Fiscal Committee Meeting Agenda

City of Bloomington Common Council
Friday, October 30, 2026 at 8:30 a.m.
Allison Conference Room, Room 225, City Hall
401 N. Morton Street, Bloomington, IN 47404

The meeting may also be accessed remotely[1].

Chair: Hopi Stosberg

Topics to be Discussed:

1. Agenda Review and Approval
2. Updates from Controller
    A. Third Quarter Financial Report
    B. City Bonds and Debt Overview
    C. ACFR/Audit
    D. Public Comment
3. Scheduling
4. Adjournment

Pursuant to applicable law and policy, the following details are provided regarding the officers serving on this committee. Committee Members:

- Hopi Stosberg (Chair), Appointed by Council President, Term: 01/07/2026-01/06/2027
- Matt Flaherty, Appointed by Council President, Term: 01/07/2026-01/06/2027
- Isabel Piedmont-Smith, Appointed by Council President, Term: 01/07/2026-01/06/2027
- Dave Rollo, Appointed by Council President, Term: 01/07/2026-01/06/2027

Fiscal Committee meetings can be watched on the following websites:

- Community Action Television Services[2] (CATS)
- City's YouTube Channel[3]

Materials for meetings[4] are available on the committee website.

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[1] https://bloomington.zoom.us/j/82252165279?pwd=a3c4cT4fwpFVFRMsmrwU4FtkRFdKTu.1
Meeting ID: 822 5216 5279 Passcode: 586390
[2] https://catstv.net/
[3] https://youtube.com/@citybloomington
[4] https://bloomington.in.gov/council/fiscal-committee

Controller Notes for Fiscal Committee Meeting 2026-10-30

Budget Follow-Up

- Council has adopted the 2027 budget, and the adopted figures have been entered into Gateway. The budget is being reviewed by the Department of Local Government Finance (DLGF); however, we will not receive budget approval until after the disposition of the 2026 GO bonds
- All councilmembers, as well as the Controller, Clerk, and Mayor will receive 1782 statements that summarize the budgets and tax rates for DLGF-controlled funds. The City will have 10 days to review for errors
- The annual year-end additional appropriation and transfer ordinance (App Ord 2026-05) is scheduled to be heard on 2026-12-02. This ordinance will include any additional appropriation requests and intercategory (i.e., among expense categories 1,2,3, and 4) transfer requests.
- At the Council's last meeting of the year (2026-12-16), OOTC will provide a brief report to enter into the record the appropriations that will be encumbered from 2026 to 2027. A specific contract or a purchase order is required to encumber funds – salaries cannot be encumbered. Entering these encumbrances into the record at the last City Council meeting is a new process for the City, but is recommended by the State Board of Accounts.

Frequently Requested Fund Balances - 3rd Quarter

Chart shows the start of the year fund balances for the funds that are of most interest typically. Just a couple of notes:

- Several funds that receive property taxes, including General, Motor Vehicle Highway (MVH), and Parks & Rec General, are at a relative low point, because property taxes are only received in June and December
- The PSAP balance transfer from PS-LIT authorized by App Ord 2025-03 has been completed, and is accounted for in the 9/30/2026 balance
- $5.1M in the Housing Development Fund

3rd Quarter Appropriation and Revenue Balances

- 3rd Quarter appropriation balances for expenses and revenues are provided in the packet, and as usual, I provide summarized versions and detailed versions. All of this data is available through on the City's transparency portal
- I also included an extra sheet that just filtered on personnel. In general, you can see that the General Fund remaining personnel appropriation is 26.53%, indicating that while there will be some reversions in unspent personnel through vacancies, most will be spent. In addition, there will be at least one end-of-year transfer request, from the City Council budget, to transfer from personnel to services because of the contractual nature of your acting attorney. Parks and Recreation Operating is 28.53%, and Economic Development LIT is 31.02%, indicating that there will be a little bit more in reversions. With PSAP-LIT, you can see that there is 37.6% left after 9 months, which confirms what we already know about staffing levels in the Dispatch Center
- When you see that the actual amount spent is greater than the approved amount, this means either that there has been a transfer or that funds encumbered from a previous year have been spent. See capital outlays for the Common Council's sidewalk budget in the Alternative Transportation fund, for example.
- Looking at the spent vs. unspent appropriations for the major operating funds:

Fund name	2026 Budgeted Surplus/Deficit	2026 Annualized Revenue	2026 Annualized Expenditures	Oct Projection of Surplus/Deficit	Projected End of 2026 Reserves	Rainy Day	Total Projected 2026 Reserves
General	-$9,480,553	$60,228,608	$65,654,016	-$5,425,408	$39,439,381	$3,500,000	$42,939,381
Parks & Rec General	-$1,835,614	$13,789,918	$12,259,533	$1,530,385	$5,998,447		$5,998,447
LIT - ED	-$408,371	$20,040,511	$15,510,555	$4,529,956	$15,910,052		$15,910,052

PS-LIT Fund

January 1, 2026 Fund Balance	$8,758,026	
October 19, 2026 Fund Balance	$5,167,942	
Remaining Revenue (Oct-Dec LIT Distributions)	$1,218,892	
Remaining Fire Expenditures	$750,000	$1,648,858.04 as of 10/19. Per Fire, multiple major expenditures, including turnout gear, in process.
Remaining Police Expenditures	$675,188	Estimates from Police through EOY
Estimated Dec 31, 2026 Fund Balance	$4,961,646	
2027 LIT Revenue	$4,895,117	
2027 Fire Budget	$3,476,060	
2027 Police Budget	$4,470,569	
Estimated Dec 31, 2027 Fund Balance	$1,910,134	
Operating Balance as % of Budget	24.04%	

Gas Tax

January–September 2025 vs. 2026

Fund	Month	2025 Ordinary Distributions	2026 Ordinary MVH/LRS Distributions	2026 Gas Tax Holiday Reimbursements	2026 Total	2026 vs. 2025 Change
2201 MVH	January	134,128	139,409	–	139,409	5,281
2201 MVH	February	140,022	143,035	–	143,035	3,012
2201 MVH	March	155,656	150,170	–	150,170	(5,486)
2201 MVH	April	142,334	147,862	35,250	183,112	40,778
2201 MVH	May	156,139	162,239	47,511	209,750	53,612
2201 MVH	June	144,248	142,021	94,124	236,146	91,898
2201 MVH	July	151,693	83,092	99,486	182,578	30,885
2201 MVH	August	86,131	50,129	–	50,129	(36,001)
2201 MVH	September	145,989	64,334	–	64,334	(81,655)
2201 MVH TOTAL	**Jan–Sep**	**1,256,339**	**1,082,292**	**276,371**	**1,358,663**	**102,324**
2202 LRS	January	96,219	96,069	–	96,069	(150)
2202 LRS	February	97,440	100,714	–	100,714	3,274
2202 LRS	March	98,606	96,577	–	96,577	(2,029)
2202 LRS	April	91,965	96,049	24,018	120,067	28,101
2202 LRS	May	100,951	104,401	32,372	136,773	35,822
2202 LRS	June	103,051	106,031	69,629	175,660	72,609
2202 LRS	July	105,730	53,692	72,830	126,522	20,792
2202 LRS	August	56,586	44,512	–	44,512	(12,074)
2202 LRS	September	108,772	45,590	–	45,590	(63,182)
2202 LRS TOTAL	**Jan–Sep**	**859,319**	**743,635**	**198,849**	**942,484**	**83,165**

2203 MVH Restricted	January	134,128	139,409	–	139,409	5,281
2203 MVH Restricted	February	140,022	143,035	–	143,035	3,012
2203 MVH Restricted	March	155,656	150,170	–	150,170	(5,486)
2203 MVH Restricted	April	142,334	147,862	35,250	183,112	40,778
2203 MVH Restricted	May	156,139	162,239	47,511	209,750	53,612
2203 MVH Restricted	June	144,248	142,021	94,124	236,146	91,898
2203 MVH Restricted	July	151,693	83,092	99,486	182,578	30,885
2203 MVH Restricted	August	86,131	50,129	–	50,129	(36,001)
2203 MVH Restricted	September	145,989	64,334	–	64,334	(81,655)
2203 MVH Restricted TOTAL	**Jan–Sep**	**1,256,340**	**1,082,292**	**276,371**	**1,358,663**	**102,324**
ALL FUNDS TOTAL	Jan–Sep	3,371,998	2,908,218	751,592	3,659,810	287,812

Notes:

- - The tax suspensions began on different dates. The gasoline use tax (7% “sales tax”) suspension began April 8, 2026, while the gasoline excise tax (36-37 cents per gallon) suspension began May 6, 2026. This distinction matters when interpreting the state's reimbursement calculations.
- - April–May reimbursements were prorated for this analysis. The first reimbursement covered April and May combined. For the spreadsheet, it was allocated based on 23 days in April (April 8–30) and 31 days in May, or 42.59% and 57.41%, respectively. This is an analytical estimate, not an allocation provided by the state.
- - Reimbursements are assigned to the periods they cover, not the months received. For example, the reimbursement received in September relates to July. This provides a more meaningful comparison of the revenue attributable to each month.
- - Reimbursements lag the underlying revenue periods. As of the October 12 report, the City had received reimbursements covering April through July, but not August or September. Consequently, the August and September 2026 totals are incomplete for year-over-year comparison.

Audit/ACFR Update

- The audited Annual Comprehensive Financial Report (ACFR) was approved on September 30th, and was posted to the City Web site. It is also available now on the State Board of Accounts audit portal
- The City Council is one of the key audiences for this report, and so you are encouraged to download and read the report
- The purpose of this update is just to let you know that it is there, but if you would like to have it be a topic for a more detailed discussion at a future meeting, I'm happy to prepare a more detailed briefing
- We had the audit exit conference on September 22, and Councilmember Stosberg participated as well.
- The upshot is that we received an *unmodified* opinion, which is what you want, and we managed to get the ACFR and audit completed on time, for the first time since the City was required to report on GAAP.
- You've probably heard Mr. Keough calling for us to get the next ACFR in by June 30th, which is a best practice, and that is exactly what we intend to do for the 2026 audit.
- Just a couple of highlights:
    - The audit continues to include Bloomington Transit as a Discretely Presented Component Unit, because the auditors have determined that BT is fiscally dependent on the City. We are still a little confused about that determination, as we do not have visibility into their financial activities
    - Similarly, for the first time this year the Capital Improvement Board was included as a discretely present component unit, because of their financial dependency on the city
    - The Public Building Corporation, which issued the Lease Rental Revenue Bonds of 2025 to finance the convention center expansion was also included as what is known as a blended component unit, so it does not receive a separate audit
    - The City's total net position increased by $55.9 million (10.1%) to $610.9 million in 2025, reflecting strong revenues and capital contributions, including Convention Center assets. However, much of this increase represents capital assets and restricted resources rather than funds available for operations. At the same time, the General Fund balance decreased by $9.5 million to $46.1 million, highlighting continued pressure on the City's operating finances.
- The auditors did have a couple of findings and GAAP adjustments – none affected cash balances. The GAAP adjustments involved a couple of special cases with pretty intricate situations.
    - **CIB adjustment — $4.14 million.** One was related to the auditors including the Capital Improvements Board as what's called a *discretely presented component unit* of the City for purposes of the GAAP financial statement. This was the first

year doing so. The City had recorded a December $4,141,747 Convention Center construction invoice as construction in progress and a payable to the CIB, but the corresponding transaction had not been recorded on the CIB's books. Because the CIB was contractually obligated to the contractor, the audit adjustment added **$4,141,747 of CIB accounts receivable and revenue from the City, along with an equal amount of accounts payable and expense**. The adjustment therefore increased the CIB's gross assets, liabilities, revenues, and expenses but had **no net effect on its net position** because they net out. This was actually the subject of pretty vigorous debate between our GAAP accountants and the auditors, but ultimately we made the auditor's adjustment and will make sure we treat late in the year invoices similarly this year.

    - The second was related to a complex MPO project. The City had recorded the **full amounts of several INDOT-administered projects as capital contributions at the beginning of the projects**, even though those projects were still underway and INDOT had not yet incurred that amount of eligible project costs on the City's behalf. After pretty extensive discussion among us, the auditors, SBOA, and INDOT, the auditors determined that only the eligible costs actually incurred by INDOT through year-end should have been recognized. The adjustment therefore **reduced capital-contribution revenue by approximately $4.9 million**, correcting the premature recognition of future INDOT project costs.

- There were also a couple of errors in reimbursement requests at the department level for a federal grant. We are still working on an appropriate corrective action which would allow for Controller review for departments that don't normally work with a lot of federal grants that doesn't burden the departments that regularly process large and complex federal grants like HAND and Engineering.