



City of Bloomington Common Council

Informational Packet

Containing materials related to:

Wednesday, 10 December 2025

Deliberation Session at 6:30pm



CITY OF BLOOMINGTON COMMON COUNCIL

AGENDA AND NOTICE: DELIBERATION SESSION Wednesday | 6:30 PM 10 December, 2025

Council Chambers (#115), Showers Building, 401 N. Morton Street

The meeting may also be accessed at the following link:

<https://bloomington.zoom.us/j/81707683892?pwd=t4gOzPmqoJugHWjres4PWgVXafyol8.1>

1. ROLL CALL

2. AGENDA SUMMATION

3. DISCUSSION OF OUTCOME-BASED BUDGETING AND PRIORITIES FOR 2027

- A. Context: outcome-based budgeting and progress so far
- B. Outcomes in the city plans
- C. Prioritizing outcomes
- D. Public comment
- E. Next steps in the budget process for 2027

4. ADJOURNMENT

Bloomington City Council meetings can be watched on the following websites:

- Community Action Television Services (CATS) website: <https://catvstv.net>
- City's YouTube channel: <https://youtube.com/@citybloomington>

Background materials and packets are available at City Council's website:

<https://bloomington.in.gov/council/meetings?year=2025>

Auxiliary aids are available upon request with adequate notice. To request an accommodation or for inquiries about accessibility, please call (812) 349-3409 or e-mail council@bloomington.in.gov.

Posted: December 5, 2025

MEMORANDUM

To: Councilmembers

From: CM Piedmont-Smith, Chair, Special Fiscal Committee

Date: Dec. 4, 2025

Subj: Deliberation session on budget priorities set for Dec. 10, 2025

The purpose of our deliberation session next week is to look at the outcomes/goals in our long-term city plans and start to prioritize these outcomes so that we can eventually prioritize city spending to attain mutually agreed upon goals. This is part of the Outcome Based Budgeting approach we agreed to in 2024. The following pages provide context and a list of outcomes as a basis for discussion. The “game plan” for December 10 is below.

Game Plan – approx. 2 hours

Roll call and agenda summation (3 minutes)

- a. Context: The City’s move toward outcome-based budgeting (3 minutes)
Review of OBB and what the administration has done so far, and clarifying difference between outcomes and things to fund in order to achieve outcomes.
- b. Outcomes in city plans (20 minutes)
 - Refer to lists in the packet
 - Discussion: Do you agree to add an “environment” category or bucket?
 - Discussion: Should we be open to adding to the outcomes listed in these three city plans? On what basis should things be added?
- c. How do we prioritize the outcomes based on limited fiscal resources? (80 minutes)
 - Council members write their top three outcomes in each category on post-it notes and stick them on the labeled white boards. There will be one board per category (including Environment). Each post-it note should have the CM’s initials and either 1, 2, or 3 on it. (20 minutes)
 - Summary of top priorities in each category (10 minutes)
 - **Public Comment** (20 minutes)
 - Discussion (30 minutes)
- d. Next steps (14 minutes)
 - Engagement with the Mayor’s administration
 - Engagement with the public

CONTEXT: Outcome-Based Budgeting

Outcome-Based Budgeting (OBB) is a budgeting approach that focuses on the results and impacts of spending, rather than just the inputs and outputs. It links funding to specific goals and expected outcomes and uses this information to make more strategic funding decisions. This method requires tracking performance and prioritizing activities that achieve outcomes. It's an approach that both the City Council and Mayor Thomson have endorsed, although the mayor has used the term Priorities-Based Budgeting (PBB) in 2025, as an interim step toward OBB.¹

While traditionally Councilmembers have indicated their budget priorities by actions they want to see funded (e.g. hire more police officers), OBB requires that we rethink our requests and focus on outcomes we want to attain (e.g. decrease in crime). Our guiding documents, foremost the Comprehensive Plan, include many outcomes that have been thoroughly vetted and discussed by the community and voted on by the Council. These guiding documents are thus a good way to take a step back and prioritize outcomes.

To get a sense of how the mayor's administration is approaching OBB (or PBB), we can revisit this excerpt from the mayor's cover memo to the 2026 budget proposal:

Priorities-Based Budgeting

The Administration and Council have agreed to shift to a model of budgeting known as Priorities-Based Budgeting (PBB). In traditional budgeting, our expenses are sorted first by unit (i.e., Parks & Recreation, Human Resources, Office of the Mayor), then by Categories (Personnel, Supplies, Other Services, and Capital Outlays), and finally into account lines (i.e., Office Supplies, Dues & Subscriptions, Advertising, Travel, and so on). This practice will continue, as it's the foundation of our accounting as well as required reporting to the State Board of Accounts.

In PBB, however, these expenses are re-sorted in new, additional ways that shed light on the kinds of programs the City administers, what purpose they serve, and how much they cost. The Controller has purchased special software to capture this data and contracted for consulting services to guide the City in implementation. In 2025, we began the implementation process, which involves:

1. Identifying priorities to indicate agreed-upon, major areas of focus
2. Creating program inventories (names and descriptions) that capture all City activities
3. Clustering those programs into subgroups by type of activity or outcome (i.e., "Asset Maintenance & Management" or "Community Outreach, Engagement, & Education")

¹ Outcome-based and priority-based budgeting both focus on results and community needs, but they differ in their primary approach: priority-based budgeting directly aligns spending with a community's priorities, while outcome-based budgeting (also called performance-based budgeting) links funding to the achievement of specific, measurable outcomes. Priority-based budgeting determines which programs are most important to fund based on community needs, while outcome-based budgeting measures the performance and results of programs after funding is allocated. -- Google

and assigning each to a priority area (e.g., Public Safety, Economic Development, Transportation, etc.).

4. Assigning costs, including fractional personnel costs, across all programs

We completed Step 1 earlier this year. The priorities that the Administration and Council agreed upon are:

- High-Performing Government
- Affordable Housing & Homelessness
- Economic Development
- Public Safety
- Community Health & Vitality
- Transportation

We have started implementation of Step 2. The software automatically generated some suggested clusters and programs based on our budget numbers and conventions of PBB in government accounting. All units were also asked to edit those auto-generated programs and enter any other programs into the software. Our consultants began advising on general structures and approaches for sorting. This step, and step 3, are the most time-consuming and iterative steps, and they are nowhere near complete. Decisions have yet to be made about how granular the program list should be and how best to sort programs. These decisions are best made with visibility on programs and possible sorting methodologies across the City. This year's budget book provides that visibility.

We anticipate that we will have full implementation of all four steps by next year's budget season. That will provide some new, very meaningful information on how the City allocates resources to our community's priorities, which will be incredibly valuable as our resources decline as a result of SEA1. This process can inform the choices we'll have to make about what to keep, what to expand, and what to cut.

At the Nov. 19 Special Fiscal Committee meeting, Controller McClellan confirmed that she and Deputy Mayor Knapp are working on matching current funding to programs, and matching programs to outcome categories, work that should be completed by the end of March, 2026.

Once we have prioritized outcomes, we can evaluate programs and services funded by the budget that work toward those outcomes.

Discussion of City Goals/Outcomes

Councilmember discussions in Spring 2025 focused on what we wanted to see in the budget proposal for 2026. We did not make a comprehensive list of outcomes we want the City to achieve, and we did not prioritize outcomes in light of budgetary limitations.

For guidance, we should look at the following city plans that have been thoroughly vetted by the public and developed with the help of expert professionals:

- A. [2018 Comprehensive Plan](#) – first items in each category below, with Chapter indicated
Note that the Comp Plan includes the Transportation Plan, adopted in 2019. The Transportation Plan does not have separate outcome goals.
- B. [2021 Climate Action Plan](#) – items indicated with “CAP Goal”
Note that for CAP goals, the wording has been changed to focus on the outcome rather than an action to get to the outcome. For example, “Develop new mechanisms for financing City climate action plan implementation” becomes “New financing mechanisms are achieved to fund City climate action plan implementation.”
- C. [2024 Safe Streets for All Action Plan](#)

Below are the 6 “buckets” of outcomes we agreed on with the mayor’s administration last spring, **plus one additional proposed bucket for Environment**. I’ve sorted the outcomes/goals in the above guiding documents into these buckets. For each bucket, I’ve added one example of ideas that Councilmembers had during the 2026 budget process and how it would fit in with the stated outcomes.

- 1. Housing and homelessness
 - a. Increase the range of affordable housing options that are universally designed and environmentally sustainable. (Chapter 5: Housing & Neighborhoods)
Example: Limit short-term rentals as much as state law will allow, since these units remove a housing option for full-time residents.
 - b. Improved access of neighborhood housing to community amenities, employment, and essential services. (Chapter 5)
 - c. Increased diversity within neighborhoods. (Chapter 5)
- 2. High-performing government
 - a. Engagement processes are inclusive and representative. (Chapter 1: Community Services & Economics)
 - b. Community engagement is strong. (Chapter 1)
Example: Improve communication with residents.
 - c. Respond to the results from the Community Survey (Chapter 1)
 - d. CAP Goal CE 3: New financing mechanisms are achieved to fund City climate action plan implementation.

3. Economic development
 - a. Quality wired and wireless connectivity is available throughout the City (Chapter 1: Community Services & Economics)
 - b. Income inequality is reduced across and between all ages, races, and genders. (Chapter 1)
 - c. Career pathways and training are engaging residents and businesses. (Chapter 1)
 - d. Entrepreneurial activity has increased and a culture of entrepreneurialism is being sustained. (Chapter 1)
Example: Support local business through investment in small business resource center
 - e. Wages, jobs, and GDP are outpacing population growth. (Chapter 1)
 - f. Enhance the arts and culture industry in Bloomington. (Chapter 2: Culture & Identity)
 - g. Downtown events are frequent and well attended. (Chapter 4: Downtown)
 - h. The Downtown business environment is vibrant and sustainable. (Chapter 4)
 - i. Downtown buildings and sites with blight or disrepair have been identified and remedied. (Chapter 4)
 - j. CAP Goal CE 1: The local marketplace is resilient to climate change.
 - k. CAP Goal CE 2: Increased number of businesses that are committed to sustainability and climate goals.
4. Public safety
 - a. Public safety is enhanced. (Chapter 1: Community Services & Economics)
Example: Increase support for non-police community emergency response
 - CAP Goal HS 2: Bloomington residents are prepared for climate risks and impacts.
 - CAP Goal HS 3: The City responds to climate risks and impacts.
5. Transportation and mobility
 - a. The transportation network supports all travel modes for people of all ages and abilities. (Chapter 6: Transportation)
Example: Increase funds for repaving and repair of roads
 - b. Public streets and rights of way have positive public health impacts. (Chapter 6)
 - c. Public parking demands are managed efficiently and effectively, to an optimum level of 85% of supply. (Chapter 6)
 - d. CAP Goal TL 1: Vehicle miles traveled (VMT) are reduced by 8% of 2018 values.
 - e. CAP Goal TL 2: Increased electric vehicle adoption, achieving 30% of vehicles sold and 15% of VMT communitywide by 2030.
 - f. SSFA Action Plan: Zero traffic deaths or serious injuries by 2039
6. Community health and vitality
 - a. Public health is enhanced. (Chapter 1: Community Services & Economics)
Example: Support co-location of mental health providers in existing social service agencies

- CAP Goal HS 1: Residents are educated, engaged, and empowered for climate health and safety.
 - b. Historically and culturally significant places are preserved and celebrated (Chapter 2: Culture & Identity)
 - c. Attendance at cultural events is high. (Chapter 2)
 - d. Public spaces are high quality, engaging, and active. (Chapter 2)
 - e. Celebrate all forms of difference in Bloomington. (Chapter 2)
 - f. Downtown facilities provide services and year-round community programming that is age- and ability- friendly. (Chapter 4: Downtown)
 - g. Residential growth downtown is inclusive of all ages and abilities. (Chapter 4)
7. Environment (PROPOSED NEW CATEGORY)
- a. Detrimental environmental impacts from the built environment are reduced. (Chapter 3: Environment)
 - CAP Goal W 4: Flood hazards and impacts are mitigated.
 - b. Fossil fuel consumption is reduced community wide. (Chapter 3)
 - CAP Goal EB 1: Distributed renewable energy is increased to 250,000 MWH of total generation annually by 2030.
 - CAP Goal EB 2: Energy efficiency citywide is increased 16% for electricity and 12% for natural gas of 2018 values.
 - CAP Goal EB 3: Decarbonization of the local electricity grid has advanced.
 - CAP Goal EB 4: "Fuel switching" is promoted to reduce on-site fossil fuel use in the building sector by 3% of 2018.
 - CAP Goal EB 5: The City facilitates increased financing options for energy efficiency and renewable energy projects.
 - CAP Goal W 3: The energy use associated with treating and transporting water and wastewater is decreased by 10% of 2018 values.
 - c. Green space has increased. (Chapter 3)
 - CAP Goal G 1: The quantity and quality of greenspace within the community has increased.
 - CAP Goal G 2: The quantity and quality of climate adaptive native habitats has increased.
 - CAP Goal G 3: Citywide tree canopy coverage has increased by 3% of 2018 values.
 - CAP Goal G 4: Stormwater and micro heat island impacts have been reduced.
 - d. Waste reduction
 - Example: Fund a community composting program*
 - Recycling practices have increased city wide. (Chapter 3)
 - CAP Goal WM 1: The diversion of landfill solid waste has increased by 30% of 2018 values (26,500 tons of waste reduction).
 - CAP Goal WM 2: Residents are educated, motivated, and empowered to achieve waste reduction and diversion.

- e. Water consumption has been reduced. (Chapter 3)
 - CAP Goal W 1: Potable water consumption has decreased by 3% of 2018 values.
- f. Water quality in Lake Monroe is improved. (Chapter 3)
 - CAP Goal W 2: The quality of source and drinking water quality is maintained through climate related challenges.
- g. A local food culture has been promoted and protected. (Chapter 3)
 - CAP Goal FA 1: Food and nutrition security is increased citywide.
 - CAP Goal FA 2: Local agricultural resilience to climate shocks is increased.
 - CAP Goal FA 3: The local food market is increased and stable.
- h. Air quality is maintained at a high level, and our carbon emissions are significantly reduced. (Chapter 3)
- i. CBU meets or exceeds federal drinking water standards 100 percent of the time. (Chapter 3)

Note that each Outcome listed in the Comp Plan has specific indicators listed under it to measure success. For example, under Transportation:

Outcome: Public streets and rights of way have positive public health impacts.

- Number of fatalities and incapacitating injuries
- Crash rates for people walking and bicycling
- Motor vehicle crash rates
- Average pavement condition index by road typology
- Number of known sidewalk and ramp ADA violations
- Percentage of transit stations and vehicles that are ADA accessible
- Percentage of streets that meet the “complete streets” criteria