, 2013)

Public Safety –

Emergency Outdoor Warning Sirens – 22

Emergency Vehicle Pre-emption Systems – 121

Fire Protection – 6 Stations

117 Volunteer, paid on call, firefighters (144 authorized positions)

Chief and Assistant Chief

ISO Class 3

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

118 Sworn Officers

Educational Institutions -

Colleges – 5

Bethany College of Missions – 101 Full-Time Students

National American University – 568 Full-Time Students

Normandale Community College (part of Minnesota State Colleges and University System) offering Bachelorette degrees options through Metro State University and Mankato State University – 4,293 Full-Time Students

Northwestern Health Sciences University – 868 Full-Time Students

Rasmussen College – 5,876 Full-Time Students

Independent School District #271 – 10,160 Students (2012/13 Enrollment)

10 Elementary Schools – 4,551 Students

3 Middle Schools – 2,420 Students

2 Senior High Schools – 3,189 Students

Parochial Schools – 4 with a total enrollment of 884 students

Elections -

53,639 Registered Voters – 2013 General Election

13,822 Ballots Cast – 2013 General Election

25.80 Percent Voting

59,332 Registered Voters – 2012 General Election

51,612 Ballots Cast – 2012 General Election

87.0 Percent Voting

Utilities -

Municipal Sewer System – Metropolitan Council Environmental Services

25,214 Connections

354 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

25,267 Connections

12.5 Million Gallons Daily Average Consumption

44 Million Gallons System Capacity

4,592 Public and Private Fire Hydrants

6,975 Water Distribution Valves

Storm Sewer – 253 Miles

Sidewalks – 232 Miles on Street Right-of-Way

Streets –

369 Local Center Lane Miles

29.84 County Center Lane Miles

21.14 State Center Lane Miles

Street Lights – 4,339

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)

2014 Budget Calendar

April 15 – May 30, 2013	Prepare payroll projections for 2014. 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.
May 20	City Council starts prioritizing tax-supported programs.
June 10	Budget Kickoff meeting with all departments and program managers
June 10 – July 2	Departments load requested budget into budget module in Naviline. Budget lockout is July 2.
July 3 – August 1	Budget editing by Budget Team. Aquatics and Art Center submit budgets to determine levy required. Revenue producing programs evaluate fees.
July 5 – August 8	General Fund department meetings with City Manager and budget staff to review requests. City Manager meets with other fund managers and budget staff to review requests.
August 19	Update City Council on preliminary budget work; get guidance on preliminary levy and General Fund budget. Discussion on budget and levy. City Council prioritizes new community initiatives.
September 9	City Council adopts preliminary 2014 tax levy and General Fund budget for 2014.
September 13	Preliminary tax levy and budget certified to Hennepin County.
October/November/December	Utility budgets due. Public hearings on utility rate changes. Special Revenue, Enterprise Fund and Internal Service Fund budgets presented to the City Council for approval.
December 2	Property tax public hearing.
December 16	Final 2014 budget and tax levy approval by City Council.
December 27	Final 2014 levy and General Fund budget certified to Hennepin County.

City Manager Budget Message



The Art of Creating Community

The 2014 theme for the State of the City and the City's publications, "The Art of Creating Community" highlights the significant element of art, creative thinking and imagining that goes into creating a quality community of choice. Over time, communities of choice grow and evolve in new and different ways as peoples' visions, interests and opportunities make things happen. Moving toward this vision will make our community competitive well beyond *Imagine Bloomington 2025*, our strategic plan, to a community we can all be proud to have been a part of.

The following pages present the City of Bloomington's Annual Budget for the Fiscal Year 2014 that connects the priorities and financial planning with community needs and expectations outlined in *Imagine Bloomington 2025*. Additional guiding principles employed during the budget process are designed to ensure that the City continues to meet the needs of residents while balancing the City's budget. During the 2014 budget process, the City Council again reviewed and ranked all of the major property tax-supported services. The Council also, utilizing the key objectives of *Imagine Bloomington 2025*, developed and ranked further strategic initiatives for possible funding in 2014 through 2017. Several of these initiatives were funded for 2014.

Strategic Direction

The City of Bloomington continues to move at a healthy pace toward its goals and objectives with regard to land use, housing, transportation, parks, environmental resources and safety. The City's organizational strength is evidenced in the quality and affordability of its services, financial strength and productivity of its operations. The strategic goals around which this budget is based include:

Organizational Strength - OS

- A balance of commercial and residential property values, resulting in one of the lowest property tax rates in Hennepin County.
- One-third of the city is set aside for parks and open spaces, including several parks of significance to the metro area.
- A major redesign of the City's website, BloomingtonMN.gov, which was last updated in 2006, will make the website more user-friendly and accessible.
- The City is partnering with Bloomington Theatre and Art Center (BTAC), Mall of America, the Bloomington Convention and Visitor's Bureau and others, to develop a plan to introduce public art projects to the South Loop District over the next two years.

Transportation – T

- An efficient and cost-effective street system, providing easy access to regional highways and sewer and water systems.
- Continued development of a unique Alternative Transportation Plan with a 2014 update of the original 2008 plan.

- Construction began last spring to prepare for future development in the South Loop Area. Lindau Lane is being lowered and a bridge deck is being constructed to connect further development of the Mall of America to the north to the Met Center property.
- Continued work by the Minnesota Department of Transportation on the 35W/494 Interchange which moves forward as funding is made available.
- Construction of the Hyland Multi-modal Trail, a new bike and pedestrian trail linking Hyland Park to the Bloomington Ferry Bridge river crossing.

Utilities – U

- Continued preservation of natural drainage systems and wetlands in the Nine Mile Creek and Minnesota River watersheds.
- Continue the “Green Streets for Blue Waters” program that includes development of rain gardens in conjunction with the City’s Pavement Management Program to improve surface water quality.

Housing – H

- A mix of owner-occupied and rental housing, which broadens the variety of housing options for growing families, as well as both younger and older adults.

Safety and Security – S

- Implementation of a new Citizen Alert system that sends time-sensitive emergency notifications directly to citizens’ home phones, cell phones and e-mail addresses.
- Continue proactive policing, targeting spots for crime deterrence.
- Explore the possibility of a new community center to bring the community together.
- Enhance support for members of the community as they age.

Land Use – LU

- Implementation of the South Loop District Plan to advance the area’s transformation beyond the Mall of America. The plan includes extending Lindau Lane to connect the Mall of America to Bloomington Central Station.
- Penn American and Normandale Lake District improvements.

Renewing Community

The City’s budget is aligned with implementation in three key growth districts to provide higher density, mixed-use and transit-oriented housing, hotel and commercial development for 2014. This strategy also has the effect of protecting and enhancing established single family neighborhoods. In 2013, Bloomington continued to thrive, as evidenced by the number of new businesses, hotels, restaurants, senior, rented and single family housing and academic institutions approved or constructed.

The City continues to see a healthy rate of growth and renewal as evidenced by the value of new building permits issued in 2013. The following projects, most directly meeting the City’s strategic renewal objective, were approved and are currently in the planning or implementation stages:

South Loop District

- The South Loop District Plan was approved by the City Council in 2012. The plan envisions a mixed-use urban density district that takes advantage of South Loop's unique location served by four Light Rail Transit stations. City acquisition of land parcels and receipt of transportation grants has helped facilitate construction of the Lindau Link between the Mall of America (MOA) and Bloomington Central Station and foster new development. Projects taking place in 2013 and continuing into 2014 include:
 - Lindau Lane grade separation - preparing for future phases north of Mall of America. A plaza over Lindau will connect to subsequent phases of the Mall of America.
 - Lindau Lane extension - creating a new, walkable street lined with storefronts between 24th and 30th Avenues.
 - 30th Avenue reconstruction between American Boulevard and East Old Shakopee Road - converting a private access to a public street that connects Lindau Lane to arterial streets north and south of Lindau Lane.
 - Local street way finding to help motorists determine the best routes to take when navigating the South Loop.
- Construction of three new hotels, one at Bloomington Central Station and one at the northeast corner of 24th Avenue and Lindau Lane and one in the MOA described below.
- Groundbreaking work is being completed on the next phase of the MOA from the north face of the current Mall up to the new bridge being constructed over Lindau Lane. This groundbreaking project will allow for an additional 342 room J.W. Marriott hotel and 100,000 square feet of additional retail and underground structured parking as well as multistory office buildings that will be constructed on top of the underground parking. This will complete Phase 1-C of the Mall's expansion.
- Bloomington continues to work with Mall of America on developing property located north of Lindau Lane. The City and Port Authority's development contract with the Mall of America Corporation (May 1988) sets out the terms for development of Phase II, including use of tax increment financing and public funding of infrastructure.

Normandale Lake District

- Covington Apartments on Green Valley Drive, just north of Normandale Lake Boulevard is nearing completion. The development includes 250 luxury rental apartments.
- The Luxembourg, a 282-unit luxury apartment development is under construction just west of Normandale Boulevard and north of West 84th Street. The apartment is anticipated to be ready for occupancy in late 2014/ early 2015.
- Developers are seeking City approval for a 100 – room Hampton Suites Hotel just west of Highway 100.
- Open Access Technology International is planning an office and data center at I-494 and Normandale Boulevard.

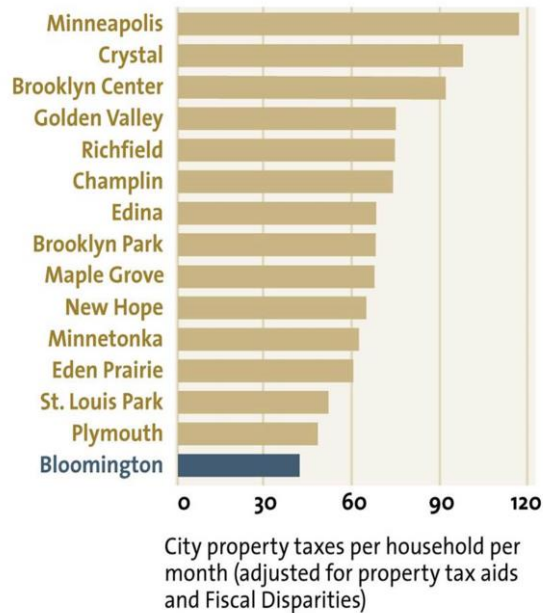
Penn American District

- Council adopted the overall Penn – American District Plan in January 2014 and is proceeding with rezoning to implement the plan’s vision.
- United Properties Penn-American District, Phase 2 begin in Spring 2014 and includes:
 - 108 room Hilton hotel with a restaurant and retail on first floor
 - Fresh Thyme grocery store
 - Underground and surface parking

Meeting Demands for Quality City Services

The City is continuing to meet the needs of its residents while finding ways to improve the quality of its services keep costs affordable and retain its cost competitiveness. In a 2013 comparison of 15 communities in Hennepin County with more than 20,000 residents, the average monthly single-family cost of services in terms of property taxes and property tax aids (when adjusted for Fiscal Disparities) showed Bloomington ranking the lowest. *See graph below.*

MEDIAN VALUED SINGLE FAMILY HOME COST OF PROPERTY TAX RELATED SERVICES PAYABLE IN 2013 (ADJUSTED)



To ensure Bloomington remains a vibrant, innovative and healthy community, the City Council reviews and prioritizes all property tax supported City services. *See page 38.* 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 strengthened 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 strategic budgeting, systematic replacement of assets and establishing transitional 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 27 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

Taking the Long View in Community and Organizational Development

During the 1990s, Bloomington began modeling the economic cycles traditionally found in market economies and developed strategies to deal with economic downturns. The City now creates a five-year General Fund financial model and 10- to 15-year models for other funds. This type of modeling allows the City to see which reinvestments and renewals are needed and what level and manner of services to provide over the long term as well as context for its more strategic policy decisions in terms of their longer term impact. Modeling also allows the City to respond in the short term and make the necessary changes to deal with economic cycles and the impacts of some strategies long-term effects. These strategies, particularly improving quality while remaining cost competitive and effective, are not only used during downturns, but during good times as well. The City's strong financial position, coupled with long-term budgeting strategies, help us manage in good and bad economic times. This allows the City to take advantage of the lower commodity prices in the downturn, which contributes to Bloomington being cost competitive in comparison to similar cities in Hennepin County.

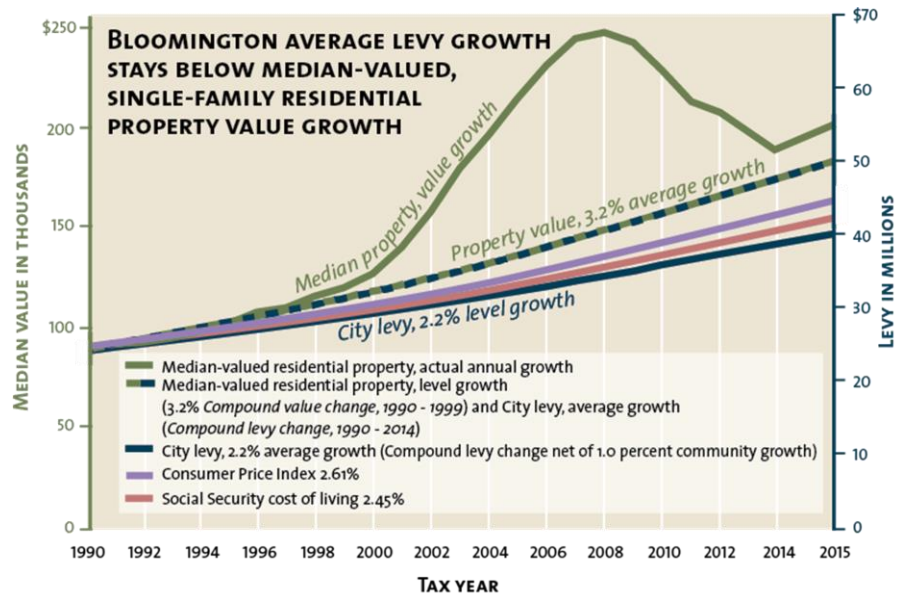
Bloomington Housing Market

The value of the median home now matches what it was in 2003. In the past 14 years, even factoring in the declines of the past six years, the median home value has increased an average of 2.9 percent per year. A strong development cycle for office and hotel properties from 2009 through 2013 helped to offset some of the weakness in the residential market during this time period. In 2014, the City expects commercial and industrial values to continue to stabilize, with very good prospects for additional new development to begin. The residential market has strengthened significantly and will again be a contributing factor to tax base growth.

General Fund Support through Property Tax

The City set a goal to maintain a property tax levy increase that is not greater than inflation plus community growth. Since 1990 the City's annual average levy growth has been less than 2.3 percent on existing properties

with an annual average additional community growth beyond inflation on existing properties of 1 percent. Even with the recent downturn in housing values, the City's levy plus community growth is far below the appreciation of property values since 1990.



Key Budget Opportunities

The 2014 Budget Analysis of key organizational budget opportunities is as follows:

Property Tax Changes and Impact

The City Council, in evaluating its property tax levy for 2014, looked to its 2014 budget objective of keeping the monthly property tax supported cost for the median value home of \$188,000 at \$67.82, essentially the same level since 2010.

Health Insurance

The City's Insured Benefits Fund is modeled out 10 years. While the City did receive a zero percent lock in for its 2012-2014 health insurance contract, it has utilized modeling to budget for longer term rate increases. The City has a rate guarantee not to exceed 15 percent for 2015.

Pavement Management Program

The Pavement Management Program that was started in 1992 completed its first 21 years in proactively managing the City's streets. In 2014, the City levied just under \$900,000 for the overlay portion of its Pavement Management Program (PMP), which is a funding and implementation plan for repair, maintenance and reconstruction of Bloomington roadways. In addition, approximately \$2 million is levied for debt service on the reconstruction portion which is funded by ten-year bonds. After needs are identified, funding is provided through State aids, assessments and the City's annual levy. The City will continue to utilize accumulated fund balances to support the planned number of overlay miles.

Staff Changes

Two additional staff are added in Community Development for nuisance ordinance enforcement. This area was ranked a high priority by the City Council on a list of neighborhood initiatives. An additional Recreation Supervisor is added to help run the Art Center and a nurse position is removed from Public Health to coincide with the end of grant funding.

Council 2014 Budget Policy Decision

While early modeling showed a preliminary levy in excess of community growth plus inflation, work during the budget process, based on Council direction, Council ranking of City services and improving economically sensitive revenues, resulted in a preliminary levy increase of 3.22 percent for 2014. A slate of community initiatives was included in the preliminary levy. The City Council ranked these initiatives for funding.

2014 Property Tax Levy and Budget Recommendation

At a September 2013 meeting, the City Council, in adopting its property tax levy of \$48,143,066, achieved its 2014 budget objective of keeping the monthly property tax supported cost for the median value home of \$188,000 at \$67.82, essentially the same level since 2010. It also approved a preliminary general operating fund budget of \$61,527,748, a 3.08 percent increase from the 2013 budget.

Adopted Budget

Between September and December 2013, the Council was able to reduce the proposed levy increase from 3.22 percent to 3.02 percent. The increase results in a \$48,049,784 levy. The General Fund Budget now is \$61,452,110, a 2.96% increase. Other fund budgets, including Enterprise, Internal Service and Special Revenue funds, were approved by the City Council in October 2013 through December 2013.

Conclusion

The budget for fiscal year 2014 is a strong financial plan that continues to move Bloomington toward its long-term goals. Bloomington is at the top of the class for financial strength and stability and ranked very well by its residents in many of its aspects. As one of only 27 cities out of more than 19,000 municipal governments in the U.S. that has achieved triple-A ratings from all three credit rating agencies it uses its resources strategically in its efforts to move the city closer to its *Imagine Bloomington 2025* vision of being a healthier, more sustainable community with a variety of recreation opportunities, housing alternatives, quality services and revitalized commercial areas, will continue to be a priority for 2014 and beyond.



Mark Bernhardson
City Manager



The Art of Creating Community

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City of Bloomington, Minnesota
ANNUAL BUDGET
Fiscal Year 2014



The Art of Creating Community

BUDGET OVERVIEW

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2014 Budget Summary – All Funds (except Capital Funds)

REVENUES				
	2012 Actual	2013 Budget	2013 Estimate	2014 Budget
Property Taxes				
General Fund	\$37,791,673	\$38,939,839	\$39,245,993	\$40,450,658
Debt Service	3,526,419	3,849,652	3,853,744	4,205,916
Other Funds	1,311,824	1,611,355	1,627,742	1,301,842
Other Taxes	7,010,018	7,152,500	7,576,443	7,416,550
Special Assessments	3,010,937	2,943,219	3,016,793	3,434,747
Permit/Licenses	4,894,856	4,835,600	4,679,514	4,964,425
Fines	1,283,725	1,459,500	1,455,210	1,388,000
Intergovernmental	5,305,912	4,093,260	5,263,885	4,583,609
Program Income	36,427,473	39,250,914	38,818,847	41,452,567
Interest	706,479	749,702	624,278	485,280
Cable Franchise	1,126,579	1,115,000	1,164,721	1,360,400
Other Revenue	18,149,511	5,898,607	13,542,477	6,295,349
Utility Fees	25,913,769	26,559,622	25,528,663	28,026,736
Subtotal	\$146,459,175	\$138,458,770	\$146,398,310	\$145,366,079
2012 does not include Pavement Management Program Levy of \$930,219 or tax abatement levy of \$346,058.				
2013 does not include Pavement Management Program Levy of \$791,846 or tax abatement levy of \$464,939.				
2014 does not include Pavement Management Program Levy of \$871,031 or tax abatement levy of \$501,050.				
EXPENDITURES				
	2012 Actual	2013 Budget	2013 Estimate	2014 Budget
Staffing				
Salaries and Wages	\$ 43,406,667	\$ 46,488,303	\$45,533,373	\$ 46,837,782
Benefits	17,718,493	18,502,870	18,608,461	19,766,549
Operating Expenses				
Professional/Technical Services	3,860,088	3,849,717	4,089,581	5,181,804
Utilities/Maintenance	16,207,501	17,707,985	17,337,186	18,133,411
Operations	11,126,690	12,203,037	11,976,983	12,512,285
City Support Services	21,074,945	23,635,394	23,511,282	24,411,303
Materials/Supplies	10,907,003	10,826,961	10,675,775	11,383,044
Capital Outlay	6,376,330	9,589,165	8,578,336	10,779,182
Debt Service	10,039,833	6,510,127	10,982,986	8,366,484
Transfer Out	(4,946,411)	(3,270,796)	(7,029,884)	(2,787,557)
Estimated Unexpended		(2,075,774)		(2,088,966)
	\$135,771,139	\$143,966,989	\$144,264,079	\$152,495,321

2014 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 2014.

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

Two-Year Budget

Budgets are adopted for the General Fund, Special Revenue Funds, Enterprise Funds and Internal Service Funds. The City of Bloomington has a two-year budget cycle. The 2013 Budget and related property tax levies were approved by the City Council and certified to Hennepin County in December, 2012. The 2014 Budget and related levies were approved in concept by the City Council at that time. During 2013, the conceptual 2014 Budget was reviewed and refined, where necessary, before adoption by the City Council and certification to the County in December, 2013.

Adopted 2014 Budget

The 2014 Budget Summary schedule is shown on page 29. The budgeted revenues, including transfers in, for all funds total \$145,366,079. Appropriations for all funds total \$152,495,321. The \$7,129,242 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 \$1,549,782, 2.5 percent of the proposed budgeted expenditures as required by the City's Charter that is available for emergencies or unanticipated costs or opportunities.

The Special Revenue Funds' revenue budget of \$4,464,396 is \$3,310,481 less than budgeted expenditures of \$7,774,877. This is due to spending down fund balance to cover pension obligations for volunteer firefighters. Past positive performance in the General Fund was transferred here to level out impacts in future years.

The Enterprise Funds' budgets with revenues of \$35,680,237 and expenses of \$38,305,029 result in a net decrease to fund balance of \$2,624,792. 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 \$1,168,700 decrease in the Internal Service Funds results from revenues of \$36,131,286, less than expenses of \$37,299,986. As part of the City's downturn strategy internal service fund charges to departments were held flat in 2010 with a small increase for 2011. Fees were increased in 2012 to return the funds partway to "normal" while using working capital above established goals for any operational increases. Fees for 2013 and 2014 were allowed to increase to move these funds even closer to "normal" operation. Most of these funds use a 10-year or 15-year model to manage fee increases and predict the health of each fund.

Revenues

Excluding Internal Service Funds and Capital Project Funds, the largest sources of revenue are described below. The largest four categories account for 82 percent of the revenue budget.

Property Taxes - The largest source of revenue is property taxes of \$45,958,416 comprising 42 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, the Pavement Management Program (PMP) and community renewal 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 2014 this levy is allocated across the tax base according to market values set at the beginning of 2013 from sales data gathered from October 2011 to September 2012 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 \$28,026,736 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 water rates were increased by 4.0 percent for 2014 and Tier Two water rates were raised 5.6 percent for 2014. Utility funds are modeled out 15 year to keep rates in line with operating and capital needs.

This is the third year of state-mandated conservation fees in the Water and Wastewater funds which lower rates for low volume users and raise them for higher volume users. Most of the increase in water rates for 2014 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 7.0 percent in 2014 to cover a 3.0 percent 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 \$7,734,582, or seven 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 \$7,416,550 of City revenues, or seven 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 even in the City including theater tickets and cover charges at entertainment venues.

Other Revenue/Transfers/Interest – This revenue of \$4,392,328 includes cell tower rentals, donations, refunds, interest and operating transfers from other funds and accounts for four 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.

Permits and License Fees – Permits and license fees of \$4,964,425 account for five 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 \$4,558,609 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 2014 at \$3,434,747, three percent of total revenue.

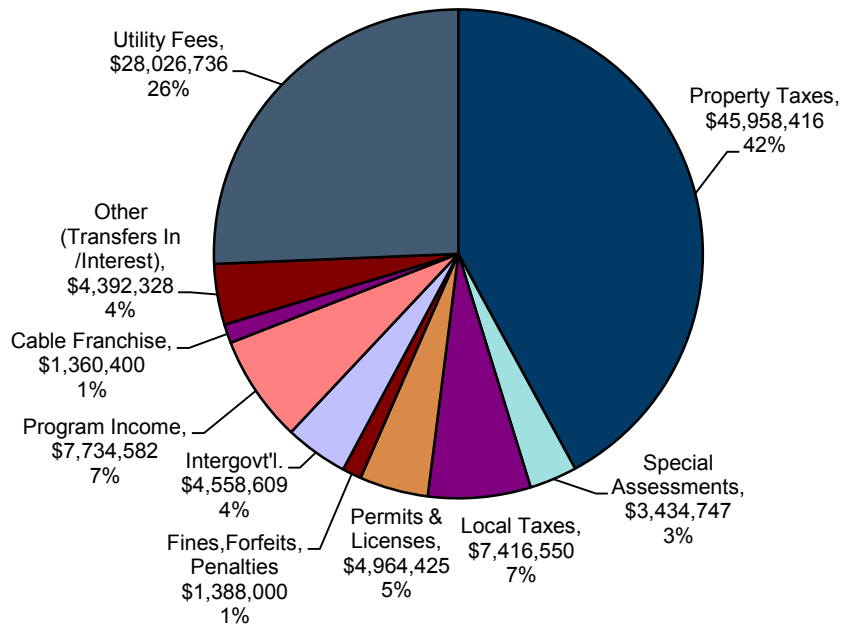
Fines, Forfeitures, Penalties – These funds are the City's share of police patrol traffic citations and other funding coming from the court system.

The 2014 budget for this revenue of \$1,388,000 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).

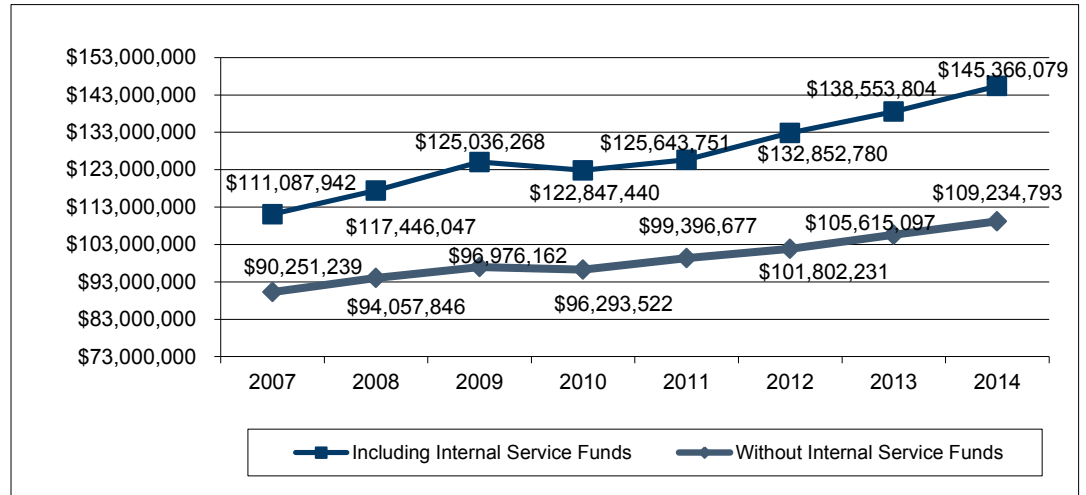
2014 Budgeted Revenues

All Budgeted Funds (Except Capital and Internal Service Funds)

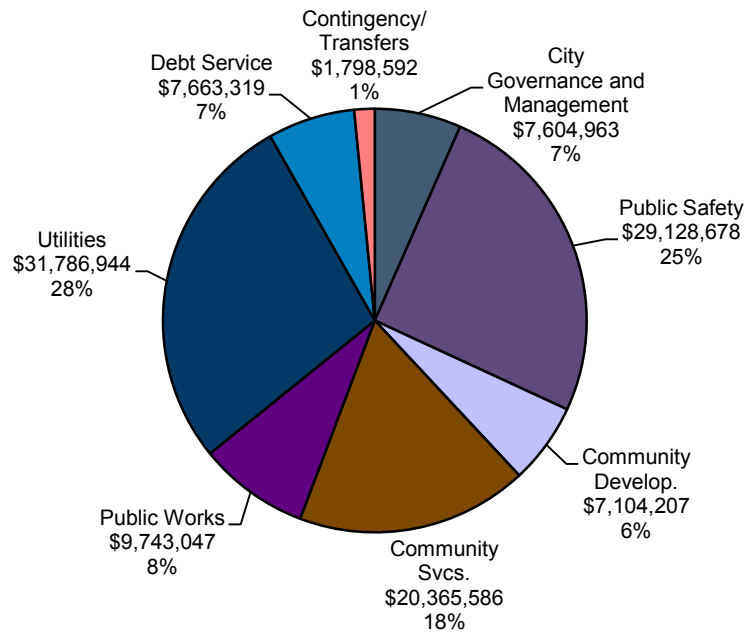


Total budgeted revenues for all funds equal \$145,366,079. Excluding internal service funds and capital projects, total revenues equal \$109,234,793 as shown in the chart by major source.

Total Budgeted Revenues

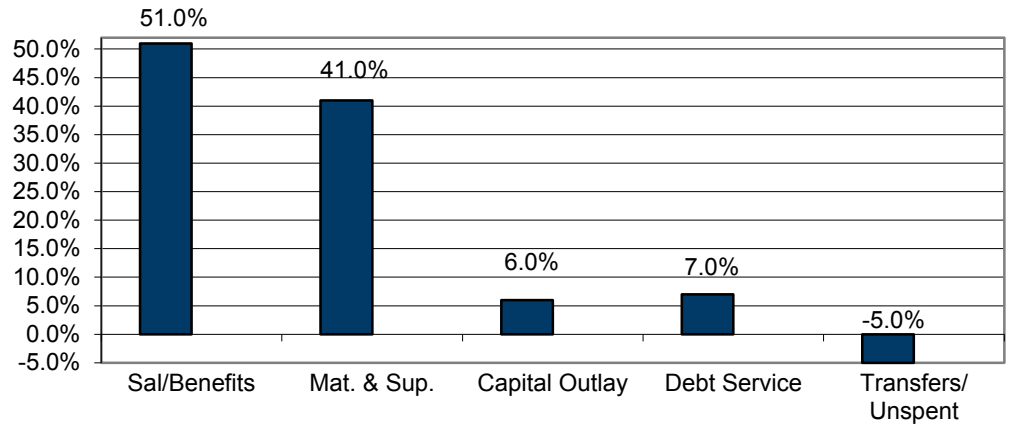


2014 Budgeted Appropriations



Total appropriations for all funds except capital projects equal \$152,495,321. Not including Internal Service Funds, total appropriations equal \$115,195,336. Major programs and funds, excluding Internal Service funds, are shown in the graph above.

All Funds – Appropriations by Categories



The City's expenditures are budgeted in five major spending categories: salaries and benefits, materials and supplies, capital, debt service and transfers. This chart shows the breakdown of expenditures by spending category for all funds. For the General Fund alone, Salaries and Benefits are 68 percent of the budget and Materials and Supplies are 39 percent of the budget before the Estimated Unspent amount is credited.

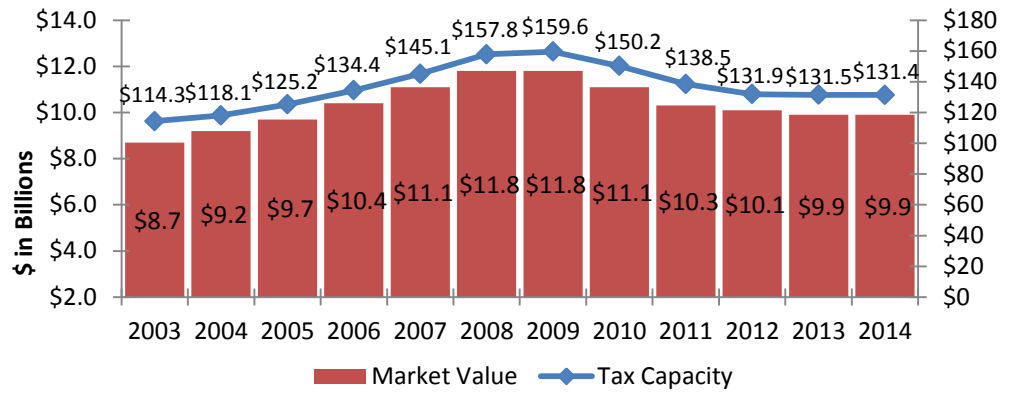
Tax Base

Market values used to calculate 2014 taxes decreased by 0.6 percent from 2013. 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 remained relatively flat from 2013 with residential tax capacity decreasing and commercial and industrial tax capacity increasing.

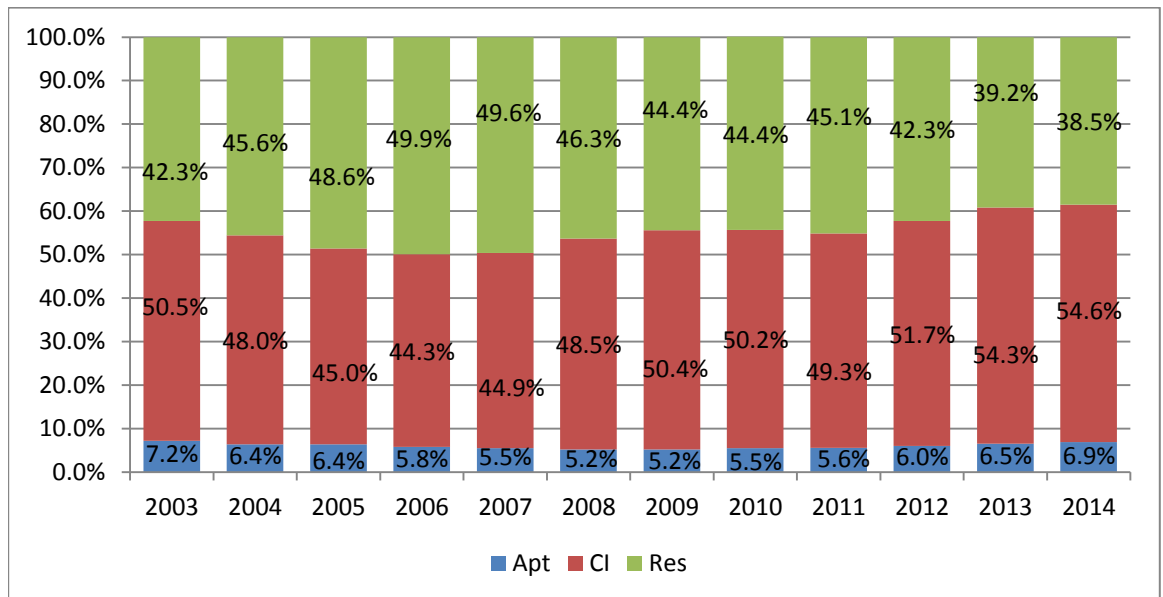
The proportional share of tax burden borne by various property types is constantly changing based on relative changes in market value for each class of property.

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. Market values are determined according to State statute. Property sales from October 2011 through September 2012 were used as the basis for valuation statements which were issued in early 2013 for property taxes paid in 2014. This process is set out in State statute.

Total City Tax Capacity Comparison



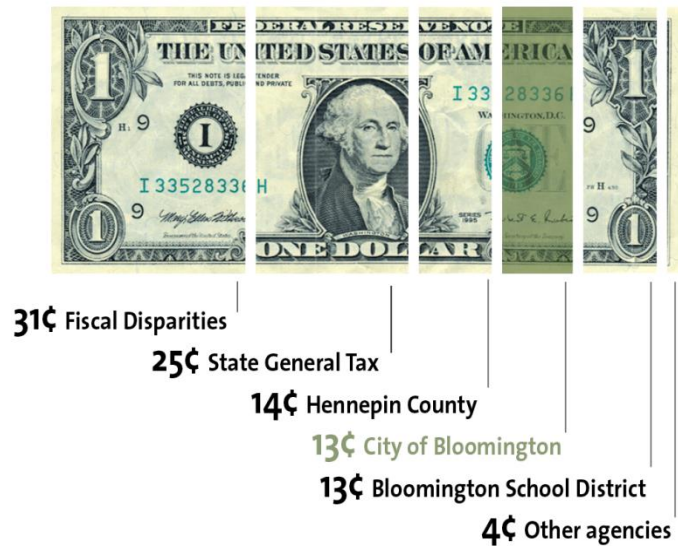
The City of Bloomington is fortunate to have a relatively large commercial and industrial (CI) tax base which illustrates its very competitive business climate. A healthy mixture of residential and commercial property helps to protect the local economy from shifts in tax base the way a well-diversified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

Taxes Payable 2014

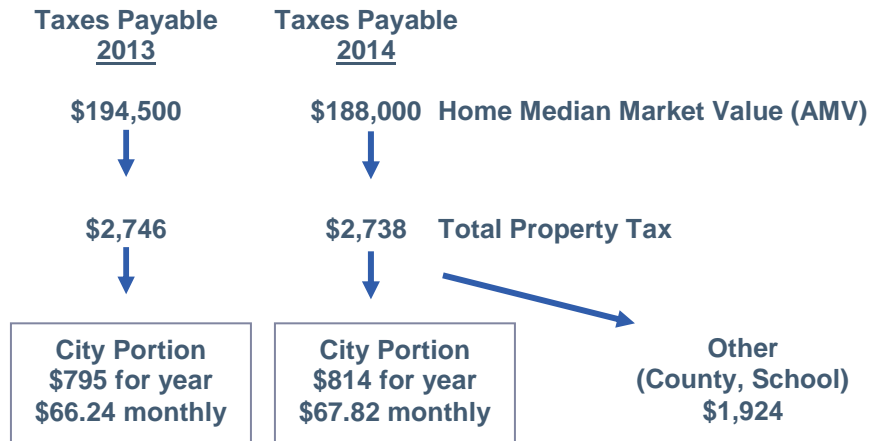
This graphic illustrates the total tax for a residential property as shared by the taxing jurisdictions. Only 30 percent of the total tax is levied for City activities.



This graphic illustrates the total tax for a commercial property. For every total tax dollar, 13 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 2013 of \$188,000. Homestead properties receive favorable tax treatment with a value exclusion applied before the tax levy is apportioned.

Total taxes of \$2,750 are shared by local governmental agencies based on each taxing district's adopted levy.

The City's share of property taxes of \$814 annually equals \$67.82 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 2012, 2013 and 2014 are as follows:

<u>City Service</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Police	\$23.94	\$22.73	\$23.95
Public Works	14.51	13.49	14.02
Community Services	13.66	13.64	13.48
Debt and Capital	7.13	7.35	7.95
Fire	4.12	4.56*	3.92
Community Develop.	<u>4.46</u>	<u>4.27</u>	<u>4.50</u>
	\$67.82	\$66.04	\$67.82

*Due to increased pension obligation.

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)	\$17.24	Engineering	\$ 2.38	General Recreation	\$ 3.11
Street Maintenance	7.29	Environmental Health	2.06	Human Services	2.51
Police Investigation	5.02	Community Planning	1.67	Public Health	.82
Capital/Debt	7.95	Emergency Preparedness	0.22	Aquatics	1.35
Fire Suppression	3.76	Emergency Response	0.62	Cultural & Special Events	0.71
Traffic & Street Lights	2.88	Parks Maintenance	4.13	Center for Arts	0.85
PMP	1.47	Bomb Squad	0.06	Animal Control	<u>0.24</u>
Fire Prevention/CD	0.77	Fire Prevention/Public Safety	<u>0.03</u>		
Crime Prevention	0.68				
Fire Pension	<u>0.00</u>				
Total	<u>\$47.06</u>		<u>\$ 11.17</u>		<u>\$9.59</u>

City Service and Community Investment and Renewal Costs

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

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

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

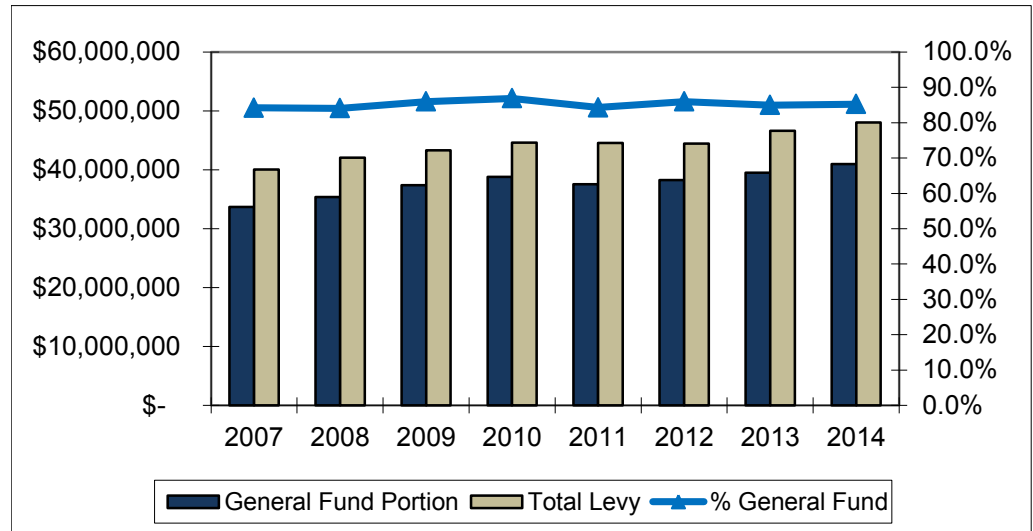
Levy Components

The dollars levied in 2014 by fund as compared to the 2013 levy are illustrated in the following table:

<u>Fund</u>	<u>2013</u>	<u>2014</u>	<u>Current % Increase (Decrease) Over 2013</u>
General	\$39,532,356	\$40,959,024	3.61%
Debt Service	3,897,712	4,205,916	7.91
Tax Abatement	464,939	501,050	7.77
Recreation Facilities	1,263,642	1,301,842	3.02
Fire Pension	347,713	0	--
Neighborhood Initiatives	343,011	210,921	(38.51)
Pavement Management	<u>791,846</u>	<u>871,031</u>	10.00
Total	<u>\$46,641,219</u>	<u>\$48,049,784</u>	3.02%

The City's general fund levy increased from 2013 to 2014 by 3.61 percent or \$1,426,668. The 2014 General Fund budget includes a 2.96 percent increase in spending from 2013.

General Fund Portion of Levy



The average increase in the gross levy over the past fifteen years is 3.82 percent; the past ten years is 3.50 percent; and the past five years is 2.12 percent.

Changes in Fund Balance and Working Capital 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.

Working capital balance, defined as current assets less current liabilities, is carefully monitored to ensure enough financial flexibility to meet both short and long-term goals for each fund. The City does five, ten and 15-year modeling to see where working capital might become problematic.

Fund Name	Est. YE 2013 Fund Balance	2014 Revenues	2014 Expenditures	Ending Balance	Working Capital Goal	% Change in Fund Balance	\$ Change in Fund Balance	Reason for Greater than 10 Percent Variance
Public Health Special Revenue	\$ 153,336	\$1,182,314	\$1,257,011	\$ 78,639	\$ 0	(48.7) %	\$ (74,697)	Timing of grants and reimbursements
Police Special Revenue	4,338,015	942,475	3,738,764	1,541,726	1,016,168	(64.5) %	(2,796,289)	Includes the Pension Residual Fund 20-year utilization for Police service expenses and payment of Fire pension obligation. Used prior year General Fund positive performance to limit variability year to year.
Communications	656,360	1,563,696	1,501,049	719,007	379,000	9.5 %	62,647	
South Loop Development	112,552	270,500	348,000	35,052	0	(68.9) %	(77,500)	More activity in project area.
Water/Wastewater	8,699,573	22,752,663	24,320,350	7,131,886	6,521,000 to 8,846,000	(18.2) %	(1,567,687)	Increased capital spending for infrastructure renewal.
Storm Water	4,966,310	5,107,154	6,089,003	3,984,461	1,318,000 to 4,078,000	(19.8) %	(981,849)	Increased capital spending on system improvements.
Solid Waste	1,119,543	1,498,231	1,377,591	1,240,183	819,904	10.8 %	120,640	Increasing fund balance to pay for future emerald ash borer expenses, storm cleanup.
Recreational Facilities	1,612,853	5,103,546	5,286,550	1,429,849	2,271,430	(11.3) %	(183,004)	Increased capital spending at Ice Garden and golf course.
Police Contractual	0	600,000	600,000	0	0	0 %	0	
Motor Vehicle	259,718	661,030	631,535	289,213	303,000	11.4 %	29,445	Fee increase granted to improve working capital position.
Information Systems	2,853,214	6,010,121	6,765,449	2,097,886	789,977	(26.5) %	(755,328)	Ongoing, systematic reinvestment to improve service quality.
Equipment	5,125,581	6,719,597	7,003,551	4,841,627	2,798,609	(5.5) %	(283,954)	
Support Services	244,191	480,881	499,152	225,920	218,150	(7.5) %	(18,271)	
Public Safety Radio	994,673	417,288	318,184	1,093,777	852,570	10.0 %	99,104	Increasing fund balance for future equipment reinvestment.
Self-Insurance	721,516	1,659,467	1,650,469	730,514	2,311,498	1.2 %	8,998	
Insured Benefits	3,555,614	8,666,400	8,568,100	3,653,914	3,428,000	2.8 %	98,300	
Accrued Compensated Absences	(1,434,405)	1,728,900	1,398,128	(1,103,633)	0	23.1 %	330,772	Planned gradual increase to meet leave time liabilities.
Facilities & Parks	43,016,757	10,448,632	11,096,953	42,368,436	7,034,850	(1.5) %	(648,321)	
General Fund	21,042,904	61,452,110	61,452,110	21,042,904	20,479,512	0 %	0	
Park Grants	20,445	63,851	113,000	(28,704)	15,000	(240.4) %	(49,149)	Grant utilization for regional park projects in 2014.

Working Capital Balances

Fund Name	Basis	Justification	Formula (if any)	Current Recommended Balance	Estimated 12/31/13 Working Capital	Estimated 12/31/14 Working Capital
General Fund	Approximately 50% of General Fund Gross Tax Levy	Cash flow – 1 st half of property taxes, including Fiscal Disparities are not received until June.	$\$40,959,024 \times 50\%$	\$20,479,512	\$21,042,904	\$21,042,904
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	\$153,336	\$78,639
Police Special Revenue Funds	DWI Forfeiture – Enhanced 911 – Lump Sum Drug Forfeiture – Lump Sum Police Grants Police Pension Residual Asset Fund Fire Pension	Emergency Expenditures Emerg. repairs, consoles Emergency Repairs Repair, replace Per 20-year plan Next year obligation		\$101,900 \$420,000 \$120,000 \$0 \$374,268 <u>\$1,325,000</u> \$2,341,168	\$151,831 \$238,591 \$8,676 \$0 \$550,928 <u>\$3,387,989</u> \$4,338,015	\$53,960 \$84,795 \$3,083 \$0 \$195,799 <u>\$1,204,089</u> \$1,541,726
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	\$279,000 <u>\$100,000</u> \$379,000	\$656,360	\$719,007
South Loop	Permit surcharges are collected to fund studies that take place prior to project approval. No working capital	Generally Accepted Accounting Principles		\$0	\$112,552	\$35,052

Fund Name	Basis	Justification	Formula (if any)	Current Recommended Balance	Estimated 12/31/13 Working Capital	Estimated 12/31/14 Working Capital
Park Grants	Track grants for regional park maintenance from State of Minnesota via Metropolitan Council	GAAP	Lump Sum	\$15,000	\$68,782	\$19,633
Water Utility	Two months of customer revenue Lump Sum Long-term capital needs: Lump Sum	Cash flow Emergency repairs Reinvestment for Asset Management	$\$12,192,000 \times \frac{2}{12}$	\$2,032,000 + \$500,000 + <u>\$2,000,000</u> \$4,532,000	\$5,118,978	\$4,037,031
Wastewater Utility	Two months of customer revenue Lump Sum Long-term capital needs: Lump Sum	Cash flow Emergency repairs Reinvestment for Asset Management	$\$9,582,000 \times \frac{2}{12}$	\$1,597,000 \$500,000 + <u>\$2,225,000</u> \$4,322,000	\$3,580,595	\$3,094,855
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	$\$4,908,000 \times \frac{2}{12}$	\$818,000 \$500,000 + \$1,300,000 + \$960,000 <u>\$500,000</u> \$4,078,000	\$4,966,310	\$3,984,461
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.	$\$546,667 \times 60\%$	\$328,000		

Fund Name	Basis	Justification	Formula (if any)	Current Recommended Balance	Estimated 12/31/13 Working Capital	Estimated 12/31/14 Working Capital
Solid Waste Management (continued)	Reserve for tree disposal, storm clean-up and hazardous waste			\$175,000		
	Tree Replacement	\$500 Per Tree	\$0	\$176,904		
	40% remaining budgeted operating expenses	Reserve for cash flow to draw from rather than raise rates if funding is cut.	$\$560,000 \times 25\%$	<u>\$140,000</u>		
				\$819,904	\$1,119,543	\$1,240,183
Motor Vehicle	1/8 of budgeted operating expenses	Operating expenses	$\$679,200 \times 5/12$	\$283,000 +		
	Lump sum	Emergency purchase		<u>\$20,000</u> \$303,000	\$259,718	\$289,213
Information Systems	Lump Sum	Equipment replacement (major components)		\$267,000 +		
	Lump Sum	Other Software Systems		<u>\$522,977</u> \$789,977	\$1,905,286	\$1,150,058
Support Services	1 Month's budgeted operating revenues	Cash flow	$\$478,800 \div 12$	\$39,900 +		
	Lump Sum	Print Shop /Mailroom Equipment Replacement		<u>\$178,250</u>		
				\$218,150	\$244,191	\$225,920
Equipment	Operations & Maintenance One month of charges	Cash flow for operations and inventory replacement	$\$6,492,000 / 12$	\$541,000 +	\$632,787	\$362,282
	Replacement – Two years of charges	Flexibility to reduce charges in economic downturn		\$1,589,000 +	\$1,524,996	\$1,517,661
	Fire Equipment Replacement – 2 years of charges to Fire Dept. for replacement	Build funds for replacement	$\$300,000 \times 2$	\$600,000 +	\$2,125,015	\$2,178,125
	Small Fire Equipment	Build funds for replacement		\$159,950	\$0	\$43,860
	Small Police Equipment	Build funds for replacement		<u>\$68,609</u> \$2,958,559	<u>\$169,144</u> \$4,471,117	<u>\$159,773</u> \$4,831,174

Fund Name	Basis	Justification	Formula (if any)	Current Recommended Balance	Estimated 12/31/13 Working Capital	Estimated 12/31/14 Working Capital
Radio Fund	One month's budgeted operating revenue	Cash flow – multi-year modeling need	$\$408,000 \div 12$	\$34,000 +		
	Lump sum	To replace/ purchase additional MDT's/Radios		\$600,000 +		
	Lump Sum	Fiber Optic Network		<u>\$218,570</u> \$852,570	\$994,673	\$1,093,777
Facility Replacement & Maintenance	Administration & Maintenance 1 months' budgeted operating expenditures	Cash flow – multi-year modeling need	$\$3,468,000 \div 12$	\$289,000 +	\$1,239,591	\$1,077,511
	Replacement	Minimize future debt of facility replacement cash flow		<u>\$6,745,850</u>	<u>\$3,718,773</u>	<u>\$3,232,532</u>
				\$7,034,850	\$4,958,364	\$4,310,043
Insured Benefits Fund	Two Month's Premiums	Operating Expenses – multi-year modeling need	$\$8,568,000 \div 12 * 2$	\$1,428,000		
	Reserve for Premium Increases			<u>\$2,000,000</u>	\$3,555,614	\$3,653,914
Recreational Facilities Funds	Aquatics facilities (2)	Operations		\$619,030 +	\$556,855	\$496,177
	Ice Garden – Lump sum	Capital Improvements		\$420,000	\$324,709	\$273,453
	Art Center – 12 months of selected budgeted operating expenses	Cash Flow		\$234,400 +		
	Lump Sum	Furniture, fixtures, equipment		\$50,000 +	\$201,930	\$190,959
	Golf courses (2) – Lump Sum	Cash flow		\$417,000 +		
	Capital	Emergency repairs		\$480,000 +	\$529,359	\$469,260
				<u>\$51,000</u> \$2,271,430	<u>\$1,612,853</u>	<u>\$1,429,849</u>
Self-Insurance Fund	Amount cited in Actuarial Report as minimum to cover losses	Guard against significant impact of large claims		\$2,311,498	\$721,516	\$730,514
Accrued Compensation Fund	Enough assets to offset liability	Generally Accepted Accounting Principles		\$0	(\$1,434,405)	(\$1,103,633)

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

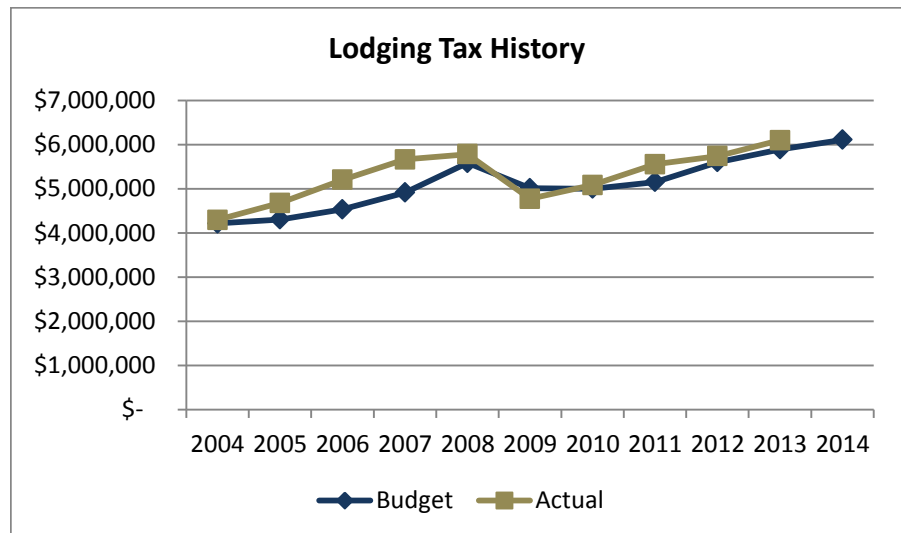
In 2014, revenues are budgeted to increase from the 2013 budget by 2.96 percent. In the five-year model shown on the fourth page of this section, revenues are projected to increase each year from 2015 to 2019 at rates ranging from 2.59 percent to 2.69 percent with an average increase of 2.63 percent.

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 3.3 percent over the past 15 years (since 1999) including a decline in payable years 2010 through 2014 in tax base of 5.7, 7.2, 1.8, 2.1 and 0.6 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 increase by 3.6 percent in 2014 and increase to 2 percent per year starting in 2015.

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 current economic downturn. The high collection mark in 2008 also includes the spillover effect of the Republican National Convention (RNC) held in Minneapolis and St. Paul in September of that year. 2013 was the first year of operation for the Radisson Blu hotel. A 3.7 percent growth rate is expected for 2014 with 2 percent growth 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 were increased by 3.4% over the 2013 budget, about a 2.5% increase from projected collections in 2013. Business license revenue is modeled to increase by 2% in 2015 and each year after that.

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 few years for larger projects. Permit fee revenue is budgeted in 2014 to decrease by 3.3% from the 2013 budget. This budget amount is a conservative \$200,000 less than projected collections for 2013 to allow for the possibility of a slowing economy in 2014 impacting building permits and for permits issued as a result of hail storm damage from a 2013 summer storm. Permit revenue is budgeted to increase by 2.3% in 2015 through 2019.

Court fines and forfeits are generated from traffic and other violations of the law. A 4.4 percent decrease from the 2013 budget is budgeted for 2014 which is a 1.2 percent increase from actual collections in 2013. Revenue for this category is budgeted to increase by 2.5 percent per year through 2019 which represents a more historical growth rate for this revenue category.

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 2014 shows a 2.8 percent decrease from the 2013 budget. Program revenue is expected to remain flat through 2019.

Intergovernmental revenues increase 2.1 percent in the 2014 budget from the 2013 budget. However, this is a 6.6 percent decrease from the actual amount received in 2013 due mostly to reduced funding for health grants and reduced pension state aid. Funding for 2015 through 2019 is flat because of the uncertainty of this funding source.

Interest is scheduled to decrease by 57.1 percent from the 2013 budget and decrease 15.5 percent compared to estimated earnings in 2013. Interest earnings are expected to return to a growth rate of 2.5 percent starting in 2015 based on projections of interest rates and cash balances with a strengthening economy causing interest rates to increase.

Appropriations

Appropriation needs are developed by the responsible program manager after certain fixed costs such as salaries, benefits and internal charges are forecast. On average, salaries and benefits make up approximately 70 percent of General Fund service costs.

Overall, appropriations in the model are projected to increase annually at a rate of 2.63 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 and 2013, wage increases of 0.0, 2.0, 1.0 and 2.5 percent were given. In 2014 a 2.0 percent increase was budgeted. The later years of the model include wage increases for modeling purposes only.

Health and dental costs are kept flat for 2012 through 2014. A new carrier was contracted with rates held constant for those three years. The rate increase for 2015 is set at a maximum of 15 percent if the contract is extended with them. 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 slightly to build a reserve for the anticipated premiums increases in 2015 and beyond.

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 2010 after reprioritizing the fire capital replacement schedule to assist in offsetting fire pension contribution increases. That funding to the Fire Department Equipment Fund was increased by \$100,000 every year, starting in 2011, to reach the original amount of \$550,000 so the increase for fire appropriations increases more than the majority of departments. Another strategy implemented was to keep open positions vacant longer than normal.

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

Structural Balance

The General Fund long-term model is a reflection of conservative estimates of revenue and expenditures (keeping non-property taxes slightly less than spending and expenditures at assumed inflation levels) and shows a balanced budget for all years. Each year the model is adapted to include changes in inflation, community growth, program choices and levels of service. The subsequent modeling provides a financial context to understand funding requirements to maintain quality services. In reality, the out-years will be tempered with possible levy limits, program choices and policy influenced levels of service.

During the past 19 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.

General Fund Model

REVENUES	2014	2015	2016	2017	2018	2019
Property Tax	\$40,959,024	\$42,513,743	\$44,216,009	\$46,142,181	\$47,846,878	\$49,575,730
Less Delinq. & Abatements	(708,366)	(622,534)	(634,984)	(647,684)	(660,638)	(673,850)
Delinquent Collections	200,000	200,000	200,000	0	0	0
Admissions Tax	1,307,750	1,333,905	1,360,583	1,387,795	1,415,551	1,443,862
Hotel-Motel Tax	6,108,800	6,230,976	6,355,596	6,482,707	6,612,362	6,744,609
Business Lic. & Permits	1,860,725	1,897,940	1,935,898	1,974,616	2,014,109	2,054,391
Non-Bus. Lic. & Permits	2,607,700	2,667,677	2,729,034	2,791,801	2,856,013	2,921,701
Court Fines	1,150,000	1,178,750	1,208,219	1,238,424	1,269,385	1,301,119
Program Income	2,113,091	2,113,091	2,113,091	2,113,091	2,113,091	2,113,091
Intergovernmental Rev.	2,187,945	2,187,945	2,187,945	2,187,945	2,187,945	2,187,945
Interest Earnings	75,000	76,875	78,797	80,767	82,786	84,856
Transf. from Other Funds	1,535,000	1,200,000	900,000	600,000	300,000	0
Police Pension	153,000	108,000	73,000	48,000	28,000	19,511
South Loop Revenue	1,123,570	1,151,659	1,180,451	1,209,962	1,240,211	1,271,216
All Other	778,871	806,131	834,346	863,548	893,772	925,054
Total Revenues	\$61,452,110	\$63,044,158	\$64,737,984	\$66,473,154	\$68,199,465	\$69,969,235
APPROPRIATIONS	2014	2015	2016	2017	2018	2019
City Council/Com.	\$570,548	\$584,812	\$599,432	\$614,418	\$629,778	\$645,523
City Manager	348,364	357,073	366,000	375,150	384,529	394,142
Legal	1,285,931	1,318,079	1,351,031	1,384,807	1,419,427	1,454,913
Human Resources	670,161	686,915	704,088	721,690	739,732	758,226
Finance	1,087,212	1,114,392	1,142,252	1,170,808	1,200,079	1,230,081
Police	22,503,349	23,065,933	23,642,581	24,233,646	24,839,487	25,460,474
Fire	3,129,258	3,207,489	3,287,677	3,369,869	3,454,115	3,540,468
Community Develop.	6,985,873	7,160,520	7,339,533	7,523,021	7,711,097	7,903,874
Community Services	12,331,880	12,640,177	12,956,181	13,280,086	13,612,088	13,952,390
Public Works	10,074,246	10,326,102	10,584,255	10,848,861	11,120,083	11,398,085
Technical Service Group	2,694,522	2,761,885	2,830,932	2,901,705	2,974,248	3,048,604
Offset for Est. Unspent	(2,088,966)	(2,067,303)	(2,044,827)	(2,021,509)	(1,997,315)	(1,972,214)
Contingency	1,549,782	1,588,084	1,628,849	1,670,602	1,712,117	1,754,669
Transfers to Other Funds	309,950	300,000	350,000	400,000	400,000	400,000
Total Expenditures	\$61,452,110	\$63,044,158	\$64,737,984	\$66,473,154	\$68,199,465	\$69,969,235

Note: Years 2015-2019 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								
Sage Clinic					X			
Other Health Grants					X			
Drug Forfeiture	X							
Enhanced 911	X							
DUI Forfeiture	X							
Other Police Grants	X							X
Pension Residual	X	X						
Fire Grants		X						
South Loop Revolving Development				X				
Communications					X			
Parks Grants					X			
Cemetery								X

Staffing

	2009 Authorized Full-Time	2010 Authorized Full-Time	2011 Authorized Full-Time	2012 Authorized Full-Time	2013 Authorized Full-Time	2014 Authorized Full-Time
City Manager	3	3	3	3	3	3
Community Development	54	54	54	54	54	56
Community Services	46	46	44	44	44	44
Finance	22	22	22	22	22	22
Fire Protection	3	3	3	3	4	4
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	146	147	148	148	150	150
Public Works	91	93	93	66*	63	63
Technical Services Group	20	20	20	20	20	20
GENERAL FUND TOTAL	404	407	406	379	379	381
Communications	7	7	8	8	8	8
Pension Asset Residual	2	1	0	0	0	0
Public Health	8	8	8	10	9	8
South Loop Revolving Development Svcs.	5	5	5	5	5	5
Special Revenue	22	21	21	23	22	21
Motor Vehicle	5	5	5	5	5	5
Rec Facilities Fund	16	16	16	16	17	18
Solid Waste Mgt.	1	1	1	1	1	1
Storm Water Utility	11	11	11	11	12	12
Water & Wastewater Utilities	54	54	54	54	54	54
Enterprise	87	87	87	87	89	90
Equipment Pool	14	15	15	15	15	15
Facilities and Parks Maintenance	10	10	10	37*	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
Internal Service	41	42	42	69	71	71
TOTAL OTHER FUNDS	150	150	150	179	183	183
Housing and Redevelopment	10	10	10	10	10	10
Port Authority	3	3	3	3	3	3
TOTAL ALL	567	570	569	571	574	576

*Public Works moved from the General Fund to the Facilities.

City of Bloomington, Minnesota
ANNUAL BUDGET
 Fiscal Year 2014



The Art of Creating Community

GENERAL FUND – FUND 101

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TOTAL GENERAL FUND BUDGET SUMMARY

	2012 ACTUAL	2013 ORIGINAL BUDGET	2013 AMENDED BUDGET	2013 ESTIMATED	2014 BUDGET
Revenues					
Property Taxes	\$ 37,810,385	\$ 39,732,356	\$ 38,939,839	\$ 39,265,659	\$ 40,450,658
Lodging/Admission Taxes	7,010,018	7,152,500	7,152,500	7,576,443	7,416,550
Licenses/Permits	4,568,512	4,497,600	4,497,600	4,679,509	4,468,425
Fines/Forfeitures	1,135,826	1,202,500	1,202,500	1,196,712	1,150,000
Intergovernmental	2,215,073	2,142,153	2,331,444	2,447,104	2,187,945
Program Income	2,199,764	2,174,818	2,235,182	2,241,875	2,113,091
Interest	156,156	175,000	175,000	(15,225)	75,000
Transfers In	2,636,652	2,677,878	2,677,878	2,719,607	2,811,570
Other	885,313	725,000	776,920	805,292	778,871
TOTAL REVENUES	58,617,699	60,479,805	59,988,863	60,916,976	61,452,110
Expenditures					
Staffing					
Salaries and Wages	28,303,318	30,864,037	31,066,882	30,796,332	31,559,977
Benefits	10,381,549	11,037,190	11,091,009	11,250,084	11,331,432
Operating Expenditures					
Professional and Technical Services	1,030,314	1,437,946	1,640,504	2,701,838	1,412,038
Utilities and Maintenance	2,684,577	2,912,101	3,013,990	2,938,622	2,884,701
Operations	1,624,295	1,941,710	1,945,760	1,803,158	1,798,342
City Support Services	13,083,781	14,640,392	14,645,392	14,833,800	15,179,416
Materials and Supplies	2,487,422	2,558,865	2,858,398	2,695,221	2,672,623
Capital Outlay					
Buildings and Improvements	-	-	-	-	-
Equipment	204,684	224,608	300,072	163,104	312,000
Transfers Out & Contingency	3,338,650	1,756,288	1,756,288	1,569,285	1,899,732
TOTAL EXPENDITURES	63,138,590	67,373,137	68,318,295	68,751,444	69,050,261
Less Expenses Charged to Others	(5,163,858)	(5,566,508)	(5,566,508)	(8,185,635)	(5,509,185)
Less Budgeted Estimated Unspent		(2,075,774)	(2,075,774)		(2,088,966)
NET TOTAL EXPENDITURES	57,974,732	59,730,855	60,676,013	60,565,809	61,452,110
FUND BALANCE SOURCES (USES)	642,967	748,950	(687,150)	351,167	-
Fund Balance Beginning of Year	20,048,770	20,691,737	20,691,737	20,691,737	21,042,904
Fund Balance at Year-End	\$ 20,691,737	\$ 21,440,687	\$ 20,004,587	\$ 21,042,904	\$ 21,042,904
Fund Balance goal	\$ 19,766,178	\$ 20,479,512	\$ 20,479,512	\$ 20,479,512	\$ 21,256,872

Public Safety - Police

Divisions

Police Administration

Police Operations

Police Support Division

The Police Department employs 150 people, of which 118 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 105,000 emergency and non-emergency phone calls are logged into the dispatch center a year. Of these, approximately 50,000 emergency (911) calls each year come in to the Communications Unit (Dispatching). Not all these calls result in a request for police services. Other units include the Mall Unit, 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 Mall Unit is paid for through liquor and logging tax dedicated to South Loop expenses.



84 percent of residents say they feel safe from violent crime in Bloomington, much above cities nationwide.

96 percent of residents surveyed rated Bloomington either safe or very safe, also much above cities nationwide.

Expenditures

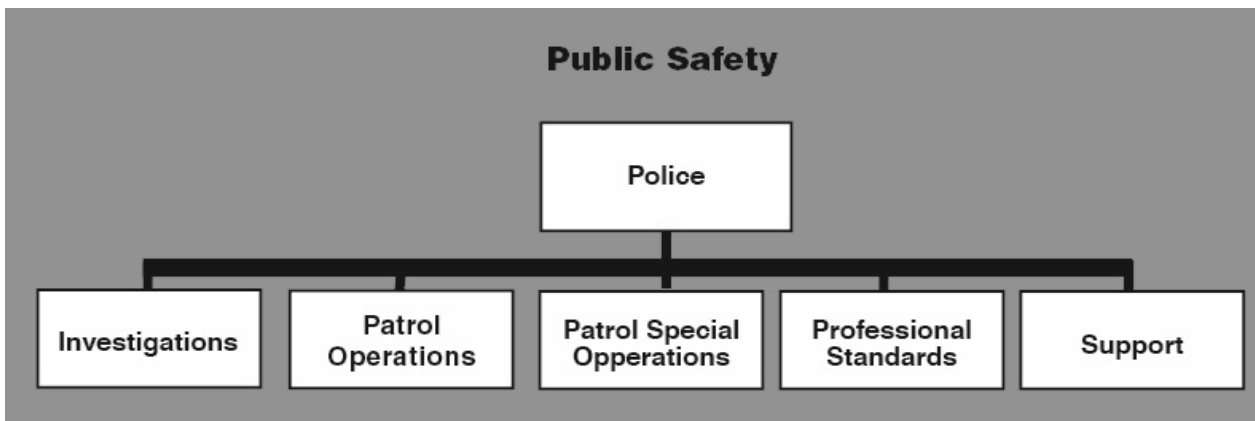
	FY2013 Original Budget	FY2014 Approved Budget	Percent Change
Salaries/Wages/Benefits	\$17,231,382	\$17,651,497	2.4%
Materials/Supplies/Services	4,645,496	5,130,741	10.4
Expenses Charged to Others	(400,606)	(325,156)	(18.8)
	\$21,476,272	\$22,457,082	4.6%

Authorized Full-Time Police

FY2012	FY2013	FY2014
148	150	150

POLICE BUDGET SUMMARY Revenues and Expenditures					
	2012 ACTUAL	2013 ORIGINAL BUDGET	2013 AMENDED BUDGET	2013 ESTIMATED	2014 BUDGET
Revenues					
Program Income	\$ 450,335	\$ 386,500	\$ 458,560	\$ 155,195	\$ 396,500
Intergovernmental	68,190	78,000	125,705	72,159	70,200
TOTAL REVENUES	518,525	464,500	584,265	227,354	466,700
Expenditures					
Staffing					
Salaries and Wages	11,867,999	12,644,187	12,753,533	12,494,482	12,920,561
Benefits	4,362,713	4,587,195	4,595,254	4,610,175	4,730,936
Operating Expenditures					
Professional and Technical Services	101,153	104,653	104,653	114,588	110,653
Utilities and Maintenance	393,709	349,360	354,180	406,478	345,603
Operations	375,429	476,570	476,570	404,030	446,878
City Support Services	2,905,360	3,252,474	3,252,474	3,252,461	3,477,807
Materials and Supplies	452,079	462,439	502,163	472,484	551,800
Capital Outlay					
Equipment	20,981	-	-	-	198,000
TOTAL EXPENDITURES	20,479,423	21,876,878	22,038,827	21,754,698	22,782,238
Less Expenses Charged to Other Funds	(378,040)	(400,606)	(400,606)	(400,596)	(325,156)
NET TOTAL EXPENDITURES	20,101,383	21,476,272	21,638,221	21,354,102	22,457,082

	2012	2013	2014
Property tax cost of service for median value home per month:			
Police	\$23.94	\$22.73	\$23.95



Police - Operations

Activities

Patrol

Investigations

Special Operations

The Patrol activity provides twenty-four hour, seven-day a week response to 46,000 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.

2014 Objectives

- S** Work with neighborhoods and businesses to identify and solve problems such as repeat calls for service.
- S** Reduce number of stolen vehicles by 10 percent in 2014.
- S** Conduct a multi-discipline mass casualty exercise in 2014.
- S** Maintain the number of recovered stolen vehicles at or above 70 percent in 2014.
- S** Decrease the number of traffic fatalities by ten percent in 2013 by operating speed patrols and DUI enforcement.
- S** Continue to provide the public with scheduled Investigative Division personnel on duty 73 hours per week including Saturdays.
- S** Focus ten percent of directed patrols to identified problem properties.
- S** Increase traffic enforcement, focusing on an increase in traffic stops by 10 percent in 2014.

2013 Results

- Used technology to increase stolen vehicle recovery by 21% in 2013.
- Currently 14,856 homes, 404 watch groups, 696 Block Captains in the Neighborhood Watch group.
- Used DWI forfeiture funds to put laser speed measuring devices in each vehicle in the Patrol Division in 2013, which resulted in a 24% increase in traffic stops and a 23% increase in traffic citations for 2013.
- Worked 831 traffic enforcement details that resulted from citizen complaints and traffic crash data.
- Continued a plan of geographic accountability emphasizing vigorous enforcement of laws, crime prevention, crime analysis and problem-solving.
- Maintained a proactive mall unit, reducing the assignment of regular patrol units to that site.
- Conducted alcohol and tobacco compliance checks of licensed establishments, done twice each year.
- Continued to work with Mall of America staff to enhance a Critical Incident Lockdown Procedure.
- Continued the PROTECT (Proactive Objectives Targeting Emerging Crime Trends) Program to respond efficiently to problem addresses in the City.
- Continued to update a City-wide threat assessment and identify critical infrastructure.
- Bomb Squad conducted 22 training sessions for citizens, students and other agencies that improved safety awareness.
- Investigations was assigned 6,031 cases to follow-up on in 2013, many that involved detailed work with computer forensics, financial records, interviews and evidence processing.

Expenditures

	FY2013 Original Budget	FY2014 Approved Budget	Percent Change
Salaries/Wages/Benefits	\$ 13,167,317	\$ 13,316,605	1.1%
Materials/Supplies/Services	2,963,523	3,119,348	5.3
Expenses Charged to Others	(46,267)	(46,267)	(0.0)
	\$ 16,084,573	\$ 16,534,686	2.8%

Authorized Full-Time

	FY2012	FY2013	FY2014
	107	109	108
Police Lieutenant	3	3	3
Police Officer	88	90	89
Police Sergeant	16	16	16

Part I Crimes

	2011	2012	2013	5 Year Average
Homicide	0	0	1	1
Rape	26	25	19	31
Robbery	40	59	54	51
Aggravated Assault	71	62	60	60
Burglary	256	234	197	252
Theft	2,843	2,957	3,059	2,878
Vehicle Theft	91	86	118	118
Arson	17	20	16	15



2013 Police Operations:

- 451 DWI Arrests
- 13,715 Traffic Citations
- 17,485 Traffic Stops
- 6,147 Directed Patrols

Over 90 Percent of Police Officers serve in Operations.

123 Commercial Vehicle Inspections conducted in 2013.

355 National Night Out Parties held in 2013.

POLICE OPERATIONS BUDGET SUMMARY Revenues and Expenditures					
	2012 ACTUAL	2013 ORIGINAL BUDGET	2013 AMENDED BUDGET	2013 ESTIMATED	2014 BUDGET
Revenues					
Program Income	\$ 316,145	\$ 291,000	\$ 361,000	\$ 78,814	\$ 282,000
Intergovernmental	31,949	38,000	38,000	35,633	30,200
TOTAL REVENUES	348,094	329,000	399,000	114,447	312,200
Expenditures					
Staffing					
Salaries and Wages	8,959,310	9,682,596	9,752,596	9,491,699	9,758,307
Benefits	3,226,153	3,484,721	3,484,721	3,490,915	3,558,298
Operating Expenditures					
Professional and Technical Services	84,211	88,167	88,167	93,071	94,167
Utilities and Maintenance	89,532	109,231	112,491	91,005	113,474
Operations	171,849	218,167	218,167	203,456	218,999
City Support Services	1,999,933	2,208,956	2,208,956	2,208,542	2,353,706
Materials and Supplies	328,644	339,002	352,227	337,779	339,002
Capital Outlay					
Equipment	20,981	-	-	-	145,000
TOTAL EXPENDITURES	14,880,613	16,130,840	16,217,325	15,916,467	16,580,953
Less Expenses Charged to Other Funds	(45,360)	(46,267)	(46,267)	(46,272)	(46,267)
NET TOTAL EXPENDITURES	14,835,253	16,084,573	16,171,058	15,870,195	16,534,686

	2012	2013	2014
Property tax cost of service for median value home per month:			
Police Investigations	\$5.10	\$4.80	\$5.02
Police Patrol	\$17.45	\$16.74	\$17.24
Bomb Squad	\$0.06	\$0.06	\$0.06
Emergency Response Unit	\$0.24	\$0.23	\$0.62

Police - Administration

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

2014 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.
- OS** Develop staff by providing leadership, management and emergency management training to supervisors and mid-managers within the Police Department with at least one-tenth of those people participating in a major training class.

2013 Results

- Oversaw the Police Department budget.
- Participated in State level emergency management training.
- Attended Executive Management Leadership Training.
- 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 leadership and management training.
- Directed resources to develop Emergency Planning and Site Vulnerability Assessments for critical infrastructure including Civic Plaza.

Expenditures	FY2013	FY2014	Percent Change
	Original Budget	Approved Budget	
Salaries/Wages/Benefits	\$ 555,550	\$ 721,950	30.0%
Materials/Supplies/Services	110,948	117,002	5.5
Expenses Charged to Others	(15,423)	(2,635)	(82.9)
	\$ 651,075	\$ 836,317	28.5%

Authorized Full-Time	FY2012	FY2013	FY2014
		4	5
Administrative Assistant	1	1	1
Chief of Police	1	1	1
Deputy Chief of Police	1	2	2
Police Officer	1	1	1

POLICE ADMINISTRATION
BUDGET SUMMARY
Revenues and Expenditures

	2012 ACTUAL	2013 ORIGINAL BUDGET	2013 AMENDED BUDGET	2013 ESTIMATED	2014 BUDGET
Revenues					
Intergovernmental	\$ 36,241	\$ 40,000	\$ 87,705	\$ 36,526	\$ 40,000
TOTAL REVENUES	36,241	40,000	87,705	36,526	40,000
Expenditures					
Staffing					
Salaries and Wages	396,250	421,179	460,525	511,804	541,399
Benefits	126,641	134,371	142,430	157,249	180,551
Operating Expenditures					
Professional and Technical Services	2,920	-	-	3,073	-
Utilities and Maintenance	-	202	202	-	202
Operations	8,190	11,299	11,299	11,063	11,149
City Support Services	86,836	95,795	95,795	98,368	101,999
Materials and Supplies	1,829	3,652	11,332	9,172	3,652
TOTAL EXPENDITURES	622,666	666,498	721,583	790,729	838,952
Less Expenses Charged to Other Funds	(15,120)	(15,423)	(15,423)	(15,420)	(2,635)
NET TOTAL EXPENDITURES	607,546	651,075	706,160	775,309	836,317

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.

Activities

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

2014 Objectives


- OS** Partner with Bloomington Chamber of Commerce to enhance the Police Business Academy in 2014.
- OS** Prepare for a new Computer Aided Dispatch and Records Management System in 2015.
- 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 and increase participants, currently at 847, by five percent.
- 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.
- OS** Continue to work on creating an on-line version of updated Policy Manual.
- OS** Continue to enhance the Police Citizens Academy which takes place annually.

2013 Results

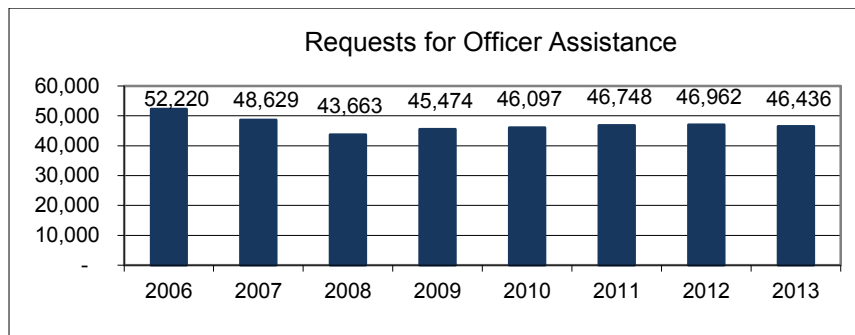
- Completed 606 Animal Impounds for lost and stray animals in 2013.
- Entered 13,820 police reports into the record management system (RMS) in 2013.
- Met state-mandated training objectives for all personnel:
 - 45 continuing law enforcement credits every three years.
 - Other mandated training, such as Use of Force, Pursuit Driving and Community Policing
- Implemented information systems which support the department's problem solving approach to police services.
- Developed and promulgated operational procedures for each support unit.
- Provided training to personnel in areas of active shooter response, multi-cultural diversity and enhanced computer skills.
- Continued to review and update Department Policy Manual.
- Partnered with Hennepin County to secure funding for a Community Liaison position that has enhanced communications and understanding between law enforcement and multi-cultural residents.
- Conducted a New Americans Academy for multi-cultural residents.
- Property and Evidence room received 8,597 property items that were held as evidence. This room currently holds over 20,000 pieces of evidence and averages 23.5 pieces received each day.

Expenditures	FY2012	FY2013	Percent Change
	Original Budget	Approved Budget	
Salaries/Wages/Benefits	\$ 3,508,515	\$ 3,612,942	3.0%
Materials/Supplies/Services	1,571,025	1,749,391	11.4
Expenses Charged to Others	(338,916)	(276,254)	(18.5)
	\$ 4,740,624	\$ 5,086,079	7.3%

Authorized Full-Time	FY2012	FY2013	FY2014
	37	37	37
Accounting Assistant	1	1	1
Animal Control Officer	2	2	2
Civilian Police Dispatcher	14	14	14
Crime Analyst	1	1	1
Crime Prevention Coordinator	1	1	1
Office Supervisor	1	1	1
Police Lieutenant	3	3	3
Police Officer	2	2	2
Police Records Assistant	10	10	10
Police Sergeant	2	2	2
Property Control Assistant	1	1	1



- 315 employee training requests for classes were approved;
- 663 audio statements transcribed;
- Responded to 400 requests for video evidence for Prosecutors.
- Hired 2 experienced former Richfield Police Dispatchers;
- Expanded active shooter response training for department personnel.



POLICE SUPPORT
BUDGET SUMMARY
Revenues and Expenditures

	2012 ACTUAL	2013 ORIGINAL BUDGET	2013 AMENDED BUDGET	2013 ESTIMATED	2014 BUDGET
Revenues					
Program Income	\$ 134,190	\$ 95,500	\$ 97,560	\$ 76,381	\$ 114,500
TOTAL REVENUES	134,190	95,500	97,560	76,381	114,500
Expenditures					
Staffing					
Salaries and Wages	2,512,439	2,540,412	2,540,412	2,490,979	2,620,855
Benefits	1,009,919	968,103	968,103	962,011	992,087
Operating Expenditures					
Professional and Technical Services	14,022	16,486	16,486	18,444	16,486
Utilities and Maintenance	304,177	239,927	241,487	315,473	231,927
Operations	195,390	247,104	247,104	189,511	216,730
City Support Services	818,591	947,723	947,723	945,551	1,022,102
Materials and Supplies	121,606	119,785	138,604	125,533	209,146
Capital Outlay					
Equipment	-	-	-	-	53,000
TOTAL EXPENDITURES	4,976,144	5,079,540	5,099,919	5,047,502	5,362,333
Less Expenses Charged to Other Funds	(317,560)	(338,916)	(338,916)	(338,904)	(276,254)
NET TOTAL EXPENDITURES	4,658,584	4,740,624	4,761,003	4,708,598	5,086,079

	2012	2013	2014
Property tax cost of service for median value home per month:			
Crime Prevention	\$0.66	\$0.63	\$0.68
Animal Control	\$0.27	\$0.24	\$0.24

Public Safety - Fire

The Fire Department responds to an average of 1,200 calls per year. These range from water rescues, vehicle extrications and high-angle rescues 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 Program is very active in the schools providing fire safety education through the sixth grade. Firefighters will install battery operated smoke detectors for homes that need them or replace batteries upon request.

2014 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.

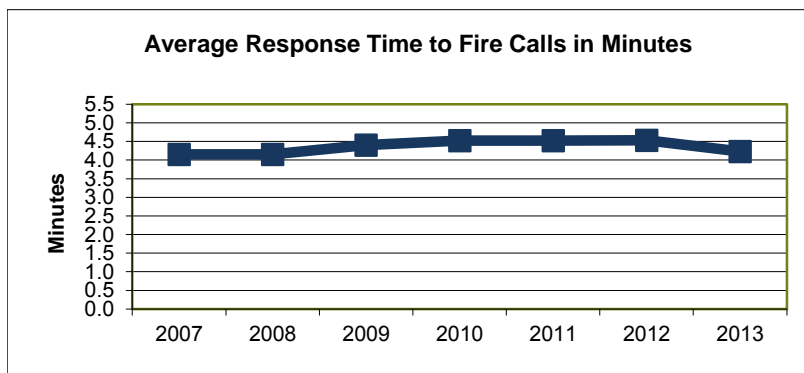
2013 Results

- Averaged a 4 minute 23 second response time in 2013 from the time the call was dispatched until the first fire department unit (ladder or engine company or Fire Chief) was on scene.
- Averaged a 5 minute 42 second response time in 2013 from the time the call is received at 911 until the first fire department unit arrived on scene.

95 percent of residents surveyed rated fire service in Bloomington excellent or good, much above others in a national comparison. 96 percent of residents rated their most recent contact with the Fire Department excellent or good.

Expenditures	FY2013 Original Budget	FY2014 Approved Budget	Percent Change
Salaries/Wages/Benefits	\$ 554,518	\$ 559,322	.9%
Materials/Supplies/Services	2,529,663	2,549,936	.8%
Capital Outlay	103,608	20,000	(80.7)%
	\$ 3,187,789	\$ 3,129,258	(1.8)%

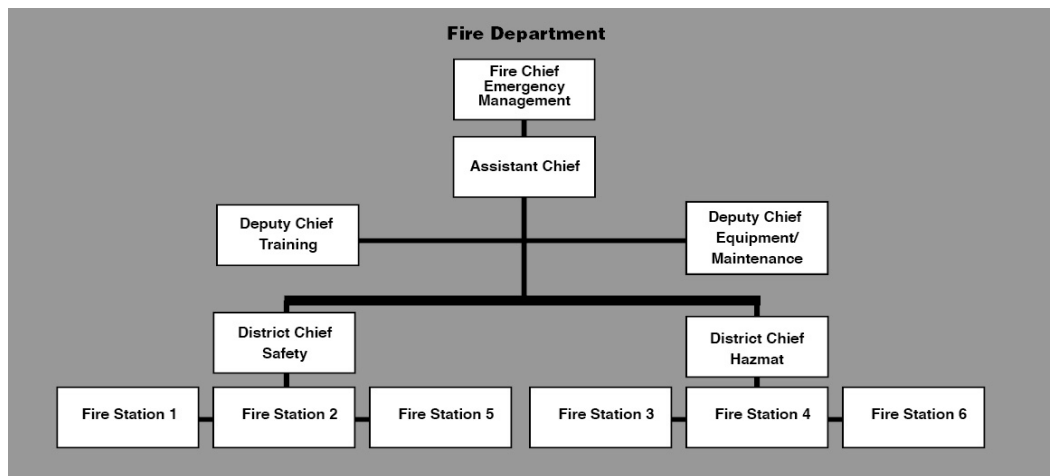
Authorized Full-Time	FY2012	FY2013	FY2014
	3	4	4
Administrative Assistant	2	2	2
Assistant Fire Chief	0	1	1
Fire Chief	1	1	1
Volunteers	144	116	120



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					
	2012 ACTUAL	2013 ORIGINAL BUDGET	2013 AMENDED BUDGET	2013 ESTIMATED	2014 BUDGET
Revenues					
Program Income	\$ 23,818	\$ 10,000	\$ 36,593	\$ 74,721	\$ 7,000
TOTAL REVENUES	23,818	10,000	36,593	74,721	7,000
Expenditures					
Staffing					
Salaries and Wages	242,737	359,367	359,367	341,993	366,569
Benefits	125,200	195,151	195,151	154,831	192,753
Operating Expenditures					
Professional and Technical Services	642,423	789,550	798,050	740,208	785,550
Utilities and Maintenance	224,138	204,000	204,766	318,182	254,000
Operations	95,649	86,543	86,543	106,029	75,072
City Support Services	1,080,500	1,269,900	1,269,900	1,267,613	1,267,264
Materials and Supplies	187,373	179,670	187,133	184,436	168,050
Capital Outlay					
Equipment	134,089	103,608	165,989	106,499	20,000
TOTAL EXPENDITURES	2,732,109	3,187,789	3,266,899	3,219,791	3,129,258

	2012	2013	2014
Property tax cost of service for median value home per month:			
Fire Prevention	\$0.04	\$0.03	\$0.03
Fire Suppression	\$3.63	\$3.81	\$3.76
Emergency Management	\$0.17	\$0.17	\$0.22



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Community Development

Divisions

- Administration
- Planning & Economic Development
- Building & Inspection
- Fire Prevention
- Environmental Health

2014 Objectives

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

- LU, T, H** Define future City directions through long-range planning and zoning requirements.
- LU, T, H** Review development proposals for compliance with City standards.
- S** Protect public health and safety by ensuring compliance with State and City codes.
- LU, T, H** Prepare and implement housing and redevelopment plans.
- OS** Educate customers and encourage voluntary compliance with codes.
- OS** Coordinate services with other government units.
- OS** Offer user-friendly documents, processes and customer contacts.
- LU, T, H** Define and implement the City's economic development strategy.

Expenditures

	FY2013 Original Budget	FY2014 Approved Budget	Percent Change
Salaries/Wages/Benefits	\$5,557,494	\$5,822,591	4.8%
Materials/Supplies/Services	1,083,516	1,163,282	7.4
	\$6,641,010	\$6,985,873	5.2%

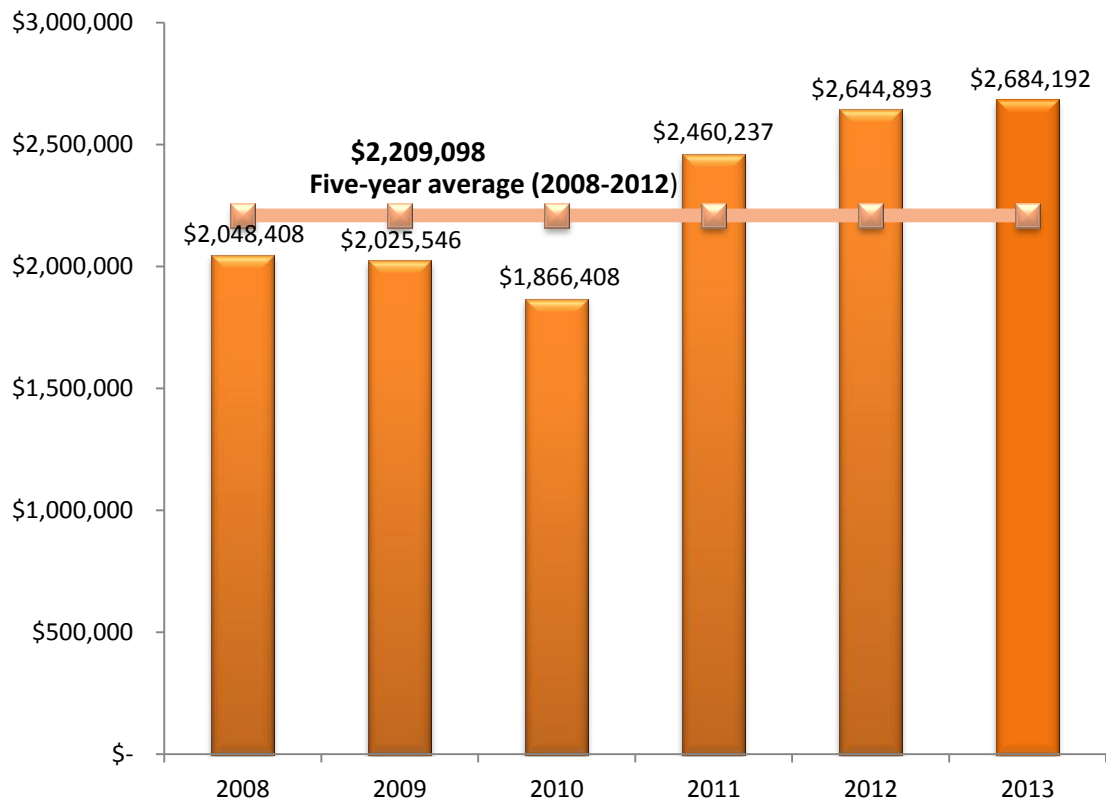
Authorized Full-Time

FY2012	FY2013	FY2014
54	54	56



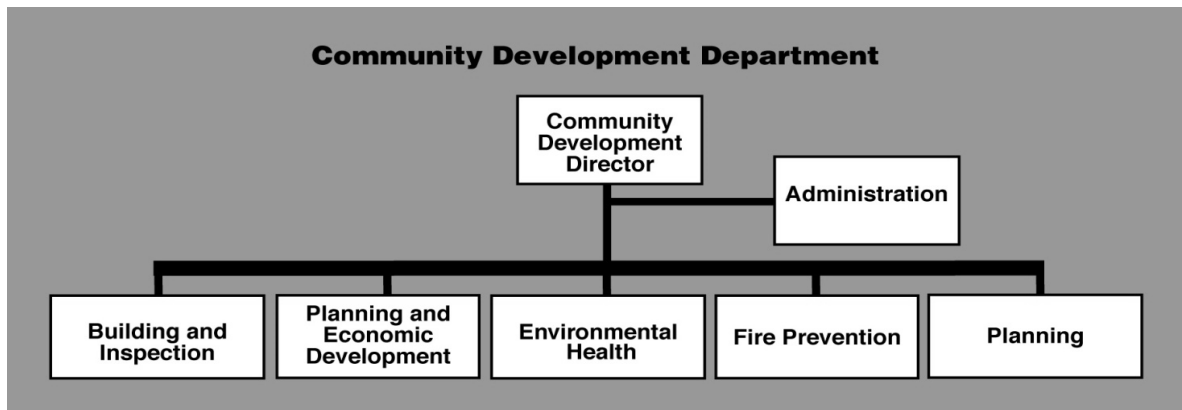
65 percent of residents surveyed ranked land use, planning and zoning services excellent or good, much above others in national and peer rankings. 60 percent of residents ranked code enforcement (weeds, abandoned buildings, etc.) excellent or good.

ANNUAL PERMIT REVENUE



COMMUNITY DEVELOPMENT BUDGET SUMMARY Revenues and Expenditures					
	2012 ACTUAL	2013 ORIGINAL BUDGET	2013 AMENDED BUDGET	2013 ESTIMATED	2014 BUDGET
Revenues					
Program Income	\$ 242,944	\$ 231,300	\$ 231,300	\$ 248,166	\$ 238,900
Intergovernmental	21,534	10,000	10,000	11,221	10,000
TOTAL REVENUES	264,478	241,300	241,300	259,387	248,900
Expenditures					
Staffing					
Salaries and Wages	3,655,987	4,070,829	4,070,829	3,917,558	4,261,888
Benefits	1,387,414	1,486,665	1,486,665	1,478,171	1,560,703
Operating Expenditures					
Professional and Technical Services	4,756	11,500	11,500	5,056	9,500
Utilities and Maintenance	11,448	10,550	10,550	13,301	10,550
Operations	191,567	209,052	209,052	193,759	196,530
City Support Services	715,332	797,669	797,669	802,533	872,937
Materials and Supplies	44,924	54,745	54,745	67,377	53,765
Transfers Out	-	-	-	-	20,000
TOTAL EXPENDITURES	6,011,428	6,641,010	6,641,010	6,477,755	6,985,873

	2012	2013	2014
Property tax cost of service for median value home per month:			
Community Development	\$4.46	\$4.27	\$4.50



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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 handles customer-contacts, maintains records, issues permits and schedules inspections for the Building Inspection, Environmental Health and Fire Prevention Divisions.

2014 Objectives

- OS** Provide department staff with team resources they need to achieve their objectives.
- OS** Facilitate communication between department staff, the public, the City Council and the City Manager.
- OS** Assure that resources are used to provide high quality work products and effective customer service.


All August 13, 2013
 hail storm damaged residential roofs and siding. In the 15 weeks following the storm 4,410 roofing and siding permits were issued with associated revenue of \$441,000.

Expenditures

	FY2013 Original Budget	FY2014 Approved Budget	Percent Change
Salaries/Wages/Benefits	\$815,893	\$844,743	3.5%
Materials/Supplies/Services	267,557	261,742	(2.2)
	\$1,083,450	\$1,106,485	2.1%

Authorized Full-Time

	FY2012	FY2013	FY2014
	9	9	9
Administrative Assistant	1	1	1
Director-Community Development	1	1	1
Office Assistant	4	4	3
Office Supervisor	1	1	1
Office Support Specialist	2	2	3



COMMUNITY DEVELOPMENT - MANAGEMENT & SERVICES
BUDGET SUMMARY
Revenues and Expenditures

	2012 ACTUAL	2013 ORIGINAL BUDGET	2013 AMENDED BUDGET	2013 ESTIMATED	2014 BUDGET
Revenues					
Program Income	\$ 15,520	\$ 10,000	\$ 10,000	\$ 9,020	\$ 5,000
TOTAL REVENUES	15,520	10,000	10,000	9,020	5,000
Expenditures					
Staffing					
Salaries and Wages	527,940	592,772	592,772	577,364	607,032
Benefits	216,692	223,121	223,121	233,251	237,711
Operating Expenditures					
Professional and Technical Services	4,756	9,000	9,000	3,806	7,000
Utilities and Maintenance	11,448	10,100	10,100	13,301	10,100
Operations	83,244	85,584	85,584	82,160	71,466
City Support Services	126,452	144,183	144,183	145,755	155,486
Materials and Supplies	13,193	18,690	18,690	31,883	17,690
TOTAL EXPENDITURES	983,725	1,083,450	1,083,450	1,087,520	1,106,485

Community Development - Planning

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

Activities

Development Review

Long Range Planning

Customer Services

2014 Objectives

LU, T, H Promote renewal and guide growth to maximize benefits for Bloomington and Bloomington property owners.

S Review development proposals to ensure Code compliance.

LU, T, H Rezoning to implement the South Loop and Penn American Plans

LU, T, H Update the Zoning Ordinance as described in the Division's 2014 Work Plan.

OS, LU, Negotiate and administer City wireless and fiber leases.

OS Implement electronic agenda management and electronic plan review software and processes.

2013 Results

- Completed the Penn American District Plan, adoption completed in early 2014
- Reviewed numerous development proposals.
- Updated the Zoning Ordinance.
- Implemented an electronic document retention system for permanent document storage.
- Negotiated and administered City wireless and fiber leases, with 2013 revenue in excess of \$438,000.

Expenditures

	FY2013 Original Budget	FY2014 Approved Budget	Percent Change
Salaries/Wages/Benefits	\$1,006,539	\$993,562	(1.3)%
Materials/Supplies/Services	129,786	132,881	2.4
	\$1,136,325	\$1,126,443	(0.9)%

Authorized Full-Time

	FY2012	FY2013	FY2014
	10	10	10
Office Assistant	1	1	1
Office Support Specialist	1	1	1
Planner	5	5	5
Planning Manager	1	1	1
Senior Planner	2	2	2



In a 2013 resident survey, Bloomington's planning and zoning services were rated "much above" cities nationwide and "much above" a group of 21 peer cities.

75% of Bloomington residents rate the overall quality of new development excellent or good.

COMMUNITY DEVELOPMENT - PLANNING
BUDGET SUMMARY
Revenues and Expenditures

	2012 ACTUAL	2013 ORIGINAL BUDGET	2013 AMENDED BUDGET	2013 ESTIMATED	2014 BUDGET
Revenues					
Program Income	\$ 4,466	\$ 3,700	\$ 3,700	\$ 5,164	\$ 3,700
TOTAL REVENUES	4,466	3,700	3,700	5,164	3,700
Expenditures					
Staffing					
Salaries and Wages	600,519	739,462	739,462	678,166	735,153
Benefits	255,389	267,077	267,077	254,562	258,409
Operating Expenditures					
Professional and Technical Services	-	2,500	2,500	1,250	2,500
Operations	28,037	34,258	34,258	27,283	32,135
City Support Services	77,112	83,073	83,073	86,987	88,291
Materials and Supplies	6,370	9,955	9,955	3,604	9,955
TOTAL EXPENDITURES	967,427	1,136,325	1,136,325	1,051,852	1,126,443

	2012	2013	2014
Property tax cost of service for median value home per month:			
Planning	\$1.71	\$1.49	\$1.67

Activities

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

Community Development – Building & Inspections

Building and Inspection 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. This division also administers the City's time-of-sale inspection program for owner-occupied housing.

2014 Objectives

- OS** Issue residential remodeling, plumbing, electrical and mechanical permits on the same day as application.
- OS** Issue 95 percent of other building permits within five days of application.
- S** Complete 80 percent of inspections within 24 hours of request.
- S** Complete 98 percent of inspections within 48 hours of request.

2013 Results

- Met all objectives in 2013.

Expenditures

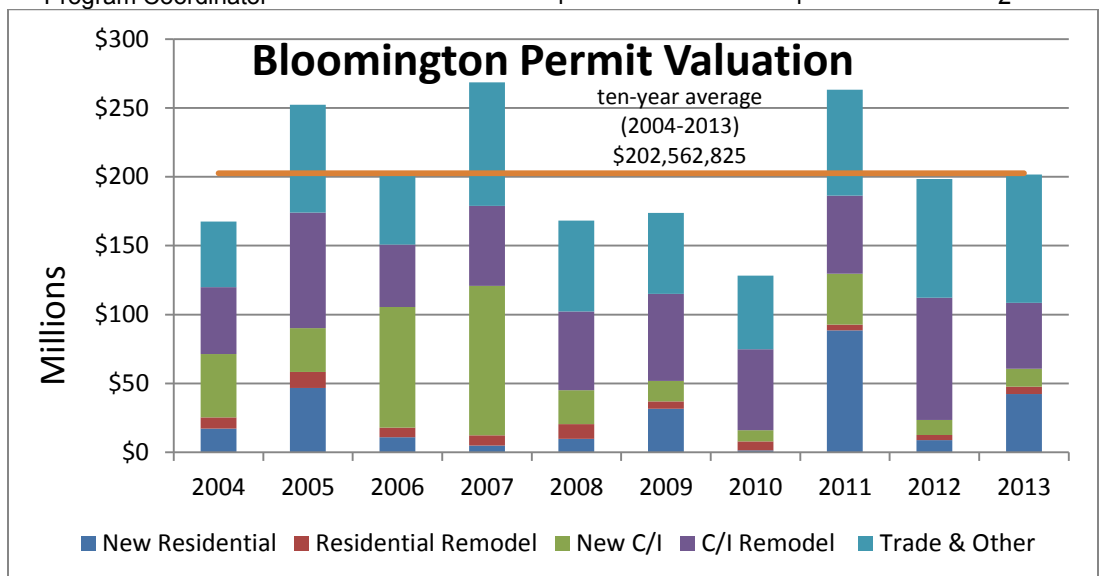
	FY2013 Original Budget	FY2014 Approved Budget	Percent Change
Salaries/Wages/Benefits	\$1,609,197	\$1,638,873	1.8%
Materials/Supplies/Services	275,854	292,856	6.2
	\$1,885,051	\$1,931,729	2.5%

Authorized Full-Time

	FY2012	FY2013	FY2014
	15	15	15
Building Inspector	2	2	2
Building & Inspection Manager	1	1	1
Electrical Inspector	3	2	2
General Inspector	3	4	4
Heating & Ventilating Inspector	1	1	1
Plan Check Engineer	2	2	2
Plumbing Inspector	2	2	1
Program Coordinator	1	1	2



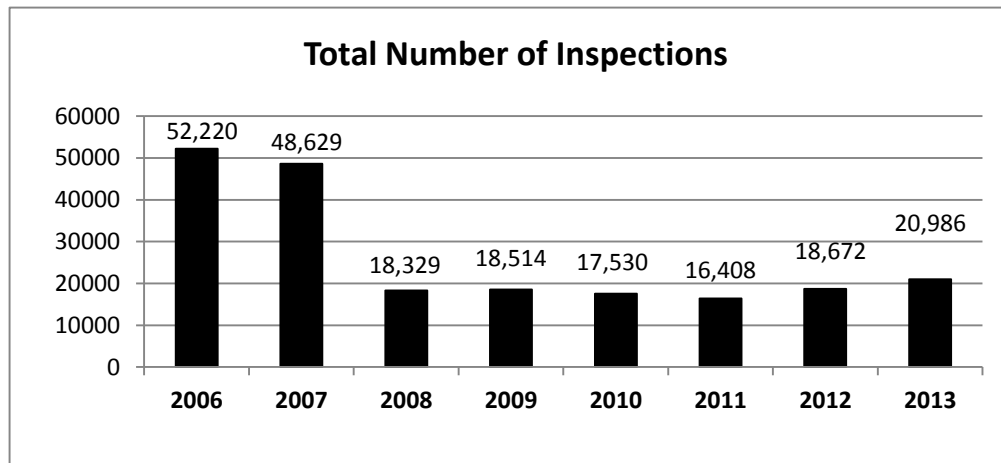
Over \$2 million is collected in permit fees each year covering the cost of this Division, and also other City costs of new development. The B&I Division's services are paid by permit fees.



COMMUNITY DEVELOPMENT - BUILDING & INSPECTIONS
BUDGET SUMMARY
 Revenues and Expenditures

	2012 ACTUAL	2013 ORIGINAL BUDGET	2013 AMENDED BUDGET	2013 ESTIMATED	2014 BUDGET
Revenues					
Program Income	\$ 84,598	\$ 71,500	\$ 71,500	\$ 92,473	\$ 80,000
TOTAL REVENUES	84,598	71,500	71,500	92,473	80,000
Expenditures					
Staffing					
Salaries and Wages	1,093,111	1,191,455	1,191,455	1,147,121	1,212,611
Benefits	387,154	417,742	417,742	409,401	426,262
Operating Expenditures					
Operations	30,295	34,665	34,665	29,246	34,834
City Support Services	200,471	222,389	222,389	222,278	239,202
Materials and Supplies	17,446	18,800	18,800	23,237	18,820
TOTAL EXPENDITURES	1,728,477	1,885,051	1,885,051	1,831,283	1,931,729

	2012	2013	2014
Property tax cost of service for median value home per month:			
Building & Inspections	\$0.00	\$0.00	\$0.00



Community Development – Fire Prevention

Activities

Fire Prevention

Determine Fire Cause and Origin

Arson Investigation

Fire Safety Education

Sprinkler, Fire Alarm Inspections and Plan Review

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 and Fire Departments to investigate arson cases. The division assists the Fire Department to promote fire prevention education and training. The Fire Marshal chairs the City's multi-department Development Review Committee.

2014 Objectives

- S** Inspect 90 percent of designated high-risk occupancies each year.
- S** Inspect 50 percent of existing commercial, industrial and multi-family residential properties each year.
- 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 and used in commercial properties.
- S** Resolve 85 percent of known fire code violations within 40 days.
- S** Investigate complaints within one business day.
- OS** Issue 95 percent of the fire sprinkler and fire alarm permits within three business days.
- S** Respond to 70 percent of fire calls within three hours of the request from the Fire or Police Department.
- S** Clear 50 percent 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.

2013 Results


- Performed 2,643 inspections (annual, building final, fire alarm testing, rough-in, tanks)
- Annual inspections done at 594 buildings out of approximately 1,225 properties, 48%.
- Reviewed 277 plans
- Conducted 152 cause and origin fire investigations including follow-ups with a 50-55 percent clearance rate (not including cases pending)
- Made 382 follow-ups on non-fire calls

Expenditures

	FY2013 Original Budget	FY2014 Approved Budget	Percent Change
Salaries/Wages/Benefits	\$512,116	\$513,789	.3%
Materials/Supplies/Services	102,979	108,512	5.4
	\$615,095	\$622,301	1.2%

Authorized Full-Time

	FY2012	FY2013	FY2014
	5	5	5
Fire Inspector I	1	1	1
Fire Inspector II	3	3	3
Fire Marshall	1	1	1



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

COMMUNITY DEVELOPMENT - FIRE PREVENTION
BUDGET SUMMARY
Revenues and Expenditures

	2012 ACTUAL	2013 ORIGINAL BUDGET	2013 AMENDED BUDGET	2013 ESTIMATED	2014 BUDGET
Revenues					
Program Income	\$ -	\$ -	\$ -	\$ 609	\$ -
TOTAL REVENUES	-	-	-	609	-
Expenditures					
Staffing					
Salaries and Wages	311,486	372,975	372,975	358,994	372,611
Benefits	121,059	139,141	139,141	133,262	141,178
Operating Expenditures					
Professional and Technical Services					
Utilities and Maintenance	-	350	350	-	350
Operations	12,497	14,639	14,639	14,481	15,324
City Support Services	74,540	84,790	84,790	83,851	89,638
Materials and Supplies	1,859	3,200	3,200	2,736	3,200
TOTAL EXPENDITURES	521,441	615,095	615,095	593,324	622,301

	2012	2013	2014
Property tax cost of service for median value home per month:			
Fire Prevention	\$0.88	\$0.70	\$0.77

Community Development – Environmental Health

Activities

- Residential and Commercial Property Inspections
- Zoning Enforcement
- Rental Property Inspection
- Food Establishment Inspections
- Food Safety Education
- Hotel and Pool Inspections
- Well and Septic Inspections

Environmental Health handles a variety of inspection and enforcement activities in three main program areas:


- Minnesota Department of Health and Agriculture delegated inspection and plan review of food and lodging establishments, public pools, manufactured home parks, wells, septic systems and illness investigation to protect the public’s health 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 property, which in turn improves property values for those living and working in Bloomington.
- Rental property inspection and enforcement to provide safe and well-maintained rental housing. Respond to complaints of spills, excessive noise, air, and water pollution.

2014 Objectives

- Inspect high-risk food establishments twice per year, medium-risk once to twice per year and low-risk at least once per year plus all needed follow-up inspections.
- Inspect public pools two to three times per year and hotels once per year.
- Inspect at least 70 percent of all well permits.
- Investigate all complaints of food or water borne illness within 24 hours of receiving the complaint.
- Promptly investigate all residential and commercial nuisance and rental complaints requiring two additional staff.
- Systematically inspect residential properties.

2013 Results

- Four confirmed or probable outbreak of food borne illness investigated in 2013
- 1,748 food safety inspections, 46 illness complaints investigated and 42 Bloomington food and hotel establishment plan reviews
- 244 temporary food licenses, 151 temporary food inspections, and 19 farmers market stand inspections
- 178 public pools licensed and 505 public pool inspections
- 39 hotels with 7,833 rooms; 46 hotel inspections, including 5 percent of rooms
- 1,600 single-family, duplex and room rental properties licensed – all received an annual inspection
- 3,620 residential, rental and commercial complaints investigated
- 430 multiple-family rental buildings licensed and inspected
- 142 of 103 well permits (73%) inspected
- 488 food safety inspections, 82 pool inspections, 4 lodging inspections and 11 plan reviews in Richfield



86% of residents rate their neighborhood excellent or good as a place to live. 79% of residents rate the overall appearance of Bloomington excellent or good. Only 5% say that rundown buildings, weed lots or junk vehicles are a problem. 60% of resident’s rate code enforcement as excellent or good, much above others in a national comparison.

Expenditures	FY2013 Original Budget	FY2014 Approved Budget	Percent Change
Salaries/Wages/Benefits	\$1,613,749	\$1,831,624	13.5%
Materials/Supplies/Services	307,340	367,291	19.5
	\$1,921,089	\$2,198,915	14.5%

Authorized Full-Time	FY2012	FY2013	FY2014
	15	15	17
Environmental Health Aide	1	0	0
Environmental Health Manager	1	1	1
Environmental Health Prog. Coord.	4	4	4
Environmental Health Specialist	8	9	10
Office Support Specialist	1	1	2

COMMUNITY DEVELOPMENT - ENVIRONMENTAL HEALTH
BUDGET SUMMARY
Revenues and Expenditures

	2012 ACTUAL	2013 ORIGINAL BUDGET	2013 AMENDED BUDGET	2013 ESTIMATED	2014 BUDGET
Revenues					
Program Income	\$ 138,360	\$ 146,100	\$ 146,100	\$ 140,900	\$ 150,200
Intergovernmental	21,534	10,000	10,000	11,221	10,000
TOTAL REVENUES	159,894	156,100	156,100	152,121	160,200
Expenditures					
Staffing					
Salaries and Wages	1,122,931	1,174,165	1,174,165	1,155,913	1,334,481
Benefits	407,120	439,584	439,584	447,695	497,143
Operating Expenditures					
Utilities and Maintenance	-	100	100	-	100
Operations	37,494	39,906	39,906	40,589	42,771
City Support Services	236,757	263,234	263,234	263,662	300,320
Materials and Supplies	6,056	4,100	4,100	5,917	4,100
Transfers Out	-	-	-	-	20,000
TOTAL EXPENDITURES	1,810,358	1,921,089	1,921,089	1,913,776	2,198,915

	2012	2013	2014
Property tax cost of service for median value home per month:			
Environmental Health	\$1.86	\$1.50	\$2.06

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 and other activities of the Communications Division are paid for through a Special Revenue fund.

Community Services has a total of 77 full-time positions (included in the General Fund, Special Revenue Fund and Enterprise Fund) and more than 350 part time positions.

2014 Objectives

- OS** Preserve and enhance Bloomington's 3,700 acres of parks and open spaces.
- S** 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 programs.
- OS** Support Bloomington's changing diversity as it becomes more racially, ethnically and culturally distinct.
- OS** Educate the community about the City's programs, services and activities through a variety of communication vehicles.



A high percentage of residents rated Bloomington as a place to raise kids with 87% calling it "excellent" or "good", much above a national comparison of cities.

The National Citizen Survey™, City of Bloomington, MN 2013

Expenditures

	FY2013 Original Budget	FY2014 Approved Budget	Percent Change
Salaries/Wages/Benefits	\$ 5,211,866	\$ 5,147,283	(1.24)%
Materials/Supplies/Services	7,224,333	7,203,138	(0.29)
Capital	100,000	50,000	(50.00)
Expenses Charged to Others	(65,894)	(68,541)	4.02
	\$12,470,305	\$ 12,331,880	(1.11)%

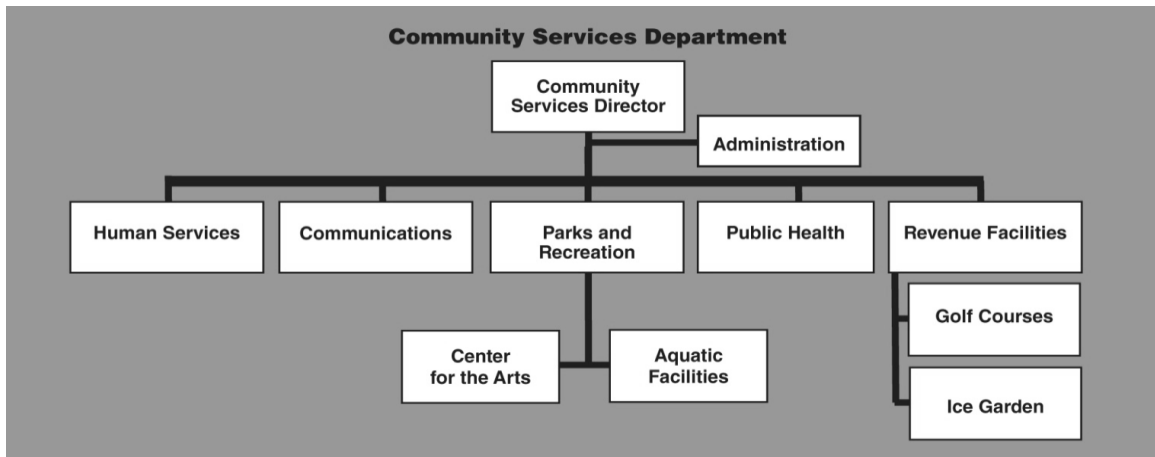
Authorized Full-Time

FY2012	FY2013	FY2014
44	44	44



COMMUNITY SERVICES BUDGET SUMMARY Revenues and Expenditures					
	2012 ACTUAL	2013 ORIGINAL BUDGET	2013 AMENDED BUDGET	2013 ESTIMATED	2014 BUDGET
Revenues					
Program Income	\$ 2,216,118	\$ 2,027,069	\$ 2,116,696	\$ 2,035,722	\$ 2,088,365
Intergovernmental	1,148,606	1,192,002	1,242,754	1,097,361	1,254,187
TOTAL REVENUES	3,364,724	3,219,071	3,359,450	3,133,083	3,342,552
Expenditures					
Staffing					
Salaries and Wages	3,600,616	3,989,188	4,082,687	3,770,043	3,939,251
Benefits	1,140,840	1,222,678	1,248,438	1,192,473	1,208,032
Operating Expenditures					
Professional and Technical Services	57,818	45,716	62,884	68,127	43,927
Utilities and Maintenance	913,839	1,085,685	1,134,003	974,529	995,223
Operations	211,368	248,986	253,036	235,241	240,047
City Support Services	5,006,330	5,545,438	5,545,438	5,526,229	5,652,023
Materials and Supplies	225,479	298,508	309,898	250,505	271,918
Capital Outlay					
Equipment	49,614	100,000	100,000	56,605	50,000
TOTAL EXPENDITURES	11,205,904	12,536,199	12,736,384	12,073,752	12,400,421
Less Expenses Charged to Other Funds	(64,644)	(65,894)	(65,894)	(66,778)	(68,541)
NET TOTAL EXPENDITURES	11,141,260	12,470,305	12,670,490	12,006,974	12,331,880

	2012	2013	2014
Property tax cost of service for median value home per month:			
Community Services	\$13.66	\$13.64	\$13.48



207b (2/2013)

Community Services – Administration

The Community Services Administration provides managerial support to its divisions.

2014 Objectives

- OS** Perform a follow-up to the 2013 National Citizen Survey of residents in May 2014 to track trends in satisfaction with City programs and services.
- S** Initiate a community center study to explore how to provide a gathering place that better suits the needs of Bloomington residents.
- OS** Negotiate a new cable television franchise agreement with Comcast by December 2014.
- S** Continue to expand on the *do.town* healthy living initiative by implementing campus-wide policies regarding nutrition and tobacco use.
- OS, T** Update the six-year old Alternative Transportation Plan by December 2014.
- OS** Continue to update aging facilities to make them more energy-efficient and effective, such as replacing the Dwan Maintenance building by April 30, 2014 and completing a building management system study at the Bloomington Ice Garden by June 2014.

2013 Results

- Completed the second year of the National Citizen Survey of Bloomington residents, garnering a 34% response rate with 986 surveys completed and scoring high marks for the City's services when compared with more than 500 jurisdictions across the U.S.
- Completed the *do.town* healthy living collaboration among the cities of Bloomington, Edina and Richfield and Blue Cross Blue Shield of Minnesota and made plans for following up on the initiative's successes.
- Coordinated the 2013 State of the City address at the newly-opened Radisson Blu Mall of America on March 20, 2013, attracting the largest audience in recent memory.
- Engaged residents in the Active Living Hennepin County (ALHC) initiative through activities such as an Active Living Day at the Farmers Market on June 29.

When asked about the quality of Bloomington's recreation programs and classes, 86% of respondents rated them as "excellent" or "good", much higher than the national benchmark.

*The National Citizen Survey™,
City of Bloomington, MN 2013*

Expenditures

	FY2013 Original Budget	FY2014 Approved Budget	Percent Change
Salaries/Wages/Benefits	\$ 216,101	\$ 223,755	3.54%
Materials/Supplies/Services	68,358	67,848	(0.75)
Expenses Charged to Others	(65,894)	(67,541)	2.50
	\$ 218,565	\$ 224,062	2.52%

Authorized Full-Time

	FY2012	FY2013	FY2014
	1	2	2
Administrative Assistant	0	1	1
Director Community Services	1	1	1

COMMUNITY SERVICES - ADMINISTRATION
BUDGET SUMMARY
Revenues and Expenditures

	2012 ACTUAL	2013 ORIGINAL BUDGET	2013 AMENDED BUDGET	2013 ESTIMATED	2014 BUDGET
Revenues					
Program Income					
Intergovernmental	\$ -	\$ -	\$ -	\$ 1,500	\$ -
TOTAL REVENUES	-	-	-	1,500	-
Expenditures					
Staffing					
Salaries and Wages	159,239	164,520	164,520	169,488	171,130
Benefits	45,827	51,581	51,581	51,851	52,625
Operating Expenditures					
Utilities and Maintenance	-	1,040	1,040	894	1,040
Operations	8,308	14,690	14,690	16,999	12,363
City Support Services	42,785	43,590	43,590	43,476	45,407
Materials and Supplies	8,168	9,038	9,038	5,347	9,038
TOTAL EXPENDITURES	264,327	284,459	284,459	288,055	291,603
Less Expenses Charged to Other Funds	(64,644)	(65,894)	(65,894)	(65,892)	(67,541)
NET TOTAL EXPENDITURES	199,683	218,565	218,565	222,163	224,062

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



Public Health Nurses make home visits and provide consultation to adults that have health and safety issues. Our goal is to increase their knowledge and use of resources so they can live more safely at home. 79% of those clients receiving follow up services have improved their safety. There has been an increased demand for these services since 2008.

Community Services – Public Health

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

2014 Objectives

- S** Implement the actions in the Division’s strategic plan to improve effectiveness and efficiency of services by December 2014.
- S** Exceed the state average for breastfeeding initiation in the Women, Infants and Children (WIC) program.
- S** Increase the number of flu shots given in the 2014-15 flu season by 2% over 2013.

2013 Results

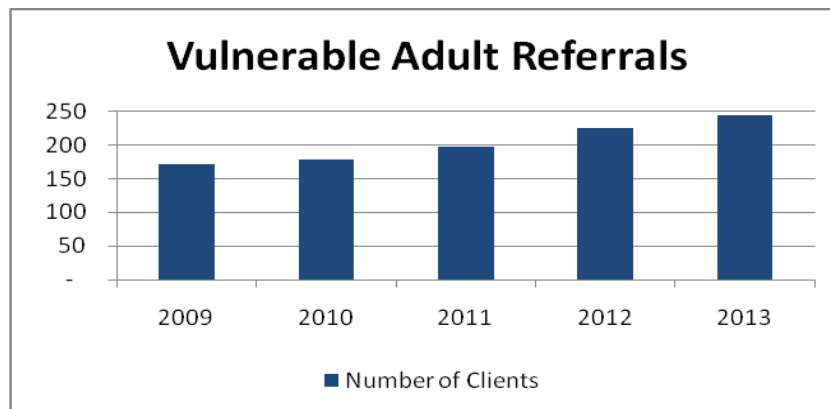
- Completed a Community Health Assessment and prioritized top 10 health issues.
- Helped prevent the spread of infectious diseases by providing access to low-cost immunizations to those without insurance.
- Increased breastfeeding initiation rates which boosts children’s and mothers’ health and reduces healthcare costs.

Expenditures

	FY2013 Original Budget	FY2014 Approved Budget	Percent Change
Salaries/Wages/Benefits	\$2,409,890	\$2,341,907	(2.82)%
Materials/Supplies/Services	535,851	504,603	(5.83)
	\$2,945,741	\$2,846,510	(3.37)%

Authorized Full-Time

	FY2012 24	FY2013 24	FY2014 24
Accountant	1	1	1
Accounting Assistant	1	1	1
Assistant Health Administrator	1	1	1
Health Activity Supervisor	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	10	10	10



COMMUNITY SERVICES - PUBLIC HEALTH
BUDGET SUMMARY
Revenues and Expenditures

	2012 ACTUAL	2013 ORIGINAL BUDGET	2013 AMENDED BUDGET	2013 ESTIMATED	2014 BUDGET
Revenues					
Program Income	\$ 1,002,279	\$ 886,039	\$ 957,436	\$ 855,437	\$ 926,587
Intergovernmental	1,148,606	1,192,002	1,242,754	1,095,861	1,254,187
TOTAL REVENUES	2,150,885	2,078,041	2,200,190	1,951,298	2,180,774
Expenditures					
Staffing					
Salaries and Wages	1,694,614	1,823,067	1,904,266	1,714,964	1,754,759
Benefits	565,323	586,823	612,583	585,978	587,148
Operating Expenditures					
Professional and Technical Services	57,818	40,504	57,672	66,843	35,115
Utilities and Maintenance	5,453	6,689	6,689	5,220	1,720
Operations	84,289	100,025	103,925	93,285	92,879
City Support Services	280,304	303,610	303,610	301,050	293,277
Materials and Supplies	69,349	85,023	92,833	95,625	81,612
TOTAL EXPENDITURES	2,757,150	2,945,741	3,081,578	2,862,965	2,846,510

	2012	2013	2014
Property tax cost of service for median value home per month:			
Public Health Services	\$1.08	\$1.07	\$0.82

Target Populations

- Individuals with Disabilities
- Older Adults
- Multi-Cultural Individuals and Families
- Children, Youth, and Families with Low-Income
- Homeless

Activities

- Contractual Agencies
- Community Support Services
- Volunteer Services
- Meal Programs
- Senior (50+)Programs
- Programs and Events
- Creekside Community Center
- Food Resource Programs
- Americans with Disabilities Compliance Program
- Human Rights Commission

Community Services – Human Services

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

Mission – to assure human services needs are met through the involvement of Bloomington residents and a network of organizations and agencies.

2014 Objectives

- S** Implement new wellness and prevention programs for Older Adults including Allina Healthy Living Speaker Series, Chair Yoga, Fit for Life, Normandale Center for Healing and Wholeness Pain Management Program, Vital Aging Network Evolve Leadership Program; support Bloomington’s older adults to participate in the state and national Senior Olympics.
- S** Research and develop additional community support services for homeless individuals and families by partnering with Bloomington Public School District, Oasis for Youth, Hennepin County, Good in the Hood and other community agencies.
- S** Provide ongoing support for at-risk individuals and families referred by Environmental Health, Police, Parks and Recreation and Public Health.
- S** Support the Human Rights Commission to provide a series of events during Black History Month and Diversity Day.
- OS** Support and assist in a study regarding the development of a new community center and continue to provide ongoing maintenance and facility improvements at Creekside Community Center.

2013 Results

- Human Services volunteers delivered over 4,000 frozen meals to people enrolled in the Senior Optage Heat and Eat program (home delivered frozen meals) in the four months of the service.
- 317 volunteers provided 30,419 volunteers hours totaling \$666,480 in value-added service.
- The fitness and wellness program reached 4,800 participants in new programs led by older adults age 50 and over.
- Received approximately \$32,300 in cash and in-kind donations in 2013.
- Contracted with Oasis for Youth to provide services for 50 homeless youth in Bloomington.
- Assisted 21% more Bloomington residents who received furniture through Bridging, Inc.

Expenditures

	FY2013 Original Budget	FY2014 Approved Budget	Percent Change
Salaries/Wages/Benefits	\$1,249,536	\$ 1,183,798	(5.26)%
Materials/Supplies/Services	848,245	871,584	2.75
Capital	100,000	50,000	(50.00)
Expenses Charged to Others	0	(1,000)	--
	\$2,197,781	\$ 2,104,382	(4.25)%

Authorized Full-Time

	FY2012	FY2013	FY2014
	12	11	11
Administrative Assistant	0	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
Office Support Specialist	2	0	0



Human Services volunteers delivered over 4,000 frozen meals to people enrolled in the Senior Optage Heat and Eat program in the four months of the service.

COMMUNITY SERVICES - HUMAN SERVICES
BUDGET SUMMARY
Revenues and Expenditures

	2012 ACTUAL	2013 ORIGINAL BUDGET	2013 AMENDED BUDGET	2013 ESTIMATED	2014 BUDGET
Revenues					
Program Income	\$ 241,175	\$ 156,953	\$ 159,283	\$ 187,553	\$ 161,143
TOTAL REVENUES	241,175	156,953	159,283	187,553	161,143
Expenditures					
Staffing					
Salaries and Wages	819,321	944,296	944,296	875,952	908,304
Benefits	286,633	305,240	305,240	296,507	275,494
Operating Expenditures					
Professional and Technical Services	-	2,812	2,812	1,284	6,812
Utilities and Maintenance	212,543	231,258	256,945	220,598	213,758
Operations	35,901	46,218	46,368	37,170	43,987
City Support Services	452,151	508,617	508,617	498,411	537,187
Materials and Supplies	70,331	59,340	59,920	57,983	69,840
Capital Outlay					
Equipment	49,614	100,000	100,000	56,605	50,000
TOTAL EXPENDITURES	1,926,494	2,197,781	2,224,198	2,044,510	2,105,382
Less Expenses Charged to Other Funds	-	-	-	(886)	(1,000)
NET TOTAL EXPENDITURES	1,926,494	2,197,781	2,224,198	2,043,624	2,104,382

	2012	2013	2014
Property tax cost of service for median value home per month:			
Human Services	\$2.69	\$2.62	\$2.51

Community Services – Cultural / Arts Events

This 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.

2014 Objectives

- S** Institute a zero-waste campaign for Farmers Market for recycling, organics collection and trash and reduce trash to one bag per market.
- OS** Expand marketing of Normandale Lake Bandshell rental opportunities to increase revenue.
- OS** Market River Rendezvous to Bloomington Schools to increase attendance by 25%.
- S** Implement the first phase of a new Dakota Interpretive Area at Pond Dakota Mission Park by creating signage and commence planning for more Dakota-based programming.
- S** Enhance corporate sponsors for both Arts in the Parks and Summer Fete programs.
- S** Expand the Movies in the Park series to include three movies per month and additional movies at Bush Lake Beach and Civic Plaza.
- S** Develop and implement a partnership with the Gibbs Farm Museum in St. Paul to share and promote historical programming, including a joint large-scale Dakota Day program.
- S** Continue invasive species removal projects throughout the City, including the addition of a new Garlic Mustard removal event in the spring.

2013 Results

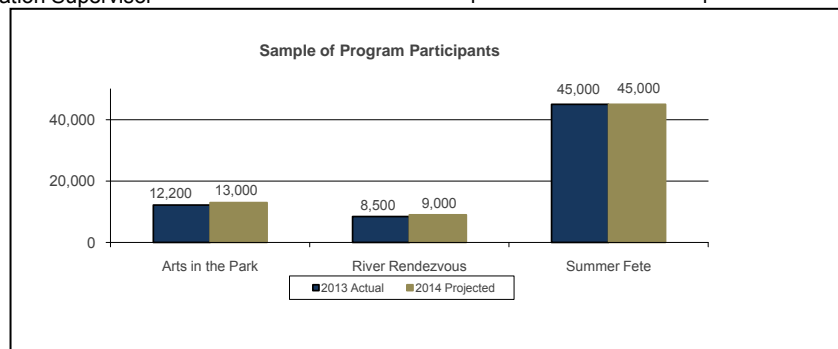
- Improved Farmers Market outreach to new immigrants and economically disadvantaged populations by staffing Farmers Market and EBT info tables and hosted monthly ethnic cooking demonstrations at the market.
- Increased the rental uses and revenues at Normandale Lake Bandshell by marketing to more non-profit groups.
- Continued to decrease the cost per participant for the River Rendezvous program
- Developed a plan for Phase I of the Dakota Interpretive Area at Pond Dakota Mission Park.
- Enjoyed the largest attendance ever for Summer Fete with an estimated 45,000 in attendance.
- Added a new Blockbuster show to the Normandale Lake Performance series; the British Invasion show drew more than 1,000 people.
- Increased the number of participating Winter Fete organizations to its largest number ever, and added Three Rivers Park District as a major event sponsor for the Ice Harvest Festival.
- Successfully undertook invasive species removal at numerous locations throughout Bloomington, including Ike's Creek, Normandale Lake and Pond Dakota Mission Park.
- Successfully implemented a Movie in the Parks series resulting in an average attendance of 500.
- Exceeded expectations at the Farmers Market, averaging approximately 3,600 shoppers each week.

Expenditures

	FY2013 Original Budget	FY2014 Approved Budget	Percent Change
Salaries/Wages/Benefits	\$ 174,535	\$ 188,224	7.84%
Materials/Supplies/Services	493,730	492,525	(0.24)
	\$ 668,265	\$ 680,749	1.87%

Authorized Full-Time

	FY2012	FY2013	FY2014
Recreation Supervisor	1	1	1



67 percent of citizens surveyed rated the opportunities to attend cultural events as excellent or good, much above cities surveyed nationwide and selected peer cities.

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

	2012 ACTUAL	2013 ORIGINAL BUDGET	2013 AMENDED BUDGET	2013 ESTIMATED	2014 BUDGET
Revenues					
Program Income	\$ 125,251	\$ 121,409	\$ 121,409	\$ 121,182	\$ 127,709
TOTAL REVENUES	125,251	121,409	121,409	121,182	127,709
Expenditures					
Staffing					
Salaries and Wages	112,518	136,575	136,575	131,131	142,722
Benefits	31,128	37,960	37,960	42,184	45,502
Operating Expenditures					
Professional and Technical Services	-	2,400	2,400	-	2,000
Utilities and Maintenance	298,124	316,060	316,060	308,103	311,788
Operations	23,985	23,378	23,378	23,223	28,799
City Support Services	124,511	134,006	134,006	130,202	137,026
Materials and Supplies	10,564	17,886	17,886	16,031	12,912
TOTAL EXPENDITURES	600,830	668,265	668,265	650,874	680,749

	2012	2013	2014
Property tax cost of service for median value home per month:			
Cultural/Special Events	\$0.71	\$0.70	\$0.71

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 walking.

Activities

Skating

Playgrounds

Adaptive Recreation & Learning

Exchange (AR&LE)

Youth Events

Adult Sports

Junior Tennis Program

Administration

Youth Athletics

Galaxy Youth Center

Armory

Volunteer Services

2014 Objectives

- OS** Expand volunteerism by continuing relationships with community service groups and businesses.
- S** Enhance Adaptive Recreation program offerings to meet the needs of people with disabilities in Bloomington, Richfield, Edina and Eden Prairie.
- S** Work with Bloomington Community Education, Center for the Arts and other community partners to provide a high quality, summer recreation program for youth preschool through ninth grade.
- S** Provide a summer playground program at seven sites for elementary youth. The program will be offered three days per week at six of the sites and five days per week at one site.
- S** Provide day-long trip opportunities to local area attractions.
- S** Provide four, one-week camp sessions for children in preschool through 7th grade to promote social interaction, opportunities for leadership and fun while teaching basic camping skills.
- S** Provide a positive and safe environment for middle-school aged youth that promotes healthy choices.
- OS** Collaborate with the School District to provide summer leadership training opportunities for youth.
- S** Partner with the School District and Oak Grove Presbyterian Church to provide a free playground program for youth at two sites during 4th of July week and the last two weeks prior to school starting in the fall.
- S** Provide teen volunteer opportunities for youth ages 13-15 through Summer Spectrum, Playgrounds, and Camp Kota to learn and practice leadership skills.
- S** Offer a comprehensive athletic program for adults and maintain participation levels.
- S** Provide athletic facilities for recognized Bloomington Youth Athletic Associations programming.
- S** Enhance outdoor skating opportunities by increasing warming house hours during weekend and non-school days.
- OS** Undertake data collection for the park asset inventory.

2013 Results

- Advertised and accepted seasonal job applications through an online application system called NEOGOV.
- Received a donation from Oak Grove Presbyterian Church and a grant from Bloomington Crime Prevention to continue and expand the Playground Partnership Program.
- 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 the highest quality recreation programs for the residents of Bloomington and enhanced programming by involving volunteers with program specific skills and expertise.
 - Summer Spectrum served 1,250 youth.
 - Summer Adventure Playgrounds served over 300 participants.
 - Summer Adventure Field Trips served over 900 participants.
 - Camp Kota served over 650 participants.
 - Adaptive Softball served over 20 youth and 70 adults.
 - Playground Partnership served over 200 participants.
 - Adult Recreation had over 500 teams participate in 7 different sports.
- Increased the community's involvement through volunteerism by boosting volunteer hours by 29% and the number of volunteers by 52%. Volunteers enhanced programming for youth and families, people with disabilities, and older adults.

Expenditures

	FY2013 Original Budget	FY2014 Approved Budget	Percent Change
Salaries/Wages/Benefits	\$ 1,161,804	\$ 1,209,599	4.11%
Materials/Supplies/Services	5,278,149	5,266,578	(0.22)
	\$ 6,439,953	\$ 6,476,177	0.56%

Authorized Full-Time

	FY2012	FY2013	FY2014
	6	6	6
Assistant Parks & Recreation Manager	1	1	1
Office Assistant	1	1	1
Office Support Specialist	0	1	1
Parks & Recreation Manager	1	1	1
Recreation Supervisor	2	2	2
Secretary	1	0	0



74 percent of residents surveyed rated the availability of paths and walking trails good or excellent, much above a national comparison of cities.

COMMUNITY SERVICES - GENERAL RECREATION
BUDGET SUMMARY
Revenues and Expenditures

	2012 ACTUAL	2013 ORIGINAL BUDGET	2013 AMENDED BUDGET	2013 ESTIMATED	2014 BUDGET
Revenues					
Program Income	\$ 847,413	\$ 862,668	\$ 878,568	\$ 871,550	\$ 872,926
Intergovernmental	-	-	-		
TOTAL REVENUES	847,413	862,668	878,568	871,550	872,926
Expenditures					
Staffing					
Salaries and Wages	814,924	920,730	933,030	878,508	962,336
Benefits	211,929	241,074	241,074	215,953	247,263
Operating Expenditures					
Utilities and Maintenance	397,719	530,638	553,269	439,714	466,917
Operations	58,885	64,675	64,675	64,564	62,019
City Support Services	4,106,579	4,555,615	4,555,615	4,553,090	4,639,126
Materials and Supplies	67,067	127,221	130,221	75,519	98,516
TOTAL EXPENDITURES	5,657,103	6,439,953	6,477,884	6,227,348	6,476,177

	2012	2013	2014
Property tax cost of service for median value home per month:			
General Recreation	\$7.05	\$7.12	\$7.24

Divisions

- Administration**
- Engineering/Traffic**
- Maintenance**
- Administration**
- Street Maintenance**



Long Meadow Lake Bridge, now on the National Register of Historic Places, will be restored in 2014 – 2015. The rehabilitated bridge will provide a commuter connection between Hennepin and Dakota Counties as well as provide access to the scenic Minnesota River Valley. The restored bridge will also connect regional trails to and through the Minnesota River Valley.

Public Works

The Public Works Department provides well-maintained streets, efficient transportation, and provides street and development engineering. This department also oversees the Water, Wastewater, Storm Water, Solid Waste Management, Facilities and Equipment Funds which are proprietary fund types.

Expenditures

	FY2013 Original Budget	FY2014 Approved Budget	Percent Change
Salaries/Wages/Benefits	\$ 6,557,094	\$ 6,597,889	.62%
Materials/Supplies/Services	5,652,445	5,869,408	3.84
Capital Outlay	16,000	44,000	175.00
Expenses Charged to Others	(2,408,457)	(2,437,051)	1.19
	\$ 9,817,082	\$ 10,074,246	2.62%

Authorized Full-Time

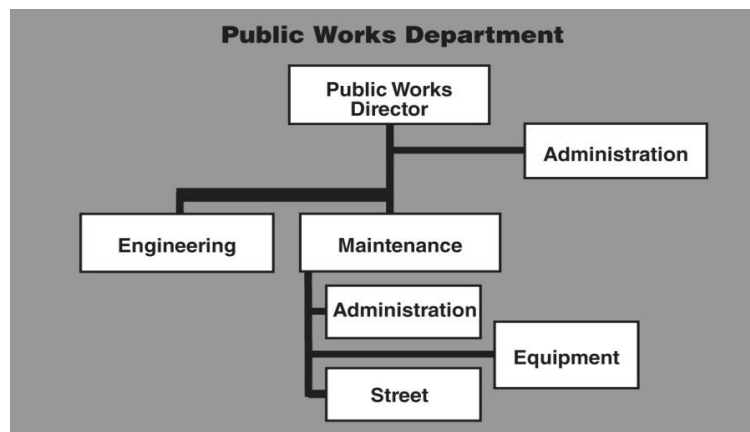
FY2012	FY2013	FY2014
65	63	63



Long Meadow Lake/Old Cedar Avenue Bridge

PUBLIC WORKS BUDGET SUMMARY Revenues and Expenditures					
	2012 ACTUAL	2013 ORIGINAL BUDGET	2013 AMENDED BUDGET	2013 ESTIMATED	2014 BUDGET
Revenues					
Program Income	\$ 135,384	\$ 73,700	\$ 73,700	\$ 96,018	\$ 73,300
Permits	10,201	5,200	5,200	10,207	7,200
TOTAL REVENUES	145,585	78,900	78,900	106,225	80,500
Expenditures					
Staffing					
Salaries and Wages	4,420,026	4,819,593	4,819,593	4,810,434	4,812,333
Benefits	1,704,029	1,737,501	1,737,501	1,792,854	1,785,556
Operating Expenditures					
Professional and Technical Services	54,481	242,207	314,584	122,286	242,367
Utilities and Maintenance	1,083,290	1,164,611	1,212,596	1,098,145	1,180,875
Operations	195,823	225,220	225,220	211,380	220,412
City Support Services	2,427,402	2,606,979	2,606,979	2,599,547	2,778,033
Materials and Supplies	1,438,484	1,413,428	1,639,546	1,540,258	1,447,721
Capital Outlay					
Equipment	-	16,000	29,083	-	44,000
TOTAL EXPENDITURES	11,323,535	12,225,539	12,585,102	12,174,904	12,511,297
Less Expenses Charged to Other Funds	(2,280,530)	(2,408,457)	(2,408,457)	(2,390,747)	(2,437,051)
NET TOTAL EXPENDITURES	9,043,005	9,817,082	10,176,645	9,784,157	10,074,246

	2012	2013	2014
Property tax cost of service for median value home per month:			
Public Works	\$14.51	\$13.49	\$14.02



209b (02/13)

Public Works - Administration

The administration component provides administrative support to its divisions.

2014 Objectives

- OS Provide supervision, planning, budgeting, computer assistance, safety training and general services to the entire Public Works Department at a cost of less than two percent of total Public Works budget.

2013 Results

- Provide administrative assistance for 1.7 percent of the Public Works budget.
- Moved toward implementing an enhanced Safety Program.

Expenditures

	FY2013 Original Budget	FY2014 Approved Budget	Percent Change
Salaries/Wages/Benefits	\$ 635,796	\$ 658,993	3.65%
Materials/Supplies/Services	178,163	182,043	2.18
Expenses Charged to Others	(598,749)	(621,629)	3.82
	\$ 215,210	\$ 219,407	1.95%

Authorized Full-Time

	FY2012	FY2013	FY2014
	6	6	6
Accountant	1	1	1
Administrative Assistant	1	1	0
Office Supervisor	0	0	1
Analyst	1	1	1
Deputy Director of Public Works	1	1	1
Director of Public Works	1	1	1
Safety & Compliance Coordinator	1	1	1



In the 2013 Citizen Survey, 73% of people rated Street Cleaning excellent or good, much above average compared nationally.

PUBLIC WORKS - ADMINISTRATION
BUDGET SUMMARY
Revenues and Expenditures

	2012 ACTUAL	2013 ORIGINAL BUDGET	2013 AMENDED BUDGET	2013 ESTIMATED	2014 BUDGET
Revenues					
Program Income	\$ 1,402	\$ -	\$ -	\$ 2,364	
TOTAL REVENUES	<u>1,402</u>	<u>-</u>	<u>-</u>	<u>2,364</u>	<u>-</u>
Expenditures					
Staffing					
Salaries and Wages	\$ 453,877	\$ 475,375	\$ 475,375	\$ 467,495	\$ 488,887
Benefits	168,811	160,421	160,421	161,059	170,106
Operating Expenditures					
Professional and Technical Services	-	96,424	96,424	3,026	96,424
Utilities and Maintenance	-	-	-		
Operations	20,495	25,964	25,964	22,386	26,880
City Support Services	45,403	51,375	51,375	50,590	54,839
Materials and Supplies	1,276	4,400	4,400	3,510	3,900
TOTAL EXPENDITURES	<u>689,862</u>	<u>813,959</u>	<u>813,959</u>	<u>708,066</u>	<u>841,036</u>
Less Expenses Charged to Other Funds	<u>(583,272)</u>	<u>(598,749)</u>	<u>(598,749)</u>	<u>(598,752)</u>	<u>(621,629)</u>
NET TOTAL EXPENDITURES	<u>106,590</u>	<u>215,210</u>	<u>215,210</u>	<u>109,314</u>	<u>219,407</u>

Public Works – Engineering

Activities

- Administration
- Infrastructure
- Construction & Design
- Engineering Services
- Traffic and Transportation Engineering



Using a complete streets approach in the City’s Pavement Management Program, the City has added on-street bicycle lanes and shoulders throughout the city, implementing goals identified in the Alternative Transportation Plan.

Since 2005, we’ve added over 25 miles of bicycle lanes.

64% of residents rated the ease of bicycle traffic in Bloomington as excellent or good, much above the national comparison.

The Engineering Division provides design and construction inspection for the City’s water supply, sanitary and storm sewer drainage systems, streets, sidewalks/bikeways, water resource projects, traffic signal systems and municipal facilities. 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.

2014 Objectives

- T,U** Provide City property owners with safe, high quality, economical infrastructure.
- T,U** Provide high-quality construction projects that are competitive with industry costs
- OS** Provide engineering services to construction projects at an annual average cost not to exceed 22 percent of construction cost.
- T** Provide City property owners, developers and visitors with accurate information about land parcels and city infrastructure in a cost-efficient manner and facilitate development and public improvements.
- LU,T,U** Provide comprehensive long-range planning, design and construction for local and regional transportation systems and public infrastructure within Bloomington.

2013 Results

- Constructed 10.69 miles of pavement management streets in 2013.
- Installed 26 new accessible pedestrian ramps and upgraded 164 accessible pedestrian ramps.
- Held 17 neighborhood meetings and 2 virtual web open houses; sent out 28 informational mailings.
- Installed 946 lineal feet of new sidewalk and replaced 8,463 lineal feet of existing sidewalk.

Expenditures

	FY2013 Original Budget	FY2014 Approved Budget	Percent Change
Salaries/Wages/Benefits	\$2,720,342	\$2,761,627	1.52%
Materials/Supplies/Services	736,862	749,430	1.71
Capital Outlay	16,000	16,000	0.00
Expenses Charged to Others	(1,624,137)	(1,665,212)	2.53
	\$1,849,067	\$1,861,845	.69%

Authorized Full-Time

	FY2012 27	FY2013 26	FY2014 26
Assistant Traffic Engineer	1	1	1
City Engineer	1	1	1
Civil Engineer	3	3	3
Engineering Technician	10	9	9
Computer Specialist	1	1	1
Office Assistant	1	1	1
Office Support Specialist	1	1	1
Registered 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

	2012 ACTUAL	2013 ORIGINAL BUDGET	2013 AMENDED BUDGET	2013 ESTIMATED	2014 BUDGET
Revenues					
Program Income	\$ 3,859	\$ 1,500	\$ 1,500	\$ 18,196	\$ 600
Permits	10,201	5,200	5,200	10,207	7,200
TOTAL REVENUES	14,060	6,700	6,700	28,403	7,800
Expenditures					
Staffing					
Salaries and Wages	1,907,287	2,047,823	2,047,823	1,955,274	2,050,386
Benefits	650,706	672,519	672,519	664,601	711,241
Operating Expenditures					
Professional and Technical Services	53,080	144,330	216,707	117,901	144,330
Utilities and Maintenance	9,647	18,155	18,155	10,735	14,564
Operations	69,127	99,300	99,300	67,586	92,364
City Support Services	316,382	355,253	355,253	347,671	379,738
Materials and Supplies	104,547	119,824	121,936	93,148	118,434
Capital Outlay					
Equipment	-	16,000	29,083	-	16,000
TOTAL EXPENDITURES	3,110,776	3,473,204	3,560,776	3,256,916	3,527,057
Less Expenses Charged to Other Funds	(1,453,444)	(1,624,137)	(1,624,137)	(1,501,794)	(1,665,212)
NET TOTAL EXPENDITURES	1,657,332	1,849,067	1,936,639	1,755,122	1,861,845

	2012	2013	2014
Property tax cost of service for median value home per month:			
Engineering	\$2.46	\$2.35	\$2.38

Activities

**Street Lighting
Traffic Operation and
Maintenance**



Traffic Maintenance staff paints 500 crosswalks, 300 traffic arrows, 50 railroad crossing symbols and 245 lineal miles of road lines (100 percent of inventory) every year. 59 percent of citizens surveyed rated traffic signal timing excellent or good, much above 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.

2014 Objectives

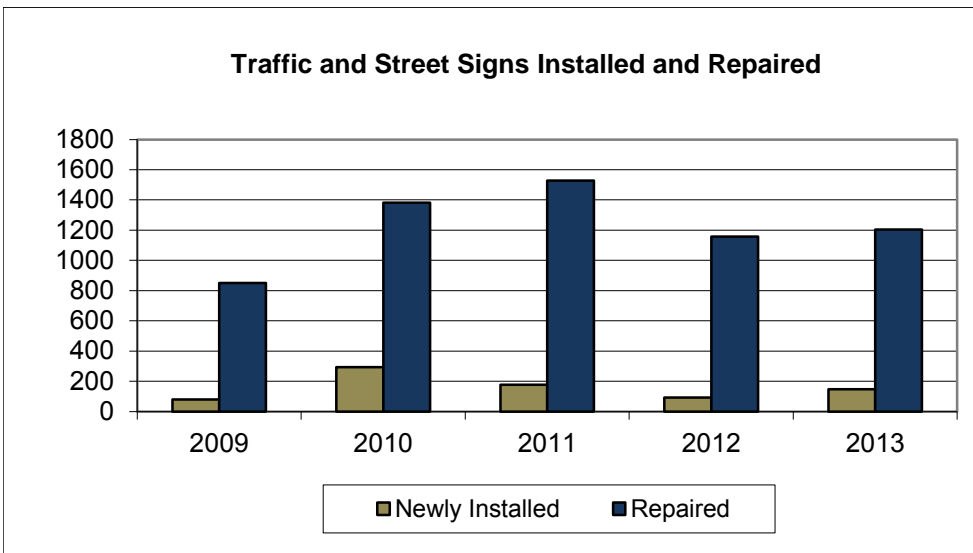
- T Provide functional and informative signage and traffic markings on City roadways.
- T Provide street light services for the safety of the public.
- T Provide maintenance of traffic signal systems for the safety of the public.

Expenditures

	FY2013 Original Budget	FY2014 Approved Budget	Percent Change
Salaries/Wages/Benefits	\$ 925,685	\$ 924,319	(0.15)%
Materials/Supplies/Services	1,336,071	1,334,652	(0.11)
Capital Outlay	0	28,000	--
	\$2,261,756	\$2,286,971	1.11%

Authorized Full-Time

	FY2012	FY2013	FY2014
	9	9	9
Analyst	1	1	1
Equipment Operator I	2	2	2
Maintenance Superintendent	1	1	1
Office Assistant	1	1	1
Office Support Specialist	1	1	1
Senior Signal/Inst. Tech.	1	1	1
Signal/Inst. Tech.	1	1	1
Traffic Supervisor	1	1	1



PUBLIC WORKS - MAINTENANCE ADMINISTRATION
BUDGET SUMMARY
Revenues and Expenditures

	2012 ACTUAL	2013 ORIGINAL BUDGET	2013 AMENDED BUDGET	2013 ESTIMATED	2014 BUDGET
Revenues					
Program Income	\$ 49,805	\$ 42,200	\$ 42,200	\$ 52,800	\$ 42,700
TOTAL REVENUES	49,805	42,200	42,200	52,800	42,700
Expenditures					
Staffing					
Salaries and Wages	578,718	658,054	658,054	612,910	651,475
Benefits	239,239	267,631	267,631	257,231	272,844
Operating Expenditures					
Professional and Technical Services	269	140	140	713	300
Utilities and Maintenance	893,671	960,414	1,008,399	960,216	940,589
Operations	38,083	38,035	38,035	43,814	43,291
City Support Services	241,461	236,087	236,087	235,643	250,065
Materials and Supplies	110,634	101,395	114,400	112,674	100,407
Capital Outlay					
Buildings and Improvements		-	-		
Equipment		-	-		28,000
TOTAL EXPENDITURES	2,102,075	2,261,756	2,322,746	2,223,201	2,286,971

	2012	2013	2014
Property tax cost of service for median value home per month:			
Traffic Control and Street Lights	\$3.00	\$2.83	\$2.88

Activities

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



In 2013, 341 miles of streets were maintained, including approximately 23 miles of sealcoating and over 181,000 feet of cracks sealed.

63 percent of citizens surveyed rated traffic flow on major streets excellent or good, much above most cities in this survey nationally.

78 percent of citizens surveyed rated snow removal excellent or good, much above most cities in a nationwide data base.

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.

2014 Objectives

- T Maintain roadways such that at least 90 percent are rated above problem condition status, per the City's Pavement Management Program condition rating system.

2013 Results

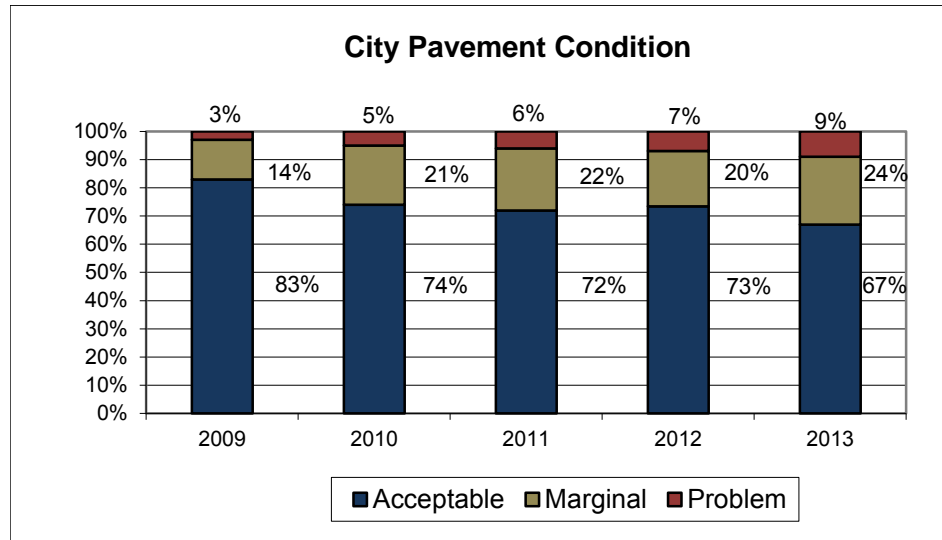
- For 2013, 91 percent of roadways are above problem condition.

Expenditures

	FY2013 Original Budget	FY2014 Approved Budget	Percent Change
Salaries/Wages/Benefits	\$2,275,271	\$2,252,950	(0.98)%
Materials/Supplies/Services	3,401,349	3,603,283	5.94
Expenses Charged to Others	(185,571)	(150,210)	(19.06)
	\$5,491,049	\$5,706,023	3.91%

Authorized Full-Time

	FY2012	FY2013	FY2014
	23	22	22
Equipment Operator I	14	12	12
Equipment Operator II	7	8	8
Street Maintenance Supervisor	2	2	2



PUBLIC WORKS - STREET MAINTENANCE
BUDGET SUMMARY
Revenues and Expenditures

	2012 ACTUAL	2013 ORIGINAL BUDGET	2013 AMENDED BUDGET	2013 ESTIMATED	2014 BUDGET
Revenues					
Program Income	\$ 30,693	\$ 30,000	\$ 30,000	\$ 22,658	\$ 30,000
TOTAL REVENUES	30,693	30,000	30,000	22,658	30,000
Expenditures					
Staffing					
Salaries and Wages	1,434,155	1,638,341	1,638,341	1,774,755	1,621,585
Benefits	630,277	636,930	636,930	709,963	631,365
Operating Expenditures					
Professional and Technical Services	1,132	1,313	1,313	646	1,313
Utilities and Maintenance	152,586	186,042	186,042	127,194	225,722
Operations	67,848	61,921	61,921	77,594	57,877
City Support Services	1,794,924	1,964,264	1,964,264	1,965,643	2,093,391
Materials and Supplies	1,219,565	1,187,809	1,398,810	1,330,926	1,224,980
TOTAL EXPENDITURES	5,300,487	5,676,620	5,887,621	5,986,721	5,856,233
Less Expenses Charged to Other Funds	(226,932)	(185,571)	(185,571)	(290,201)	(150,210)
NET TOTAL EXPENDITURES	5,073,555	5,491,049	5,702,050	5,696,520	5,706,023

	2012	2013	2014
Property tax cost of service for median value home per month:			
Street Maintenance	\$7.27	\$6.97	\$7.29

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. During election years, like 2014, approximately 400 election judges are hired to staff all the polling places.

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

	FY2013 Original Budget	FY2014 Approved Budget	Percent Change
Salaries/Wages/Benefits	\$2,024,742	\$2,239,239	10.6%
Materials/Supplies/Services	684,172	570,955	(16.5)
Reimbursed Expenditures	(104,132)	(115,672)	11.1
	\$2,604,782	\$2,694,522	3.4%

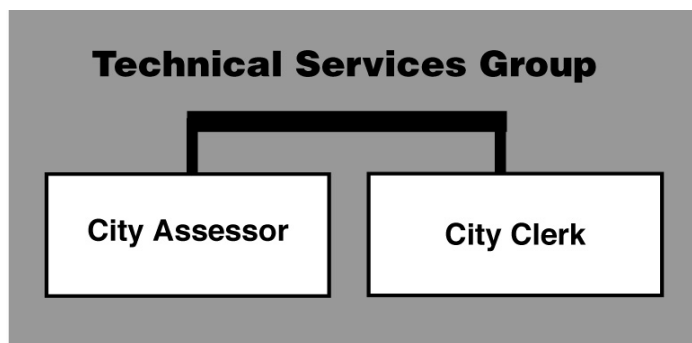
Authorized Full-Time

FY2012	FY2013	FY2014
20	20	20



**TECHNICAL SERVICES
BUDGET SUMMARY**
Revenues and Expenditures

	2012 ACTUAL	2013 ORIGINAL BUDGET	2013 AMENDED BUDGET	2013 ESTIMATED	2014 BUDGET
Revenues					
Program Income	\$ 1,865	\$ 107,500	\$ 107,500	\$ 44,734	\$ 725
TOTAL REVENUES	1,865	107,500	107,500	44,734	725
Expenditures					
Staffing					
Salaries and Wages	1,490,122	1,478,818	1,478,818	1,524,368	1,669,351
Benefits	507,532	545,924	545,924	540,076	569,888
Operating Expenditures					
Professional and Technical Services	-	20,000	20,000	12,254	-
Utilities and Maintenance	48,593	87,345	87,345	60,724	89,300
Operations	60,027	75,193	75,193	70,220	76,833
City Support Services	323,579	464,664	464,664	463,720	371,202
Materials and Supplies	29,566	36,970	36,970	28,241	33,620
TOTAL EXPENDITURES	2,459,419	2,708,914	2,708,914	2,699,603	2,810,194
Less Expenses Charged to Other Funds	(111,799)	(104,132)	(104,132)	(76,635)	(115,672)
NET TOTAL EXPENDITURES	2,347,620	2,604,782	2,604,782	2,622,968	2,694,522



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Technical Services Group – City Assessor

Activities

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

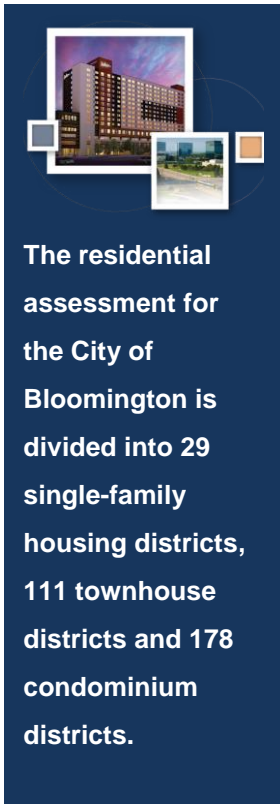
The City Assessor’s office determines the annual valuation and classification for properties located within Bloomington’s geographic boundaries for the purposes of property taxation. All properties must be valued annually and reviewed once every five years. A Board of Review made up of independent real 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.

2014 Objectives

- OS Complete field review and revaluation of required number of residential and commercial-industrial parcels annually per State Statute.
- OS Track improvements and changes to properties completed during the year.
- OS 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.

2013 Results

- Reviewed more than the 20 percent of parcels required – more than 6,500 out of approximately 30,000 parcels.

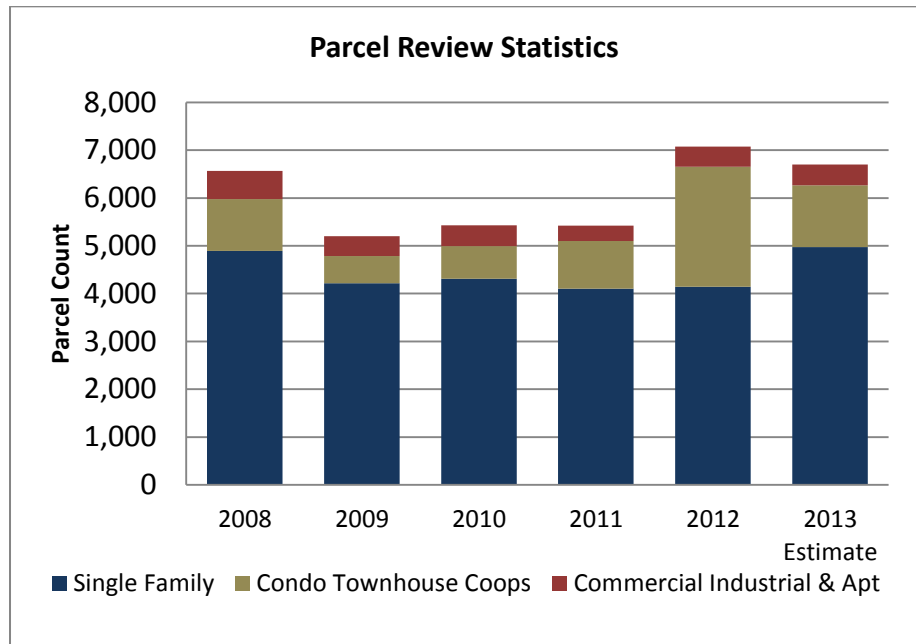


The residential assessment for the City of Bloomington is divided into 29 single-family housing districts, 111 townhouse districts and 178 condominium districts.

Expenditures	FY2013	FY2014	Percent Change
	Original Budget	Approved Budget	
Salaries/Wages/Benefits	\$1,305,861	\$1,404,497	7.6%
Materials/Supplies/Services	309,130	320,525	3.7
Reimbursed Expenditures	(62,730)	(64,298)	2.5
	\$1,552,261	\$1,660,724	7.0%

Authorized Full-Time

	FY2012	FY2013	FY2014
	13	13	13
Assessment Assistant	2	2	2
Assessment Specialist	1	1	1
Chief Commercial Appraiser	1	1	1
Chief Residential Appraiser	1	1	1
City Assessor	1	1	1
Commercial Property Appraiser	4	4	4
Residential Property Appraiser	3	3	3



TECHNICAL SERVICES - ASSESSING
BUDGET SUMMARY
Revenues and Expenditures

	2012 ACTUAL	2013 ORIGINAL BUDGET	2013 AMENDED BUDGET	2013 ESTIMATED	2014 BUDGET
Revenues					
Program Income	\$ 1,592	\$ 1,250	\$ 1,250	\$ 1,253	\$ 400
TOTAL REVENUES	<u>1,592</u>	<u>1,250</u>	<u>1,250</u>	<u>1,253</u>	<u>400</u>
Expenditures					
Staffing					
Salaries and Wages	926,444	957,268	957,268	983,533	1,033,637
Benefits	325,842	348,593	348,593	353,674	370,860
Operating Expenditures					
Utilities and Maintenance	21,780	42,650	42,650	22,200	43,150
Operations	37,779	42,984	42,984	39,962	45,358
City Support Services	190,774	216,736	216,736	213,550	225,257
Materials and Supplies	6,513	6,760	6,760	8,619	6,760
TOTAL EXPENDITURES	<u>1,509,132</u>	<u>1,614,991</u>	<u>1,614,991</u>	<u>1,621,538</u>	<u>1,725,022</u>
Less Expenses Charged to Other Funds	<u>(71,215)</u>	<u>(62,730)</u>	<u>(62,730)</u>	<u>(35,235)</u>	<u>(64,298)</u>
NET TOTAL EXPENDITURES	<u>1,437,917</u>	<u>1,552,261</u>	<u>1,552,261</u>	<u>1,586,303</u>	<u>1,660,724</u>

Technical Services Group – City Clerk

Activities

- Administration
- Cemetery
- Elections
- Licensing
- Passports
- Records Management



Processed and accepted 1,582 passport applications in 2013 which is a 28% increase from 2012 and a 73% increase from 2011.

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 for the City cemetery, and oversees an off-site local Deputy Registrar Office. This Division provides Records Management Services for the City's records, manages off-site storage, and develops the Citywide Electronic Document Management System (EDMS) program.

2014 Objectives

- OS** Ensure that eligible voters are able to exercise their right to vote in an environment where elections are efficiently administered according to law
- S** Operate effective licensing programs to promote the health and welfare of citizens and customers
- OS** Direct effective management of records to minimize the costs of storage and retrieval and to maximize accessibility
- LU** Coordinate expansion of the City Cemetery to provide burial options for residents

2013 Results

- Issued 8,890 licenses including but not limited to the following types:
 - 25 public assembly events including Race for the Cure and Iron Girl
 - 403 solicitor/transient merchants
 - 545 taxi cab drivers
 - 4,335 pet tags
- Processed and accepted 1,582 passport applications
- Sold 49 burial lots and coordinated 47 burials in Bloomington's Cemetery.
- Implemented scanning processes for City divisions to minimize the costs of storage and retrieval, maximized accessibility while keeping records in accordance to retention requirements.

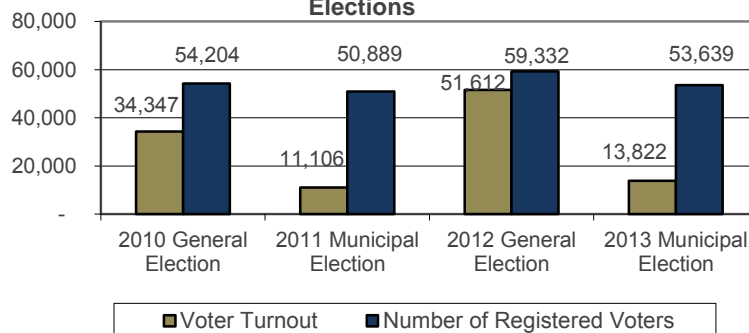
Expenditures

	FY2013 Original Budget	FY2014 Approved Budget	Percent Change
Salaries/Wages/Benefits	\$ 718,881	\$ 834,742	16.1%
Materials/Supplies/Services	375,042	250,430	(33.2)
Reimbursed Expenditures	(41,402)	(51,374)	24.1
	\$ 1,052,521	\$ 1,033,798	(1.8)%

Authorized Full Time

	FY2012	FY2013	FY2014
	7	7	7
City Clerk	1	1	1
Deputy City Clerk	1	1	1
License Examiner/City Clerk	1	1	1
Office Assistant	2	2	2
Office Support Specialist	1	1	1
Records Management Analyst	1	1	1

Number of Registered Voters Turnout for General Elections



TECHNICAL SERVICES - CITY CLERK
BUDGET SUMMARY
Revenues and Expenditures

	2012 ACTUAL	2013 ORIGINAL BUDGET	2013 AMENDED BUDGET	2013 ESTIMATED	2014 BUDGET
Revenues					
Program Income	\$ 273	\$ 106,250	\$ 106,250	\$ 43,481	\$ 325
TOTAL REVENUES	273	106,250	106,250	43,481	325
Expenditures					
Staffing					
Salaries and Wages	563,678	521,550	521,550	540,835	635,714
Benefits	181,690	197,331	197,331	186,402	199,028
Operating Expenditures					
Professional and Technical Services	-	20,000	20,000	12,254	-
Utilities and Maintenance	26,813	44,695	44,695	38,524	46,150
Operations	22,248	32,209	32,209	30,258	31,475
City Support Services	132,805	247,928	247,928	250,170	145,945
Materials and Supplies	23,053	30,210	30,210	19,622	26,860
TOTAL EXPENDITURES	950,287	1,093,923	1,093,923	1,078,065	1,085,172
Less Expenses Charged to Other Funds	(40,584)	(41,402)	(41,402)	(41,400)	(51,374)
NET TOTAL EXPENDITURES	909,703	1,052,521	1,052,521	1,036,665	1,033,798

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.

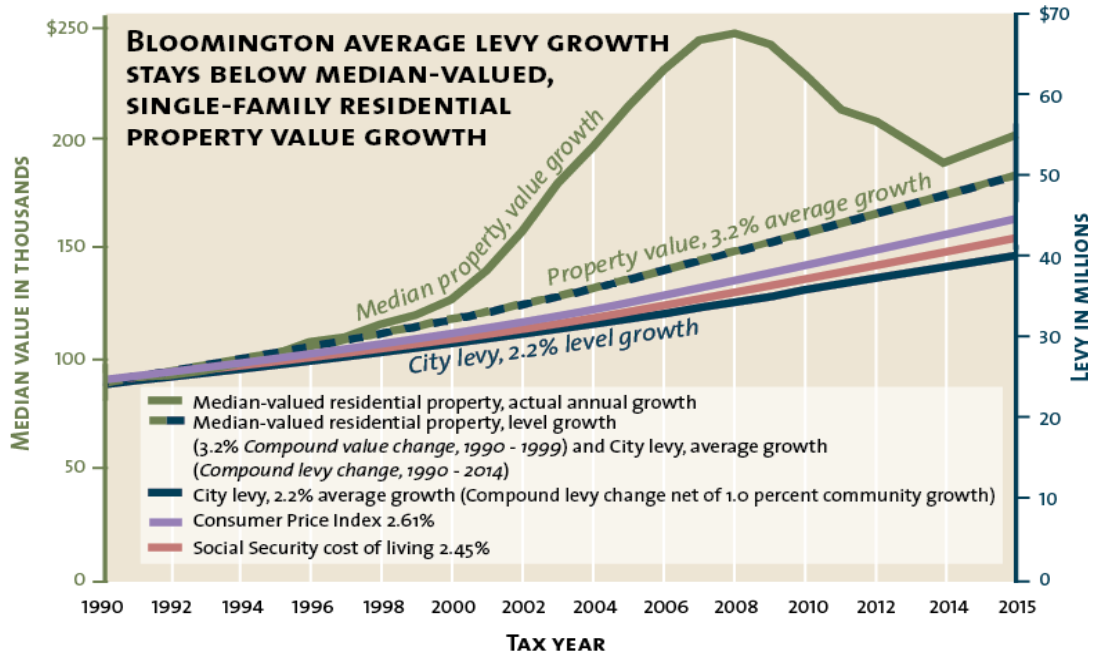


95 percent of residents surveyed rated Bloomington as either excellent or good as a place to live.

90 percent of residents surveyed rated the overall quality of life in Bloomington excellent or good, much above the national comparisons in the survey data base.

Expenditures

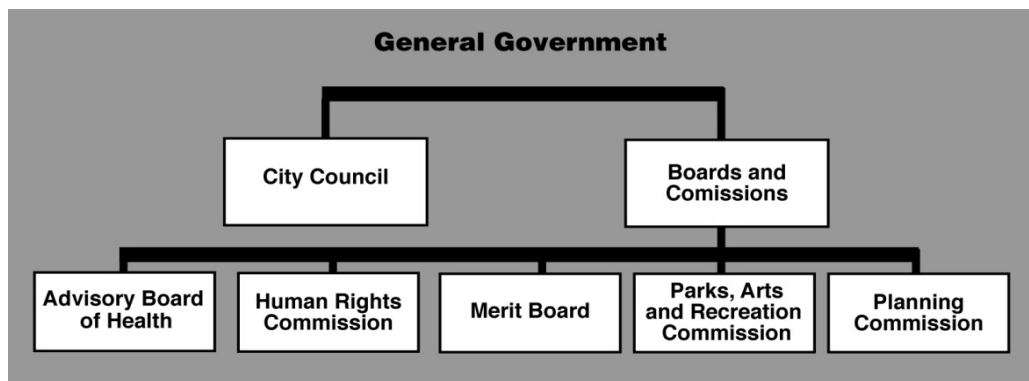
	FY2013 Original Budget	FY2014 Approved Budget	Percent Change
Salaries/Wages/Benefits	\$376,813	\$391,804	4.0%
Materials/Supplies/Services	380,162	389,041	2.3
Expenses Charged to Others	(205,168)	(210,297)	2.5
	\$551,807	\$570,548	3.4%



This graph shows single-family residential property values since 1990. The City did not increase its property taxes during the past decade at nearly the rate that market values of homes increased even with the downturn.

**GENERAL GOVERNMENT
BUDGET SUMMARY
Revenues and Expenditures**

	2012 ACTUAL	2013 ORIGINAL BUDGET	2013 AMENDED BUDGET	2013 ESTIMATED	2014 BUDGET
Revenues					
Program Income	\$ 126	\$ -	\$ -	\$ 1,201	\$ -
TOTAL REVENUES	126	-	-	1,201	-
Expenditures					
Staffing					
Salaries and Wages	220,186	236,776	236,776	231,537	237,067
Benefits	133,429	140,037	140,037	141,986	154,737
Operating Expenditures					
Professional and Technical Services	39,725	50,370	50,370	41,366	59,775
Utilities and Maintenance	3,956	4,000	4,000	4,110	4,000
Operations	138,404	215,320	215,320	205,510	196,597
City Support Services	88,747	96,414	96,414	96,747	109,102
Materials and Supplies	8,474	14,058	14,058	13,530	19,567
TOTAL EXPENDITURES	632,921	756,975	756,975	734,786	780,845
Less Expenses Charged to Other Funds	(194,868)	(205,168)	(205,168)	(205,164)	(210,297)
NET TOTAL EXPENDITURES	438,053	551,807	551,807	529,622	570,548



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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.

2014 Objectives

- OS** As a major partner, provide leadership to building and renewing the community.
- OS** Provide strategic direction to the City organization.
- OS** Provide policy direction and organization governance, through budget, ordinances and other policy body decisions.

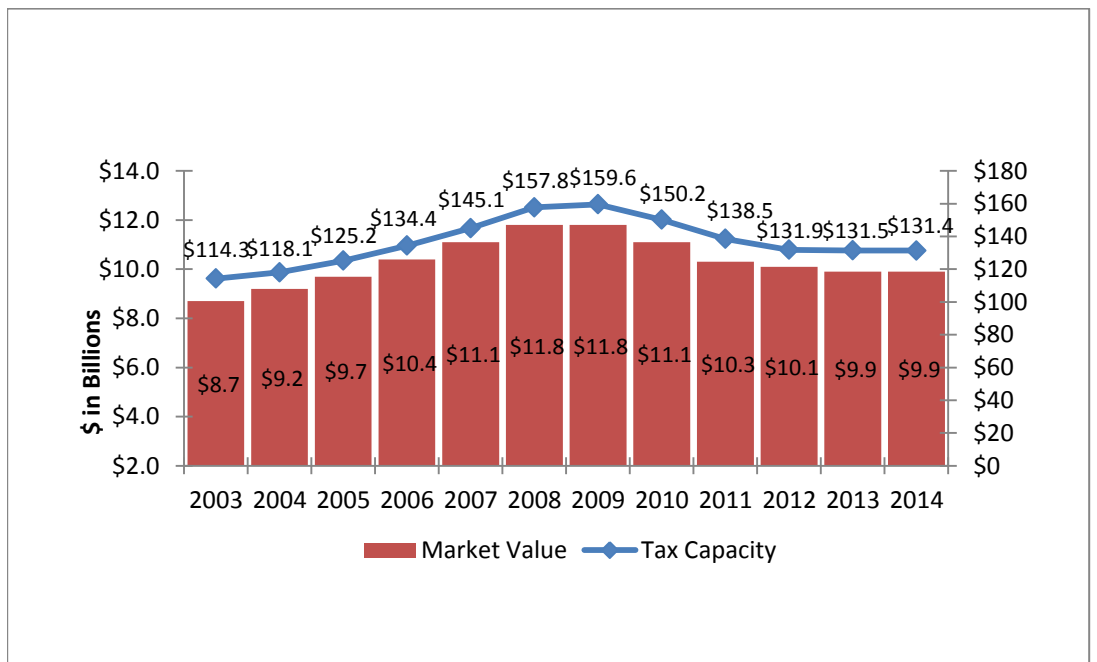


In a random citizen survey conducted in 2013, 87 percent of respondents rated “government services overall” as excellent or good.

Expenditures	FY2013	FY2014	Percent Change
	Original Budget	Approved Budget	
Salaries/Wages/Benefits	\$ 298,614	\$ 314,391	5.3%
Materials/Supplies/Services	339,065	342,009	0.9
Expenses Charged to Others	(205,168)	(210,297)	2.5
	\$ 432,511	\$ 446,103	3.1%

Authorized Full-Time	FY2012	FY2013	FY2014
	Administrative Assistant	1	1

Total City Market Value and Tax Capacity by Tax Year (\$ in billions)



GENERAL GOVERNMENT - CITY COUNCIL
BUDGET SUMMARY
Revenues and Expenditures

	2012 ACTUAL	2013 ORIGINAL BUDGET	2013 AMENDED BUDGET	2013 ESTIMATED	2014 BUDGET
Revenues					
Program Income	\$ 126	\$ -	\$ -	\$ 1,201	\$ -
TOTAL REVENUES	126	-	-	1,201	-
Expenditures					
Staffing					
Salaries and Wages	173,939	179,667	179,667	177,991	178,705
Benefits	116,179	118,947	118,947	121,172	135,686
Operating Expenditures					
Professional and Technical Services	38,490	49,100	49,100	41,366	51,493
Utilities and Maintenance	1,381	1,200	1,200	1,833	1,200
Operations	117,923	183,561	183,561	182,789	167,055
City Support Services	87,406	95,104	95,104	94,767	106,661
Materials and Supplies	5,216	10,100	10,100	10,471	15,600
TOTAL EXPENDITURES	540,534	637,679	637,679	630,389	656,400
Less Expenses Charged to Other Funds	(194,868)	(205,168)	(205,168)	(205,164)	(210,297)
NET TOTAL EXPENDITURES	345,666	432,511	432,511	425,225	446,103

Boards and Commissions

Advisory Board of Health

Charter Commission

Human Rights Commission

Merit Board

Parks, Arts and Recreation Commission

Planning 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.

2014 Objectives

- OS** Ensure a fair and equitable process for reviewing development applications in the best interests of the City (Planning Commission).
- LU** Maintain land development ordinances to reflect best practices for managing land use and implementing the *Comprehensive Plan* (Planning Commission).
- OS** Recognize individuals in the community for contributions to the Bloomington parks system (Parks, Arts and Recreation Commission).
- OS** Undertake a GIS-based asset inventory of the Bloomington Parks System (Parks, Arts and Recreation Commission).
- OS** Study issues affecting the health of the residents and make recommendations to the City Council as they perform their duties as a Community Health Board (Advisory Board of Health).
- OS** Assure cross-cultural understanding and acceptance by offering programs and events during the month of February in honor of Black History Month focusing on black players in baseball in partnership with the Minnesota Twins, Bloomington and Ramsey County Historical Societies (Human Rights Commission).
- OS** Foster a welcoming community by sponsoring a Naturalization Ceremony for immigrants during the 2014 International Day of Peace activities (Human Rights Commission).

2013 Results

- Presented six awards to food establishments, recognizing their achievement and commitment to food safety (Advisory Board of Health).
- Provided support for the Public Health Division’s application for accreditation (Advisory Board of Health).
- Received updates on the tobacco initiative, a project that completed in-store assessments on tobacco advertising and products sold (Advisory Board of Health).
- In a joint meeting with Edina and Richfield, board members participated in a review of the Community Health Assessment Data where they identified and prioritized the top 10 community health issues for Bloomington (Advisory Board of Health).
- Reviewed plans for two regional trail improvement projects connecting the City with neighboring communities (Planning Commission, Parks, Arts and Recreation Commission).
- Developed policies for physical improvement donations, park property encroachments and park trail usage (Parks, Arts and Recreation Commission).
- Sponsored activities focusing on the areas of race and diversity such as the Dred and Harriet Scott recognition event and park signage, an International Day of Peace project with Joan Steffend, cultural entertainment at Bloomington Heritage Days, and presentation of the Omar Bonderud Award (Human Rights Commission).
- Completed a supplemental investigation and report regarding adoption of a Domestic Partner Registry and presented it to City Council (Human Rights Commission).



The City Council adopted the Penn American District plan in January 2014. Construction of the Phase II redevelopment is scheduled to begin in June 2014.

Expenditures	FY2013	FY2014	
	Original Budget	Approved Budget	Percent Change
Salaries/Wages/Benefits*	\$ 78,199	\$ 77,413	(1.0)%
Materials/Supplies/Services	41,097	47,032	14.4
	\$ 119,296	\$ 124,445	4.3%

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

GENERAL GOVERNMENT - BOARDS AND COMMISSIONS
BUDGET SUMMARY
Revenues and Expenditures

	2012 ACTUAL	2013 ORIGINAL BUDGET	2013 AMENDED BUDGET	2013 ESTIMATED	2014 BUDGET
Revenues					
Program Income	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL REVENUES	-	-	-	-	-
Expenditures					
Staffing					
Salaries and Wages	46,247	57,109	57,109	53,546	58,362
Benefits	17,250	21,090	21,090	20,814	19,051
Operating Expenditures					
Professional and Technical Services	1,235	1,270	1,270	-	8,282
Utilities and Maintenance	2,575	2,800	2,800	2,277	2,800
Operations	20,481	31,759	31,759	22,721	29,542
City Support Services	1,341	1,310	1,310	1,980	2,441
Materials and Supplies	3,258	3,958	3,958	3,059	3,967
TOTAL EXPENDITURES	92,387	119,296	119,296	104,397	124,445

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.

2014 Objectives

- OS** Provide executive leadership and direction to the organization to provide quality services at an affordable price.
- OS** Assist the City Council in development of policy and strategic direction to build and renew the community.
- OS** Communicate with the City Council and public on issues of City importance in the manner acceptable to the Council.
- OS** Represent the City in appropriate forums to advance City interests.

2013 Results

- Promoted growth in the overall market value of the community at least equal to inflation over the long term.
- Provided quality services at an affordable price with the net monthly tax supported cost of services remaining below the average home valuation increase (net of legislative changes).
- Provided positive operational financial results on a long-term basis.



70 percent of citizens surveyed rated the value of City services for the taxes paid to Bloomington excellent to good, much above other cities and much above peer cities in a national comparison.

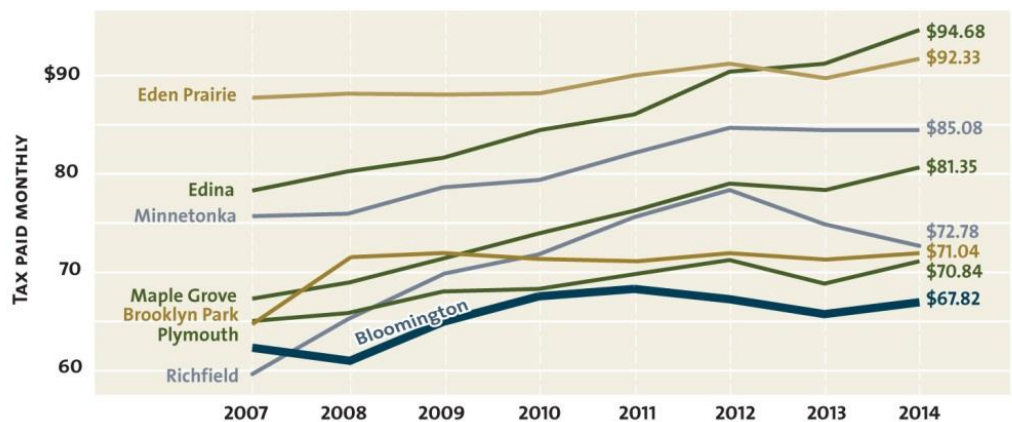
Expenditures

	FY2013 Original Budget	FY2014 Approved Budget	Percent Change
Salaries/Wages/Benefits	\$ 396,297	\$ 395,742	(0.1)%
Materials/Supplies/Services	109,482	110,252	0.7
Expenses Charged to Others	(153,785)	(157,630)	2.5
	\$ 351,994	\$ 348,364	(1.0)%

Authorized Full-Time

	FY2012	FY2013	FY2014
	3	3	3
Assistant City Manager	1	1	1
City Manager	1	1	1
City Manager's Secretary	1	1	1

CITY PROPERTY TAX ON MEDIAN VALUE SINGLE-FAMILY HOME
Not adjusted for property tax aids and Fiscal Disparities.



CITY MANAGER
BUDGET SUMMARY
Revenues and Expenditures

	2012 ACTUAL	2013 ORIGINAL BUDGET	2013 AMENDED BUDGET	2013 ESTIMATED	2014 BUDGET
Expenditures					
Staffing					
Salaries and Wages	\$ 219,611	\$ 319,695	\$ 319,695	\$ 220,882	\$ 321,262
Benefits	62,480	76,602	76,602	65,375	74,480
Operating Expenditures					
Professional and Technical Services	21,116	25,000	25,000	-	25,000
Utilities and Maintenance	1,381	1,200	1,200	1,833	1,200
Operations	27,848	31,526	31,526	27,028	29,027
City Support Services	43,344	50,006	50,006	46,790	51,825
Materials and Supplies	863	1,750	1,750	1,862	3,200
TOTAL EXPENDITURES	376,643	505,779	505,779	363,770	505,994
Less Expenses Charged to Other Funds	(144,120)	(153,785)	(153,785)	(153,780)	(157,630)
NET TOTAL EXPENDITURES	232,523	351,994	351,994	209,990	348,364

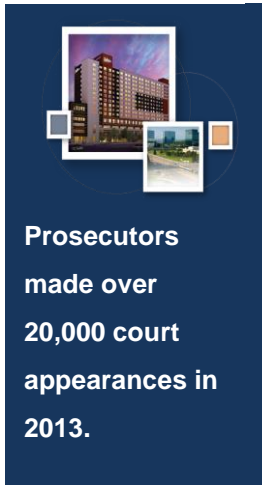
Legal

The Legal Department provides legal counsel to the City, City Council, Advisory Boards and Commissions, the City Manager and other City departments. The City Attorney's Office is responsible for the prosecution of non-felony criminal offenses occurring within the City. The Legal Department provides the City's general Counsel civil legal work negotiating and drafting complex redevelopment agreements, real estate acquisitions, leases, condemnations, defense of employments actions, mediation of employment disputes, ordinance drafting, contract negotiation, litigation management and inter-governmental relations.

Divisions

Prosecution

Ordinance, Legislation & Legal Support



Prosecutors made over 20,000 court appearances in 2013.

2014 Objectives

- OS Provide locally accountable, fair and effective criminal justice services to the community and to protect local access to justice for Bloomington residents;
- OS To deliver timely, high quality, accessible and cost-effective legal counsel to the City;
- OS Negotiate, draft and review contracts that promote the City's interests and protect its assets;
- OS With Human Resources develop employment policies that promote employee development, innovation and productivity;
- OS With City Clerk, improve public access to City documents;
- OS Expand the range of legal services handled in-house and minimize the expense of outside legal counsel and consultants;
- OS To promote justice and enhance public safety by aggressively prosecuting livability crimes, participating in the improvement of the criminal justice system and collaborating with the City's community justice partners.
- OS To create and maintain a highly collaborative focused, positive and professional work environment.

2013 Results

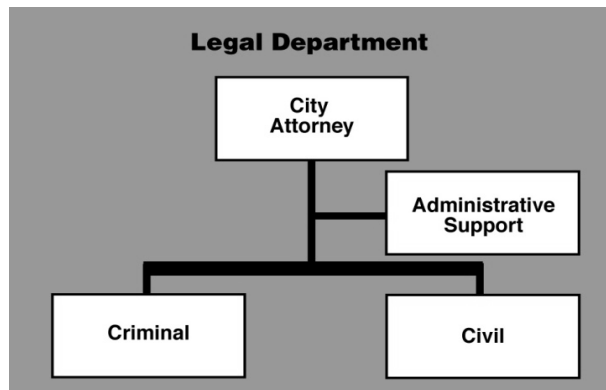
- Negotiated, drafted and reviewed over 600 liability waivers, releases, agreements and contracts.
- Negotiated and drafted the Redevelopment Contract for Phases 1C of the Mall of America project which will result in the construction of a 342 room luxury hotel, expanded retail and an office tower.
- Negotiated a repurchase of the 700 American Boulevard site to facilitate future development.
- Worked with Human Resources and outside legal counsel to resolve collective bargaining issue.
- Worked with City Clerk to create protocols for responding to requests for data.
- Worked with Police and Licensing to seek both civil and criminal sanctions for licensing violations.
- Implemented three major technology initiatives including criminal case management, eCharging of criminal complaints through the Bureau of Criminal Apprehension and eFiling of all pleadings
- Initiated a Complaint Officer of the Day assignment to provide greater access to police.
- Opened over 5,000 new criminal cases, each requiring an average of four court appearances.
- Pursued 92 vehicle forfeiture cases involving drivers defined by the legislature as posing a distinct threat to the public.
- Our attorneys serve as: the past president of the Minnesota Association of City Attorneys; Member of the Minnesota Justice Coalition; Suburban Prosecutors Association; Staff for the Criminal Justice Coordinating Committee; Member of the DWI Task Force; and Member of the 4th Judicial District's Stakeholder's Group; Member of the Driving Diversion Program; Member of the Family Violence Coordinating Council.

Expenditures	FY2013 Original Budget	FY2014 Approved Budget	Percent Change
Salaries/Wages/Benefits	\$ 1,325,879	\$1,382,855	4.30%
Materials/Supplies/Services	259,718	275,229	5.97
Expenses Charged to Others	(363,076)	(372,153)	2.50
	\$ 1,222,521	\$1,285,931	5.19%

Authorized Full-Time	FY2012	FY2013	FY2014
	12	12	12
Assistant Attorney	7	7	6
City Attorney	1	1	1
Legal Administrative Assistant	1	1	2
Office Assistant	2	2	1
Paralegal/Legal Assistant	1	1	2

**LEGAL
BUDGET SUMMARY
Revenues and Expenditures**

	2012 ACTUAL	2013 ORIGINAL BUDGET	2013 AMENDED BUDGET	2013 ESTIMATED	2014 BUDGET
Revenues					
Program Income	\$ 22,112	\$ 20,500	\$ 20,500	\$ 20,501	\$ 5,750
TOTAL REVENUES	22,112	20,500	20,500	20,501	5,750
Expenditures					
Staffing					
Salaries and Wages	885,123	1,002,820	1,002,820	963,678	1,041,855
Benefits	299,858	323,059	323,059	317,959	341,000
Operating Expenditures					
Professional and Technical Services	1,318	1,000	1,000	2,526	2,074
Utilities and Maintenance	1,763	2,950	2,950	2,045	2,150
Operations	76,678	79,827	79,827	78,974	78,567
City Support Services	150,096	164,741	164,741	164,694	180,998
Materials and Supplies	7,142	11,200	11,200	5,869	11,440
TOTAL EXPENDITURES	1,421,978	1,585,597	1,585,597	1,535,745	1,658,084
Less Expenses Charged to Other Funds	(336,899)	(363,076)	(363,076)	(322,307)	(372,153)
NET TOTAL EXPENDITURES	1,085,079	1,222,521	1,222,521	1,213,438	1,285,931



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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.

2014 Objectives

- OS** Attract and retain qualified, competent, service oriented employees.
- OS** Prepare and administer fair and reasonable employment policies and procedures.
- OS** Maintain reasonable compensation and benefit levels to attract and retain City staff.

2013 Results

- Recruited and hired 43 full-time employees in 2013 and hired more than 400 part-time employees.
- Promoted 25 full-time employees to new positions, which is a 47 percent increase over 2013.

Expenditures

	FY2013 Original Budget	FY2014 Approved Budget	Percent Change
Salaries/Wages/Benefits	\$672,154	\$ 702,917	4.6%
Materials/Supplies/Services	249,114	258,558	3.8
Expenses Charged to Others	(284,209)	(291,314)	2.5
	\$637,059	\$670,161	5.2%

Authorized Full-Time

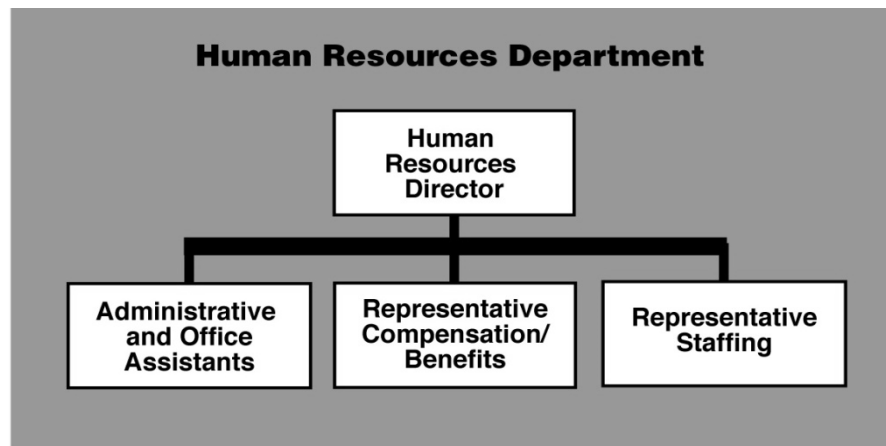
	FY2012	FY2013	FY2014
	6	6	6
Administrative Assistant	2	2	1
Director Human Resources	1	1	1
Human Resources Representative	2	2	3
Office Assistant	1	1	1

Full-time employees may participate in a Healthy Rewards Program with Medica. Employees who participate will complete a health assessment, review eight healthy topics and receive a biometrics screening.



HUMAN RESOURCES
BUDGET SUMMARY
Revenues and Expenditures

	2012 ACTUAL	2013 ORIGINAL BUDGET	2013 AMENDED BUDGET	2013 ESTIMATED	2014 BUDGET
Revenues					
Program Income	\$ 1,796	\$ 25,000	\$ 25,000	\$ -	\$ -
TOTAL REVENUES	1,796	25,000	25,000	-	-
Expenditures					
Staffing					
Salaries and Wages	\$ 435,742	\$ 492,423	\$ 492,423	\$ 465,849	\$ 530,854
Benefits	163,605	179,731	179,731	174,018	172,063
Operating Expenditures					
Professional and Technical Services	87,728	105,000	165,700	101,157	105,000
Utilities and Maintenance	1,381	1,100	1,100	1,928	500
Operations	26,385	39,805	39,805	24,124	35,251
City Support Services	75,280	87,709	87,709	83,707	98,007
Materials and Supplies	16,739	15,500	15,500	11,905	19,800
TOTAL EXPENDITURES	806,860	921,268	981,968	862,688	961,475
Less Expenses Charged to Other Funds	(205,824)	(284,209)	(284,209)	(284,209)	(291,314)
NET TOTAL EXPENDITURES	601,036	637,059	697,759	578,479	670,161



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.

2014 Objectives

- OS** Publish a Comprehensive Annual Financial Report (CAFR), a Budget document, a Five Year Community Investment Program (CIP) and a Popular Report each year.
- OS** Provide monthly financial reports to City Council, staff and management by the 30th of the following month.
- OS** Revenue and expense projections will be within 0.5 percent of actual by year end.
- OS** 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.
- OS** Take all appropriated budgets to City Council for approval by year end.

2013 Results

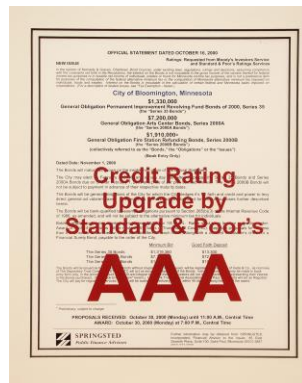
- Reviewed all departmental submissions to City Council agendas for financial matters.
- Coordinated, analyzed, and reviewed 2014 budgets for all appropriated funds.
- Coordinated, analyzed, reviewed and updated the 5-Year Capital Improvement Plan (2013-2017) for submittal to the City Council.
- Received the Government Finance Officers Association highest awards in Budget (17 years), CAFR (42 years) and Popular Report (14 years).
- Continually updated financial information on the City's website including Budget, Property Tax, Risk Management and the CAFR.
- Continued financial and debt modeling for major development projects within Bloomington including Mall of America multi-phases, Bloomington Central Station and Normandale Lake Area Plan.
- Continued oversight of a private/public partnership to finance and build the Radisson Blu four star hotel at the Mall of America.

Expenditures

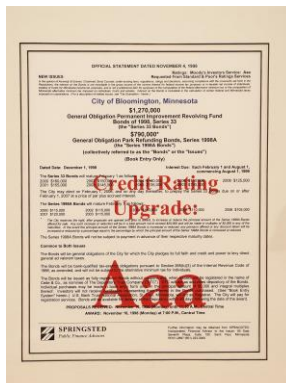
	FY2013 Original Budget	FY2014 Approved Budget	Percent Change
Salaries/Wages/Benefits	\$ 1,992,988	\$ 2,000,270	0.4%
Materials/Supplies/Services	629,346	624,580	(0.8)
Expenses Charged to Others	(1,581,181)	(1,537,638)	(2.8)
	\$ 1,041,153	\$ 1,087,212	4.4%

Personnel

FY2012	FY2013	FY2014
22	22	22



Standard & Poor's

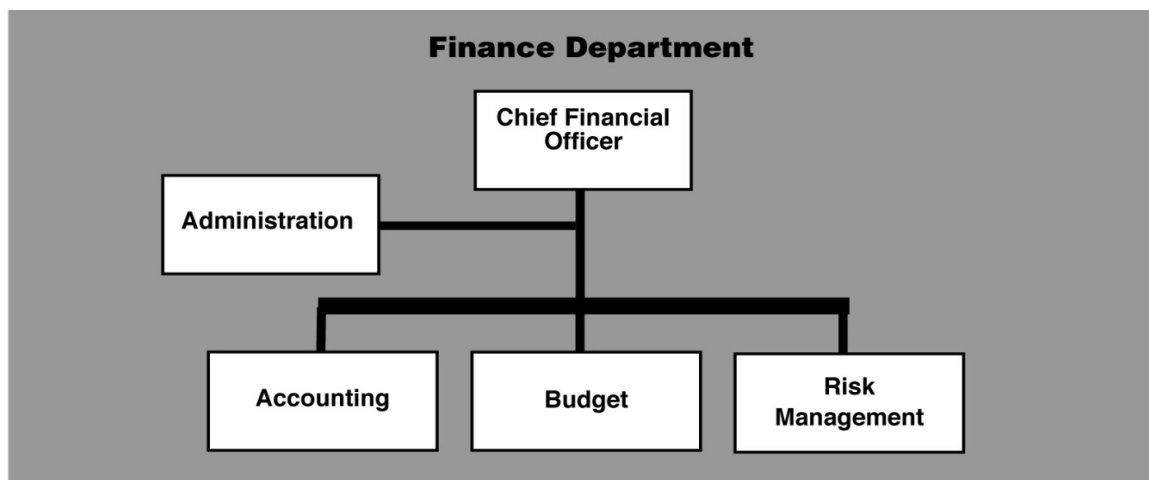


Moody's



Fitch

FINANCE BUDGET SUMMARY Revenues and Expenditures					
	2012 ACTUAL	2013 ORIGINAL BUDGET	2013 AMENDED BUDGET	2013 ESTIMATED	2014 BUDGET
Revenues					
Program Income	\$ 105,989	\$ 81,605	\$ 81,605	\$ 28,883	\$ 154,605
TOTAL REVENUES	105,989	81,605	81,605	28,883	154,605
Expenditures					
Staffing					
Salaries and Wages	1,265,159	1,450,341	1,450,341	1,414,878	1,458,986
Benefits	494,449	542,647	542,647	550,126	541,284
Operating Expenditures					
Professional and Technical Services	19,796	42,950	86,763	38,057	28,192
Utilities and Maintenance	1,079	1,300	1,300	1,185	1,300
Operations	181,632	210,101	210,101	185,564	203,128
City Support Services	267,811	304,398	309,398	299,313	320,218
Materials and Supplies	56,299	70,597	70,597	48,738	71,742
TOTAL EXPENDITURES	2,286,225	2,622,334	2,671,147	2,537,861	2,624,850
Less Expenses Charged to Other Funds	(1,432,414)	(1,581,181)	(1,581,181)	(1,529,977)	(1,537,638)
NET TOTAL EXPENDITURES	853,811	1,041,153	1,089,966	1,007,884	1,087,212



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 Community Investment Program, 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.

2014 Objectives

- OS Maintain the highest bond rating possible through conservative financial management, financial modeling and planning and accurate and transparent reporting of the City's financial and economic positions.
- OS Prepare quality financial reports based on feedback from the Government Finance Officers' Association (GFOA), City Council and other organization best practices.
- OS Earn the Distinguished Budget Award from the Government Finance Officers Association.
- OS Provide excellent financial services to internal and external customers as measured by internal surveys.
- OS Compile and present Five Year Community Investment Plan for approvals.

2013 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
- Department has been the recipient of the GFOA annual award for Excellence in Financial Reporting for 42 years.
- Received the GFOA Distinguished Budget Award for the 18th consecutive year.
- Received the GFOA Award for Outstanding Achievement in Popular Annual Financial Reporting for the 14th year.

Expenditures	FY2013	FY2014	Percent Change
	Original Budget	Approved Budget	
Salaries/Wages/Benefits	\$380,485	\$374,573	1.6%
Materials/Supplies/Services	141,603	142,121	0.4
Expenses Charged to Others	(218,812)	(185,401)	(15.3)
	\$303,276	\$ 331,293	9.2%

Personnel	FY2012	FY2013	FY2014
	3	3	3
Administrative Assistant	1	1	1
Budget Manager	1	1	1
Chief Financial Officer	1	1	1

FINANCE - ADMINISTRATION AND BUDGET
BUDGET SUMMARY
Revenues and Expenditures

	2012 ACTUAL	2013 ORIGINAL BUDGET	2013 AMENDED BUDGET	2013 ESTIMATED	2014 BUDGET
Revenues					
Program Income	\$ 37,054	\$ 11,605	\$ 11,605	\$ -	\$ 11,605
TOTAL REVENUES	37,054	11,605	11,605	-	11,605
Expenditures					
Staffing					
Salaries and Wages	283,096	288,853	288,853	294,075	284,509
Benefits	87,811	91,632	91,632	96,105	90,064
Operating Expenditures					
Professional and Technical Services	2,978	18,850	38,246	20,028	19,092
Operations	23,270	29,267	29,267	28,602	28,624
City Support Services	44,968	53,311	58,311	49,601	53,880
Materials and Supplies	37,411	40,175	40,175	33,950	40,525
TOTAL EXPENDITURES	479,534	522,088	546,484	522,361	516,694
Less Expenses Charged to Other Funds	(201,960)	(218,812)	(218,812)	(218,812)	(185,401)
NET TOTAL EXPENDITURES	277,574	303,276	327,672	303,549	331,293

Activities

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

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.

2014 Objectives

Provide quality accounting and related financial services to all City departments efficiently and effectively to meet the following criteria:

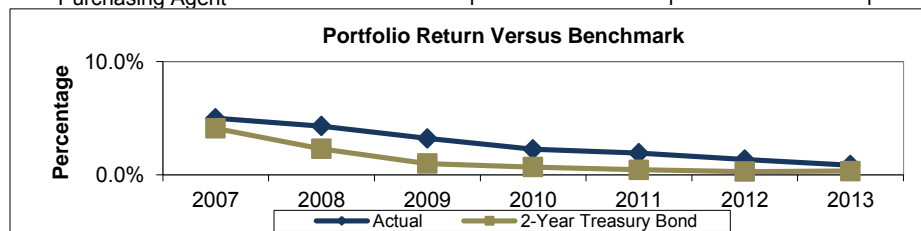
- OS** Accurate, timely and transparent financial statements in an easily understood format to both internal and external users.
- OS** Investment of public funds in such a manner that all daily cash flow needs are met and the portfolio yield will not fall below 25 basis points of a U.S. Treasury obligation of comparable duration.
- OS** Produce checks and purchase orders in a timely manner, keep accurate records, monitor grants and capital assets for compliance with internal and external policies and provide financial system assistance to our users.
- OS** Implement an electronic vendor payment system to streamline payment processes, reduce costs by year-end.
- OS** Implement a web based utility payment option for residents and businesses by November 2014.
- OS** Implement the core Financial, Human Resources and Payroll modules of a new ERP (Enterprise Resource Planning) software system by January 1, 2015.
- OS** Update City Ordinances and Sales Tax Audit procedures in order for the City to collect lodging taxes from online travel companies in 2014.

2013 Results

- Received Certificate of Achievement for Excellence in Financial Reporting for last 42 years.
- Enhanced monthly reports for City Council and internal users were prepared and distributed timely.
- Received Popular Annual Financial Reporting Award.
- Updated Finance policies and procedures including Water Revenue Collection policy and procedure, and created a new Public Purpose policy and procedure.
- Successfully selected new ERP software to replace 20 year old software with city-wide participation.

Expenditures	FY2013 Original Budget	FY2014 Approved Budget	Percent Change
Salaries/Wages/Benefits	\$ 1,525,261	\$ 1,559,749	2.3%
Materials/Supplies/Services	449,615	442,246	(1.6)
Expenses Charged to Others	(1,248,588)	(1,246,076)	(0.2)
	\$ 726,288	\$ 755,919	4.1%

Authorized Full-Time	FY2012	FY2013	FY2014
	18	18	18
Accountant	3	3	3
Accounting Assistant	3	3	3
Assistant Finance Manager	1	1	1
Auditor	1	1	1
Customer Billing Supervisor	1	1	1
Finance Manager	1	1	1
Office Assistant	4	4	4
Office Support Specialist	2	2	2
Payroll Specialist	1	1	1
Purchasing Agent	1	1	1



FINANCE - ACCOUNTING
BUDGET SUMMARY
Revenues and Expenditures

	2012 ACTUAL	2013 ORIGINAL BUDGET	2013 AMENDED BUDGET	2013 ESTIMATED	2014 BUDGET
Revenues					
Program Income	\$ 68,935	\$ 70,000	\$ 70,000	\$ 28,883	\$ 143,000
TOTAL REVENUES	68,935	70,000	70,000	28,883	143,000
Expenditures					
Staffing					
Salaries and Wages	931,357	1,094,088	1,094,088	1,065,617	1,122,650
Benefits	389,152	431,173	431,173	435,856	437,099
Operating Expenditures					
Professional and Technical Services	16,818	23,100	47,517	18,029	8,100
Utilities and Maintenance	1,079	1,300	1,300	1,185	1,300
Operations	150,039	169,432	169,432	147,386	162,845
City Support Services	205,491	225,936	225,936	224,608	239,359
Materials and Supplies	18,325	29,847	29,847	14,503	30,642
TOTAL EXPENDITURES	1,712,261	1,974,876	1,999,293	1,907,184	2,001,995
Less Expenses Charged to Other Funds	(1,138,702)	(1,248,588)	(1,248,588)	(1,197,667)	(1,246,076)
NET TOTAL EXPENDITURES	573,559	726,288	750,705	709,517	755,919

Finance – Risk Management

Activities

Risk Management

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

2014 Objectives

- OS** Manage the request for proposals (RFP) process for retaining an insurance broker.
- OS** Complete required insurance renewals by June 2014 and provide necessary reports to City Council.
- OS** Work with Legal to implement electronic contract boilerplate and contract tracking system.
- OS** Re-establish a working City-wide Safety Committee to augment work of department committees.

2013 Results

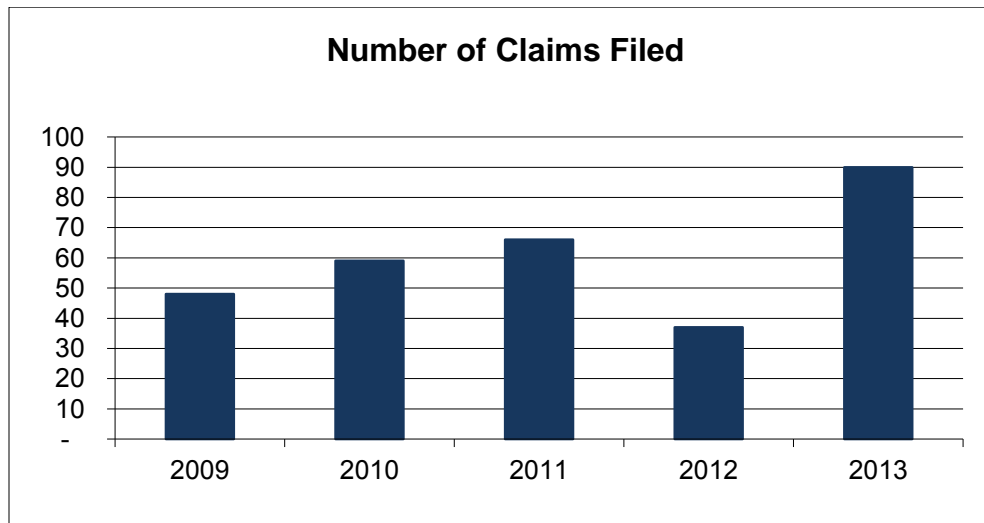
- Renewed insurance policies for 2013.
- Participated in facility safety review.
- Reviewed over 600 contracts and requests for proposals.

Expenditures

	FY2013 Original Budget	FY2014 Approved Budget	Percent Change
Salaries/Wages/Benefits	\$ 87,242	\$ 65,948	-24.4%
Materials/Supplies/Services	38,128	40,213	5.5
Expenses Charged to Others	(113,781)	(106,161)	6.7
	\$ 11,589	\$ 0	--

Authorized Full-Time

	FY2012	FY2013	FY2014
	1	1	1
Risk Manager & Litigation Mgr.	1	1	1



FINANCE - RISK MANAGEMENT
BUDGET SUMMARY
Revenues and Expenditures

	2012 ACTUAL	2013 ORIGINAL BUDGET	2013 AMENDED BUDGET	2013 ESTIMATED	2014 BUDGET
Expenditures					
Staffing					
Salaries and Wages	\$ 50,706	\$ 67,400	\$ 67,400	\$ 55,186	\$ 51,827
Benefits	17,486	19,842	19,842	18,165	14,121
Operating Expenditures					
Professional and Technical Services	-	1,000	1,000	-	1,000
Utilities and Maintenance	-	-	-	-	-
Operations	8,323	11,402	11,402	9,576	11,659
City Support Services	17,352	25,151	25,151	25,104	26,979
Materials and Supplies	563	575	575	285	575
TOTAL EXPENDITURES	94,430	125,370	125,370	108,316	106,161
Less Expenses Charged to Other Funds	(91,752)	(113,781)	(113,781)	(113,498)	(106,161)
NET TOTAL EXPENDITURES	2,678	11,589	11,589	(5,182)	-

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.

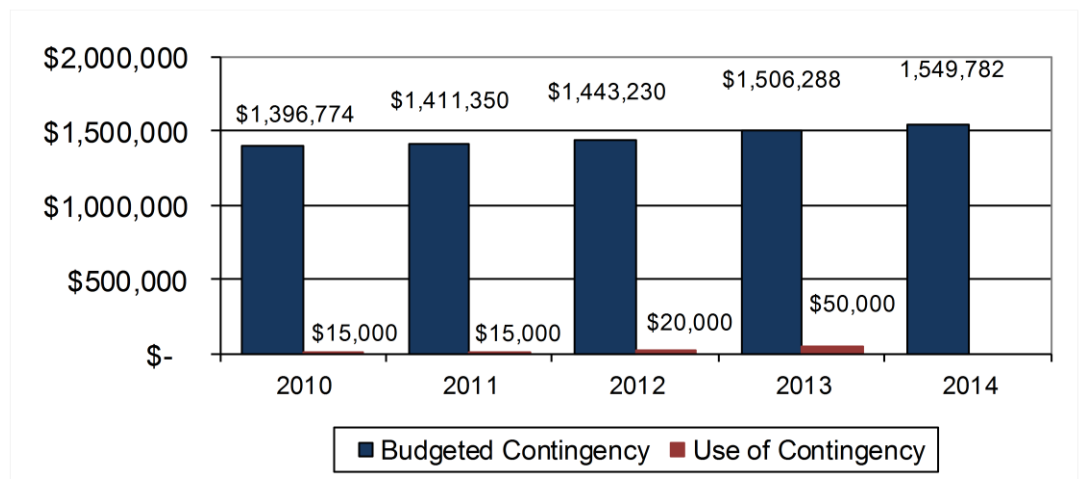
2014 Objectives

- OS 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.

2013 Results

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

Expenditures	FY2013	FY2014	Percent Change
	Original Budget	Approved Budget	
Transfers to Other Funds	\$1,506,288	\$1,549,782	2.9%
	\$1,506,288	\$1,549,782	2.9%



CONTINGENCY
BUDGET SUMMARY
Revenues and Expenditures

	2012 ACTUAL	2013 ORIGINAL BUDGET	2013 AMENDED BUDGET	2013 ESTIMATED	2014 BUDGET
Expenditures					
TOTAL EXPENDITURES					
Transfers Out	\$ 20,000	\$ 1,506,288	\$ 1,506,288	\$ 30,000	\$ 1,549,782
NET TOTAL EXPENDITURES	20,000	1,506,288	1,506,288	30,000	1,549,782



The Art of Creating Community

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City of Bloomington, Minnesota
ANNUAL BUDGET
 Fiscal Year 2014



The Art of Creating Community

SPECIAL REVENUE FUNDS

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**SPECIAL REVENUE
FUNDS**

2014 Budget Summary – Special Revenue Funds

REVENUES				
	2012 Actual	2013 Budget	2013 Estimate	2014 Budget
Health Grants	\$ 1,204,85	\$1,007,540	\$ 1,282,741	\$ 1,182,314
Sage Clinic	350,227	392,146	256,060	281,517
DWI Forfeiture	107,355	108,049	105,671	104,200
Enhanced 911	112,620	125,127	106,418	112,620
Drug Forfeiture	33,306	151,800	197,502	135,000
Police Grants	332,243	15,000	711,663	150,366
Pension Residual	3,412,265	735,978	798,755	440,289
Communications	1,322,612	1,327,801	1,395,772	1,563,696
South Loop	78,192	72,000	929	270,500
Park Grants	102,275	72,710	12,687	63,851
Fire Grants	223,917	0	146,408	44,770
Cemetery	77,734	0	79,718	115,273
	\$ 7,357,605	\$4,008,151	\$5,094,324	\$ 4,464,396
EXPENDITURES				
	2012 Actual	2013 Budget	2013 Estimate	2014 Budget
Health Grants	\$ 1,224,076	\$1,008,493	\$ 1,355,318	\$ 1,257,011
Sage Clinic	350,975	392,146	306,422	281,517
DWI Forfeiture	75,825	132,592	81,279	155,572
Enhanced 911	67,068	68,482	68,482	70,137
Drug Forfeiture	264,881	192,400	180,105	12,300
Police Grants	387,592	15,000	747,368	147,000
Pension Residual	2,503,207	2,565,325	2,546,830	3,353,755
Communications	1,344,316	1,566,606	1,390,201	1,501,049
South Loop	5,413	66,720	7,697	348,000
Park Grants	83,840	106,000	11,254	113,000
Fire Grants	225,239	0	159,308	0
Cemetery	10,661	0	725	535,536
	\$ 6,543,093	\$ 6,113,764	\$6,854,989	\$ 7,774,877

Public Safety – Special Revenue

Activities

- Police Grants**
- DWI Forfeiture Fund**
- Enhanced 911**
- Drug Forfeiture**
- Pension Residual**
- Fire Grants**

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.

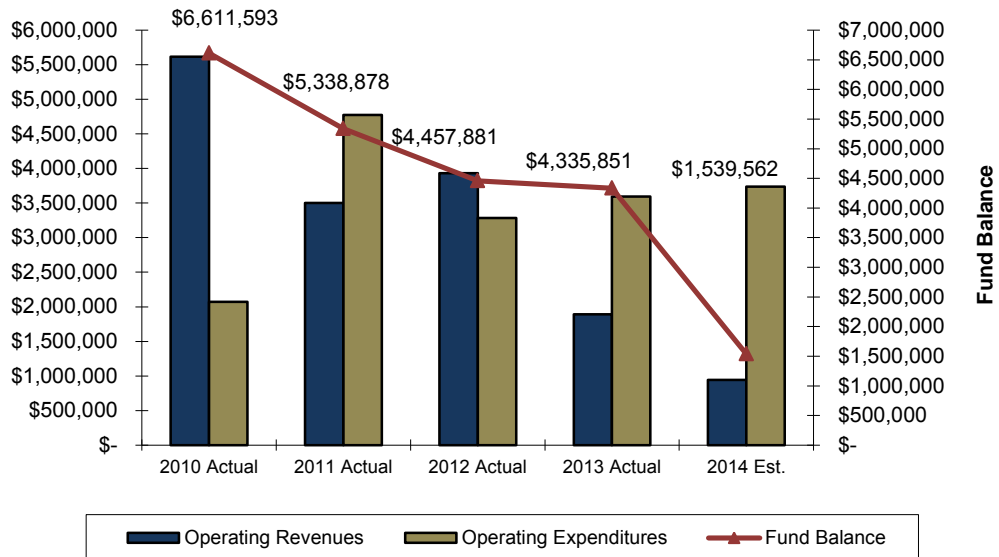
2014 Objectives

- S** Increase consequences for criminal activities and criminal enterprises by taking the proceeds and instrumentality from criminals and using them to reduce the burden upon taxpayers for enhanced law enforcement efforts.

Expenditures	FY2013 Original Budget	FY2014 Approved Budget
Salaries/Wages/Benefits*	\$2,396,496	\$3,306,057
Materials/Supplies/Services	274,803	209,207
Capital Outlay	0	40,000
Transfers Out	302,500	183,500
	\$2,973,799	\$3,738,764

*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					
	2012 ACTUAL	2013 ORIGINAL BUDGET	2013 AMENDED BUDGET	2013 ESTIMATED	2014 BUDGET
Revenues					
Tax Revenues	\$ 156,330	\$ 347,713	\$ 347,713	\$ 344,685	\$ -
Program Income	147,899	257,000	257,000	297,222	238,000
Intergovernmental	805,500	500,065	743,714	1,198,836	663,769
Interest Income	79,372	31,176	31,176	49,182	40,706
Transfers In	2,808,688	-	-	-	-
TOTAL REVENUES	3,997,789	1,135,954	1,379,603	1,889,925	942,475
Expenditures					
Staffing					
Salaries and Wages	187,431	64,545	253,136	128,905	109,433
Benefits	2,268,061	2,331,951	2,337,651	2,357,553	3,196,624
Operating Expenditures					
Professional and Technical Services	3,786	-	13,494	8,869	-
Utilities and Maintenance	26,180	-	-	-	-
Operations	23,560	4,000	39,587	11,876	65,000
City Support Services	204,399	209,412	209,412	209,411	81,607
Materials and Supplies	177,250	61,391	97,296	134,444	62,600
Capital Outlay					
Equipment	68,820	-	686,650	500,606	40,000
Transfers Out	339,004	302,500	302,500	240,507	183,500
TOTAL EXPENDITURES	3,298,491	2,973,799	3,939,726	3,592,171	3,738,764
FUND BALANCE SOURCES (USES)	699,298	(1,837,845)	(2,560,123)	(1,702,246)	(2,796,289)
Fund Balance at Beginning of Year	5,338,799	6,038,097	6,038,097	6,038,097	4,335,851
Fund Balance At Year-End	\$ 6,038,097	\$ 4,200,252	\$ 3,477,974	\$ 4,335,851	\$ 1,539,562

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.

2014 Objectives

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

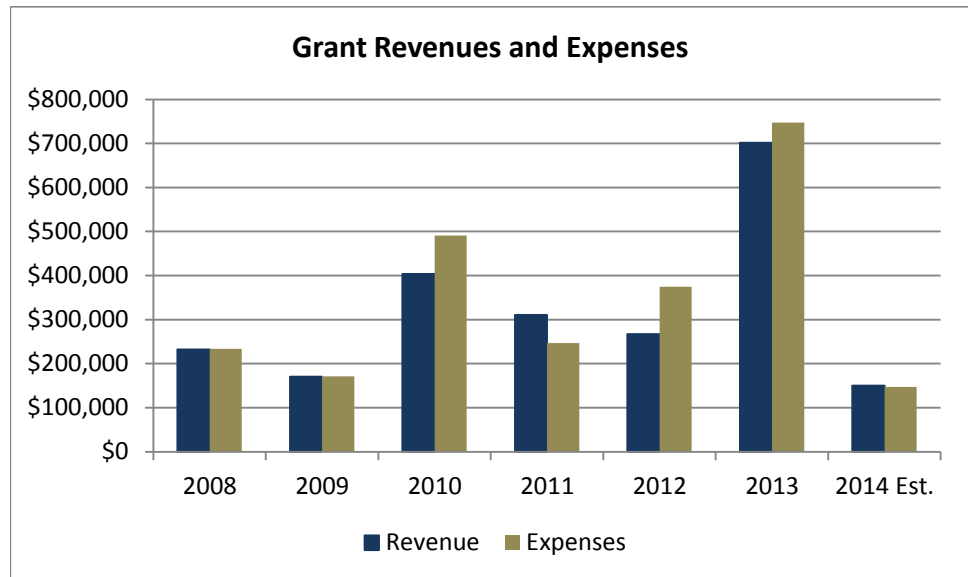
2013 Results

- Conducted a proactive strategy to reduce auto theft through public education initiative.
- Worked 108 TZD traffic details in 2013, with 159 officers working shifts to locate and arrest impaired drivers.

Expenditures

	FY2013 Original Budget	FY2014 Approved Budget
Salaries/Wages/Benefits*	\$15,000	\$66,000
Materials/Supplies/Services	-	41,000
Capital	-	40,000
	\$15,000	\$147,000

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



POLICE GRANTS BUDGET SUMMARY Revenues and Expenditures					
	2012 ACTUAL	2013 ORIGINAL BUDGET	2013 AMENDED BUDGET	2013 ESTIMATED	2014 BUDGET
Revenues					
Intergovernmental	\$ 332,243	\$ 15,000	\$ 258,649	\$ 701,838	\$ 150,366
TOTAL REVENUES	332,243	15,000	258,649	701,838	150,366
Expenditures					
Staffing					
Salaries and Wages	157,156	15,000	203,591	121,992	58,950
Benefits	42,746	-	5,700	34,430	7,050
Operating Expenditures					
Professional and Technical Services	3,786	-	13,494	8,869	-
Utilities and Maintenance	26,180	-	-	-	-
Operations	21,298	-	35,587	11,876	41,000
City Support Services	99	-	-	-	-
Materials and Supplies	67,425	-	35,905	69,595	-
Capital Outlay					
Equipment	68,820	-	636,650	500,606	40,000
TOTAL EXPENDITURES	387,510	15,000	930,927	747,368	147,000
FUND BALANCE SOURCES (USES)	(55,267)	-	(672,278)	(45,530.00)	3,366
Fund Balance at Beginning of Year	(24,006)	(79,273)	(79,273)	(79,273)	(124,803)
Fund Balance At Year-End	(79,273)	(79,273)	(751,551)	(124,803)	(121,437)

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

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.

2014 Objectives

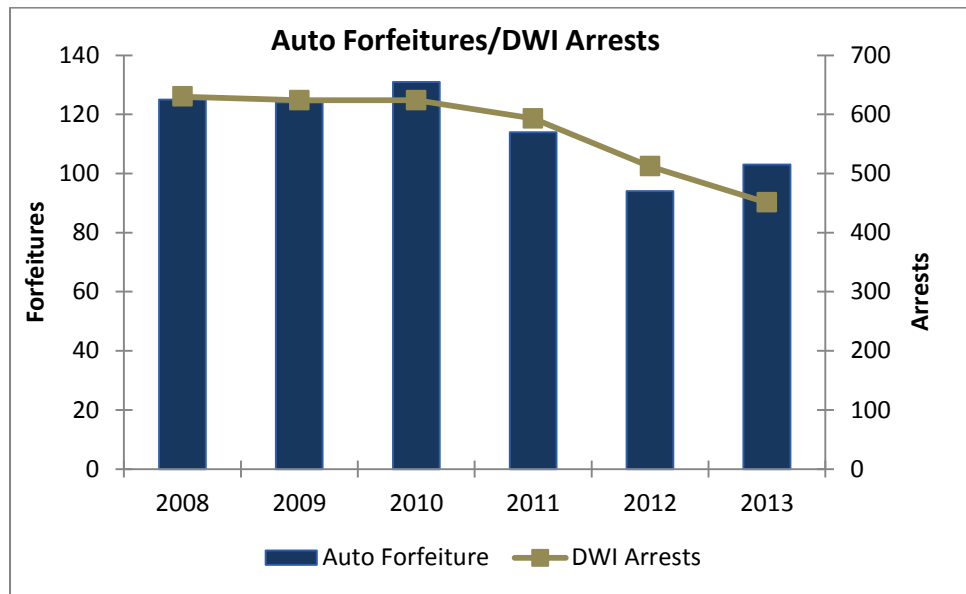
- S** Reduce internal costs associated with DWI vehicle enforcement in order to provide additional resources for DWI enforcement.
- S** Implement processes to uniformly and fairly seize vehicles under the DWI forfeiture law.
- S** Internally account for expenses associated with DWI forfeitures to assure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

2013 Results

- Processed 103 DWI forfeited vehicles with 451 DWI arrests.
- Reduced and streamlined administrative time and actual expenses associated with DWI vehicle forfeiture.

Expenditures	FY2013 Original Budget	FY2014 Approved Budget
Salaries/Wages/Benefits*	\$ 68,671	\$ 68,802
Materials/Supplies/Services	63,921	85,770
Capital	-	-
	\$ 132,592	\$ 155,572

*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					
	2012 ACTUAL	2013 ORIGINAL BUDGET	2013 AMENDED BUDGET	2013 ESTIMATED	2014 BUDGET
Revenues					
Program Income	\$ 106,066	\$ 107,000	\$ 107,000	\$ 103,498	\$ 103,000
Interest Income	1,289	1,049	1,049	2,282	1,200
TOTAL REVENUES	107,355	108,049	108,049	105,780	104,200
Expenditures					
Staffing					
Salaries and Wages	30,275	49,545	49,545	6,913	50,483
Benefits	11,108	19,126	19,126	10,297	19,319
Operating Expenditures					
Professional and Technical Services					
Utilities and Maintenance					
Operations	2,262	4,000	4,000		24,000
City Support Services	9,648	10,621	10,621	10,620	11,470
Materials and Supplies	22,532	49,300	49,300	52,556	50,300
Capital Outlay					
Equipment	-	-	50,000	-	
TOTAL EXPENDITURES	75,825	132,592	182,592	80,386	155,572
FUND BALANCE SOURCES (USES)	31,530	(24,543)	(74,543)	25,394	(51,372)
Fund Balance at Beginning of Year	197,285	228,815	228,815	228,815	254,209
Fund Balance At Year-End	\$ 228,815	\$ 204,272	\$ 154,272	\$ 254,209	\$ 202,837

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

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.

2014 Objectives

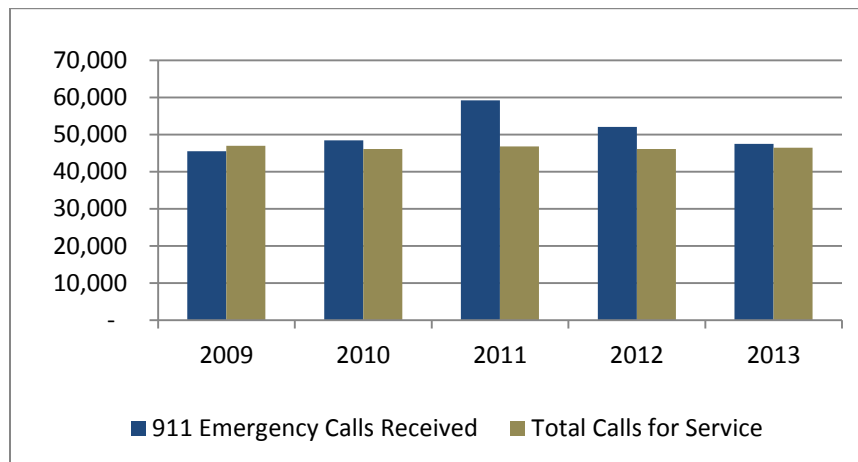
- S** Maintain and upgrade 911-communications technology.
- S** Maintain and improve communication center staffing, training, and equipment.

2013 Results

- Enhanced inter-operability with Metro Radio Board regional system.
- Decreased public safety response times.

Expenditures	FY2013	FY2014
	Original Budget	Approved Budget
Materials/Supplies/Services	\$ 68,482	\$ 70,137
Capital		
	\$ 68,482	\$ 70,137

911 Calls



In 2013, BPD received 47,438 911 emergency calls and responded to 46,436 calls for service. This includes Mall of America, which 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					
	2012 ACTUAL	2013 ORIGINAL BUDGET	2013 AMENDED BUDGET	2013 ESTIMATED	2014 BUDGET
Revenues					
Intergovernmental	\$ 111,689	\$ 123,497	\$ 123,497	\$ 95,284	\$ 111,689
Interest Income	931	1,630	1,630	1,924	931
TOTAL REVENUES	112,620	125,127	125,127	97,208	112,620
Expenditures					
Operating Expenditures					
City Support Services	67,068	68,482	68,482	68,482	70,137
Materials and Supplies					
Capital Outlay					
Equipment	-	-	-		
TOTAL EXPENDITURES	67,068	68,482	68,482	68,482	70,137
FUND BALANCE SOURCES (USES)	45,552	56,645	56,645	28,726	42,483
Fund Balance at Beginning of Year	149,316	194,868	194,868	194,868	223,594
Fund Balance At Year-End	<u>\$ 194,868</u>	<u>\$ 251,513</u>	<u>\$ 251,513</u>	<u>\$ 223,594</u>	<u>\$ 266,077</u>

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.

2014 Objectives

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

- S** Purchase specialized surveillance equipment.
- S** Fund specialized training and equipment for law enforcement activities.

2013 Results

- Removed drugs worth over \$557,000 from the community.

Expenditures	FY2013 Original Budget	FY2014 Approved Budget
Materials/Supplies/Services	\$142,400	\$ 12,300
Transfers Out	50,000	-
	\$192,400	\$ 12,300

DRUG FORFEITURE ACTIVITY

	<u>2011</u>		<u>2012</u>		<u>2013</u>	
	# grams	Est. Street Value	# grams	Est. Street Value	# grams	Est. Street Value
Marijuana	608,000	1,379,000	17,403	174,038	22,352	223,520
Methamphetamines	294	29,000	949	94,898	6,551	65,510
Crack (Rock) Cocaine	574	57,500	9	897	39	3,900
Cocaine	934	93,400	5,581	558,145	2,649	264,912
TOTAL		\$1,558,900		\$827,978		\$557,842

POLICE - DRUG FORFEITURES BUDGET SUMMARY Revenues and Expenditures					
	2012 ACTUAL	2013 ORIGINAL BUDGET	2013 AMENDED BUDGET	2013 ESTIMATED	2014 BUDGET
Revenues					
Program Income	\$ 41,833	\$ 150,000	\$ 150,000	\$ 193,724	\$ 135,000
Interest Income	(8,527)	1,800	1,800	(37)	-
TOTAL REVENUES	33,306	151,800	151,800	193,687	135,000
Expenditures					
Operating Expenditures					
City Support Services	127,584	130,309	130,309	130,309	-
Materials and Supplies	87,293	12,091	12,091	12,293	12,300
Transfers Out	50,004	50,000	50,000	37,503	
TOTAL EXPENDITURES	264,881	192,400	192,400	180,105	12,300
FUND BALANCE SOURCES (USES)	(231,575)	(40,600)	(40,600)	13,582	122,700
Fund Balance at Beginning of Year	257,464	25,889	25,889	25,889	39,471
Fund Balance At Year-End	\$ 25,889	(14,711)	(14,711)	\$ 39,471	\$ 162,171

Note: Actual expenditures in 2013 will be limited to available funds.

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.

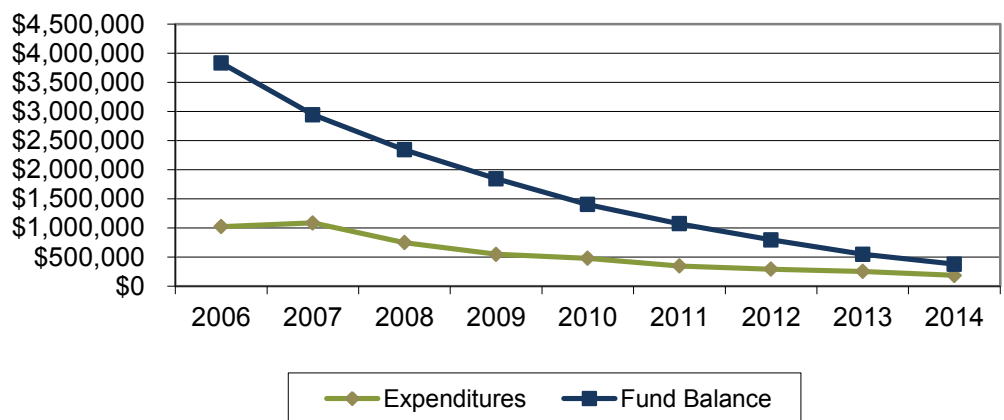
2014 Objectives

- OS Use the proceeds from the reimbursement of Police Pension funds for one-time capital items and to defray the annual operating costs of the Police department.
- OS Implement the approved spend-down plan to fund Police services and cause minimum disruption to taxpayers when this fund is depleted in 2019.
- OS Build a balance in the Fire Pension activity to cushion future contribution increases. The plan should be in place before the 2015 budget cycle.

Expenditures	FY2013 Original Budget	FY2014 Approved Budget
Salaries/Wages/Benefits*	\$2,312,826	\$3,170,255
Transfers Out	252,500	183,500
	\$2,565,325	\$3,353,755

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

Planned Reduction - Police Pension Residual



PENSION RESIDUAL ASSET FUND BUDGET SUMMARY Revenues and Expenditures					
	2012 ACTUAL	2013 ORIGINAL BUDGET	2013 AMENDED BUDGET	2013 ESTIMATED	2014 BUDGET
Revenues					
Tax Revenues	\$ 156,330	\$ 347,713	\$ 347,713	\$ 344,685	\$ -
Intergovernmental	361,568	361,568	361,568	401,714	401,714
Interest Income	85,679	26,697	26,697	45,013	38,575
Transfers In	2,808,688	-	-		
TOTAL REVENUES	3,412,265	735,978	735,978	791,412	440,289
Expenditures					
Staffing					
Benefits	2,214,207	2,312,825	2,312,825	2,312,826	3,170,255
Transfers Out	289,000	252,500	252,500	203,004	183,500
TOTAL EXPENDITURES	2,503,207	2,565,325	2,565,325	2,515,830	3,353,755
FUND BALANCE SOURCES (USES)	909,058	(1,829,347)	(1,829,347)	(1,724,418)	(2,913,466)
Fund Balance at Beginning of Year	4,758,740	5,667,798	5,667,798	5,667,798	3,943,380
Fund Balance At Year-End	\$ 5,667,798	\$ 3,838,451	\$ 3,838,451	\$ 3,943,380	\$ 1,029,914

Public Safety – Fire Grants

Activities

Structural Collapse

Technical Rescue Team

The Fire Department pursues supplemental funding in the form of grants and dedicated funding from Federal, State and urban area sources. These funds are utilized for equipment and training for statewide response efforts for hazardous materials emergencies, structural collapse and technical rescues.

2014 Objectives

- S** Improve and protect the quality of life within the community through an aggressive approach to maintaining a safe environment and response capabilities for residents and guests.
- S** Seek funding for equipment and training for emergency responders in 2014.

2013 Results

- Obtained and managed grant funding for confined space training for 30 new members of the structural collapse team.
- Obtained and managed funding for equipment and supplies for the structural collapse team.

Expenditures	FY2013 Original Budget	FY2014 Approved Budget
Salaries/Wages/Benefits*	\$ 0	\$ 0
Materials/Supplies/Services	-	0
Capital	-	0
	\$ 0	\$ 0

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

FIRE GRANTS FUND BUDGET SUMMARY Revenues and Expenditures					
	2012 ACTUAL	2013 ORIGINAL BUDGET	2013 AMENDED BUDGET	2013 ESTIMATED	2014 BUDGET
Revenues					
Intergovernmental	223,917	-	-	146,409	44,770
Interest Income		-	-		
TOTAL REVENUES	223,917	-	-	146,409	44,770
Expenditures					
Staffing					
Salaries and Wages		-	-		
Benefits	-	-	-		
Operating Expenditures					
Professional and Technical Services	-	-	-		
Utilities and Maintenance					
Operations	180,128	-	-	159,308	-
City Support Services					
Materials and Supplies	-	-	-		
Capital Outlay					
Equipment	45,111				
Building and Improvements	-	-	-	-	-
Operating Transfers Out					
		-	-		
TOTAL EXPENDITURES	225,239	-	-	159,308	-
Less Expenses Charged to Others	-	-	-		
NET TOTAL EXPENDITURES	225,239	-	-	159,308	-
FUND BALANCE SOURCES (USES)	(1,322)	-	-	(12,899)	44,770
Fund Balance at Beginning of Year	14,221	12,899	12,899	12,899	-
Fund Balance At Year-End	\$ 12,899	\$ 12,899	\$ 12,899	\$ -	\$ 44,770

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

City Clerk – Cemetery

The cemetery offers residents and former residents burial options within the City. Purchasers of lots must meet a ten year residency requirement.

2014 Objectives

- OS** Offer burial choices with above ground space for cremated remains and cremation burial plots by Fall 2014.
- OS** Expand the cemetery through voluntary acquisitions of neighboring residential properties in 2014.
- OS** Develop a master plan for cemetery development and expansion by May 2014.
- OS** Put burial records on the website by December 2014.

2013 Results

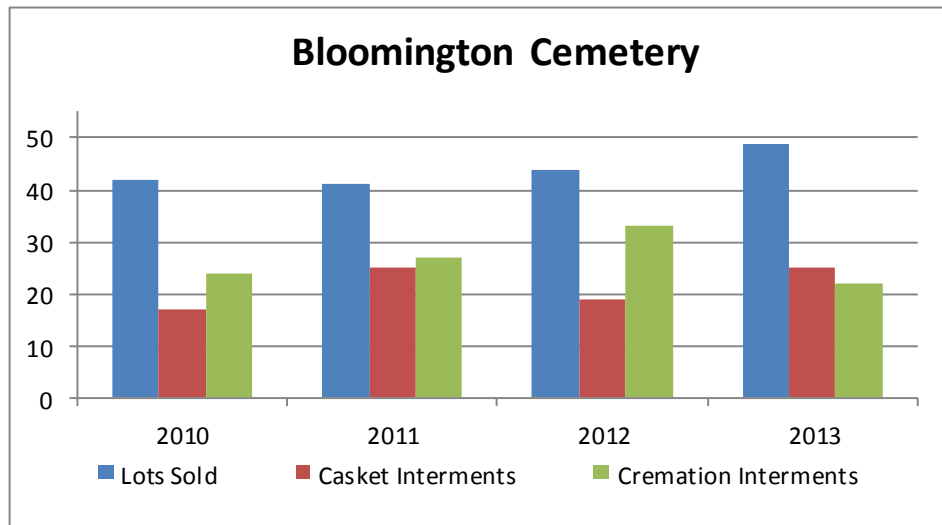
- Used long-term modeling to develop a conceptual plan for cemetery expansion.
- Created a vision where the cemetery is self-sustaining, using no taxpayer funding.



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

Expenditures

	FY2013 Original Budget	FY2014 Approved Budget	Percent Change
Salaries/Wages/Benefits	\$ 0	\$0	0%
Materials/Supplies/Services	0	152,536	--
Capital	0	383,000	--
	0	\$535,536	--



CEMETERY TRUST FUND BUDGET SUMMARY Revenues and Expenditures					
	2012 ACTUAL	2013 ORIGINAL BUDGET	2013 AMENDED BUDGET	2013 ESTIMATED	2014 BUDGET
Revenues					
Program Income	\$ -	\$ -	\$ -	\$ -	\$ 36,300
Other Income	65,600			69,600	70,000
Intergovernmental	-	-	-		
Interest Income	12,134	-	-	10,118	8,973
TOTAL REVENUES	77,734	-	-	79,718	115,273
Expenditures					
Staffing					
Salaries and Wages	-	-	-		
Benefits	-	-	-		
Operating Expenditures					
Professional and Technical Services	-	-	-		
Utilities and Maintenance					
Operations	10,661	-	-	375	-
City Support Services					152,536
Materials and Supplies	-	-	-	350	
Capital Outlay					
Equipment					
Building and Improvements	-	-	-	-	383,000
Operating Transfers Out	-	-	-	11,000	
TOTAL EXPENDITURES	10,661	-	-	11,725	535,536
Less Expenses Charged to Others	-	-	-		
NET TOTAL EXPENDITURES	10,661	-	-	11,725	535,536
FUND BALANCE SOURCES (USES)	67,073	-	-	67,993	(420,263)
Fund Balance at Beginning of Year	1,080,382	1,147,455	1,147,455	1,147,455	1,215,448
Fund Balance At Year-End	\$ 1,147,455	\$ 1,147,455	\$ 1,147,455	\$ 1,215,448	\$ 795,185

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


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, 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.

2014 Objectives

- OS Rebrand The Bloomington Channel 14 (TBC14) with a new logo, modified programming and a more robust web page, including an interactive schedule by April 2014.
- OS Work with new vendor to redesign the City's website by September 2014.
- OS Complete franchise renewal with Comcast by December 2014.
- OS Increase users to the City's social media sites, Facebook, Twitter and YouTube by 5% in order reach a wider audience and enhance communications by December 2014.
- OS Manage promotional activities to attract users to Everbridge, the City's new emergency notification system.
- OS Update and revise the crisis communications plan to include policies and procedures for social media use.

2013 Results

- Increased users to the City's social media sites that included attracting 1,300 Facebook fans (a 62% increase over 2012) and 1,000 Twitter followers (a 60% increase over 2012).
- Achieved an all-time high 128,000 views of staff-produced videos on YouTube (an increase of more than 82,000 views over 2012) and attracted more than 200 subscribers.
- Served 7,743 individuals via Ask the City. Users visited 34,720 pages, read 13,512 FAQs, received answers to 118 questions and obtained assistance with 540 service requests.
- Attracted an average of 72,893 unique visitors per month to the City's website, a 27% increase over 2012.
- Attracted more than 9,800 subscribers to E-Subscribe, a 2,600-subscriber increase over 2012, a 36% increase.
- Organized a selection committee to choose a vendor for the City's website redesign.
- Added functionality to the website by shortening the domain name to BloomingtonMN.gov and launching a new video streaming service that offers an improved way to stream both live and recorded videos on the website.
- Welcomed Southwest Suburban Cable Commission (SWSCC) producers to BCAT and added \$15,000 in revenue to the Communications' budget.
- Redesigned the City's newsletters with a new look and added features and content, including incorporating info graphics and video links to stories on YouTube that added value to feature stories in print.
- Recorded 97 on-location events and presentations for cable television; produced 44 Bloomington Today shows, 12 BPD Roll Call shows, 24 live City Council and 20 Planning Commission meetings, and 24 City Council Agendas and Commission Updates.
- Honored with five national awards, including a record four first-place Savvy awards from 3CMA's national communications awards competition and three Awards of Merit from the Minnesota Association of Government Communicators' Northern Lights Awards contest.



58 percent of residents use the City publication *Bloomington Briefing* as a major source of information about the City and its activities.

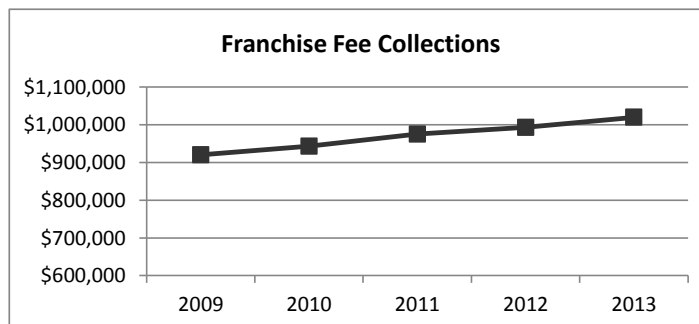
Expenditures

	FY2013 Original Budget	FY2014 Approved Budget
Salaries/Wages/Benefits	\$ 763,683	\$ 780,880
Materials/Supplies/Services	639,323	635,469
Capital Outlay	113,600	84,700
Transfer Out	50,000	
	\$1,566,606	\$ 1,501,049

Authorized Full-Time

	FY2012	FY2013	FY2014
	8	8	8
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	1	1
Web Coordinator	2	2	2

COMMUNICATIONS BUDGET SUMMARY Revenues and Expenditures					
	2012 ACTUAL	2013 ORIGINAL BUDGET	2013 AMENDED BUDGET	2013 ESTIMATED	2014 BUDGET
Revenues					
Program Income	\$ 1,220,347	\$ 1,210,900	\$ 1,210,900	\$ 1,281,974	\$ 1,448,300
Interest Income	(444)	7,000	7,000	1,380	-
Transfers In	102,708	109,901	109,901	109,896	115,396
TOTAL REVENUES	1,322,611	1,327,801	1,327,801	1,393,250	1,563,696
Expenditures					
Staffing					
Salaries and Wages	493,937	551,569	551,569	534,809	569,805
Benefits	203,504	212,114	212,114	211,100	211,075
Operating Expenditures					
Professional and Technical Services	78,442	205,000	224,000	102,209	193,500
Utilities and Maintenance	204,596	173,425	173,425	166,270	168,425
Operations	18,625	23,593	23,593	18,759	24,031
City Support Services	184,408	201,650	201,650	200,632	212,824
Materials and Supplies	30,296	35,655	36,647	36,213	36,689
Capital Outlay					
Equipment	80,503	113,600	113,675	70,205	84,700
Transfers Out	50,004	50,000	50,000	50,004	-
TOTAL EXPENDITURES	1,344,315	1,566,606	1,586,673	1,390,201	1,501,049
Less Budgeted Estimated Unspent	-	-	-	-	-
NET TOTAL EXPENDITURES	1,344,315	1,566,606	1,586,673	1,390,201	1,501,049
FUND BALANCE SOURCES (USES)	(21,704)	(238,805)	(258,872)	3,049	62,647
Fund Balance at Beginning of Year	672,072	650,368	650,368	650,368	653,417
Fund Balance At Year-End	\$ 650,368	\$ 411,563	\$ 391,496	\$ 653,417	\$ 716,064



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. These revenues and related expenditures were previously reported in the General Fund.

2014 Objectives

- S** Maintain safety and viability of regional parks in the City
- OS** Utilize funds to address operational and maintenance needs in the park reserve
- OS** Work with the other Metropolitan Regional Parks implementing agencies to lobby the Legislature for continued Lottery-in-Lieu of operations and maintenance funding
- OS** Focus fund expenditures on equipment and services that support the active usage of the park reserve including but not limited to:
 - Light rigging and truss system for Normandale Lake Bandshell
 - 10 New BBQ grills with concrete pads
 - Fog-coat bituminous trails at East Bush Lake Park
 - Patch damaged areas of parking lots at West Bush Lake
 - Storage trailer for Camp Kota program
 - Bush Lake Beach parking lot chip-seal resurfacing
 - Replace swing structure, swings, border and engineered wood fiber at East Bush Lake Park
 - Replace soccer goals as needed

2013 Results

Below are 2013 projects that were funded through the Special Revenues – Park Grants Fund:

- Replaced fabric on three funbrellas and replaced fabric/support structure on a fourth funbrella at Bush Lake Beach.
- Deferred additional expenditures to 2014 to avoid having to pay sales taxes on purchases.

Expenditures

	FY2013 Original Budget	FY2014 Approved Budget
Materials/Supplies/Services	\$106,000	\$113,000
	\$106,000	\$113,000

PARK GRANTS FUND BUDGET SUMMARY Revenues and Expenditures					
	2012 ACTUAL	2013 ORIGINAL BUDGET	2013 AMENDED BUDGET	2013 ESTIMATED	2014 BUDGET
Revenues					
Program Income	\$ 100,390	\$ 71,540	\$ 71,540	\$ 11,254	\$ 63,851
Interest Income	1,885	1,170	1,170	212	
TOTAL REVENUES	102,275	72,710	72,710	11,466	63,851
Expenditures					
Operating Expenditures					
Materials and Supplies	83,840	106,000	106,000	11,254	113,000
TOTAL EXPENDITURES	83,840	106,000	106,000	11,254	113,000
FUND BALANCE SOURCES (USES)	18,435	(33,290)	(33,290)	212	(49,149)
Fund Balance at Beginning of Year	474	18,909	18,909	18,909	19,121
Fund Balance At Year-End	\$ 18,909	\$ (14,381)	\$ (14,381)	\$ 19,121	\$ (30,028)

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

Activities

Sage Clinic

Other Grants



Using SHIP (State Health Improvement Plan) grant funds, Bloomington has supported active living and healthy eating by increasing healthy options at recreational facilities and elementary schools throughout the city. In addition, in 2013 community gardens donated over 2,000 pounds of produce to the local food shelf.

Public Health Special Revenue

The Public Health Special Revenue Fund represents funding from primarily external revenue sources to provide public health services to a variety of individuals across a wide spectrum of social and economic backgrounds.

2014 Objectives

- To provide services to targeted populations to promote, protect and improve the health of Bloomington residents.

Expenditures

	FY2013 Original Budget	FY2014 Approved Budget
Salaries/Wages/Benefits	\$1,125,563	\$1,219,052
Materials/Supplies/Services	275,076	319,476
	\$1,400,639	\$1,538,528

Authorized Full-Time

FY2012	FY2013	FY2014
10	9	8



Public Health Nurses make home visits to help new parents feel confident and secure in their ability to care for and nurture their new baby. When they visit, they often bring beautiful quilts made and donated by the Burnsville non-profit, Bundles of Love to teach about “tummy time”, a way to promote healthy physical and emotional infant development.

PUBLIC HEALTH SPECIAL REVENUE FUNDS
BUDGET SUMMARY
Revenues and Expenditures

	2012 ACTUAL	2013 ORIGINAL BUDGET	2013 AMENDED BUDGET	2013 ESTIMATED	2014 BUDGET
Revenues					
Program Income	\$ 180,154	\$ 172,490	\$ 172,490	\$ 115,270	\$ 85,277
Intergovernmental	1,372,042	1,227,196	1,729,298	1,522,961	1,378,554
Interest Income	3,078	-	-	-	-
TOTAL REVENUES	1,555,274	1,399,686	1,901,788	1,638,231	1,463,831
Expenditures					
Staffing					
Salaries and Wages	930,533	900,331	1,126,104	910,138	913,125
Benefits	293,367	225,232	290,463	283,941	305,927
Operating Expenditures					
Professional and Technical Services	119,894	80,599	129,109	114,949	67,527
Utilities and Maintenance	80,239	67,605	144,906	138,115	73,242
Operations	40,032	37,138	39,003	35,657	30,922
City Support Services	42,841	48,100	53,883	57,154	70,018
Materials and Supplies	68,145	41,634	119,273	117,777	77,767
TOTAL EXPENDITURES	1,575,051	1,400,639	1,902,741	1,657,731	1,538,528
FUND BALANCE SOURCES (USES)	(19,777)	(953)	(953)	(19,500)	(74,697)
Fund Balance at Beginning of Year	156,208	136,431	136,431	136,431	116,931
Fund Balance At Year-End	\$ 136,431	\$ 135,478	\$ 135,478	\$ 116,931	\$ 42,234

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

Public Health Special Revenue Sage Clinic

The “Sage Clinic” is a partnership between the Minnesota Department of Health and the City of Bloomington to provide breast and cervical cancer screening for low income or underinsured women. All costs of the program are paid by the State.

2014 Objectives

- OS To provide screening and follow up services for at least 1,300 eligible women who are either uninsured or underinsured.
- OS Ensure that 90% of women who screen positive for breast cancer in the SAGE program initiate follow up within 30 days of diagnosis.

2013 Results

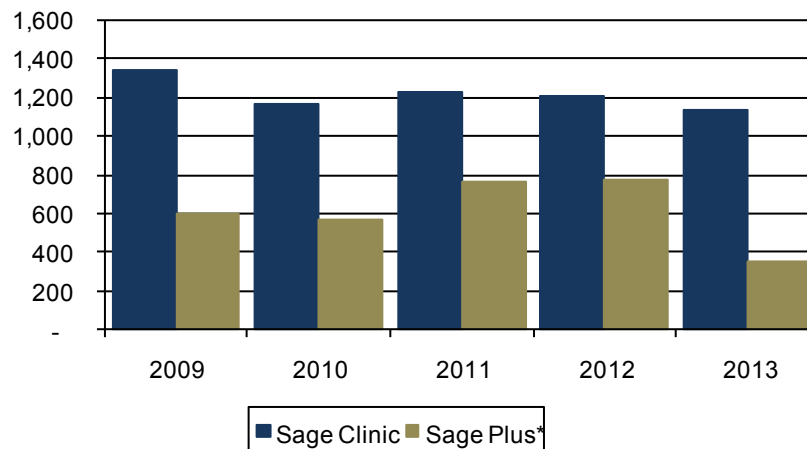
- 1,139 women were screened for cancer through the Sage Clinic; 250 women needed additional breast and cervical diagnostic follow up and 17 breast cancers were diagnosed (and treated through other sources). Staff helped these women find medical and financial resources for their treatment.
- An additional 354 cardiovascular screenings were done through Sage*Plus*. This grant ended June 30, 2013.

Expenditures

	FY2013 Original Budget	FY2014 Approved Budget
Salaries/Wages/Benefits	\$ 303,946	\$ 209,900
Materials/Supplies/Services	88,200	71,617
	\$ 392,146	\$ 281,517

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

Number of Clients



*Sage*Plus* ended June 30, 2013.

SAGE CLINIC BUDGET SUMMARY Revenues and Expenditures					
	2012 ACTUAL	2013 ORIGINAL BUDGET	2013 AMENDED BUDGET	2013 ESTIMATED	2014 BUDGET
Revenues					
Program Income	\$ 2,695	\$ 5,000	\$ 5,000	\$ 2,563	\$ 2,500
Intergovernmental	347,737	387,146	387,146	303,139	279,017
TOTAL REVENUES	350,432	392,146	392,146	305,702	281,517
Expenditures					
Staffing					
Salaries and Wages	219,671	245,617	245,617	196,245	172,740
Benefits	48,200	58,329	58,329	43,667	37,160
Operating Expenditures					
Professional and Technical Services	16,202	19,308	19,308	10,372	12,288
Utilities and Maintenance	42,398	42,640	42,640	41,466	45,793
Operations	11,657	12,302	12,302	10,241	8,329
City Support Services	549	500	500	575	510
Materials and Supplies	12,298	13,450	13,450	8,507	4,697
TOTAL EXPENDITURES	350,975	392,146	392,146	311,073	281,517
FUND BALANCE SOURCES (USES)	(543)	-	-	(5,371)	-
Fund Balance at Beginning of Year	5,914	5,371	5,371	5,371	-
Fund Balance At Year-End	<u>\$ 5,371</u>	<u>\$ 5,371</u>	<u>\$ 5,371</u>	<u>\$ -</u>	<u>\$ -</u>

Note: For this grant, the City has to expend funds and then ask for reimbursement.

Grants

Temporary Assistance to Needy Families (TANF)
Maternal, Infant and Early Childhood Home Visiting Grant (MIECHV 2)
State Health Improvement Plan (SHIP)
Community Transformation Grant (CTG)
Public Health Emergency Preparedness and Response



In 2013, Public Health trained Fire Fighters, Parish Nurses, Police Chaplains and CERT members to teach Bloomington residents to use AEDs and perform CPR through the Heart Safe Communities program. This program is designed to increase the chances of survival of a sudden cardiac arrest.

Public Health Special Revenue – Other Health Grants

2014 Objectives

- S** Provide support to high risk families to assure infants are healthy, safe and nurtured.
- S** Implement strategies for the first year of SHIP 3 (working toward the MN 2020 goals).
- S** Increase the number of public health emergency preparedness volunteers by 10%.

2013 Results

TANF and MIECHV Expansion (2) Grants

- 343 home visits to 50 clients in 2013 who were pregnant and parenting teens, pregnant women and families with young children to improve birth and early childhood development outcomes.
- Provided support to clients with positive screens for parental depression, chemical use and domestic violence and for infants and toddlers with physical and emotional development concerns.
- Helped first time parents with significant risk factors for raising children with poor childhood outcomes learn how to positively respond to their baby’s needs and foster healthy development.
- Taught over 4,000 students in local middle and high schools about preventing teen pregnancy and sexually transmitted infections.

SHIP and CTG Grants

- Developed an implementation plan for the VEAP teaching kitchen with VEAP and U of M Extension Service.
- Worked with the School District to develop the comprehensive Safe Routes to School District Plan.
- Worked to improve pedestrian safety at 12 schools.
- Developed a Community Food Plan with recommendations to improve the availability and accessibility of healthier foods for at-risk populations in Edina, Richfield and Bloomington.
- Developed a plan with City Communications and Public Works staff to promote and educate residents about Complete Streets implementation.

Public Health Emergency Preparedness and Response Grants

- Trained 40 people in Community Emergency Response Team (CERT) basic training.
- Trained 61 Bloomington Fire Fighters to teach Hands-Only CPR.
- Trained nearly 400 residents to use AEDs and perform CPR.
- Participated in Operation Curtain Call, which exercised plans for a family assistance center in response to a mass fatality event.
- Conducted a high-volume flu clinic which provided 501 individuals with vaccines in two hours.

Expenditures

	FY2013 Original Budget	FY2014 Approved Budget
Salaries/Wages/Benefits	\$ 821,617	\$1,009,152
Materials/Supplies/Services	186,876	247,859
	\$1,008,493	\$1,257,011

Authorized Full-Time

	FY2012	FY2013	FY2014
	10	9	8
Health Specialist	7	6	6
Public Health Nurse	1	1	2
Youth Health Specialist	2	2	0

PUBLIC HEALTH GRANTS BUDGET SUMMARY Revenues and Expenditures					
	2012 ACTUAL	2013 ORIGINAL BUDGET	2013 AMENDED BUDGET	2013 ESTIMATED	2014 BUDGET
Revenues					
Program Income	\$ 177,459	\$ 167,490	\$ 167,490	\$ 112,707	\$ 82,777
Intergovernmental	1,024,305	840,050	1,342,152	1,219,822	1,099,537
Interest Income	3,078	-	-		
TOTAL REVENUES	1,204,842	1,007,540	1,509,642	1,332,529	1,182,314
Expenditures					
Staffing					
Salaries and Wages	710,862	654,714	880,487	713,893	740,385
Benefits	245,167	166,903	232,134	240,274	268,767
Operating Expenditures					
Professional and Technical Services	103,692	61,291	109,801	104,577	55,239
Utilities and Maintenance	37,841	24,965	102,266	96,649	27,449
Operations	28,375	24,836	26,701	25,416	22,593
City Support Services	42,292	47,600	53,383	56,579	69,508
Materials and Supplies	55,847	28,184	105,823	109,270	73,070
TOTAL EXPENDITURES	1,224,076	1,008,493	1,510,595	1,346,658	1,257,011
FUND BALANCE SOURCES (USES)	(19,234)	(953)	(953)	(14,129)	(74,697)
Fund Balance at Beginning of Year	150,294	131,060	131,060	131,060	116,931
Fund Balance At Year-End	\$ 131,060	\$ 130,107	\$ 130,107	\$ 116,931	\$ 42,234

Note: For most of these grants the City has to expend funds and then ask for 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. Any short-term operational deficits will be covered by a loan from the South Loop Development Fund.

2014 Objectives

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

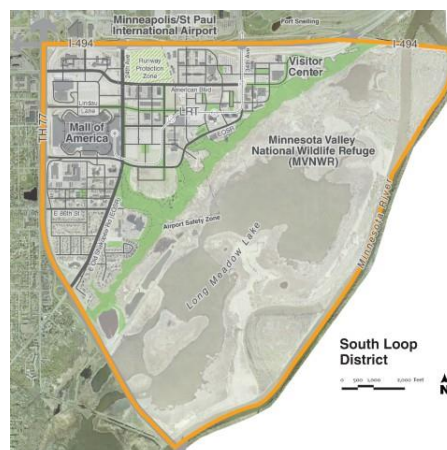
2013 Results

- Obtained and/or managed Economic Development Grants and funding for Bloomington Central Station and Mall of America projects.

Expenditures	FY2013 Original Budget	FY2014 Approved Budget
Salaries/Wages/Benefits	\$ 0	\$ 0
Materials/Supplies/Services	36,720	0
Debt Service	30,000	0
Operating Transfer Out	0	348,000
	\$ 66,720	\$ 348,000

Authorized Full-Time	FY2012 5*	FY2013 5*	FY2014 5*
Engineer	1	1	1
Office Assistant	1	1	1
Plan Check Engineer	1	1	1
Planner	1	1	1
Senior Planner	1	1	1

*Although five positions are authorized, none are currently funded or utilized.



Aerial View of Bloomington Central Station

SOUTH LOOP REVOLVING DEVELOPMENT SERVICES FUND
BUDGET SUMMARY
Revenues and Expenditures

	2012 ACTUAL	2013 ORIGINAL BUDGET	2013 AMENDED BUDGET	2013 ESTIMATED	2014 BUDGET
Revenues					
Program Income	\$ 79,750	\$ 72,000	\$ 72,000	\$ 1	\$ 270,000
Interest Income	(1,558)	-	-	982	500
TOTAL REVENUES	78,192	72,000	72,000	983	270,500
Expenditures					
Staffing					
Salaries and Wages	-	-	-		
Benefits	-	-	-		
Operating Expenditures					
Professional and Technical Services	5,413	36,720	50,677	7,697	0
Debt Service					
Interest	-	1,500	1,500		
Principal retirement	-	28,500	28,500		
Operating Transfers Out		-	-		348,000
TOTAL EXPENDITURES	5,413	66,720	80,677	7,697	348,000
FUND BALANCE SOURCES (USES)	72,779	5,280	(8,677)	(6,714)	(77,500)
Fund Balance at Beginning of Year	47,468	120,247	120,247	120,247	113,533
Fund Balance At Year-End	\$ 120,247	\$ 125,527	\$ 111,570	\$ 113,533	\$ 36,033



The Art of Creating Community

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City of Bloomington, Minnesota
ANNUAL BUDGET
Fiscal Year 2014



The Art of Creating Community

ENTERPRISE FUNDS

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The Art of Creating Community

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2014 Budget Summary – Enterprise Funds

REVENUES				
	2012 Actual	2013 Budget	2013 Estimate	2014 Budget
Recreational Facilities				
Golf Courses				
- Operating	\$ 1,660,625	\$ 1,864,000	\$1,547,478	\$ 1,848,500
- Non-Operating	678,368	2,800	738,602	2,800
Ice Garden				
- Operating	1,344,366	1,443,450	1,403,672	1,401,450
- Non-Operating	622,189	679,500	12,916	4,900
Aquatic Facilities				
- Operating	357,413	325,426	315,577	371,750
- Non-Operating	663,991	767,745	769,068	805,832
Center for the Arts				
- Operating	111,743	147,000	176,169	153,604
- Non-Operating	477,940	514,597	517,445	514,710
Water Utility				
- Operating	11,668,715	11,539,791	10,680,838	12,440,901
- Non-Operating	246,735	299,042	303,529	265,000
Wastewater Utility				
- Operating	9,154,548	9,735,150	9,234,273	9,960,800
- Non-Operating	52,059	115,225	37,037	43,575
Storm Water Utility				
- Operating	4,636,877	4,851,694	4,692,106	5,063,154
- Non-Operating	54,036	55,000	22,999	44,000
Solid Waste Utility				
- Operating	1,285,697	1,467,469	1,347,652	1,467,031
- Non-Operating Revenues	28,251	15,900	20,409	31,200
Contractual Police	656,842	550,000	664,129	600,000
Motor Vehicle				
- Operating	617,192	607,030	613,626	661,030
- Non-Operating Revenues	131,156	2,675	(355)	0
	\$34,448,743	\$34,983,494	33,097,170	\$35,680,237

EXPENDITURES				
	2012 Actual	2013 Budget	2013 Estimate	2014 Budget
Recreational Facilities				
Golf Courses				
- Operating	\$ 1,915,726	\$ 1,832,721	1,789,625	\$ 1,860,399
- Capital	122,434	59,000	690,758	51,000
Ice Garden				
- Operating	1,457,906	1,900,617	1,219,161	1,242,606
- Capital	46,595	195,000	37,469	215,000
- Debt Service	154,343	163,000	163,000	0
Aquatic Facilities				
- Operating	1,116,422	1,049,604	1,024,135	1,238,260
- Capital	859,536	0	37,700	0
Center for the Arts	668,641	694,018	695,867	679,285
Water Utility				
- Operating	11,541,097	11,297,988	11,080,083	11,612,148
- Capital	98,261	1,015,000	468,462	2,175,700
Wastewater Utility				
- Operating	9,997,692	9,669,210	9,420,569	9,922,502
- Capital	279,935	912,000	582,539	610,000
Storm Water Utility				
- Operating	1,280,557	2,873,870	2,410,840	3,268,003
- Capital	1,895,469	3,168,700	2,269,573	2,821,000
Solid Waste Utility				
- Operating	1,122,892	1,425,263	1,224,749	1,377,591
- Capital	0	15,000	0	0
Contractual Police	656,842	550,000	644,129	600,000
Motor Vehicle	580,636	610,403	623,712	631,535
	\$33,794,984	\$37,431,394	\$34,382,371	\$38,305,029

Public Works – Water Utility

Activities

- Administration
- Customer Service
- Water Supply and Treatment
- Water Distribution and Storage

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

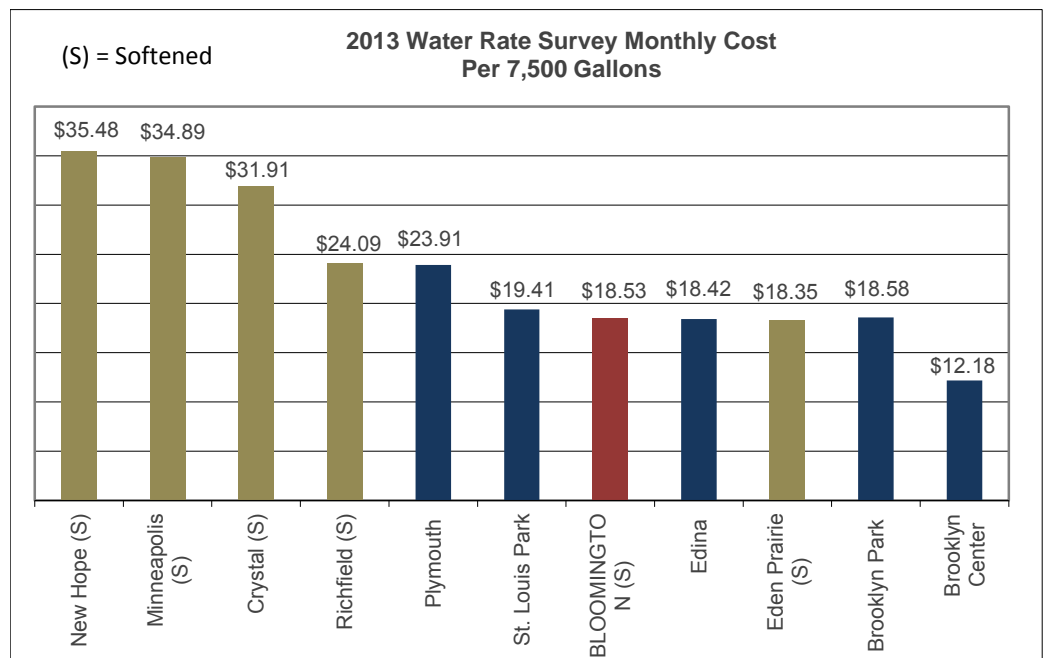
2014 Objectives

- U Provide an adequate 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	FY2013 Original Budget	FY2014 Approved Budget	Percent Change
Salaries/Wages/Benefits	\$ 3,001,738	\$ 3,171,294	5.65%
Materials/Supplies/Services	8,201,250	8,440,854	2.92
Capital Outlay	1,015,000	2,175,700	114.35
Transfers Out	95,000	0	--
Capitalized Assets	(1,015,000)	(2,175,700)	(114.35)
Depreciation Expense	1,007,584	1,000,000	(0.75)
	\$12,305,572	\$12,612,148	2.49%

Authorized Full-Time	FY2012	FY2013	FY2014
	29	32	32
Assistant Utilities Superintendent	0	1	1
Civil Engineer	1	1	1
Computer Specialist	1	0	0
Customer Service Supervisor	1	0	0
Laboratory Analyst	1	1	1
Office Assistant	0	1	1
Office Support Specialist	0	1	1
Senior Instrumentation Technician	0	1	1
Senior Utility Operator	9	9	9
Senior Utility Service Specialist	0	1	1
Utility Operator	12	12	12
Utility Superintendent	1	1	1
Utility Supervisor	2	2	2
Water Quality Supervisor	1	1	1

88 percent of residents surveyed rated sewer services excellent or good. 89 percent of citizens surveyed rated drinking water excellent or good. Both of these services were much above cities nationwide and selected peer cities in comparison.



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

WATER OPERATING BUDGET SUMMARY Revenues and Expenses					
	2012 ACTUAL	2013 ORIGINAL BUDGET	2013 AMENDED BUDGET	2013 ESTIMATED	2014 BUDGET
Revenues					
Program Income	\$ 11,824,958	\$ 11,785,354	\$ 11,785,354	\$ 10,982,268	\$ 12,700,901
Interest Income	40,080	53,479	53,479	2,099	5,000
TOTAL REVENUES	11,865,038	11,838,833	11,838,833	10,984,367	12,705,901
Expenses					
Staffing					
Salaries and Wages	1,971,531	2,139,174	2,139,174	2,134,997	2,248,984
Benefits	875,233	862,564	862,564	878,229	922,310
Operating Expenses					
Professional and Technical Services	56,155	165,885	194,718	26,830	103,495
Utilities and Maintenance	1,283,693	1,582,020	1,714,962	1,437,238	1,501,200
Operations	132,542	181,992	181,992	164,771	186,785
City Support Services	1,506,430	1,636,821	1,636,821	1,620,445	1,681,677
Materials and Supplies	4,774,562	4,634,532	4,634,532	4,722,569	4,967,697
Capital Outlay					
Equipment	29,924	165,000	203,754	241,670	175,000
Building and Improvements	68,337	850,000	850,000	226,792	2,000,700
Transfers Out	24,996	95,000	95,000	95,004	-
TOTAL EXPENSES	10,723,403	12,312,988	12,513,517	11,548,545	13,787,848
Less Capitalized Assets	(98,261)	(1,015,000)	(1,053,754)	(468,462)	(2,175,700)
Add Depreciation Expense	1,014,216	1,007,584	1,007,584	1,007,584	1,000,000
NET TOTAL EXPENSES	11,639,358	12,305,572	12,467,347	12,087,667	12,612,148
NET INCOME (LOSS)	225,680	(466,739)	(628,514)	(1,103,300)	93,753
Net Position at Beginning of Year	43,846,929	44,072,609	44,072,609	44,072,609	42,969,309
Net Position At Year-End	\$ 44,072,609	\$ 43,605,870	\$ 43,444,095	\$ 42,969,309	\$ 43,063,062

Public Works – Wastewater Utility


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

Activities

- Administration
- Customer Service
- Wastewater Collection

2014 Objectives

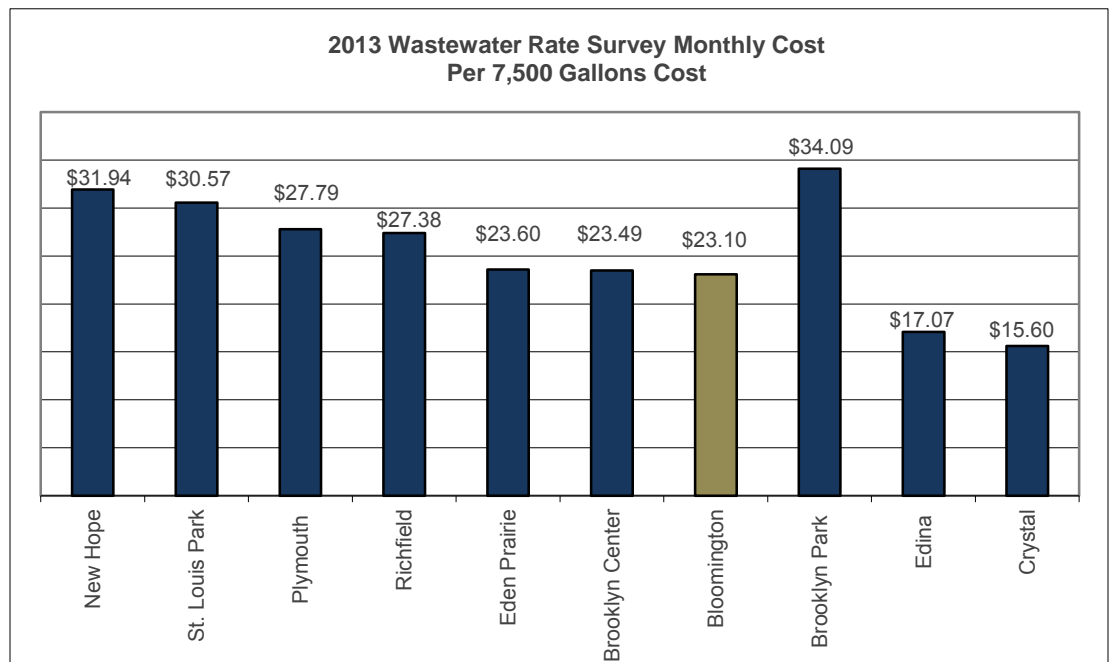
U Provide adequate sanitary sewer operations to provide needed capacity while minimizing system blockages and infiltration/inflow while keeping rates at less than the average cost of other cities.



Crews cleaned and inspected more than 210 miles of sanitary sewer, which is the equivalent of the distance from Bloomington to Itasca State Park near Park Rapids, MN.

Expenses	FY2013 Original Budget	FY2014 Approved Budget	Percent Change
Salaries/Wages/Benefits	\$ 2,022,706	\$ 2,129,969	5.30%
Materials/Supplies/Services	7,646,504	7,792,533	1.91
Capital Outlay	912,000	610,000	(33.10)
Capitalized Assets	(912,000)	(610,000)	33.10
Depreciation Expense	1,200,000	1,200,000	0.0
	\$10,869,210	\$11,122,502	2.33%

Personnel	FY2012	FY2013	FY2014
	25	22	22
Analyst	1	1	2
Assistant Utilities Supt.	1	1	1
Civil Engineer – Utilities	1	1	1
Computer Specialist	1	2	1
Engineering Technician	0	0	0
Office Assistant	1	0	0
Office Support Specialist	2	1	1
Senior Instrumentation Tech.	1	0	0
Senior Utility Operator	6	8	8
Senior Utility Service Specialist	1	0	0
Utility Operator	9	7	7
Utility Supervisor	1	1	1



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

WASTEWATER OPERATING BUDGET SUMMARY Revenues and Expenses					
	2012 ACTUAL	2013 ORIGINAL BUDGET	2013 AMENDED BUDGET	2013 ESTIMATED	2014 BUDGET
Revenues					
Program Income	\$ 9,060,161	\$ 9,806,375	\$ 9,806,375	\$ 9,261,787	\$ 10,031,762
Interest Income	18,863	44,000	44,000	9,523	15,000
TOTAL REVENUES	9,079,024	9,850,375	9,850,375	9,271,310	10,046,762
Expenses					
Staffing					
Salaries and Wages	1,319,683	1,429,685	1,429,685	1,286,114	1,497,078
Benefits	595,363	593,021	593,021	568,771	632,891
Operating Expenses					
Professional and Technical Services	15,858	52,085	87,277	15,552	52,195
Utilities and Maintenance	5,870,033	6,305,915	6,305,915	6,265,255	6,405,078
Operations	57,265	60,482	60,482	53,395	64,743
City Support Services	1,045,183	1,134,232	1,134,232	1,115,698	1,177,167
Materials and Supplies	198,706	93,790	93,790	115,784	93,350
Capital Outlay					
Equipment	-	12,000	12,000	10,264	10,000
Building and Improvements	279,935	900,000	1,100,000	572,275	600,000
TOTAL EXPENSES	9,382,026	10,581,210	10,816,402	10,003,108	10,532,502
Less Capitalized Assets	(293,905)	(912,000)	(1,112,000)	(582,539)	(610,000)
Add Depreciation Expense	1,189,506	1,200,000	1,200,000	1,200,000	1,200,000
NET TOTAL EXPENSES	10,277,627	10,869,210	10,904,402	10,620,569	11,122,502
NET INCOME (LOSS)	(1,198,603)	(1,018,835)	(1,054,027)	(1,349,259)	(1,075,740)
Net Position at Beginning of Year	17,526,099	16,327,496	16,327,496	16,327,496	14,978,237
Net Position At Year-End	\$ 16,327,496	\$ 15,308,661	\$ 15,273,469	\$ 14,978,237	\$ 13,902,497

Public Works – Storm Water Utility

Activities

Administration

Maintenance & Repair

Water Quality & Aquatic Weed Control

Street Sweeping

Billings & Collections

Improvements

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

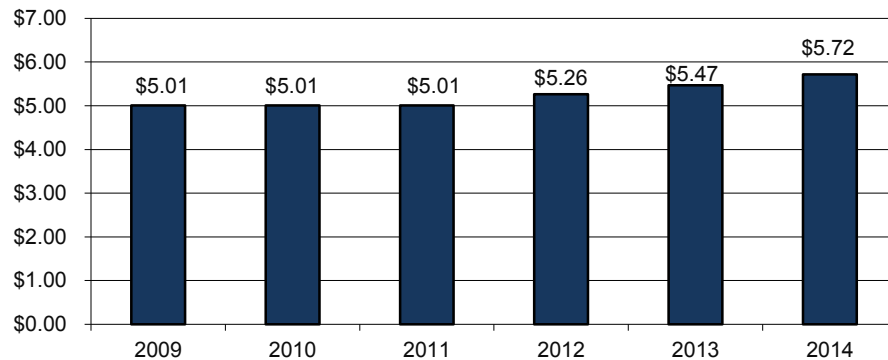
2014 Objectives

- U** Provide outstanding value storm water services and manage water resource assets in a safe, cost effective manner.
- U** Complete two City-wide street sweepings annually to capture pollutants prior to entry into the storm sewer system.

Expenses	FY2013	FY2014	Percent Change
	Original Budget	Approved Budget	
Salaries/Wages/Benefits	\$ 1,401,996	\$ 1,603,466	14.37%
Materials/Supplies/Services	1,446,874	1,624,537	12.28
Capital Outlay	3,168,700	3,444,402	8.70
Transfer	25,000	40,000	60.00
Capitalized Assets	(3,168,700)	(3,444,402)	(8.70)
Depreciation Expense	1,069,000	1,069,000	0.00
	\$ 3,942,870	\$ 4,337,003	10.00%

Personnel	FY2012	FY2013	FY2014
	11	11	12
Civil Engineer	1	1	1
Engineering Technician I	1	1	1
Equipment Operator I	2	2	3
Equipment Operator II	3	3	3
Senior Civil Engineer	1	1	1
Senior Engineering Technician	1	1	1
Street Maintenance Supervisor	1	1	1
Water Resource Specialist	1	1	1

Cost per Month for Single-Family Home



STORM WATER OPERATING BUDGET SUMMARY Revenues and Expenses					
	2012 ACTUAL	2013 ORIGINAL BUDGET	2013 AMENDED BUDGET	2013 ESTIMATED	2014 BUDGET
Revenues					
Program Income	\$ 4,515,835	\$ 4,734,094	\$ 4,734,094	\$ 4,692,106	\$ 4,945,554
Other Income	75	-	-	11,598	-
Intergovernmental	117,600	117,600	117,600	-	117,600
Interest Income	54,036	55,000	55,000	11,401	44,000
TOTAL REVENUES	4,687,546	4,906,694	4,906,694	4,715,105	5,107,154
Expenses					
Staffing					
Salaries and Wages	788,621	988,790	988,790	743,257	1,113,114
Benefits	362,629	413,206	413,206	369,950	490,352
Operating Expenses					
Professional and Technical Services	266,072	176,125	879,180	94,486	306,395
Utilities and Maintenance	44,378	59,373	69,173	128,275	129,920
Operations	32,078	27,100	27,100	25,222	26,416
City Support Services	883,918	957,385	957,385	955,334	1,003,773
Materials and Supplies	99,872	226,891	226,891	69,320	158,033
Capital Outlay					
Building and Improvements	1,895,469	3,168,700	3,913,606	2,269,573	2,821,000
Transfers Out	-	25,000	25,000	24,996	40,000
TOTAL EXPENSES	4,373,037	6,042,570	7,500,331	4,680,413	6,089,003
Less Capitalized Assets	(2,323,945)	(3,168,700)	(3,913,606)	(2,269,573)	(2,821,000)
Add Depreciation Expense	1,126,934	1,069,000	1,069,000	1,069,000	1,069,000
NET TOTAL EXPENSES	3,176,026	3,942,870	4,655,725	3,479,840	4,337,003
NET INCOME (LOSS)	1,511,520	963,824	250,969	1,235,265	770,151
Net Position at Beginning of Year	27,744,006	29,255,526	29,255,526	29,255,526	30,490,791
Net Position At Year-End	\$ 29,255,526	\$ 30,219,350	\$ 29,506,495	\$ 30,490,791	\$ 31,260,942

Public Works – Solid Waste Management

Activities

Administration

City Property Pickup & Recycle

Billing & Collections

City-wide Curbside Clean-up

Diseased Trees

Hazardous Material Cleanup

This Fund was established to account for the operation of the City-wide cleanup and environmental education. City residents and businesses use private haulers for garbage collection service.

2014 Objectives

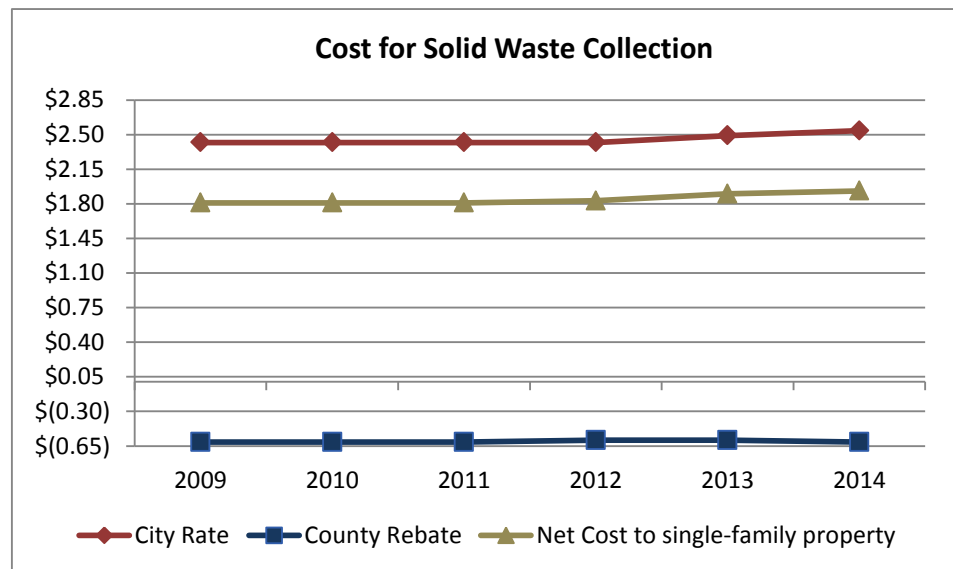
- U Minimize the net cost, after rebates that residents pay the City for solid waste education and to provide a City-wide curbside cleanup.

Expenses	FY2013 Original Budget	FY2014 Approved Budget	Percent Change
Salaries/Wages/Benefits	\$ 187,610	\$ 182,450	(2.75)%
Materials/Supplies/Services	1,237,653	1,195,141	(3.43)
Capital Outlay	15,000	0	--
Capitalized Assets	(15,000)	(0)	--
Depreciation Expense	2,500	2,500	0.00
	\$1,427,763	\$1,380,091	(3.34)%

Authorized Full-Time	FY2012	FY2013	FY2014
	1	1	1
Public Works Project Maintenance Coordinator	1	1	1



A Solid Waste Management Plan is being developed to guide the City's approach to solid waste, covering all components of solid waste management, including recycling, waste reduction, yard waste collection, food waste/organics recovery,



SOLID WASTE MANAGEMENT BUDGET SUMMARY Revenues and Expenses					
	2012 ACTUAL	2013 ORIGINAL BUDGET	2013 AMENDED BUDGET	2013 ESTIMATED	2014 BUDGET
Revenues					
Program Income	\$ 1,103,338	\$ 1,223,469	\$ 1,223,469	\$ 1,116,940	\$ 1,233,531
Interest Income	10,606	9,900	9,900	1,125	14,700
Transfer In	200,004	250,000	250,000	249,996	250,000
TOTAL REVENUES	1,313,948	1,483,369	1,483,369	1,368,061	1,498,231
Expenses					
Staffing					
Salaries and Wages	83,361	130,248	130,248	146,992	124,069
Benefits	47,542	57,362	57,362	59,659	58,381
Operating Expenses					
Professional and Technical Services	1,835	102,085	102,085	50,857	82,195
Utilities and Maintenance	855,246	980,922	1,016,955	815,939	977,183
Operations	2,047	3,982	3,982	3,318	3,850
City Support Services	110,555	119,307	119,307	123,853	111,576
Materials and Supplies	19,883	31,357	31,357	24,131	20,337
Capital Outlay					
Equipment	-	15,000	15,000	-	-
TOTAL EXPENSES	1,120,469	1,440,263	1,476,296	1,224,749	1,377,591
Less Capitalized Assets	-	(15,000)	(15,000)	-	-
Add Depreciation Expense	2,423	2,500	2,500	2,500	2,500
NET TOTAL EXPENSES	1,122,892	1,427,763	1,463,796	1,227,249	1,380,091
NET INCOME (LOSS)	191,056	55,606	19,573	140,812	118,140
Net Position at Beginning of Year	805,416	996,472	996,472	996,472	1,137,284
Net Position At Year-End	\$ 996,472	\$ 1,052,078	\$ 1,016,045	\$ 1,137,284	\$ 1,255,424

Community Services – Recreational Facilities

Activities

Dwan Golf

**Hyland Greens
Golf**

**Bloomington Ice
Garden**

**Bloomington
Family Aquatic
Center**

Bush Lake Beach

**Bloomington
Center for the
Arts**

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

2014 Objectives

- OS Complete construction on a new maintenance building at Dwan Golf Club that will replace the building damaged by heavy snow by April 30, 2014.
- OS Boost revenues at Hyland Greens Golf Course by adding the sport of "foot golf" by April 2014.
- OS Explore design concepts and budgeting options to make the Ice Garden more competitive in the market place by December 2014.
- OS Re-commission the Bloomington Ice Garden's heating and air conditioning equipment and investigate other options to make the building more energy-efficient by December 2014.
- OS Revise the concessions menu for Bloomington Family Aquatic Center by June 2014 to increase sales.
- OS Present a two-week/6-performance run of Alive & Kickin with gross revenues of at least \$20,000.
- OS Replace carpeting in the Center for the Arts to provide a more customer friendly appearance.

2013 Results

- Completed the first full year of operation of the revamped Hyland Greens Golf and Learning Center, boosting driving range revenue by 9% in 2013.
- Launched a new web site featuring a virtual tour of Hyland Greens to attract more business.
- Made the Ice Garden's budget more sustainable by making its final debt service payment in February 2013.
- Hired a consultant to create the design and specifications for a building management system that will increase energy efficiency at Bloomington Ice Garden.
- Replaced the wall covering in the Center for the Arts lobby and the floor in the Rehearsal Hall.
- Increased signage at the Bloomington Family Aquatic Center's concessions operation to enhance visibility of healthier offerings in order to increase sales.

Expenses

	FY2013 Original Budget	FY2014 Approved Budget	Percent Change
Salaries/Wages/Benefits	\$2,245,107	\$2,308,625	2.83%
Materials/Supplies/Services	2,556,853	2,711,925	6.06
Capital Outlay	254,000	266,000	4.72
Debt Service	163,000	0	--
Transfers Out	675,000	0	--
Less Capitalized Assets	(254,000)	(266,000)	4.72
Less Debt Service Principal	(150,000)	0	--
Add Depreciation Expense	650,000	650,000	0.00
	\$6,139,960	\$5,670,550	(7.65)%

Authorized Full-Time

	FY2012 16	FY2013 17	FY2014 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	0	1	1
Parts Room Attendant	1	1	1
Recreation Supervisor	1	1	2

RECREATIONAL FACILITIES BUDGET SUMMARY Revenues and Expenses					
	2012 ACTUAL	2013 ORIGINAL BUDGET	2013 AMENDED BUDGET	2013 ESTIMATED	2014 BUDGET
Revenues					
Program Income	\$ 3,439,419	\$ 3,744,170	\$ 3,744,170	\$ 3,325,406	\$ 3,742,984
Tax Revenues	1,155,492	1,263,642	1,263,642	1,252,257	1,301,842
Other Revenue	6,000	10,000	334,600	352,926	10,000
Intergovernmental	35,706	35,706	35,706	32,320	32,320
Interest Income	(20,819)	16,000	16,000	12,788	16,400
Transfers In	1,300,832	675,000	1,190,000	396,538	-
TOTAL REVENUES	5,916,630	5,744,518	6,584,118	5,372,235	5,103,546
Expenses					
Staffing					
Salaries and Wages	1,787,821	1,744,697	1,744,697	1,735,436	1,782,358
Benefits	524,340	500,410	500,410	513,558	526,267
Operating Expenses					
Professional and Technical Services	85,971	73,588	73,588	72,337	74,899
Utilities and Maintenance	569,312	639,772	642,922	569,272	630,163
Operations	111,179	141,459	141,459	119,583	136,475
City Support Services	1,262,401	1,397,135	1,397,135	1,399,142	1,566,188
Materials and Supplies	303,935	304,899	304,899	270,677	304,200
Debt Service Principal and Interest	157,784	163,000	163,000	150,600	
Capital Outlay					
Equipment	69,951	69,000	69,000	47,777	116,000
Building and Improvements	958,614	185,000	1,871,181	628,648	150,000
Transfers Out	-	675,000	675,000		
TOTAL EXPENSES	5,831,308	5,893,960	7,583,291	5,507,030	5,286,550
Less Capitalized Assets	(992,263)	(254,000)	(1,940,181)	(676,425)	(266,000)
Less Debt Service Principal	(150,000)	(150,000)	(150,000)	(150,000)	
Add Depreciation Expense	651,686	650,000	650,000	650,000	650,000
NET TOTAL EXPENSES	5,340,731	6,139,960	6,143,110	5,330,605	5,670,550
NET INCOME (LOSS)	575,899	(395,442)	441,008	41,630	(567,004)
Net Position at Beginning of Year	10,658,215	11,234,114	11,234,114	11,234,114	11,275,744
Net Position At Year-End	\$ 11,234,114	\$ 10,838,672	\$ 11,675,122	\$ 11,275,744	\$ 10,708,740

	2012	2013	2014
Property tax cost of service for median value home per month:			
Aquatics Facilities	\$1.27	\$1.28	\$1.35
Center for the Arts	\$0.86	\$0.85	\$0.85

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.

2014 Objectives

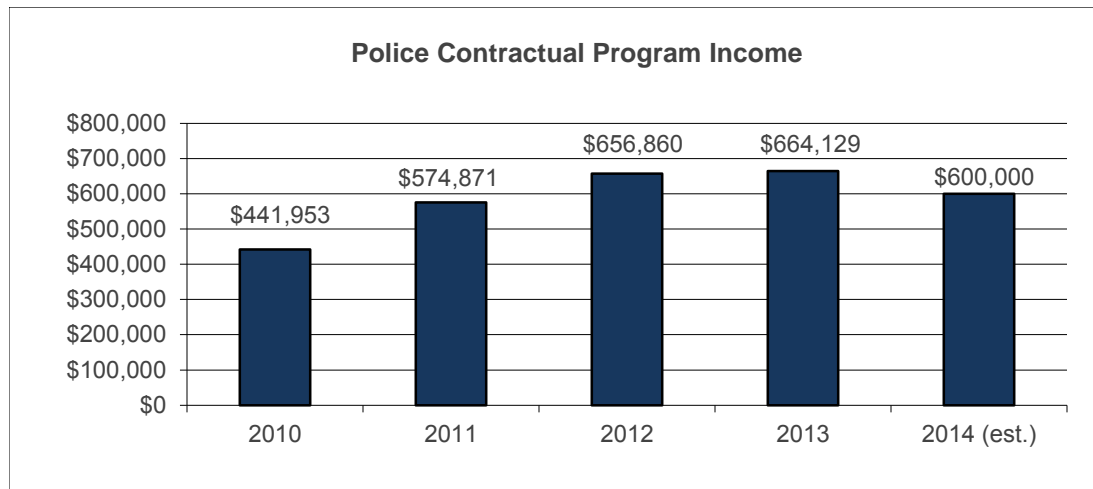
- OS** Meet requests for extraordinary levels of police service without burdening the taxpayer. Users of extra police service pay the actual costs and related expenses such as the Mall of America paying for extra traffic details.
- OS** Provide reimbursable police services to enhance safety during special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

2013 Results

- 948 events were scheduled for Contractual Police Services.
- 1,946 officers worked the 948 events that were scheduled.

Expenses	FY2013 Original Budget	FY2014 Approved Budget	Percent Change
Salaries/Wages/Benefits*	\$ 490,000	\$ 538,000	9.8%
Materials/Supplies/Services	20,000	22,000	10.0%
Transfers Out	40,000	40,000	0.0%
	\$ 550,000	\$ 600,000	9.1%

*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					
	2012 ACTUAL	2013 ORIGINAL BUDGET	2013 AMENDED BUDGET	2013 ESTIMATED	2014 BUDGET
Revenues					
Program Income	\$ 656,860	\$ 550,000	\$ 550,000	\$ 664,129	\$ 600,000
TOTAL REVENUES	656,860	550,000	550,000	664,129	600,000
Expenses					
Staffing					
Salaries and Wages	480,180	420,000	420,000	508,950	460,000
Benefits	80,590	70,000	70,000	87,116	78,000
Operating Expenses					
Professional and Technical Services					
Utilities and Maintenance	12,446	6,676	6,676	11,256	8,898
City Support Services	13,111	13,324	13,324	13,380	13,102
Materials and Supplies	322	-	-		
Transfers Out	70,211	40,000	40,000	43,427	40,000
TOTAL EXPENSES	656,860	550,000	550,000	664,129	600,000
NET INCOME (LOSS)	-	-	-	-	-
Net Position at Beginning of Year	-	-	-	-	-
Net Position At Year-End	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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.


2014 Objectives

- OS** Pursue authorization from state to offer on-line transactions
- OS** Implement acceptance of VISA, Master and Discover debit/credit cards
- OS** Provide convenient, efficient, friendly services measured by customer satisfaction surveys and enhanced through staff training opportunities
- OS** Actively market services to the community and local businesses
- OS** Obtain an accuracy rating of excellent by Department of Public Safety every year
- OS** Promote fast-track transactions for customers who need to expedite their title transfers

2013 Results

- 88,000 total customer transactions.
- Driver's License fee increase of \$3.00 per transaction approved by the Minnesota State legislature
- Services are provided solely by user fees without any tax dollar support

- Activities**
- Boat Licenses
 - Driver Licenses
 - Motor Vehicle Licenses
 - Snowmobile Licenses
 - Title transfers



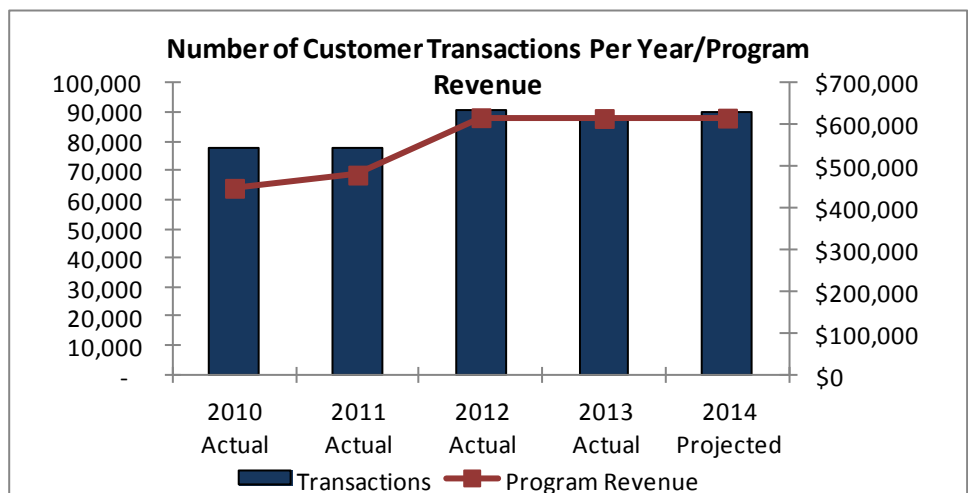
Bloomington's Registrar Office is Celebrating its 45th anniversary in 2014. This office was one of the founding members of the Minnesota Deputy Registrar's Association which began in 1976.

Expenses

	FY2013 Original Budget	FY2014 Approved Budget	Percent Change
Salaries/Wages/Benefits	\$ 488,568	\$506,461	3.66%
Materials/Supplies/Services	121,835	125,074	2.66
	\$ 610,403	\$631,535	3.46%

Personnel

	FY2012	FY2013	FY2014
	5	5	5
Customer Service Assistant	1	1	1
Motor Vehicle Supervisor	1	1	1
Office Assistant	2	2	2
Office Support Specialist	1	1	1



MOTOR VEHICLE BUDGET SUMMARY Revenues and Expenses					
	2012 ACTUAL	2013 ORIGINAL BUDGET	2013 AMENDED BUDGET	2013 ESTIMATED	2014 BUDGET
Revenues					
Program Income	\$ 617,192	\$ 607,030	\$ 607,030	\$ 613,626	\$ 661,030
Interest Income	1,160	2,675	2,675	(355)	
Transfers In	129,996	-	-		
TOTAL REVENUES	748,348	609,705	609,705	613,271	661,030
Expenses					
Staffing					
Salaries and Wages	349,753	373,681	373,681	378,664	379,950
Benefits	121,895	114,887	114,887	126,028	126,511
Operating Expenses					
Utilities and Maintenance	1,074	1,450	1,450	1,160	1,420
Operations	6,593	7,913	7,913	6,837	7,907
City Support Services	98,115	109,112	109,112	108,793	112,177
Materials and Supplies	3,206	3,360	3,360	2,230	3,570
TOTAL EXPENSES	580,636	610,403	610,403	623,712	631,535
NET INCOME (LOSS)	167,712	(698)	(698)	(10,441)	29,495
Net Position at Beginning of Year	149,515	317,227	317,227	317,227	306,786
Net Position At Year-End	\$ 317,227	\$ 316,529	\$ 316,529	\$ 306,786	\$ 336,281



The Art of Creating Community

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City of Bloomington, Minnesota
ANNUAL BUDGET
 Fiscal Year 2014



The Art of Creating Community

INTERNAL SERVICE FUNDS

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The Art of Creating Community

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2014 Budget Summary – Internal Service Funds

REVENUES				
	2012 Actual	2013 Budget	2013 Estimate	2014 Budget
Support Services	\$ 464,921	\$ 492,990	\$ 473,013	\$ 480,881
Equipment Fund				
- Operations & Maintenance	3,919,931	4,765,373	4,793,861	4,232,429
- Replacement Reserve	1,168,445	726,855	815,336	1,946,905
- Fire Equipment	382,831	467,744	494,375	321,872
- Fire – Small Equipment	0	0	0	159,950
- Police – Small Equipment	50,089	52,775	53,757	58,441
Information Systems	4,079,928	4,589,408	4,586,235	6,010,121
Radio	480,603	605,159	581,140	417,288
Insured Benefits	8,605,813	8,225,978	8,321,369	8,666,400
Self-Insurance	1,072,316	1,498,937	1,533,692	1,659,467
Accrued Benefits	1,304,833	1,754,463	1,592,271	1,728,900
Facilities Replacement				
- Admin. & Maintenance	3,238,563	3,354,243	3,383,897	3,084,414
- Police/City Hall Replacement	1,290,495	1,413,027	1,547,913	2,023,629
- Fire Station Maintenance	231,204	270,178	270,180	268,582
- Parks Building Maintenance	4,132,432	4,612,022	4,605,901	4,678,019
- Cemetery Maintenance*	0	109,554	109,554	193,988
- Parks/Median Maintenance	0	0	191,588	200,000
	\$30,422,404	\$32,938,706	\$33,354,082	\$36,131,286

* This expense was moved from Public Works and General Fund starting in 2013.

2014 Budget Summary – Internal Service Funds (continued)

EXPENDITURES				
	2012 Actual	2013 Budget	2013 Estimate	2014 Budget
Support Services	\$ 475,226	\$ 507,591	467,509	\$ 499,152
- Capital	0	0	0	0
Equipment Fund				
- Operations & Maintenance	3,662,807	4,173,638	4,119,038	4,481,448
- Capital	11,242	121,427	46,999	21,427
- Replacement Capital	2,756,889	1,531,920	1,707,959	1,949,009
- Fire Equipment	253,432	546	0	562
- Capital	0	80,000	559,118	268,000
- Fire – Small Equipment	0	0	0	116,090
- Police Small Equipment	10,174	32,430	0	167,015
Information Systems				
- Operating	3,591,436	4,883,304	3,970,515	6,667,049
- Capital	209,820	324,000	1,046,238	98,400
Radio				
- Operating	374,015	333,884	298,192	318,184
- Capital	255,075	289,000	336,481	0
Insured Benefits	7,768,809	8,236,615	8,207,258	8,568,100
Self Insurance	1,513,610	1,670,031	1,656,235	1,650,469
Accrued Benefits	1,586,655	1,458,597	1,959,341	1,398,128
Facilities Replacement				
- Admin. & Maintenance	3,040,112	3,340,290	3,132,049	3,582,289
- Police/City Hall Replacement	1,638,462	2,334,513	1,007,788	2,238,165
- Fire Station Maintenance	163,623	230,255	176,087	210,933
- Parks Buildings Maintenance	4,356,417	4,566,821	4,567,346	4,671,578
- Cemetery Maintenance	0	109,554	121,144	193,988
- Parks/Median Maintenance	0	0	142,951	200,000
	\$ 31,667,804	\$ 34,224,416	\$ 33,522,248	\$37,299,986

Public Works – Equipment Fund

Activities

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



The Equipment Fund maintains 522 pieces of equipment.

The cost of the Equipment Fund fees in the General Fund equal \$3.56 per month for the owner of a median value home (\$188,000) and \$4.21 per month for the owner of an average value home (\$214,400).

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.

Objectives

- OS To provide a well maintained and efficient vehicle fleet that supports City services and programs.
- OS Keep commonly used parts in inventory.
- OS Work towards standardizing the fleet.
- OS Get proper diagnostic equipment for most, if not all, vehicles.
- OS Spend less than 15 percent of the value of the fleet per year.

Results

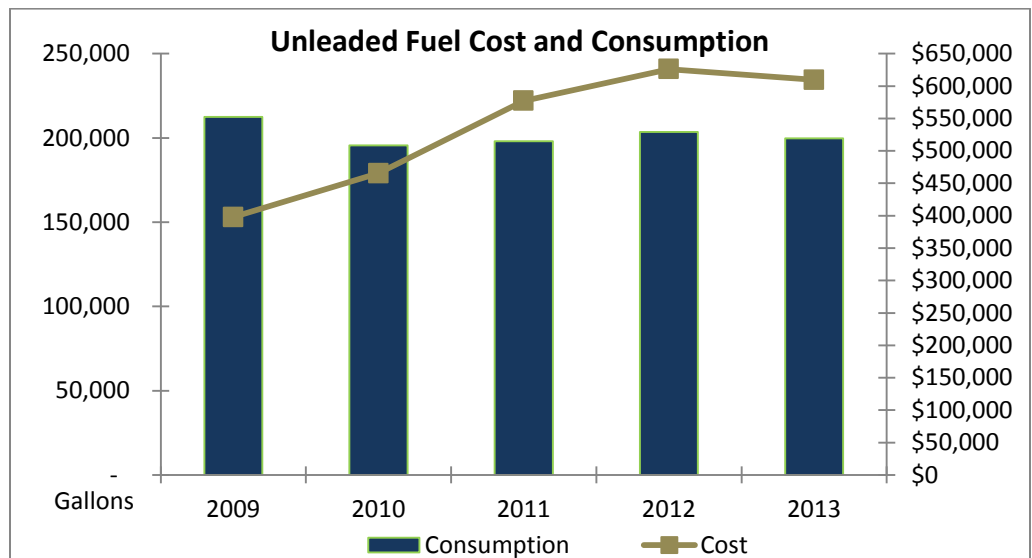
- Inventory parts annually and dispose of obsolete parts stock items.
- Planned for implementing Fleet Management software in 2014.

Expenses

	FY2013 Original Budget	FY2014 Approved Budget	Percent Change
Salaries/Wages/Benefits	\$ 1,206,573	\$ 1,368,785	13.44%
Materials/Supplies/Services	3,000,041	3,366,330	12.21
Capital Outlay	1,733,347	2,268,436	30.87
Less Capitalized Assets	(1,733,347)	(2,268,436)	30.87
Add Depreciation Expense	1,700,000	1,750,000	2.94
	\$ 5,906,614	\$ 6,485,115	9.79%

Authorized Full-Time

	FY2012	FY2013	FY2014
	15	15	15
Equipment Supervisor	1	1	1
Mechanic	6	6	6
Office Support Specialist	1	1	1
Parts Room Attendant	2	2	2
Senior Mechanic	5	5	5



EQUIPMENT FUND BUDGET SUMMARY Revenues and Expenses					
	2012 ACTUAL	2013 ORIGINAL BUDGET	2013 AMENDED BUDGET	2013 ESTIMATED	2014 BUDGET
Revenues					
Program Income	\$ 5,447,408	\$ 5,946,446	\$ 5,947,446	\$ 6,091,765	\$ 6,391,997
Interest Income	68,398	41,300	41,300	43,011	45,600
Transfers In	-	25,000	25,000	24,996	282,000
TOTAL REVENUES	5,515,806	6,012,746	6,013,746	6,159,772	6,719,597
Expenses					
Staffing					
Salaries and Wages	812,725	849,801	849,801	854,366	959,879
Benefits	346,310	356,772	356,772	372,177	408,906
Operating Expenses					
Professional and Technical Services	2,463	13,104	13,104	7,026	13,217
Utilities and Maintenance	145,737	185,491	189,478	221,541	185,491
Operations	111,038	249,384	249,384	242,886	310,963
City Support Services	640,219	699,309	699,309	696,215	783,231
Materials and Supplies	1,577,619	1,852,753	1,868,647	1,722,703	2,073,428
Capital Outlay					
Equipment	1,310,820	1,733,347	2,517,701	2,314,076	2,268,436
TOTAL EXPENSES	4,946,931	5,939,961	6,744,196	6,430,990	7,003,551
Less Capitalized Assets	(1,294,264)	(1,733,347)	(2,517,701)	(2,314,076)	(2,268,436)
Add Depreciation Expense	1,747,613	1,700,000	1,700,000	1,750,000	1,750,000
NET TOTAL EXPENSES	5,400,280	5,906,614	5,926,495	5,866,914	6,485,115
NET INCOME (LOSS)	115,526	106,132	87,251	292,858	234,482
Net Position at Beginning of Year	13,364,178	13,479,704	13,479,704	13,479,704	13,772,562
Net Position At Year-End	\$ 13,479,704	\$ 13,585,836	\$ 13,566,955	\$ 13,772,562	\$ 14,007,044

Public Safety – Radio Operations

Activities

Equipment - Replacement & Operations

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.

Mobile Data Computers (MDC's)

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.

Equipment - Fiber Optics

There are no Fiber Optics projects scheduled for 2014. Fund balance may be utilized for future expansion of the metropolitan area network (MAN). A redundant fiber loop connecting City Hall to facilities on the east side via American Boulevard is among the priorities which may also include additional fire stations and golf courses.

2014 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** Develop a plan to address necessary system upgrades to assure reliable public safety communication at critical areas throughout City Departments.
- S** Continued upgrade on public safety Mobile Data Computer system for Police and Fire and various features with the LOGIS consortium.

2013 Results

Completed construction of Fiber Optics routes to the Bloomington Ice Garden and the Water Treatment Plant.

Expenses	FY2013 Original Budget	FY2014 Approved Budget	Percent Change
Salaries/Wages/Benefits	\$ 93,690	\$ 98,453	5.1%
Materials/Supplies/Services	240,194	184,731	(23.1)%
Capital Outlay	289,000	0	--
Less Capitalized Assets	(289,000)	(0)	--
Transfers Out	0	35,000	--
Add Depreciation Expense	120,000	123,000	2.5%
	\$453,884	\$441,184	(2.8)%

Authorized Full-Time	FY2012	FY2013	FY2014
	1	1	1
Communications Technician	1	1	1

PUBLIC SAFETY RADIO BUDGET SUMMARY Revenues and Expenses					
	2012 ACTUAL	2013 ORIGINAL BUDGET	2013 AMENDED BUDGET	2013 ESTIMATED	2014 BUDGET
Revenues					
Program Income	\$ 292,488	\$ 345,159	\$ 345,159	\$ 345,168	\$ 407,288
Interest Income	13,107	15,000	15,000	3,457	10,000
Transfers In	175,008	245,000	245,000	232,515	-
TOTAL REVENUES	480,603	605,159	605,159	581,140	417,288
Expenses					
Staffing					
Salaries and Wages	70,554	67,042	67,042	73,989	70,551
Benefits	26,997	26,648	26,648	28,296	27,902
Operating Expenses					
Professional and Technical Services	-	2,000	2,000	-	2,000
Utilities and Maintenance	140,007	134,000	134,000	144,046	135,000
Operations	4,581	5,210	5,210	3,792	3,782
City Support Services	12,456	15,739	15,739	15,739	15,449
Materials and Supplies	251,553	83,245	120,341	32,330	28,500
Capital Outlay					
Equipment	255,075	289,000	465,495	336,481	-
Transfers Out	-	-	-	-	35,000
TOTAL EXPENSES	761,223	622,884	836,475	634,673	318,184
Less Capitalized Assets	(255,075)	(289,000)	(465,495)	(336,481)	-
Add Depreciation Expense	122,945	120,000	120,000	123,000	123,000
NET TOTAL EXPENSES	629,093	453,884	490,980	421,192	441,184
NET INCOME (LOSS)	(148,490)	151,275	114,179	159,948	(23,896)
Net Position at Beginning of Year	2,006,123	1,857,633	1,857,633	1,857,633	2,017,581
Net Position At Year-End	\$ 1,857,633	\$ 2,008,908	\$ 1,971,812	\$ 2,017,581	\$ 1,993,685

Facilities and Parks Maintenance

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

Activities

Maintenance

Building

Component Replacement

Parks Building Maintenance

Fire Station Maintenance

Cemetery Maintenance

Objectives

- S** To provide safe and efficient facilities that support City services and programs and encourage long-range planning by completing a Facilities Master Plan by year end 2013.
- OS** Establish ongoing funding mechanisms to meet future needs in the next budget cycle.
- OS** Provide centralized decision-making and flexibility when addressing maintenance and replacement issues.
- OS** Proactively manage, maintain and upgrade City owned buildings in a safe, cost effective and professional manner.

Results

- Explored both replacement and repair options for damaged Dwan maintenance building.
- Continued to install low flow water fixtures and efficient light fixtures to be cost effective.



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

- 49 skating rinks
- 81 athletic fields
- 45 tennis courts
- 53 playgrounds
- 30 basketball courts

Expenses

	FY2013 Original Budget	FY2014 Approved Budget	Percent Change
Salaries/Wages/Benefits	\$ 3,188,376	\$3,366,459	5.59%
Materials/Supplies/Services	5,142,894	5,267,383	2.42
Capital Outlay	1,539,910	1,719,946	11.69
Transfer	0	40,000	--
Capitalized Assets	(1,539,910)	(1,719,946)	11.69
Debt Service	710,253	703,165	(.99)
Depreciation Expense	1,400,000	1,400,000	(0.00)
	\$10,441,523	\$10,777,007	3.21%

Authorized Full-Time

	FY2012	FY2013	FY2014
	37	39	39
Assistant Superintendent	2	3	3
Custodian	1	1	1
Park Maintenance Supervisor	2	2	2
Parkkeeper I	15	15	15
Parkkeeper II	9	9	9
Service Technician II	3	3	3
Service Technician I	3	4	4
Facilities Supervisor	1	1	1
Signal Instrumentation Tech.	1	1	1

The responsibility for Cemetery Maintenance was moved from the Public Works General Fund to this Fund for 2013.

FACILITIES AND PARKS MAINTENANCE BUDGET SUMMARY Revenues and Expenses					
	2012 ACTUAL	2013 ORIGINAL BUDGET	2013 AMENDED BUDGET	2013 ESTIMATED	2014 BUDGET
Revenues					
Program Income	\$ 8,793,624	\$ 9,735,025	\$ 9,735,025	\$ 9,730,269	\$ 10,222,331
Interest Income	24,418	24,000	24,000	45,193	26,001
Other	9,818	-	650	8,282	300
Transfers In	29,440	-	191,588	327,335	200,000
TOTAL REVENUES	8,857,300	9,759,025	9,951,263	10,111,079	10,448,632
Operating Expenses					
Staffing					
Salaries and Wages	2,227,474	2,292,571	2,292,571	2,268,654	2,397,385
Benefits	867,622	895,805	895,805	904,114	969,074
Operating Expenses					
Professional and Technical Services	20,373	253,010	314,603	166,906	108,010
Utilities and Maintenance	2,092,093	2,382,586	2,391,282	2,192,427	2,483,386
Operations	195,618	290,362	290,362	298,156	354,751
City Support Services	1,445,028	1,709,767	1,709,767	1,710,180	1,816,319
Materials and Supplies	493,619	507,169	510,122	468,919	504,917
Debt Service Principal and Interest	700,768	710,253	710,253	661,767	703,165
Capital Outlay					
Equipment	1,196	100,000	130,000	159,347	160,000
Building and Improvements	523,501	1,439,910	1,550,246	211,296	1,559,946
Transfers Out	15,500	-	-	-	40,000
TOTAL EXPENSES	8,582,792	10,581,433	10,795,011	9,041,766	11,096,953
Less Capitalized Assets	(523,501)	(1,539,910)	(1,680,246)	(370,643)	(1,719,946)
Less Expenses Charged to Other Funds	-	-	-	(17,112)	-
Add Depreciation Expense	1,400,912	1,400,000	1,400,000	1,400,000	1,400,000
NET TOTAL EXPENSES	9,460,203	10,441,523	10,514,765	10,054,011	10,777,007
NET INCOME (LOSS)	(602,903)	(682,498)	(563,502)	57,068	(328,375)
Net Position at Beginning of Year	42,022,059	41,419,156	41,419,156	41,419,156	41,476,224
Net Position at Year-End	\$ 41,419,156	\$ 40,736,658	\$ 40,855,654	\$ 41,476,224	\$ 41,147,849

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.

2014 Objectives

- OS** Deliver all incoming mail the same day it arrives at the City while metering and posting all outgoing mail the same day it is received.
- OS** Research current trends and new sustainable technologies that will better serve customers and enhance and expand the level of services provided by the Print Shop.
- OS** Add a web page for the Print Shop on CityBIZ by February 2014.
- OS** Conduct a survey to gather feedback from employees on how to improve Print Shop services and generate new ways to meet their needs by May 2014.

2013 Results

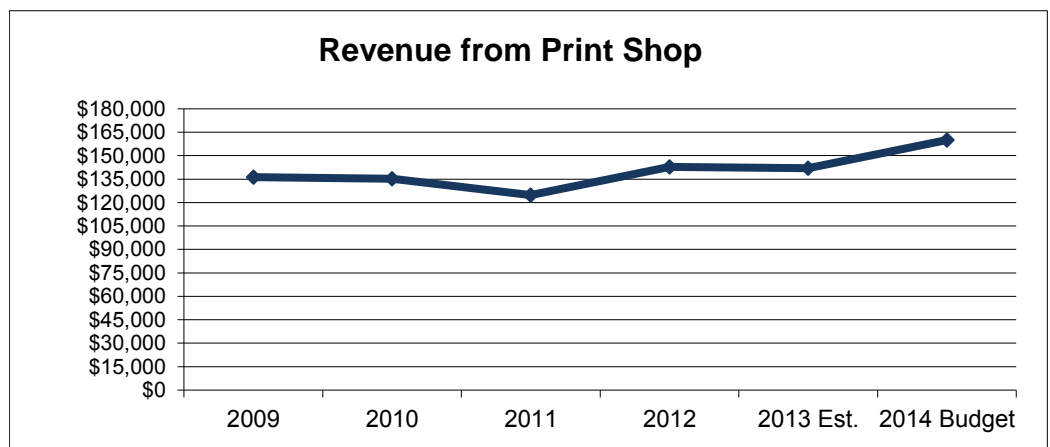
- Cross-trained two additional employees to back-up mail room staff.
- Metered \$94,540 of postage on 163,649 pieces of outgoing mail.
- Executed a total of 1,468 print jobs which included the Police Resource Guide, Parks and Recreation Mater Plan, Public Health Annual Report, Human Services Resource Catalogs, Penn American and South Loop District Plans, and Parks and Recreation program guides and handbooks.
- Brought additional print jobs in-house, including two runs of the Center for the Arts performance series brochure and Savage Police Department's chaplain booklets and resource guides.

Expenses

	FY2013 Original Budget	FY2014 Approved Budget	Percent Change
Salaries/Wages/Benefits	\$212,463	\$206,283	-2.9%
Materials/Supplies/Services	295,128	292,869	-0.8
Add Depreciation Expense	50,000	45,000	-10.0
	\$ 557,591	\$544,152	-2.4%

Authorized Full-Time

	FY2012	FY2013	FY2014
	3	3	3
Information Assistant	1	1	1
Mail Coordinator	1	1	1
Print Shop Coordinator	1	1	1




SUPPORT SERVICES INTERNAL SERVICE FUND
BUDGET SUMMARY
Revenues and Expenses

	2012 ACTUAL	2013 ORIGINAL BUDGET	2013 AMENDED BUDGET	2013 ESTIMATED	2014 BUDGET
Revenues					
Program Income	\$ 464,823	\$ 489,990	\$ 489,990	\$ 472,492	\$ 478,381
Interest Income	98	3,000	3,000	521	2,500
TOTAL REVENUES	464,921	492,990	492,990	473,013	480,881
Expenses					
Staffing					
Salaries and Wages	131,866	160,644	160,644	147,786	158,760
Benefits	43,123	51,819	51,819	49,795	47,523
Operating Expenses					
Professional and Technical Services	2,925	4,000	4,000	4,825	4,000
Utilities and Maintenance	29,653	35,300	35,300	34,121	35,300
Operations	112,601	133,965	133,965	110,698	120,744
City Support Services	81,708	87,463	87,463	86,867	98,425
Materials and Supplies	32,594	34,400	34,400	33,417	34,400
Transfers Out	-	-	-	-	-
TOTAL EXPENSES	434,470	507,591	507,591	467,509	499,152
Less Capitalized Assets	-	-	-	-	-
Add Depreciation Expense	40,756	50,000	50,000	45,000	45,000
NET TOTAL EXPENSES	475,226	557,591	557,591	512,509	544,152
NET INCOME (LOSS)	(10,305)	(64,601)	(64,601)	(39,496)	(63,271)
Net Position at Beginning of Year	292,480	282,175	282,175	282,175	242,679
Net Position At Year-End	\$ 282,175	\$ 217,574	\$ 217,574	\$ 242,679	\$ 179,408

Activities

**General System
Maintenance/
Support**

**Geographic
Information
Systems**



The Information Systems division replaced the City's 20 year-old phone system in 2013 to provide the City's employees timely technology allowing them to efficiently perform their duties.

Technical Services Group – Information Systems

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 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.

2014 Objectives

- OS** Provide technology expertise, equipment, software and services to meet Council's Goals by:
 - Implementing PROVOX electronic agenda management system by end of first quarter 2014.
 - Select and acquire new Community Development software by June 30, 2014.
 - Evaluate and update City's Wi-Fi system in all facilities by October 31, 2014.
 - Complete implementation of mass appraisal (CAMA) system by December 31, 2014.
 - Implement Phase 1 of enterprise resource planning (ERP) system by December 31, 2014.
 - Complete migration to Windows 7 for all City desktops and laptops by December 31, 2014.
 - Continue implementation activities to migrate to ESRI GIS..
- OS** Support and coordinate the distribution of Geographical Information Systems' functions and activities City-wide which includes developing a plan for the migration of the City's GIS to ESRI by December 31, 2013.
- OS** Review existing policies and procedures. Identify and implement necessary changes. Continue to provide exceptional service to support the City's departments in the area of technology.

2013 Results

- Implemented new Legal Case Management system.
- Constructed fiber optics line to Bloomington Ice Garden and Water Treatment Plant.
- Completed implementation of new VIOP phone system integrating phone and computer systems.
- Developed plans to migrate City's GIS to ESRI.
- Replaced and/or upgraded a significant amount of the City's technology infrastructure including network equipment, PCs, laptops, printers, servers and software applications.
- Managed over \$1,200,000 in hardware and software maintenance contracts.
- Provided reliable technical support and services to over 500 employees.

Expenses

	FY2013 Original Budget	FY2014 Approved Budget	Percent Change
Salaries/Wages/Benefits	\$ 1,467,802	\$ 1,512,810	3.1%
Materials/Supplies/Services	3,255,601	5,038,843	54.8
Capital Outlay	324,000	98,400	-69.6
Less Capitalized Assets	(324,000)	(98,400)	-69.6
Transfer Out	159,901	115,396	-27.8
Add Depreciation Expense	75,000	100,000	33.3
	\$4,958,304	\$6,767,049	36.5%

Authorized Full-Time

	FY2012	FY2013	FY2014
	13	13	13
Analyst	6	7	7
Computer Specialist	1	1	1
Information Systems Manager	1	1	1
LAN Administrator	1	1	1
Senior Analyst *	1	0	0
Supervisor	2	2	2
WAN Administrator	1	1	1

INFORMATION SYSTEMS BUDGET SUMMARY Revenues and Expenses					
	2012 ACTUAL	2013 ORIGINAL BUDGET	2013 AMENDED BUDGET	2013 ESTIMATED	2014 BUDGET
Revenues					
Program Income	\$ 3,563,815	\$ 4,064,408	\$ 4,064,408	\$ 4,075,404	4,440,121
Other	5,155	-	-	7,485	-
Interest Income	10,958	25,000	25,000	3,346	20,000
Transfers In	500,000	500,000	500,000	500,000	1,550,000
TOTAL REVENUES	4,079,928	4,589,408	4,589,408	4,586,235	6,010,121
Expenses					
Staffing					
Salaries and Wages	972,905	1,075,914	1,075,914	1,027,925	1,111,970
Benefits	359,517	391,888	391,888	394,393	400,840
Operating Expenses					
Professional and Technical Services	200,477	1,175,200	1,602,955	502,360	2,698,733
Utilities and Maintenance	1,252,111	1,381,275	1,385,526	1,265,151	1,634,104
Operations	211,952	246,190	248,890	213,848	225,916
City Support Services	187,823	213,636	213,636	213,856	229,657
Materials and Supplies	291,181	239,300	247,526	193,082	250,433
Capital Outlay					
Equipment	209,820	324,000	1,126,272	1,046,238	98,400
Transfers Out	167,432	159,901	159,901	159,900	115,396
TOTAL EXPENSES	3,853,218	5,207,304	6,452,508	5,016,753	6,765,449
Less Capitalized Assets	(153,156)	(324,000)	(1,126,272)	(1,046,238)	(98,400)
Add Depreciation Expense	101,194	75,000	75,000	100,000	100,000
NET TOTAL EXPENSES	3,801,256	4,958,304	5,401,236	4,070,515	6,767,049
NET INCOME (LOSS)	278,672	(368,896)	(811,828)	515,720	(756,928)
Net Position at Beginning of Year	3,494,405	3,773,077	3,773,077	3,773,077	4,288,797
Net Position At Year-End	\$ 3,773,077	\$ 3,404,181	\$ 2,961,249	\$ 4,288,797	\$ 3,531,869

Finance – Self-Insurance

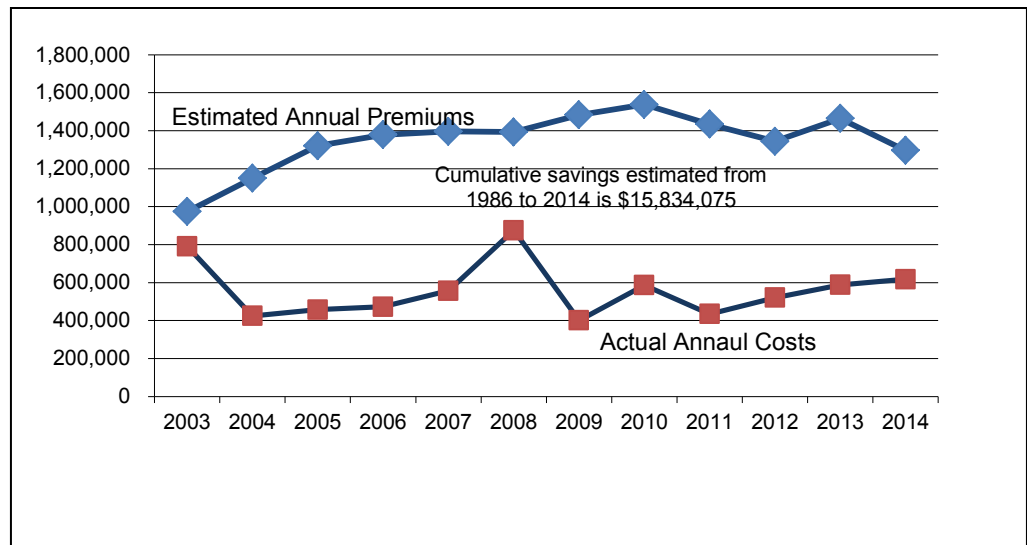
This fund pays the costs related to the City’s self-insured workers’ compensation program. This fund also maintains property/casualty insurance policies, made up of municipal, auto and property coverage through the League of Minnesota Cities Insurance Trust (LMCIT).

2014 Objectives

- OS Protect the City’s assets and minimize costs of insurance.
- OS Institute a workers’ compensation charge back system for 2014 budget cycle.

Expenses	FY2013 Original Budget	FY2014 Approved Budget	Percent Change
Materials/Supplies/Services	\$ 1,670,031	\$1,650,469	-1.2%
	\$ 1,670,031	\$1,650,469	-1.2%

**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					
	2012 ACTUAL	2013 ORIGINAL BUDGET	2013 AMENDED BUDGET	2013 ESTIMATED	2014 BUDGET
Revenues					
Departmental Charges	\$ 1,059,596	\$ 1,488,937	\$ 1,488,937	\$ 1,527,166	\$ 1,649,467
Interest Income	12,720	10,000	10,000	6,527	10,000
TOTAL REVENUES	1,072,316	1,498,937	1,498,937	1,533,693	1,659,467
Expenses					
Operating Expenses					
Workers' Compensation	779,411	588,000	588,000	754,512	569,900
General Liability	490,566	700,460	700,460	643,494	726,942
Auto Liability	71,892	172,121	172,121	102,589	145,331
Property Liability	171,741	209,450	209,450	155,640	208,296
TOTAL EXPENSES	1,513,610	1,670,031	1,670,031	1,656,235	1,650,469
NET INCOME (LOSS)	(441,294)	(171,094)	(171,094)	(122,542)	8,998
Net Position at Beginning of Year	1,270,318	829,024	829,024	829,024	706,482
Net Position At Year-End	\$ 829,024	\$ 657,930	\$ 657,930	\$ 706,482	\$ 715,480

Human Resources – Insured Benefits

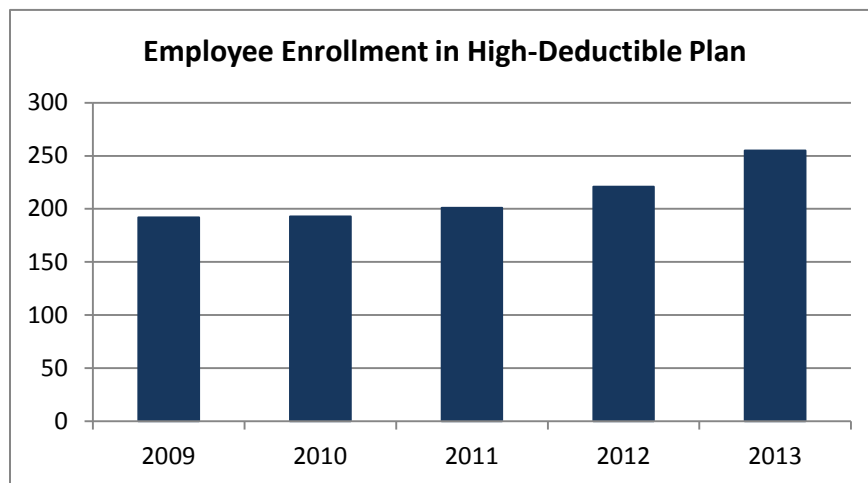
When the City went through the normal bid process in 2002 for health insurance for the next five years, the City was able to realize a savings through lower benefit costs. These savings were the initial funding for this internal service fund. Large expense increases anticipated in future years will be 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.

2014 Objectives

- OS Avoid sharp spikes in rate of increase in health insurance costs to operating departments.
- OS Encourage an additional five percent of employees to move to the high deductible plan through education, promotion and incentive.
- OS Continue providing City employees with a variety of benefits at the lowest cost to employees and the City.
- OS Encourage employees to continue to participate in a health rewards program for those enrolled in the City’s health plan. This program includes a health assessment, health education, health coaching and a biometrics program which will provide immediate feedback on blood pressure, weight, total cholesterol, glucose and body mass index. Thirty-five percent participation is anticipated in 2014.

2013 Results

- High deductible plan participation increased by 9.8% from January 1, 2013 to January 1, 2014
- 32.4% of employees completed a biometrics screening
- 34.2 % of employees completed their Personal Health Profile (health assessment)
- For those who were identified 38.1% of employees completed preventive services.
- 17.7% of employees completed their health scorecard.



Expenses	FY2012	FY2013	Percent Change
	Original Budget	Approved Budget	
Materials/Supplies/Services	\$8,236,615	\$8,568,100	4.0%
	\$8,236,615	\$8,568,100	4.0%

INSURED BENEFITS BUDGET SUMMARY Revenues and Expenses					
	2012 ACTUAL	2013 ORIGINAL BUDGET	2013 AMENDED BUDGET	2013 ESTIMATED	2014 BUDGET
Revenues					
Departmental Charges	\$ 7,617,934	\$ 7,261,140	\$ 7,261,140	\$ 7,665,216	\$ 7,635,000
Payroll Deductions	824,280	883,838	883,838	595,610	915,400
Intergovernmental	28,071	30,000	30,000	25,000	30,000
Interest Income	39,488	20,000	20,000	4,543	30,000
Other Income	65,040	-	-	-	25,000
Transfers In	31,000	31,000	31,000	31,000	31,000
TOTAL REVENUES	8,605,813	8,225,978	8,225,978	8,321,369	8,666,400
Expenses					
Operating Expenses					
Health Insurance Premiums	7,016,449	7,334,615	7,334,615	7,388,211	7,689,100
Dental Insurance Premiums	541,347	603,000	603,000	578,468	603,000
Life Insurance Premiums	125,476	170,000	170,000	144,712	162,000
Short Term Disability Premiums	-	-	-	6,150	24,000
Long Term Disability Premiums	85,536	129,000	129,000	89,717	90,000
TOTAL EXPENSES	7,768,808	8,236,615	8,236,615	8,207,258	8,568,100
NET INCOME (LOSS)	837,005	(10,637)	(10,637)	114,111	98,300
Net Position at Beginning of Year	2,581,889	3,418,894	3,418,894	3,418,894	3,533,005
Net Position At Year-End	\$ 3,418,894	\$ 3,408,257	\$ 3,408,257	\$ 3,533,005	\$ 3,631,305

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.

2014 Objectives

- OS Be in a position to start reducing contributions to this fund by 2017.
- OS Continue providing City employees with fair leave policies to retain and attract good employees.

2013 Results

- This fund is on track to be fully funded by 2016.

Expenses	FY2013 Original Budget	FY2014 Approved Budget	Percent Change
Materials/Supplies/Services	\$1,458,597	\$1,398,128	-4.2%
	\$1,458,597	\$1,398,128	-4.2%

ACCRUED BENEFITS BUDGET SUMMARY Revenues and Expenses					
	2012 ACTUAL	2013 ORIGINAL BUDGET	2013 AMENDED BUDGET	2013 ESTIMATED	2014 BUDGET
Revenues					
Departmental Charges	\$ 1,159,570	\$ 1,538,461	\$ 1,538,461	\$ 1,564,512	\$ 1,608,000
Interest Income	145,262	216,002	216,002	27,759	120,900
TOTAL REVENUES	1,304,832	1,754,463	1,754,463	1,592,271	1,728,900
Expenses					
Staffing					
Salaries and Wages	1,573,736	1,438,597	1,438,597	1,942,107	1,381,344
Benefits	12,919	20,000	20,000	17,234	16,784
TOTAL EXPENSES	1,586,655	1,458,597	1,458,597	1,959,341	1,398,128
NET INCOME (LOSS)	(281,823)	295,866	295,866	(367,070)	330,772
Net Position at Beginning of Year	(1,196,908)	(1,478,731)	(1,478,731)	(1,478,731)	(1,845,801)
Net Position At Year-End	(1,478,731)	(1,182,865)	(1,182,865)	(1,845,801)	(1,515,029)



The Art of Creating Community

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City of Bloomington, Minnesota
ANNUAL BUDGET
Fiscal Year 2014



The Art of Creating Community

COMPONENT UNITS

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The Art of Creating Community

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Housing and Redevelopment Authority

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.

Activities

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

2014 Objectives

- H** Acquire and demolish blighted homes
- H** Acquire land for redevelopment in designated areas and sites for affordable housing
- H** Assist 150 seniors with housing maintenance and homemaking services
- H** Provide housing rehab loans to 60 homeowners
- H** Conduct three landlord collaborative meetings, including a multi-city meeting and Fair Housing training.
- H** Maintain highest possible utilization of Section 8 Voucher as funding permits
- H** Partner with Minnesota Multi-Housing Association to offer Fair Housing Workshop to landlords
- H** Continue redevelopment of Penn and American second phase construction on the north site to include a hotel, grocery and retail
- H** Establish new Housing Improvement Area program to assist common interest communities with rehabilitation projects
- H** Continue the Home Energy Squad Enhanced program with Center for Energy and Environment and serve 250 homeowners
- H** Plan and hold the 2014 Home Improvement Fair featuring over 60 vendors.

2013 Results

- Continued negotiations for the 2nd phase of the redevelopment at Penn and American Blvd and France and Old Shakopee Road
- Assisted 252 seniors with housing maintenance and homemaking services
- Provided housing rehabilitation loans to 33 homeowners
- Co-hosted the City's first Sustainability Fair featuring over 20 vendors
- Provided rental property and manager education through three landlord collaborative meetings (66 attendees)
- Achieved highest utilization of Section 8 Rent Assistance that funding permitted
- Achieved HUD's "high performer" rankings for administration of the Section 8 Voucher program
- Provided housing to 46 large families through the HRA's two rental housing programs.
- Successfully competed for \$234,000 in new funding for the Community Enhancement Program, Phase II (CEP II) to make deferred rehab loans to homeowners in a targeted area of Bloomington
- Sold two vacant lots to private owners to build owner-occupied single-family homes
- Successfully kicked-off the new Home Energy Squad Enhanced Program with 148 homeowner visits completed by the Center for Energy and Environment

Expenditures

	FY2013		FY2014
	Original Budget	Approved Budget	Percent Change
Salaries/Waques/Benefits	\$ 977,991	\$ 995,467	1.8%
Materials/Supplies/Services	6,443,372	7,937,910	23.2
	\$ 7,421,363	\$ 8,933,377	20.4%

Authorized Full-Time

	FY2012	FY2013	FY2014
	10	10	10
HRA Administrator	1	1	1
Office Assistant	1	1	1
Office Support Specialist	1	1	1
Program Manager	1	1	1
Program Specialist II	5	5	5
Program Specialist I	1	1	1



Penn and American

The HRA's Penn American Redevelopment District will feature Public Art curated by Bloomington Art Center staff.

HOUSING AND REDEVELOPMENT AUTHORITY
BUDGET SUMMARY
Revenues and Expenditures

	2012 ACTUAL	2013 ORIGINAL BUDGET	2013 AMENDED BUDGET	2013 ESTIMATED	2014 BUDGET
Revenues					
Program Income	\$ 1,192,708	\$ 753,684	\$ 878,684	\$ 901,104	\$ 936,915
Tax Revenues	2,033,831	1,783,885	1,803,885	1,795,617	1,838,215
Intergovernmental	3,962,770	4,880,094	4,980,094	4,929,078	6,157,247
Interest Income	(1,314)	3,700	3,700	(1,562)	1,000
TOTAL REVENUES	7,187,995	7,421,363	7,666,363	7,624,237	8,933,377
Expenditures					
Staffing					
Salaries and Wages	684,774	716,797	726,797	709,016	728,589
Benefits	234,368	261,194	281,194	253,953	266,878
Operating Expenditures					
Professional and Technical Services	77,716	98,700	98,700	83,450	118,500
Utilities and Maintenance	169,104	129,000	129,000	99,685	129,000
Operations	49,553	77,501	77,501	59,825	75,858
City Support Services	4,677,357	4,786,629	4,836,629	4,789,154	5,605,063
Materials and Supplies	27,282	13,800	33,800	29,698	206,776
Transfers Out	93,424	1,335,742	-	-	1,802,713
Equipment	-	2,000	2,000	-	-
TOTAL EXPENDITURES	6,013,578	7,421,363	6,185,621	6,024,781	8,933,377
FUND BALANCE SOURCES (USES)	1,174,417	-	1,480,742	1,599,456	-
Fund Balance at Beginning of Year	5,306,381	6,480,798	6,480,798	6,480,798	8,080,254
Fund Balance At Year-End	\$ 6,480,798	\$ 6,480,798	\$ 7,961,540	\$ 8,080,254	\$ 8,080,254

Port Authority

The Port Authority was created by the City to provide a coordinated, cost-effective approach for redevelopment within defined development districts that may be established throughout the City. This goal is accomplished in many cases through the use of Tax Increment Revenue Bonds, issued as needed to affect orderly 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 the administration.

2014 Objectives

LU,T 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.

2014 Key Projects: Mall of America (MOA) Phase I-C expansion, Bloomington Central Station (BCS) hotel, BCS apartment building, and a hotel on the Alpha A parcel.

OS To oversee debt in a conservative manner in order to assure repayment and adequate resources.

OS To make community investments that in turn encourage private investments consistent with the City's sustainability objectives.

2013 Results

- Completion of the \$137 million Radisson Blu at MOA project, financed in part with Port issued bonds.
- Began construction of Lindau Lane project funded in part with a state bonding grant.
- Modified TIF plans for Industrial Development District, MOA, and BCS.
- Lobbied successfully to increase project funding for MOA, BCS and Old Cedar Avenue bridge
- Completed myriad agreements necessary for construction of MOA Phase I-C expansion
- Completed agreement with Terratron to develop a 118 room hotel on Alpha A parcel (north of Lindau Lane)
- Executed agreements necessary to complete BCS hotel financing by advancing future TIF payments

Expenditures	FY2013	FY2014	Percent Change
	Original Budget	Approved Budget	
Salaries and Benefits	\$ 464,500	\$ 459,225	-1.1%
Materials/Supplies/Services	347,000	346,000	-0.3
Liquor/Lodging Transfer	5,200,000	0	--
Debt Service	16,785,272	2,889,950	-82.8
Capital Outlay	29,313,702	38,491,649	31.3
Transfers Out	8,082,200	1,389,950	-82.8
	\$60,192,674	\$ 42,186,824	-29.9%

Authorized Full-Time	FY2012	FY2013	FY2014
	3	3	3
Development Specialist	1	1	1
Port Authority Administrator	1	1	1
Senior Civil Engineer**	1	1	1

**Senior Civil Engineer authorized, not currently funded

PORT AUTHORITY BUDGET SUMMARY Revenues and Expenditures					
	2012 ACTUAL	2013 ORIGINAL BUDGET	2013 AMENDED BUDGET	2013 ESTIMATED	2014 BUDGET
Revenues					
Lodging and Liquor Taxes	\$ 5,218,349	\$ 5,444,573	\$ 5,444,573	\$ 4,234,224	\$ -
Property Tax Increment	9,353,818	11,772,000	11,772,000	11,898,263	12,353,000
Fiscal Disparities TIF	-	-	-	-	10,196,000
Interest Income	385,582	453,335	453,335	203,164	115,500
Other	120,000	15,923,202	15,923,202	15,923,202	240,000
Transfers In	7,550,499	8,092,200	8,092,200	15,626,365	1,285,300
TOTAL REVENUES	22,628,248	41,685,310	41,685,310	47,885,218	24,189,800
Expenditures					
Salaries and Benefits	390,549	464,500	464,500	322,433	459,225
City Support Services	29,074	62,000	64,000	63,821	69,000
Materials and Supplies	204,161	285,000	355,000	293,622	277,000
Liquor/Lodging Payment to City	4,999,337	5,200,000	9,810,000	9,809,690	-
Counted Value Payment to BCS	708,129	349,241	689,241	688,835	625,000
Counted Value Payment -So Pad Hotel	-	15,703,202	15,703,202	15,336,282	-
Counted Value Payment-Phase 1-C	-	-	-	-	28,000,000
Project Costs	2,217,055	12,166,000	12,166,000	9,238,744	9,866,649
Parking Ramp for Radisson Blu Hotel	3,521,040	1,095,259	1,095,259	624,348	-
Debt Service Principal and Interest	2,235,930	16,785,272	21,424,272	21,420,190	1,500,000
Transfers Out	7,550,499	8,082,200	16,003,620	15,993,284	1,389,950
TOTAL EXPENDITURES	21,855,774	60,192,674	77,775,094	73,791,249	42,186,824
FUND BALANCE SOURCES (USES)	772,474	(18,507,364)	(36,089,784)	(25,906,031)	(17,997,024)
Fund Balance at Beginning of Year	72,475,225	73,247,699	73,247,699	73,247,699	47,341,668
Fund Balance Adjustment	-	-	-	-	-
Fund Balance At Year-End	\$ 73,247,699	\$ 54,740,335	\$ 37,157,915	\$ 47,341,668	\$ 29,344,644



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CAPITAL

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Capital Projects

The Capital Budget development process starts with Departments and ongoing commissions and boards 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 2014 Capital Funding Projects:

Parks

- \$1,171,633 for Chalet Road parking lot reconstruction including storm water, lighting and driveway improvements to service the updated regional park ski area. Landscaping will change from mowed turf to natural plantings reducing maintenance costs. Additional trash collection and weed control around the pond and lot will increase costs leaving total operational costs flat.
- \$950,000 for land acquisition for the Hyland-Bush-Anderson Lakes Regional Park. The land will be restored as natural area. Additional maintenance will be mowing twice per year at \$300.
- \$247,900 to upgrade equipment to meet current safety and accessibility standards. This includes bicycle racks, picnic tables and benches and other site improvements. No additional savings or operating costs are anticipated for this upgrade.

Alternative Transportation

- \$1,200,000 for Hyland Trail Corridor sidewalk/bikeway of one and one-half miles, part of the trail system identified in the Alternative Transportation Plan. Maintenance is \$1,500 per year.
- \$1,500,000 to rehabilitate the Old Cedar Avenue Bridge as a non-motorized trail connection between Hennepin and Dakota Counties regional trail system. Second year costs will be \$11,200,000. Maintenance costs will be \$48,000 per year.

Utilities Infrastructure

- Capital costs include \$750,700 for water distribution system improvements. Operating costs will not increase since this is just replacement of old pipe, not an increase in the distribution system.
- An additional \$45,000 is budgeted for well and well house maintenance projects. No additional maintenance costs are anticipated.
- Wastewater projects include system improvements for \$610,000.
- The Storm Water budget includes \$470,000 for maintenance projects and \$660,000 to improve the collection system. Operating costs will stay the same.

Equipment

- The 2014 equipment budget includes \$2,268,436 of planned purchases. By regularly upgrading equipment, the City realizes approximately \$100,000 per year in savings on maintenance costs.

South Loop Capital/Bloomington Central Station

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 sixth year of a revised ten-year program. Anticipated 2014 capital expenditures include:

- \$2,090,000 for a way-finding signage project.
- \$50,000 for monument signage
- \$900,000 for trail heads and connections

Surface Transportation

- Bridge maintenance at 94th Street and Interstate 35W is budgeted at \$3,500,000 to rebuild the bridge deck and replace signals. No additional maintenance costs associated with this improvement.
- An additional \$1,000,000 local share is budgeted for interchange improvements at Interstates 494 and 35W. No additional maintenance costs are anticipated.

Pavement Management

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.

- In 2014, approximately \$8,825,000 will be invested in street reconstruction and \$2,884,000 will be spent on overlaying existing pavement. See chart on Page 96 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

- Dwan maintenance facility reconstruction continues with \$1,156,815 budgeted for 2014
- Columbarium will be built in the City cemetery. Additional maintenance will be \$15,000 per year.

Executive Summary

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

Fund/Activity	2014 Adopted	Purpose	Budget Page Number
Police	\$53,000	Replace jail video monitoring system	60
	145,000	Armored vehicle	58
Community Services	50,000	Furniture for Creekside Community Center	82
Fire	20,000	Emergency equipment	62
Public Works	16,000	Global Positioning System (GPS) Equipment	92
	28,000	Signal Cabinets	94
Total General Fund	\$ 312,000		
Police Grants	40,000	Bomb Squad and Auto Theft equipment	132
Communications	84,700	Cable TV Equipment	146
Water Utility	225,000	Well and pump rehabilitation, water plant equipment	164
	750,700	Improve distribution system	164
	1,200,000	Rehabilitate water tower	164
Wastewater Utility	610,000	Improve collection system	166
Storm Water Utility	2,530,000	Improve collection system	168
	52,000	Vehicle locators for sweepers, work order system	168
	239,000	Construct rain gardens	168
Golf Courses	51,000	Aerators, utility vehicle	172
Ice Garden	150,000	Building Management System	172
	55,000	Building maintenance	172
	10,000	Zamboni battery	172
Information Systems	45,000	Network upgrades and storage	192
	53,400	Copiers	192
Equipment & Supplies	2,268,436	Equipment Replacement	184
Facilities Replacement	335,000	Parking lot repair	188
	380,000	Reroofing	188
	50,000	Emergency repairs	188
	275,000	Mechanicals	188
	445,000	Interior Finishes	188
	100,000	Seal well at Dred Scott Park	188
	60,000	Work order management system	
South Loop Capital	50,000	Monument signage	*
	900,000	Trail heads and connections	
	2,090,000	Electronic way-finding signs	
Park Capital Projects	247,900	Park Improvements	*
	1,171,633	Chalet Road parking lot reconstruction	
	950,000	Parkland acquisition	
Road and Street Improvements	8,825,000	Pavement Management Program reconstruction	*
	2,884,000	Overlay streets	*
	200,000	Subdivision streets/Traffic signal upgrades	*
	1,000,000	I494/I35W intersection improvement	*
	247,000	Railroad intersection improvements	
	3,500,000	94 th Street and I35W bridge maintenance	
City Facilities	1,156,815	Repair/Replace Dwan maintenance building	*
Cemetery	74,946	Columbarium	144
Alternative Transportation	1,500,000	Long Meadow Bridge rehabilitation	*
	1,200,000	Hyland Trail Corridor	
TOTAL ALL FUNDS	\$36,318,530		

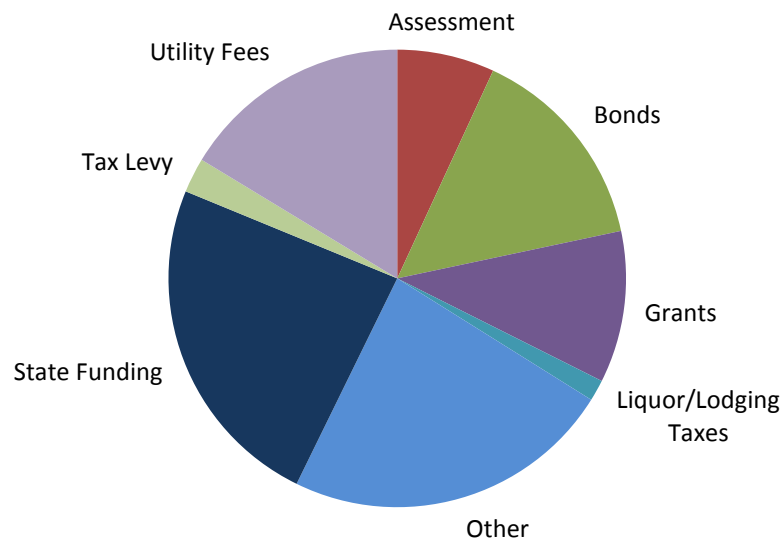
*The City has an ongoing five-year plan which lists projects incorporated for budget purposes. Each project then returns to the City Council for approval.

Capital Projects

SUMMARY OF PROJECT COSTS

Project Total	2014
South Loop Capital	\$3,040,000
City Facilities	2,876,761
Roads & Streets	16,656,000
Sewer, Water & Storm Water	5,606,700
Park Development	2,369,533
Information Systems & Equipment	98,400
Vehicles	2,268,436
Other Equipment/Improvements	352,000
Communications	84,700
Recreation Facilities	266,000
Alternative Transportation	2,700,000
Total Project Costs	\$36,318,530

Sources of Funding for Capital Projects



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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.

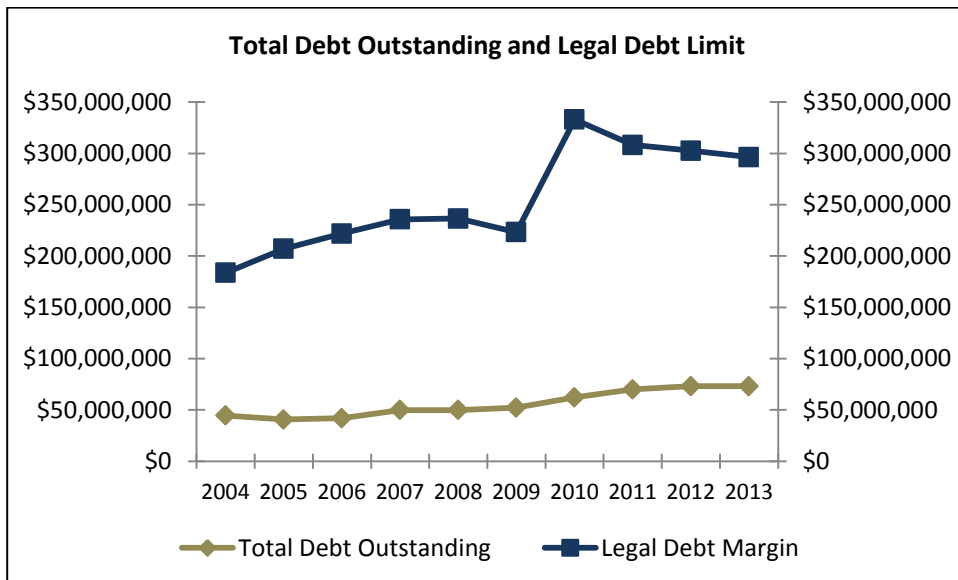
The City issues debt only when projects have a longer life than the term of the borrowing and to reimburse funding for large improvement projects. For more details on the City’s debt policy, see the Policies section.

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 2013 is \$9,817,067,400. The graph below shows ten years of total debt outstanding and the legal debt limit. The space between outstanding debt and the debt limit shows that the City is conservative in the amount of debt issued compared to the statutory limit.

2014

General Obligation Debt Limit	\$ 294,512,022
Bloomington’s Debt Subject to the limit	<u>9,940,000</u>
 Debt Margin	 <u>\$ 284,572,022</u>



Debt Issuance and Refinancing

The City of Bloomington has been very conservative in its debt issuance practices and holds Moody’s Aaa, Standard & Poor’s AAA and Fitch Rating Agency’s AAA G.O. debt ratings, one of 27 cities to achieve the “Triple Triple A”.

General Obligation Debt Issuances During 2013

In November of 2013, the City issued the following debt:

- \$4,180,000 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.
- \$5,135,000 of General Obligation Permanent Improvement Revolving Refunding Bonds. The proceeds will be used to refund the February 1, 2015 through February 1, 2030 maturities of the City's General Obligation Permanent Improvement Revolving Fund Bonds of 2009, Series 43, dated December 17, 2009. The net present value benefit of the refunding is \$202,416 or 3.32% of the refunded principal.

Anticipated Debt Issues

The City plans to issue Permanent Improvement Revolving Fund debt of approximately \$7.5 million in the fall of 2014 to replenish funds expended for the Pavement Management Program and specific developer assessment projects.

The City's total outstanding tax and assessment supported debt on December 31, 2013, was \$68,360,000, for a per capita amount of \$798 (population 85,632). The per capita limit on the City's debt is \$3,461. The refunding issues of 2012 and 2013 impact 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 \$57,040,000 which would be a per capita amount of \$666.

The total debt principal and interest due in 2014 is \$20,150,327 of which \$4,205,716 is borne by the property tax levy and \$11,320,000 is the refunded debt issues. The impact of netting out the refunding debt has a minimal effect on the length of time to pay off the majority of the debt. Almost 58 percent of the currently issued debt will be paid off in five years and over 86 percent in ten years. The ability to retire at least half of a city's debt in ten years is considered a strength. That Bloomington can achieve this in five years (under \$27,650,000 by 2019), demonstrates the financial strength of the City.

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

General Obligation

General Obligation 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.

2010 Fire Pension Bonds – Tax levy years 2012-2016.

2004 Permanent Improvement Revolving, Thirty-Nine Series (2005-2025)---
Refunding on 2/1/2014

2006 Permanent Improvement Revolving, Forty Series (2008-2017)

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

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

2009 Permanent Improvement Revolving, Forty-Three Series Build America
Bonds (2011-2030)---Refunding on 2/1/2014

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)

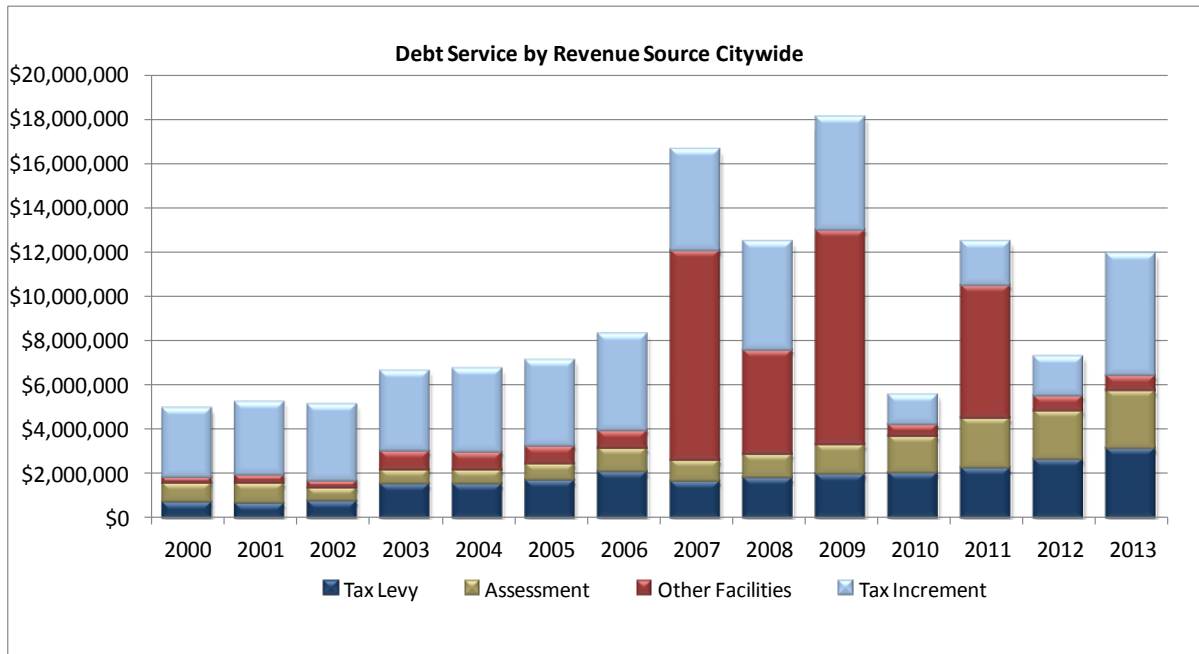
2013 Permanent Improvement Revolving, Forty-Seven Series (2015-2024)

2013A Permanent Improvement Revolving Refunding. Bonds issued to refund
the 2009 Permanent Improvement Revolving, Forty-Three Series (2015-
2030)

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. As shown in the graph on the next page, 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
2014	18,210,000	1,940,327	565,000	87,072	17,645,000	1,853,255
2015	7,245,000	1,534,844	575,000	80,797	6,670,000	1,454,047
2016	7,135,000	1,385,438	575,000	73,035	6,560,000	1,312,403
2017	6,690,000	1,184,870	595,000	63,368	6,095,000	1,121,502
2018	6,230,000	994,355	605,000	51,962	5,625,000	942,393
2019	5,470,000	820,346	615,000	38,994	4,855,000	781,352
2020	5,065,000	661,111	630,000	24,358	4,435,000	636,753
2021	4,735,000	509,804	640,000	8,320	4,095,000	501,484
2022	2,905,000	392,308	0	0	2,905,000	392,308
2023	2,315,000	312,676	0	0	2,315,000	312,676
2024	1,770,000	247,313	0	0	1,770,000	247,313
2025	1,305,000	195,200	0	0	1,305,000	195,200
2026	800,000	155,312	0	0	800,000	155,312
2027	815,000	121,523	0	0	815,000	121,523
2028	845,000	85,986	0	0	845,000	85,986
2029	770,000	51,108	0	0	770,000	51,108
2030	400,000	26,776	0	0	400,000	26,776
2031	285,000	13,268	0	0	285,000	13,268
2032	170,000	3,698	0	0	170,000	3,698
	\$73,160,000	\$10,636,262	\$4,800,000	\$427,906	\$68,360,000	\$10,208,356



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POLICIES

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Budget Policy - Financial Control

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

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

Budget Process

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

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

“The budget must be the principal item of business at the first regular monthly council meeting in September. The council must hold adjourned meetings from time to time until it has considered all the estimates. The meeting must give interested citizens a reasonable opportunity to be heard. The annual budget finally agreed upon must set forth the complete financial plan of the city for the ensuing fiscal year for the funds budgeted. It must show the sums to be raised and their sources and the sums to be spent and their purposes according to Section 7.05. The total sum appropriated must be safely less than the total estimated revenue. The council must adopt the budget by resolution not later than the first week of 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

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.

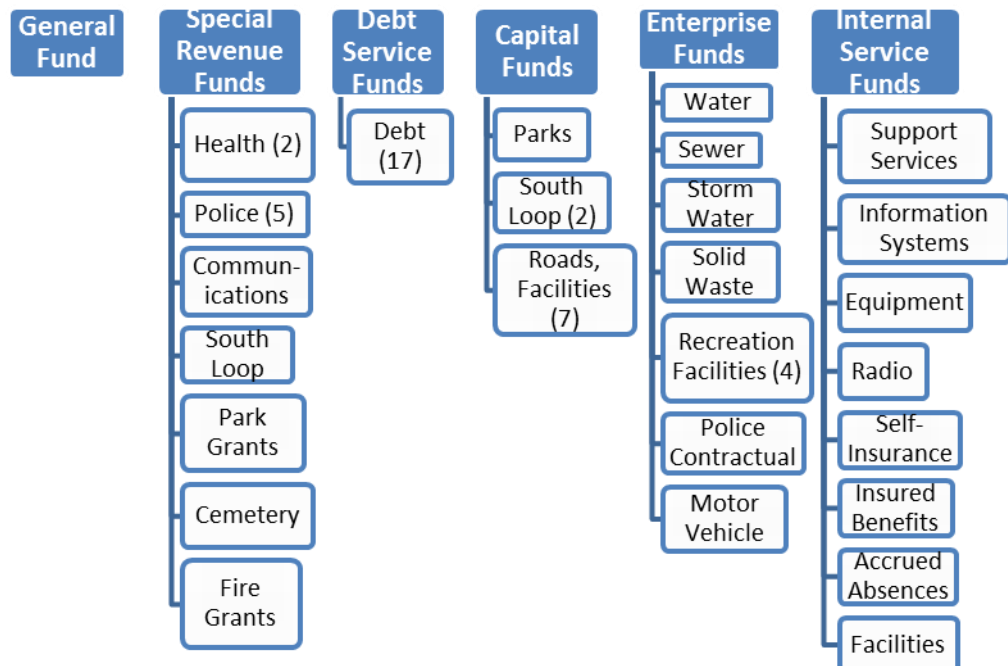
Debt Service Funds - Debt service funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs.

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://www.bloomingtonmn.gov/cityhall/council/cpolicy/finmgtpolicies.pdf>)

Budgetary and Financial Control Policy

- A. General budgetary and financial control is to be centralized in one department whose functions shall include, but not be limited to, the following:
- (1) Budget compilation
 - (2) Budget monitoring
 - (3) Central purchasing
 - (4) Income and expenditure projections
 - (5) Capital improvement financing
 - (6) Risk management
 - (7) Screening of Industrial Development Bonds (IDB) and Housing Revenue Bond applications (also see separate Guidelines)
 - (8) Cash and investment management
 - (9) Monitoring financial data for warning signals or trends
 - (10) Preparation of financial summary reports for key funds at least quarterly
 - (11) Maintain a detailed inventory listing of all material fixed assets so as to adequately ensure proper accounting of assets.
 - (12) "Fiscal Notes" to be presented as part of any proposal to the Council in connection with any new or expanded operating or capital improvement programs.

- (13) Payroll
 - (14) Accounts Receivable
 - (15) Receipts and Collections
 - (16) Accounts Payable
- B. The City will maintain a program for the investment of funds consistent with the City's Investment Policy under separate cover.
 - C. The City will strive to maintain an undesignated and unreserved General Fund Balance of 50% of the General Fund portion of the tax levy and fiscal disparities for the following year.
 - 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

- 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

- 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

In accordance with the Government Accountability Office, the authority on local government audits, in all matters relating to audit work, the external auditor shall be free both in fact and appearance from personal external and organizational impairments to independence. The city's external audit organization shall not be responsible for designing, developing and/or installing the City's accounting system or its operating system where this system generates information used in preparing financial statements of the City of Bloomington.

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

Any non-audit work related to tax rulings, arbitrage, attestation, or compilation and financial report assistance proposed by the auditors, or for which the City wishes to hire them exceeding \$5,000 must be approved by the City Council prior to hiring them. In addition, similar work to date that would result in exceeding a cumulative limit of \$15,000 annually to be paid to the external auditor must be approved by the

City Council prior to hiring them. All other types of work would require Council approval prior to hiring them.

Forfeited Funds Policy

- A. The City receives property and money through law enforcement seizures under Federal Law 21USCS Section 881(e) and Minnesota Statutes, Sections 609.531-609.5317. 169A.63.
- B. The City will use proceeds from these seizures as defined in State law and Department of Justice guidelines. Forfeited property and cash will be used:
 - (1) Only for law enforcement purposes, or;
 - (2) Only as a supplement to budgeted funds, or;
 - (3) Not as a source to supplant ordinary operating expenses.
- C. The City will establish procedures to ensure the safekeeping of forfeited property and funds until such time as they are used for approved purposes.
- D. The City will use forfeited funds for appropriate Police and City Attorney purposes. (This list is not exhaustive, but serves to describe many appropriate uses.)
 - 1. Vehicles
 - (a) Forfeited automobiles may be used to supplement the police fleet, but not to replace existing budgeted vehicles.
 - (b) Unused vehicles will be stored, sold according to City policy, and the proceeds used according to this policy.
 - 2. Other Property
 - (a) May be used in ongoing Police and City Attorney operations.
 - (b) Will be sold if no police use is imminent and cash proceeds used according to this policy.
 - 3. Cash
 - (a) A Forfeited Funds activity budget will be presented for approval to the City Council with the regular City budget each year.
 - (b) Unbudgeted proposed purchases will be presented to the City Council for approval.
 - 4. Examples of Appropriate Uses of Cash
 - (a) Vehicles may be rented which do not supplant vehicles normally provided through City funds. Such vehicles are in addition to the regular fleet.
 - (b) Equipment may be purchased providing it is not part of the regular budget.
 - (c) Overtime may be paid providing it is unanticipated in the rest of the Police and City Attorney budgets.
 - (d) Training costs in addition to those in the regular budget may be paid.
 - 5. Examples of Inappropriate Uses
 - (a) Purchasing any item(s) with forfeited funds, which were already approved in the regular budget.
 - (b) Paying regular salaries or benefits for Drug Forfeiture funds, but permitted for DWI Forfeiture fund as part of program operation.

- (c) Purchasing anything for other City departments unless for a law enforcement purpose.
- (d) Capital purchases previously approved for purchase with City funds.

Fund Balance Year-End Classification Policy

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

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

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

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

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

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

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

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

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

A. General Fund

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

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

B. Special Revenue Funds

Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects. Governmental accounting standards require that substantial inflows of

revenues into a special revenue fund be either restricted or committed in order for the fund to be considered a special revenue fund.

C. **Debt Service Funds**

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

D. **Capital Project Funds**

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

Order of Fund Balance Spend-down

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

Carryovers and Encumbrances

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

Investment Policy

I. Investment Policy Statement of Purpose

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

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 used by investment officials shall be the "prudent person" standard and shall be applied in the context of managing an overall portfolio. The prudent person standard requires that a fiduciary exercise discretion and average intelligence in making investments that would be generally acceptable as sound.

Investment officers acting in accordance with written procedures and the investment policy and exercising due diligence shall be relieved of personal

liability for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse situations.

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

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

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

Risk Management Policy

- A. The City will maintain a separate Self-Insurance Fund within its fund and account groups.

- B. The City will calculate annually an updated estimated working capital requirement for the Self-Insurance Fund. Such working capital should be an estimate of claims to be covered in the next few years plus an amount for unexpected claims. Transfers from the Self-Insurance Fund will only be made after at least three years of funding/loss experience, or a consultants report, indicates an over-funding.
- C. The City will utilize the services of a professional Risk Manager, either on-staff or by contract, to administer the City's risk avoidance program.
- D. The City will periodically conduct educational safety and risk avoidance programs within the various departments.
- E. Staff will report to the City Manager and the City Council, at least annually, on the results and costs of the City's risk management program for the preceding year.
- F. The City will, on an ongoing basis, analyze the feasibility of purchasing outside insurance coverage to replace or supplement the self-insurance program, in order to provide the best and most economical loss coverage available.
- G. The City will periodically (approximately every five (5) years) conduct, using independent outside consultants, a comprehensive risk management study, including adequacy of reserves, and will implement those recommendations for the improvement of risk management which are found to be feasible and 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

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

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.



The Art of Creating Community

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City of Bloomington, Minnesota
ANNUAL BUDGET
 Fiscal Year 2014



The Art of Creating Community

GAUGING THE CITY

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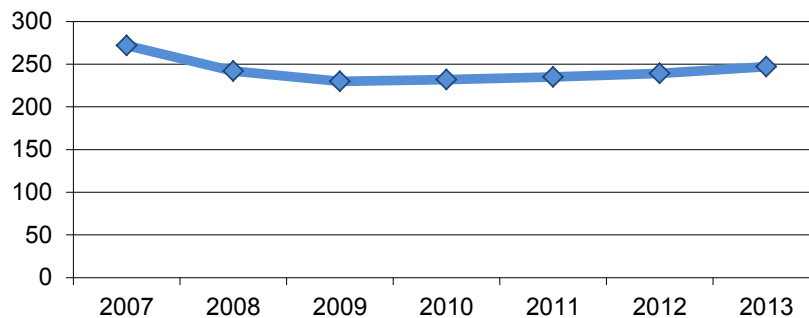
Gauging the City

Part I Crimes

	2011	2012	2013
Homicide	2	3	1
Rape	34	38	19
Robbery	56	49	54
Aggravated Assault	57	65	60
Burglary	256	283	197
Theft	2,814	2,876	3,059
Vehicle Theft	168	133	118
Arson	12	12	16

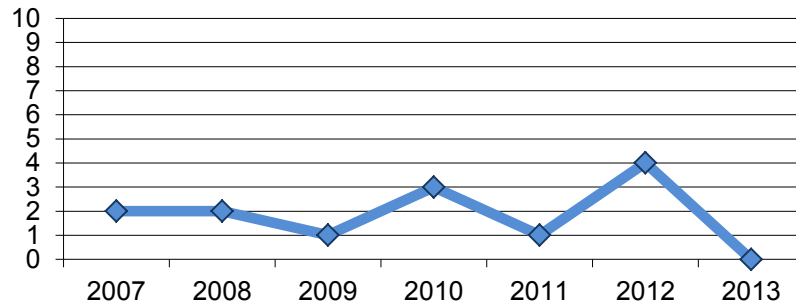
Part I Crimes include homicide, rape, robbery, aggravated assault, burglary, theft, vehicle theft and arson. The source for this data is the Bloomington Police Department record system.

Vehicle Traffic Personal Injury Accidents



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

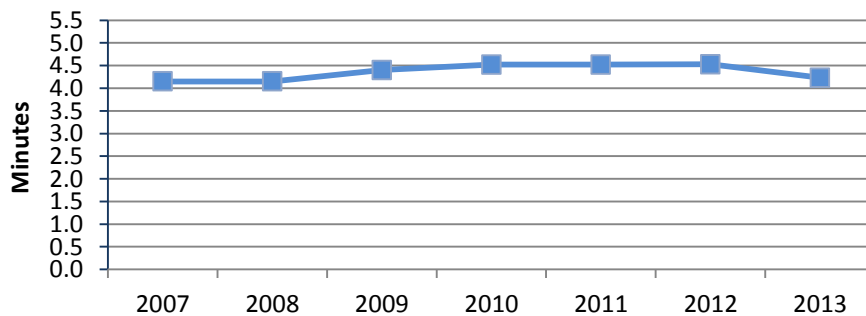
Motor Vehicle Traffic Number of Fatal Accidents



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

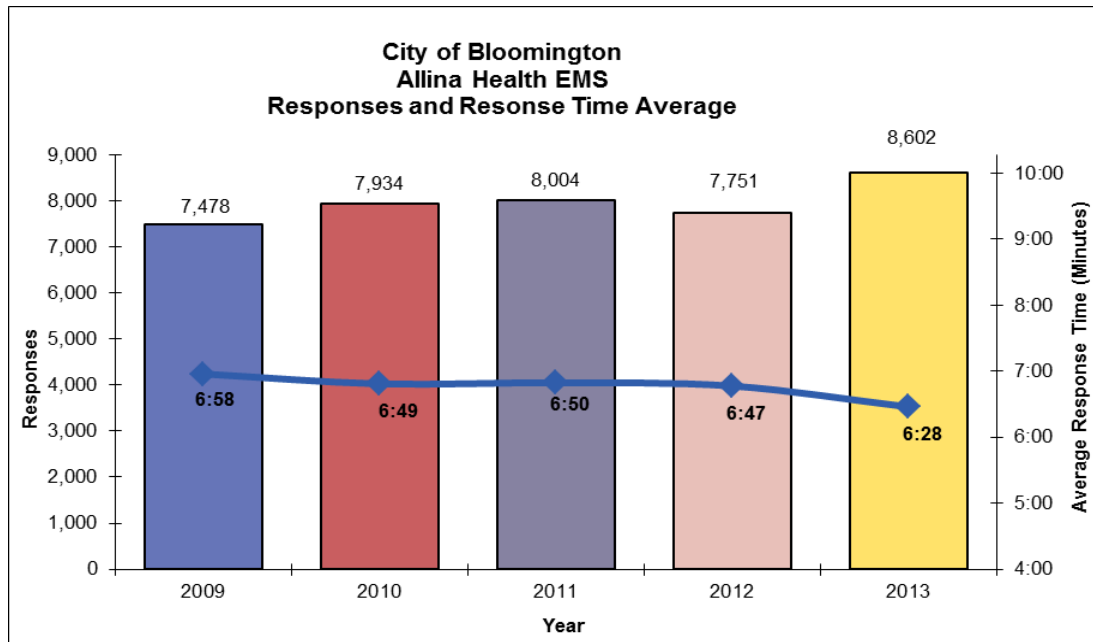
Fire Response Time Average Annual

Average Response Time to Fire Calls in Minutes



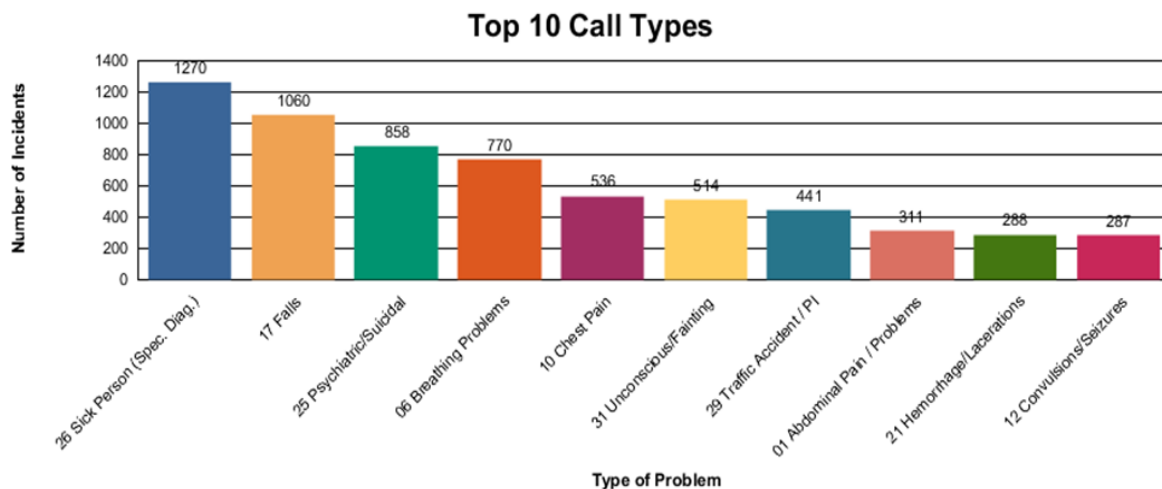
Response time is the time that elapses from the moment the dispatch alert tones are sounded until the first fire unit arrives at the scene. Bloomington has six fire stations throughout the City with approximately 120 volunteer firefighters. The Police/Fire 911 emergency system, 800 Mhz radio equipment, 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 6.28 Minutes



Allina Health EMS responded to 8,602 calls in 2013 within the City from January 1 – December 31. Allina Health EMS Responded within the Hennepin County Response time standard of 10 minutes and 59 seconds 93% of the time. Such results are equally distributed across Bloomington. The average response time for emergency medical service call's is 6:28.

Top Ten Call Types

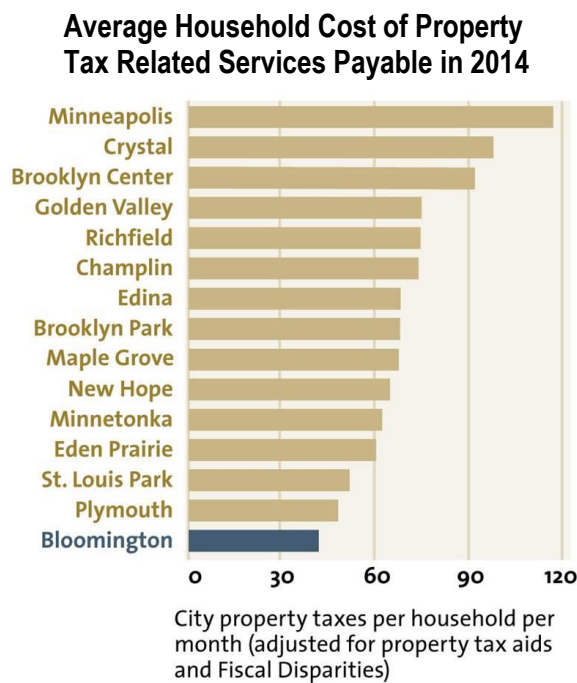


Tax Supported Services

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.

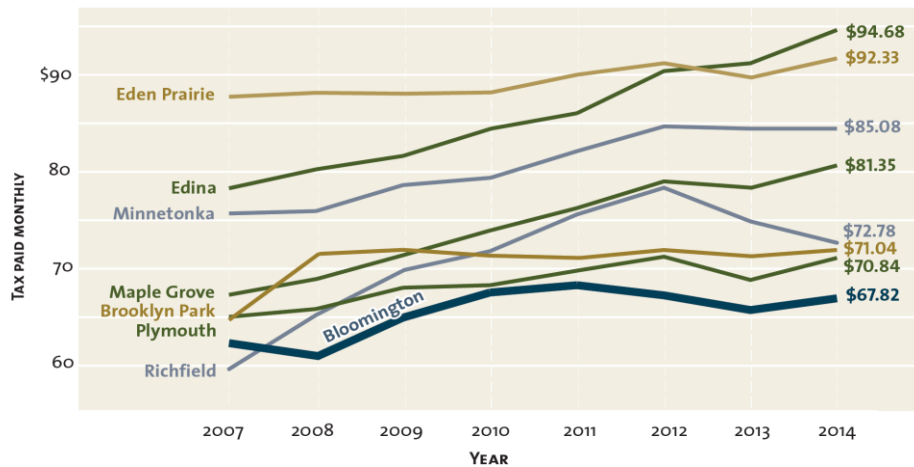


Some communities are fiscal disparities contributors and some are fiscal disparities receivers. This tax calculation reduces tax for those communities which contribute to the fiscal disparities pool and increases the tax for those who receive fiscal disparities in lieu of tax.

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

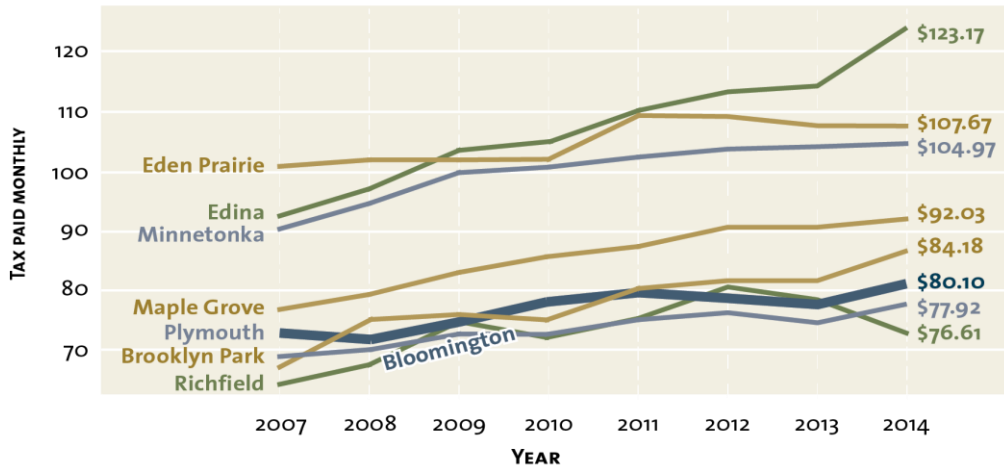
Not adjusted for property tax aids and Fiscal Disparities.



The following two graphs are based on a comparison of single-family lots, adjusted and unadjusted. Using single-family lots pulls the value of a home out of the equation. Certain services, such as snow plowing, cost the same regardless of the value of a home on the lot.

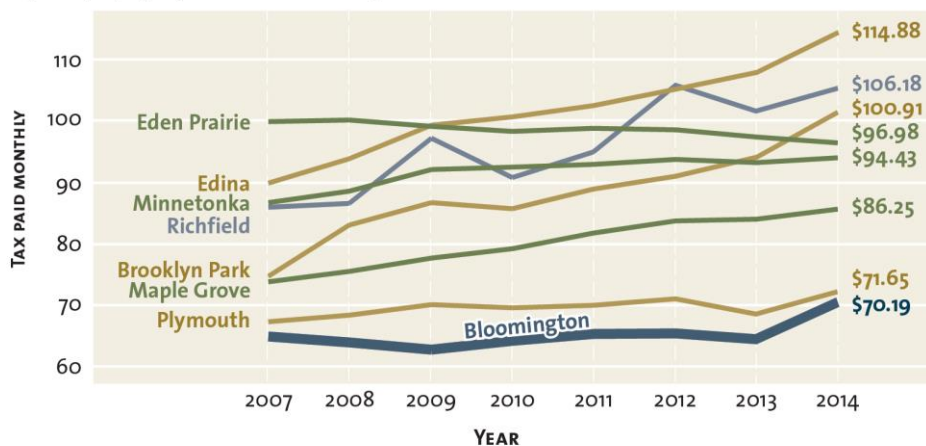
PROPERTY TAX AND AIDS COSTS PER AVERAGE SINGLE-FAMILY LOT

Not adjusted for property tax aids and Fiscal Disparities.

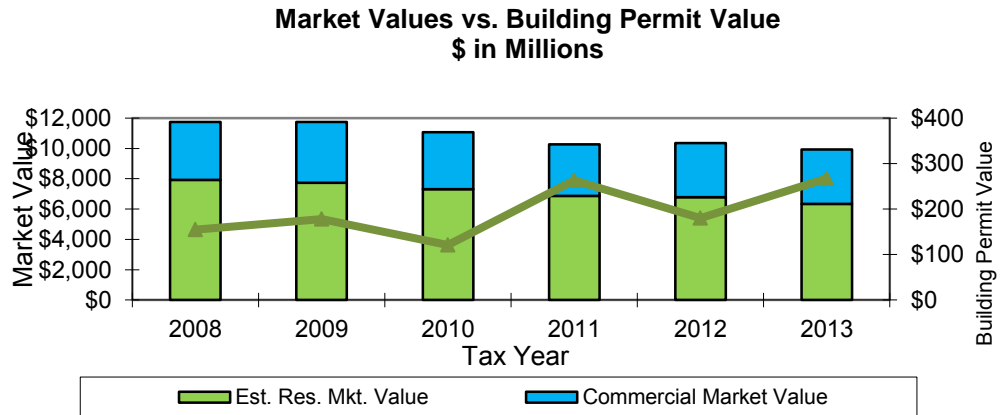


PROPERTY TAX AND AIDS COSTS PER AVERAGE SINGLE-FAMILY LOT

Adjusted for property tax aids and Fiscal Disparities.

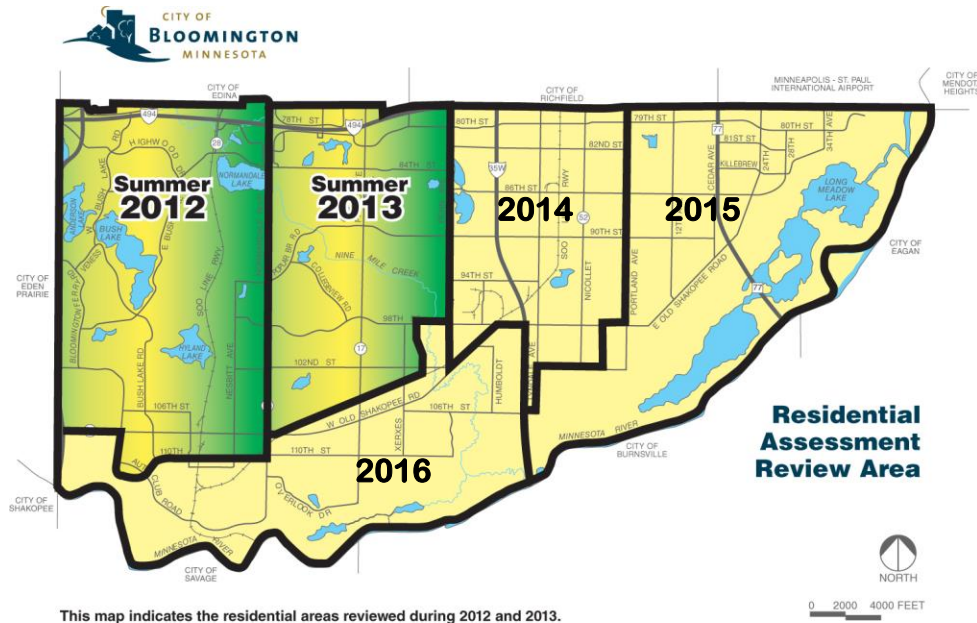


Property Market Value versus Building Permit Value



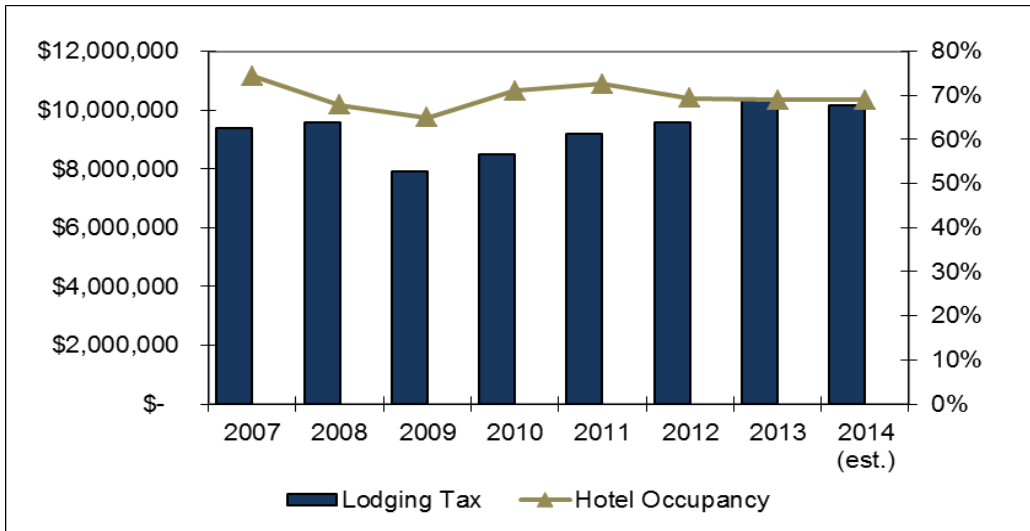
The annual residential real property market value contracted approximately 5% in 2013. All parcels used primarily for housing and related lands are included. The annual non-residential real property market value grew approximately 5% in 2013 after being flat in 2012 and down in 2001 and 2010. Parcels included in this group are all commercial, industrial, utility and related lands.

Residential Assessment Review Area



The residential assessment area review completed during the summer of 2013 is west of Penn Avenue and east of Normandale Boulevard and mostly north of West Old Shakopee Road. The area for review during the summer of 2014 is east of Penn Avenue and west of Portland Avenue, mostly north of Old Shakopee Road.

Lodging Tax and Hotel Occupancy Annual Average

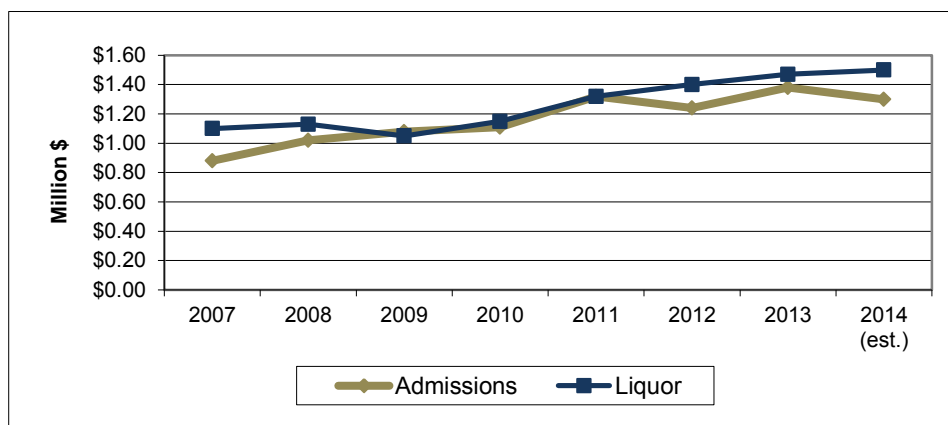


The City retains three-sevenths of lodging tax revenue collected for use in the General Fund and distributes two-sevenths to the South Loop Capital Improvement Fund. The remaining two-sevenths are remitted to the Bloomington Convention and Visitors Bureau. The graph shows the City's and South Loop Capital Improvement Fund's portion of the collections. Lodging sales tax revenue increased by 7.5 percent in 2013 compared to 2012.

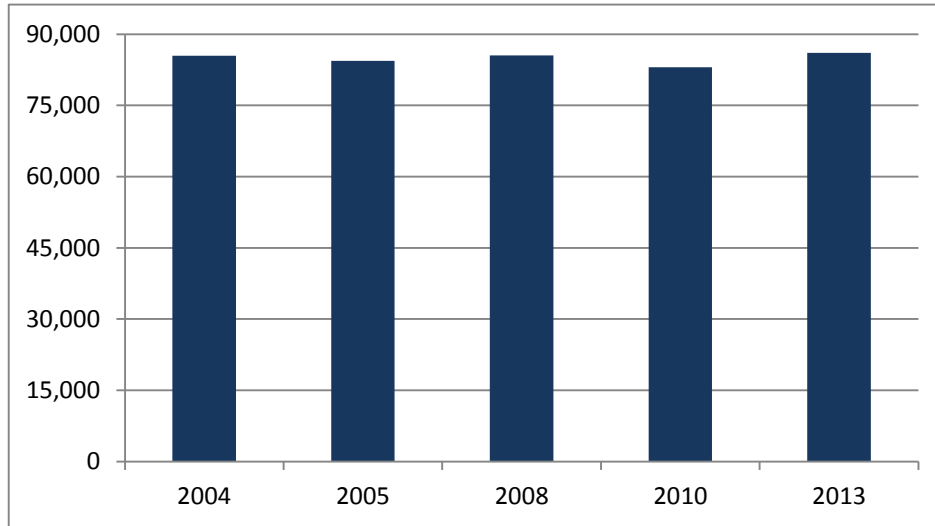
The hotel occupancy rate figures were compiled by the Bloomington Convention and Visitors Bureau and represent the occupancies as reported by an average number of Bloomington hotels each month.

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.

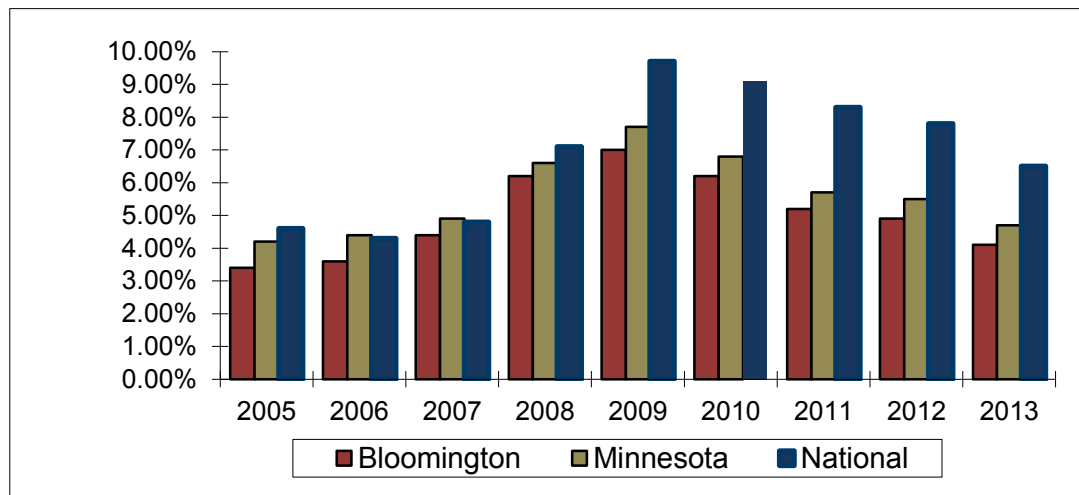


Bloomington Population



The 2013 population total was 86,033 people. The projected population for 2014 is stable.

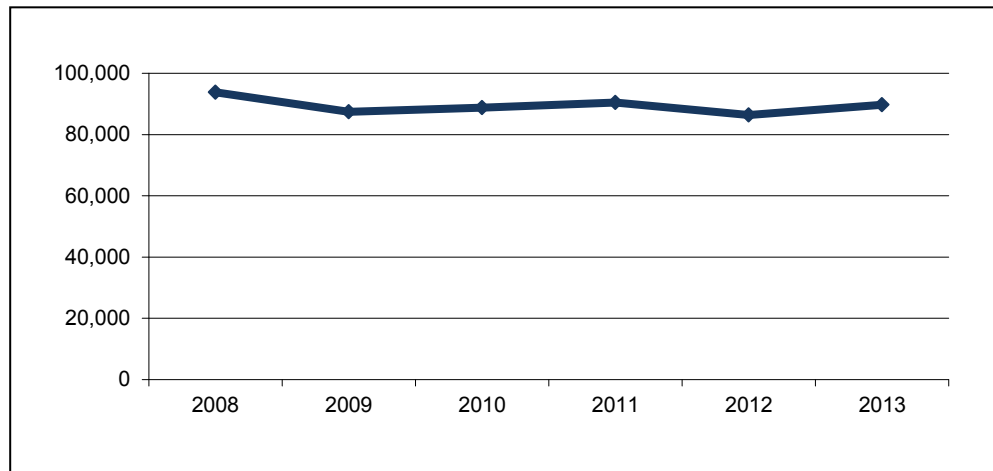
Unemployment Rates



Bloomington's unemployment rate is below the national average (5.83 percent) and slightly below the state average (4.8 percent).

Source: U.S. Bureau of Labor Statistics – December, 2013

Number of Jobs in Bloomington



Source: Minnesota Department of Employment and Economic Development – February, 2014.

Major Employers in the City

<u>Employer</u>	<u>Product Service</u>	<u>Approximate Number of Employees</u>
Health Partners	Health Insurance Provider	2,366 ⁽¹⁾
Bloomington Public School District	Public Education	1,865
Seagate Technology	Computers/Manufacturing	1,725
Wells Fargo Bank	Bank/Financial Institution	1,531
NCS Pearson	Education Technology	1,500
Donaldson Companies, Inc., Corporate Headquarters	Automotive Equipment	1,255
Express Scripts	Pharmacy Benefit Management	1,119
The Toro Company	Lawn equipment, snow blowers	942
Normandale Community College	Post-secondary education	675
General Dynamics	Communications/networking services	580

⁽¹⁾ Includes administration office and clinic employees

Source: Phone survey of individual employers, May, 2013.

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>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Water (basic)*	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
Water (per 1,000 gallons)	--	--	--	--
Tier 1	2.28	2.35	2.47	2.56
Tier 2 (>20,000 gallons)	3.20	3.52	3.70	3.91
Sewer (per 1,000 gallons after 2010)	2.75	2.88	3.08	3.30
Stormwater	5.01	5.26	5.47	5.72
Solid waste (recycling)	2.42	2.42	2.49	2.54

* 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>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
City property taxes on a median home	\$67.82	\$67.82	\$66.04	\$67.82
Water (basic)*	0.00	0.00	0.00	0.00
Water (per 1,000 gallons)	--	--	--	--
Tier 1	15.50**	15.98**	16.80**	17.41**
Tier 2 (>20,000 gallons)	3.20	3.52	3.70	3.91
Sewer (per 1,000 gallons after 2010)	13.04	13.65***	14.60***	15.64***
Stormwater	5.01	5.26	5.47	5.72
Solid waste (recycling)	<u>2.42</u>	<u>2.42</u>	<u>2.49</u>	<u>2.54</u>
Total Per Median Value Home	\$103.79	\$105.13	\$105.40	\$109.11

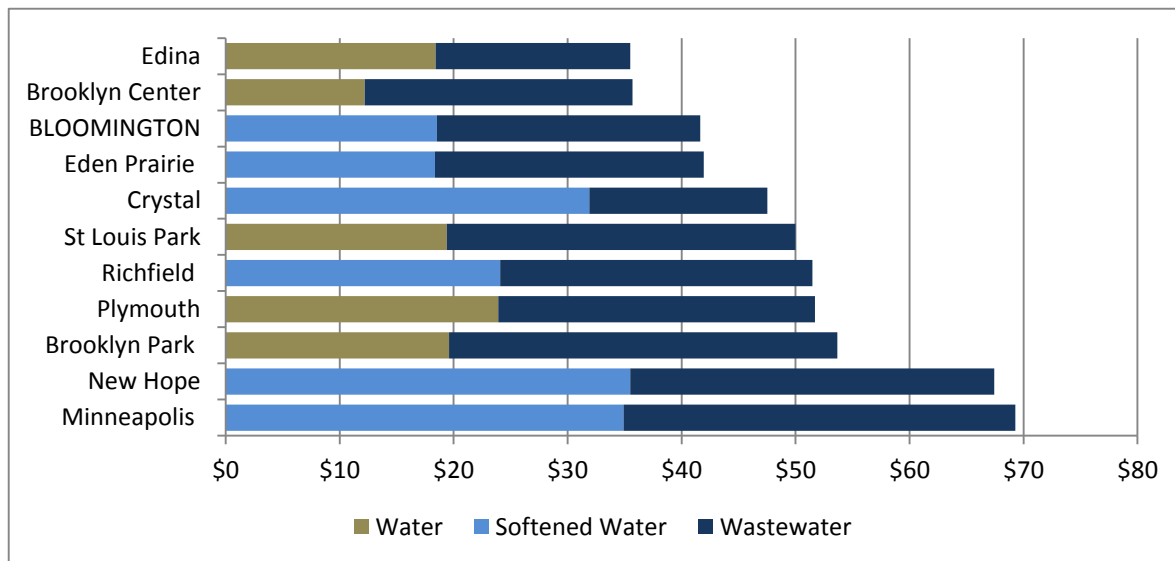
* Water charges converted to conservation rates for 2011. This is a two-tier system with a minimum of 2,000 gallons per month for residential property.

** 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 2013 rates for usage of 7,500 gallons of water and the same amount of wastewater.

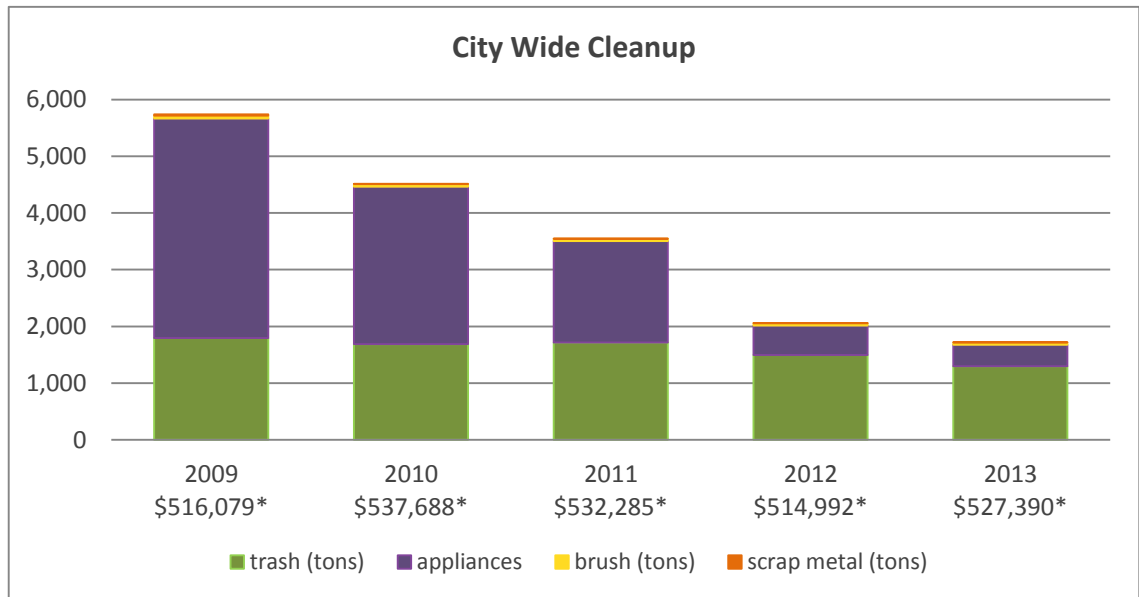


Total Cost Comparisons

LOCATION	2014 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 WATER SOFTENING	TOTAL MONTHLY COST OF PROPERTY TAXES + WATER, SEWER & SOFTENING
Edina	\$123.17	35.49	No	\$35.73	194.39
Eden Prairie	107.67	41.95	Yes	--	149.62
Minnetonka	104.97	39.36	No	35.73	180.06
Maple Grove	92.03	32.06	No	35.73	159.82
Brooklyn Park	84.18	52.67	No	35.73	172.58
Plymouth	77.92	51.70	No	35.73	165.35
Richfield	76.61	51.47	Yes	--	128.08
Bloomington	80.10	41.63	Yes	--	\$121.73

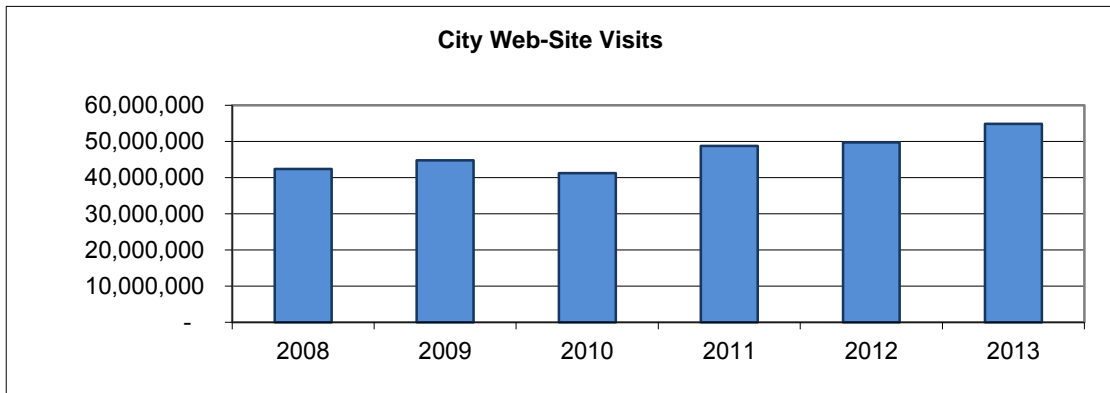
City-Wide Cleanup

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 \$2.42 per month per household.



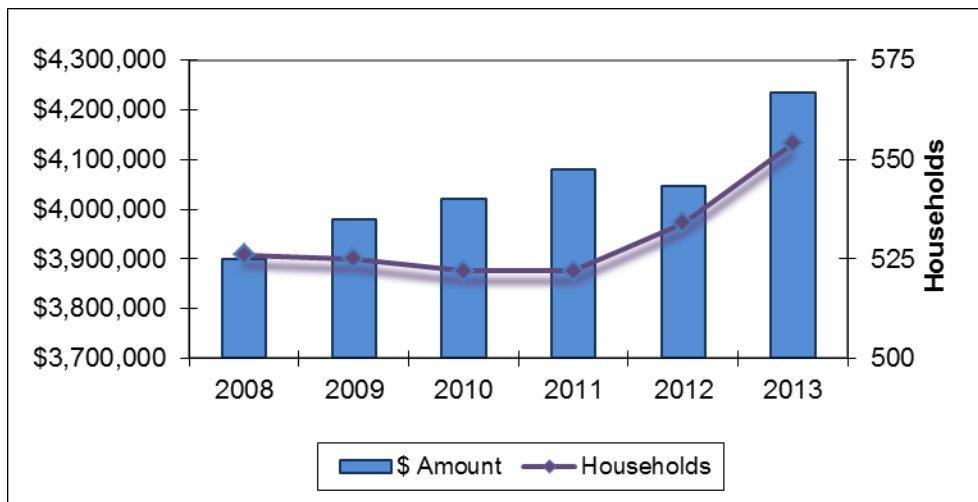
*Cost of collection for each consecutive year.

Annual City Web-Site Visits



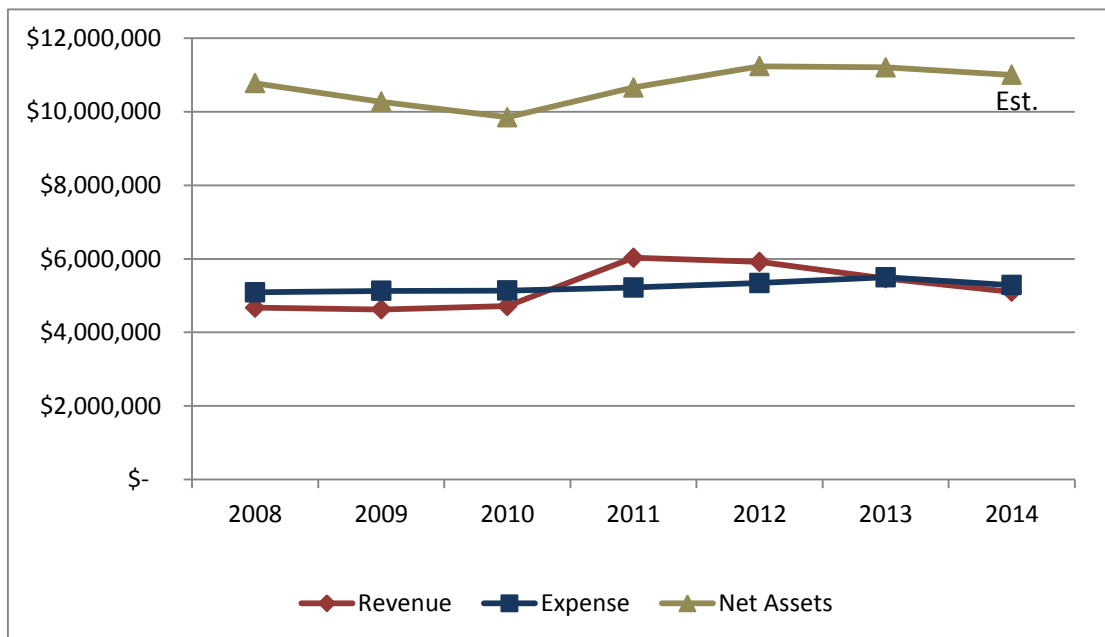
In 2013, the City's external website welcomed 634,528 visitors, a 28% increase over the previous year.

Section 8 Housing Vouchers



Section 8 vouchers are housing subsidies for low income residents. In 2013, 26 Section 8 units were added.

Recreational Facilities Net Assets





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GLOSSARY

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Glossary

Accrual Basis – The basis of accounting under which revenues are recorded when earned and expenditures are recorded as soon as they result in liabilities for benefits received, regardless that the receipt of cash or the payment of cash may take place in another accounting period.

Adopted Budget – The financial plan of revenues and expenditures for a fiscal year as adopted by the City Council.

Appropriation – A specific amount of money authorized by the City Council, generally during adoption of the annual budget, used to make expenditures for specific purposes.

AR&LE – (Adaptive Recreation and Learning Exchange) A Parks and Recreation program that offers recreation, leisure and community education designed to meet the needs of people with disabilities.

Assessed Valuation – A value established by the City Property Appraiser for all real or personal property for use as a basis for levying property taxes.

Balanced Budget – In the General Fund, 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.

Truth-In-Taxation Public Hearing – Statutory requirement for most local governments to hold public hearings on their proposed budgets and property tax levies.

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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