



bloomington

# IN FOCUS

## Corporate Report to the Community 2019



By Mayor Gene Winstead

The old adage holds true: A picture is worth a thousand words. Seeing a snapshot of a family kicking up water in the sunset at Bush Lake Beach or a kid sitting poolside eating a red Popsicle on a sunny day can conjure up warm memories and give us a peek into how people experience our community.

We kicked off a photo contest on the City's Facebook page last summer and quickly received a wave of resident submissions. There were beautiful landscape photos and images of people enjoying Bloomington amenities with friends and family.

All of the great resident photos from the contest reinforced how important it is to take a look at a familiar place from new perspectives. Seeing the people, places and progress in Bloomington clearly is what inspired our theme this year: Bloomington in Focus.

From providing fun recreation programs and beautiful parks to ensuring safe neighborhoods with the work of police officers and firefighters, providing high-quality services is one of the many ways City employees show up in the picture of life in Bloomington.

That is reflected in the City Council's One Bloomington strategic priorities with high-quality service delivery. Responsible fiscal management is a high-quality City service that builds the foundation for the City to run smoothly and provide effective, innovative programs and services to residents.

In 2018, the City Council adopted a property tax levy of \$61,756,432, an increase of 5.75%. This means the monthly cost of tax-supported services for the owner of a \$256,900 median-valued home is \$80.99 for 2019. The increase in monthly cost from 2018 is driven in part by health insurance costs, an increased emphasis on sustainability and a new position within the Police Department to help with mental health calls.

Another way we keep engaged with resident perspectives is through the annual National Citizen Survey™. This is our seventh year conducting the survey. The results always provide invaluable information about how residents value the services the City provides and what they think of the community overall. We administered a business survey in 2018, too. Both polls were performed by the National Research Center of Boulder, CO.

The results show Bloomington continues to have strong livability scores. Ninety-three percent of residents who responded to the National Citizen Survey™ said that Bloomington is an excellent or good place to live. Eight in 10 business owners rated Bloomington as an excellent or good place to do business. Ninety-four percent of residents and 86% of businesses would recommend Bloomington to others.

The survey also provides information about how Bloomington compares to 500 benchmark communities across the country. One area where Bloomington excels among its peer cities is drinking water. With a 90% approval rating, the City's drinking water ranked first among its peer cities for the sixth year in a row and 10th among all jurisdictions posted nationwide.

Bloomington remains in the top 25% of benchmark communities nationwide for resident approval of the value of services for taxes paid despite a 10% drop from 2017 to 63%.

The strength of the City's economy, police and safety are critical issues respondents identified as priorities moving forward. Nine out of 10 respondents reported feeling safe in Bloomington's neighborhoods and shopping areas.

Whether it's feeling good about where you live, enjoying delicious safe, drinking water or checking out a new park, the backdrop of life in Bloomington is maintained by dedicated City staff. In this report, you'll learn more about the cost of the City services you use year-round and the budget for fiscal year 2019.



### BEHIND THE THEME

This year's theme, Bloomington in Focus, was inspired by photos residents submitted to the City's seasonal photo contest over the past year. The City first sent the word out about its seasonal photo contests in the summer of 2018. With more than 100 submissions over three seasons, the idea caught on with residents. Throughout this report, you'll find photos and a little bit of the story behind the image. The resident-submitted photos were also featured in the 2019 State of the City. Check out the photo contest winners on the City's Facebook page at [blm.mn/photocontest](https://www.facebook.com/blm.mn/photocontest).

### THROUGHOUT THIS REPORT

The monthly expenses for City services described in this report are based on a median-priced home with monthly property taxes for City services of \$80.99 in 2019.

### FINANCIAL REPORTS ONLINE

Check out the financial reports at [blm.mn/financialreports](https://www.blm.mn/financialreports). The 2018 estimated expenditures in this report will be changed to reflect actual expenditures after the City's audit in June.

### INSIDE

Value for your dollar.  
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Working to better Bloomington.  
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Planning for Bloomington's future.  
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General Fund.  
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Enterprise, Internal Service and Special Revenue Funds.  
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Capital Projects and Debt Service.  
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CITY OF BLOOMINGTON ORGANIZATIONAL CHART

Bloomington’s Charter provides for a council-manager government. The stability of our organization is reflected in the City having only three city managers in the last 48 years. The City Council and Mayor, who serve part time, are elected by the people, exercise legislative power and determine overall City policies. Advisory boards and commissions gather information and advise the City Council on specific issues.

The Housing and Redevelopment Authority and Port Authority are responsible for redevelopment and housing implementation.

Policy development and day-to-day operations are directed by the council-appointed city manager. The city manager oversees the 10 departments that carry out the services, activities and policies of the City of Bloomington.



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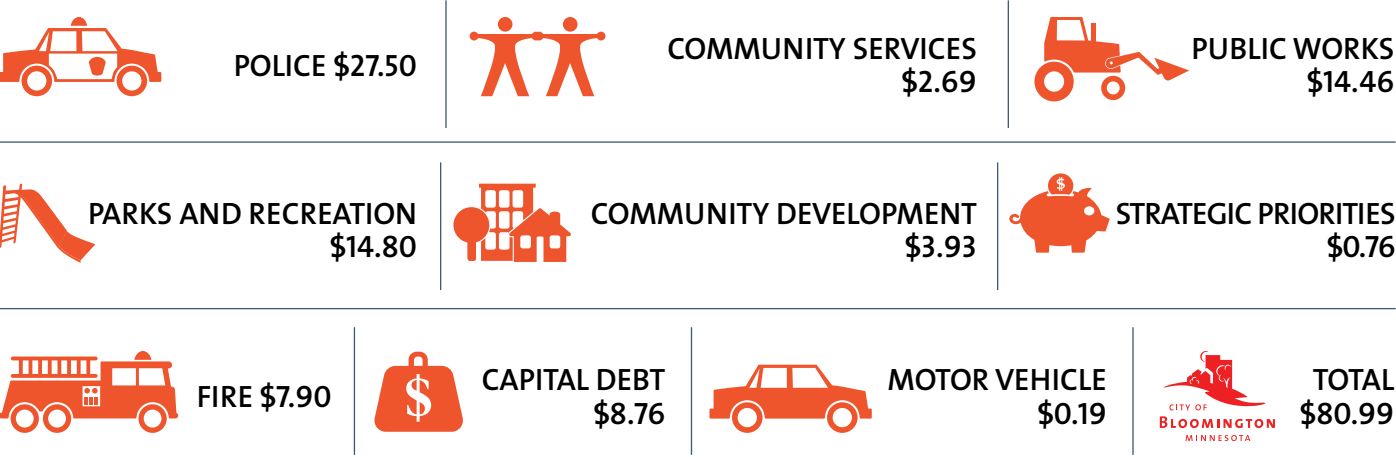
**City of Bloomington Minnesota**

For its Annual Financial Report for the Fiscal Year Ended

**December 31, 2017**

*Christopher P. Morrell*  
Executive Director/CEO

PUTTING YOUR TAX DOLLARS TO WORK



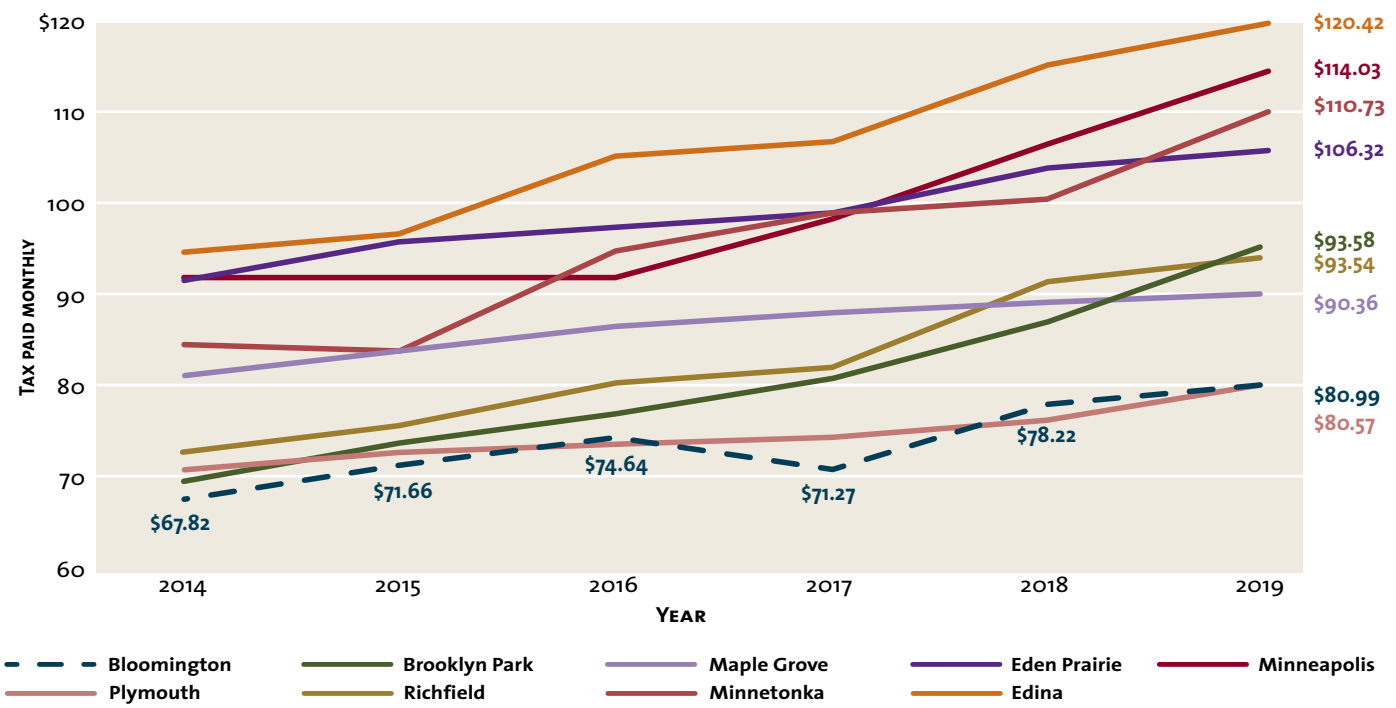
WHAT THE OWNER OF A MEDIAN-VALUED HOME PAYS IN BLOOMINGTON

Residents receive a variety of City services at an affordable price. The cost of City services in 2019 for the owner of a median-priced, single-family home in Bloomington with an assessor’s market value of \$256,900 is \$80.99 per month. Tax-supported services are ranked by the City Council. Public safety services such as Police and Fire are receive the most funding. Community safety, planning, prevention and maintenance are the next level of services to be funded. These include Engineering, Environmental Health, Planning, Parks Maintenance and Fire Prevention. The third category includes quality-of-life services such as Parks and Recreation, Public Health, Aquatics, Special Events and

the Center for the Arts. The tax cost per month of \$80.99 is the amount required for tax support after allocating grants, program fees, lodging and admission taxes and other non-property tax revenue to the appropriate services.

**MONTHLY COST OF UTILITIES**  
Based on an average monthly water usage of 5,000 gallons, sewer usage of 3,400 gallons and medium garbage and recycling carts, the monthly cost of utilities for a home in Bloomington is \$65.98 in 2019. Services include water, sewer, storm water, Curbside Cleanup and garbage and recycling. *Note: Utility bills are mailed bimonthly and average \$131.96 for the two-month billing cycle.*

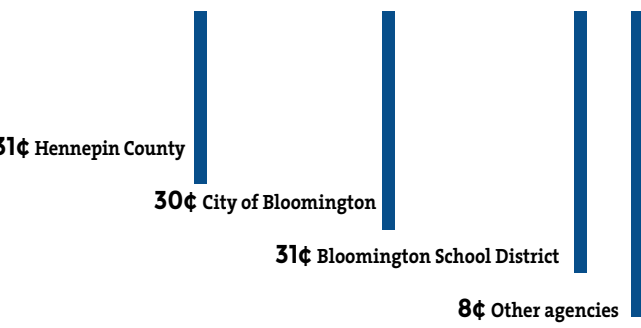
CITY PROPERTY TAX ON MEDIAN VALUE SINGLE-FAMILY HOME



BLOOMINGTON RANKS WELL IN SERVICE COST COMPARISON

The City continues to meet the needs of its residents while constantly looking for ways to improve quality and keep costs affordable. In a 2019 comparison of seven Hennepin County peer communities with more than 20,000 residents, the monthly cost of City services for a single-family home in Bloomington ranked second lowest at \$80.99.

The graph above illustrates the cost-effectiveness of Bloomington services in terms of what the owner of a median-valued home pays in the metro area. Bloomington is very cost competitive even when compared to newer communities such as Plymouth and Maple Grove that are just starting infrastructure renewal that Bloomington began almost 20 years ago.



YOUR 2019 PROPERTY TAX DOLLAR

Your single-family residential tax dollar is divided among several governmental entities. As the graphic at left shows, for every dollar of taxes paid, 30 cents is for City services. The actual amount of taxes owed is based on a property’s market value, tax law and the levy. The levy for all local governmental entities is spread across properties within each entity’s respective boundaries using tax capacity, a function of market value and property type. While the City sets a total property tax dollar amount to be levied, as all local Minnesota jurisdictions do, the portion each property pays is solely a function of the State of Minnesota property tax law based on market value and tax classification. After applying educational aids, a Bloomington homeowner with a median-valued home pays \$3,271 in property taxes. Of that, \$972, or \$80.99 per month, goes to the City for services. The remaining \$2,299 or \$191.58 per month goes to other taxing districts.





# CITY SERVICES RECEIVE HIGH MARKS

A majority of residents and businesses that responded to the 2018 National Citizen Survey™ gave positive ratings to every aspect of the City’s governance. Four in five respondents gave high marks to the overall quality of City services and to the customer service provided by City employees. Since the City’s first National Citizen Survey™ in 2012, almost all respondents have rated their overall quality of life as excellent or good. Bloomington, both as a place to live and raise children, has a long history of favorable ratings from residents. The top-rated municipal services in both the resident and business surveys were fire, fire prevention, police, parks, drinking water and sewer services.

## FIRE

With day jobs ranging from office work to construction, Bloomington paid-on-call firefighters put in overtime to keep their community safe. Whether they’re responding to calls, helping at the scene of an accident or performing a water rescue, Bloomington Fire Department firefighters and staff play an integral role in the city. Follow BFD on Twitter (@BFD\_MN) to stay in the loop on what’s happening in the department.



### A snapshot of 2018

- 1,600 call responses
- 115 paid on-call firefighters
- 96% residents who rated BFD positively
- 9 fire engines and pumpers
- 6 fire stations
- 5-minute average call response time
- 5 ladder trucks



## POLICE

The Bloomington Police Department’s mission is to provide excellence in policing by protecting, serving and partnering with the community to improve quality of life. Of course, this includes responding to emergency calls and keeping Bloomington safe. It also includes connecting with residents and stakeholders in nonemergency situations like community events including National Night Out and Coffee with a Cop and on Twitter (@BPD\_MN).



### A snapshot of 2018

- 69,280 call responses
- 124 sworn officers
- 90% residents who rated BPD positively
- 86% residents who feel safe overall in Bloomington
- 37 squad cars
- 13 dispatchers
- 4.59-minute average call response time



## PARKS AND RECREATION

In 2018, Bloomington Parks and Recreation became its own department. It includes recreational programming, Dwan and Hyland Greens Golf courses, Bloomington Ice Garden, Bloomington Aquatic Center, Creekside Community Center and the Center for the Arts. Whether it’s youth programs, a concert in the park, Winter Fete, the Farmer’s Market or senior programming, Parks and Recreation offers something for everyone.



### A snapshot of 2018

- 8,929 acres of park land and open space
- 97 parks
- 88% residents who rated City parks positively
- 85% residents who visited a City park
- 82% residents who rated recreation programs positively
- 54 playgrounds



## DRINKING WATER

Not only does Bloomington water taste good, it’s safe. Each year the City’s water meets or exceeds every federal and state water quality safety requirement. Bloomington’s water supply has been in strict compliance with the Safe Drinking Water Act and Minnesota Department of Health Regulations since requirements were established in 1991.



### A snapshot of 2018

- 3.6 billion gallons of water used in Bloomington
- 9,894 quality tests conducted in Bloomington’s water treatment lab
- 90% residents who ranked the City’s water positively
- 10 City’s water ranking among 334 jurisdictions polled
- 1 City’s water ranking among peer cities for the past seven years



## SURVEY SAYS ...

A majority of residents and businesses remain pleased with the quality of life in Bloomington, according to the most recent National Citizen Survey.

- 94% of residents would recommend Bloomington to others
- 93% said Bloomington is an excellent or good place to live
- 86% of businesses would recommend Bloomington to others
- 80% of business owners rated Bloomington as an excellent or good place to do business



## IN FOCUS: A DOG’S LIFE

“We adopted Sancho five years ago, January. He’s six now. Since we got him, he and I have been on many adventures down on the creek trail. I would never have explored off the paths with my kids but he loves to see everything. We’ve gotten up close and personal with all sorts of wildlife and people. I have to walk him five miles a day or he invents his own fun so, snow, cold, rain, or shine, we head out on the trail. That day it was snowing big, giant flakes and he had stopped on one of the bridges and I turned around to look at him. The fact that he is a black German Shepherd contrasted beautifully against all the snow. I told him to sit and managed to snap the picture of him. I am not the greatest photographer but I was finally able to snap a picture of him that shows how handsome he really is. Usually he is moving and is a giant blur!”

Karen Cook, Nine Mile Creek





## IN FOCUS: A SERENE SCENE

“I’ve been taking photos for 40 years. It’s amazing what you can find right around you to photograph. In my spare time I like to go to Fort Snelling or the Minnesota Wildlife Refuge or just walk along the river. I see coyotes, foxes, river otters—all kinds of things. The picture of the heron with the reflection was one of those occasions where everything was just right – the late afternoon lighting was magical and the pond was dead calm. I saw the heron swoop down and land there. Everything just lined up.”

*Charlie Anderson, Minnesota Wildlife Refuge*

## BLOOMINGTON IN FOCUS

It’s been two years since the City Council created the One Bloomington strategic plan to guide the City’s work from 2017 – 2020. The plan has six defined priorities: community amenities, community image, environmental sustainability, focused renewal, high-quality service delivery, and inclusion and equity. Take a look at some of the progress the City achieved in 2018 to move each priority forward.

### COMMUNITY AMENITIES

A lot of work is being done to revitalize Bloomington and provide community amenities desired by residents and visitors. Parks and Recreation completed several park improvement projects last year in Westwood, Sunrise and Valley View Parks, including new parking lots and pickleball courts. Bloomington Ice Garden is undergoing arena renovations in 2019, including improvements to the entry, locker rooms and the addition of Americans with Disabilities Act-compliant ramps and platforms in rinks one and two. The City Council, City staff and representatives from the community center task force have been working to determine the details of a potential new community center, including location, partners, funding, staffing and programming. The City conducted a community center survey in 2018, in which 65% of respondents said a new center would improve quality of life.

### COMMUNITY IMAGE

With visioning sessions, innovative engagement strategies and plenty of paintbrushes, a group of artists, City employees, students and residents set out to bring a snapshot of Bloomington to life in a mural near Wright’s Lake Park. The mural is more than an impressive piece of collaborative artwork. It’s part of a larger neighborhood improvement project that focused extra resources for housing rehab, sidewalks and park improvements in the area.

One new way the City engaged with residents in 2018 was through a series of town hall forums. These events were meant to create more personal connections with the City Council. Councilmembers each led a forum in their district and spoke with constituents about what was going on at the City and projects on the horizon. More than 200 residents attended the events.

### ENVIRONMENTAL SUSTAINABILITY

In 2018, the City launched a new organics recycling program with two drop-off sites open from dawn until dusk. More than 750 residents signed up for the program in the first year. The Bloomington Sustainability Commission and Xcel Energy also worked together on a Partners in Energy committee, which sparked a series of business energy tours. Event organizers aimed to connect Bloomington businesspeople and provide examples of workable ways to save energy in the office.

A major water quality project was also underway last year at one of Bloomington’s most-used natural areas—Normandale Lake. The City and the Nine Mile Creek Watershed District drained the lake to reduce invasive curly-leaf pondweed by freezing the seeds over the winter, and reduced algal bloom by applying an alum treatment to the exposed lake bottom in the spring.

In 2018, Bloomington was also recognized as a GreenStep City and received SolSmart Gold designation in recognition of its overall sustainable practices and ease of solar panel installation, respectively.





## FOCUSED RENEWAL

The City has a neighborhood initiative program that focuses housing and redevelopment resources in a specific area each year. The focus neighborhoods in 2017 and 2018 were south of American Boulevard, west of Old Cedar Avenue, north of 90th Street and east of Pleasant Avenue. The initiative provides resources for housing rehab, sidewalks and park improvements and loans for curb appeal enhancements. The City has additional loan programs available citywide for home and exterior improvements. In 2019, the HRA's new focus neighborhood is south of American Boulevard, west of Pleasant Avenue and east of I-35W.

Interstate 35W had some renewal of its own in 2018. MnDOT crews began construction on a replacement bridge over I-35W at 106th Street last summer. This project includes reconstructing the Minnesota River bridge to add a bicycle and pedestrian walk, and raising the grade of the freeway. The project is scheduled to wrap up in 2021. The new westbound entrance ramp on East Bush Lake Road and I-494 opened last fall. The City also secured more than \$200 million from the Minnesota Department of Transportation Corridors of Commerce program to complete long-needed work on the I-35W and I-494 interchange. Improvements around the interchange are scheduled to begin in 2021.

## HIGH-QUALITY SERVICE DELIVERY

To ensure it is providing high-quality services as efficiently as possible, the City completed a service evaluation of three divisions in 2018—Human Services, Public Health and Information Technology. The findings led to the creation of a Community Outreach and Engagement Division (COED) and the end of the Human Services Division. COED staff will focus on building meaningful relationships with residents and other stakeholders. COED's mission is to serve as a resource to support the City's engagement efforts and foster collaboration throughout the City.

To engage employees in new ways and increase efficiency at work, the City is also continuing its High Performance Organization (HPO) training sessions. Three hundred and twenty employees have completed HPO training and at least 80 more are scheduled to complete it in 2019. HPO training is about empowering people at all levels of an organization to demonstrate leadership, participate in decisions and make improvements.

## INCLUSION AND EQUITY

As an organization, the City has been working on initiatives to make Bloomington an example of inclusion and equity. In 2018, all staff went through three mandatory racial equity training sessions. The training covered institutional racism, the history of race in America and ways to address implicit biases and create space for conversations on race. The City has also been intentional in hiring new employees reflecting the diverse community we serve, as well as working to diversify advisory commissions. With more representative staff, boards and commissions, the City can take a big step forward in ensuring all perspectives are considered and represented in City decision making.

One of these hiring practices is the Pathways to Policing program. In 2017, the Bloomington Police Department explored new avenues to build a more diverse staff that better reflects the growing diversity of the community. Pathways removes common barriers for nontraditional candidates. BPD hired two officers through Pathways in 2018 and will likely recruit more in 2019.



## IN FOCUS: A BEACHY SUNSET

“I was walking down to Bush Lake. I do a lot of walking and picture taking. I went down to the beach and saw this group of people in silhouette. I came right up to the picture. It was a beautiful moment. I’m not sure they know I took the picture, but they saw me there and stayed where they were while I took it.

I’ve been serious about taking photos for about 10 years. I moved to Bloomington three years ago and have been exploring it ever since. Some of my favorite spots are Bush Lake Beach, the Japanese Garden at Normandale and the Old Cedar Avenue bridge.”

Doug Wallick, Bush Lake Beach



2019 OPERATING REVENUE SOURCES

The City’s major funds include the General, Enterprise, Debt Service, Capital Projects, Internal Service and Special Revenue funds. Shown on the next three pages, these funds demonstrate how quality City services provide a good value for your tax dollar. Bloomington’s competitive property tax cost is maintained by continuing to encourage growth of the city’s diverse tax base and looking at new ways to boost productivity.

Property taxes	\$59,833,000
Fees/charges	43,401,000
Program income	7,400,000
Lodging/admissions	9,181,000
Transfers/other	8,135,000
Intergovernmental	4,703,000
Licenses/permits	6,088,000
Special assessments	3,794,000
Fines/forfeitures	910,000
Cable franchise fee	1,458,000
Total revenues	\$144,900,000

2019 BUDGETED EXPENDITURES

The City’s budgeted expenditures for 2019 total \$148,890,000.\*

City Governance	\$8,782,000
Public Safety	33,625,000
Community Development	9,761,000
Community Services	7,546,000
Parks and Recreation	17,720,000
Public Works	12,479,000
Utilities	49,977,000
Debt Service	9,000,000
Contingency/Transfers	0
Total expenditures	\$148,890,000

\*The \$3,990,990 difference between 2019 revenues and expenditures is the planned expenditures of reserves for Capital Projects.



IN FOCUS: A FALL SCENE

“The seemingly endless staircase actually leads to Poplar Bridge elementary school and is gorgeous in all seasons. In the fall this is a neighborhood favorite for family photos!”

Heather Beatrice Kaminsen,  
Poplar Bridge Elementary School

THE GENERAL FUND

The General Fund, which accounts for a majority of City services, is Bloomington’s primary operating fund. It uses current revenues to fulfill current expense obligations. This section contains specific information about each department within the General Fund. Net gains in one year help reduce future property tax increases.

	2017 ACTUAL EXPENDITURES	2018 BUDGET	2018 ACTUAL EXPENDITURES	2019 BUDGET	ESTIMATED NET PROPERTY TAX*
POLICE	\$24,880,488	\$25,464,450	\$25,398,093	\$26,850,131	\$27.50
	The Police Department works with the community to make Bloomington a safe place to live and partners with residents and businesses to address their diverse needs.				
PUBLIC WORKS	11,427,239	12,224,728	12,262,007	12,771,984	13.93
	Public Works provides safe and efficient transportation routes throughout Bloomington, provides snowplowing services, maintains the City’s streets, parks, vehicles and public facilities, and reviews the impact construction and development projects will have on local and regional infrastructure.				
COMMUNITY SERVICES	13,607,956	14,326,627	13,497,941	4,552,296	2.69†
	Community Services offers community outreach and engagement programs, produces communication materials and provides public health services.				
PARKS AND RECREATION				9,987,811	10.76†
	Parks and Recreation oversees parks throughout the city, provides a wide variety of recreational programs and manages Creekside Community Center, Bloomington Ice Garden, two golf courses, the Bloomington Family Aquatic Center, Bush Lake Beach and the Center for the Arts.				
COMMUNITY DEVELOPMENT	8,645,049	9,196,618	8,900,962	9,478,648	3.93
	Community Development partners with the community to enhance Bloomington through planning, economic development and redevelopment activities. The department promotes health and safety by obtaining compliance with state and City codes.				
FIRE	4,707,752	5,121,898	5,174,935	5,444,964	6.29
	The Fire Department protects the community by performing rescues, responding to fires, emergencies and hazardous materials incidents, and conducting fire code inspections and fire cause investigations.				
ADMINISTRATION	2,454,035	2,784,787	2,813,161	2,485,342	***
	Administration includes the City Manager, Human Resources and the City Clerk’s office, which furnishes licensing, elections, records management and cemetery services to Bloomington’s residents.				
LEGAL	1,428,388	1,535,321	1,463,384	1,729,813	***
	The City Attorney’s Office prosecutes misdemeanors and advises the city manager, city council, City departments, and advisory boards and commissions.				
FINANCE	1,032,970	1,138,565	1,056,869	1,193,578	***
	Finance provides financial management and internal support services to other departments.				
COUNCIL, COMMISSIONS	2,014,226	760,244	1,788,723	786,149	***
	Legislative power is vested in an elected, part-time city council consisting of a mayor and six councilmembers, which appoints citizens to advisory commissions.				
TOTAL	70,198,103	72,553,238	72,356,075	75,280,716	65.10

\* Net property tax is the portion of the levy allocated to these services per month for the median-valued home. For the net property tax calculation, departments with programs that generate fee revenue have that revenue applied to their budget before property tax. Out of the \$80.99 the owner of a median-valued home pays for City services, \$65.10 goes to the General Fund. The remaining \$15.89 supports costs in enterprise and special revenue funds.

\*\*\* These administrative services are allocated to other General Fund budgets and programs.

† In 2019, the Parks and Recreation Department was created. It had formerly been part of the Community Services Department. Transfers are not included above.



A SIGNIFICANT ACHIEVEMENT—THREE TRIPLE-A RATINGS

Bloomington ranks with an elite few cities nationwide in holding three triple-A bond ratings. The City maintains its Aaa status from Moody’s, AAA from Standard & Poor’s and AAA from Fitch Ratings, the highest bond ratings awarded by these agencies.

Bloomington is one of only 40 cities out of more than 19,000 municipal governments in the U.S. that have achieved three triple-A ratings. Bloomington is currently the only Minnesota city to hold all three highest ratings. According to the agencies, our triple-A status reflects the City’s conservative fiscal management, diverse economic base, central location, low unemployment rate that falls below state and national averages, and continued success in Mall of America tax increment district.

The City’s excellent bond ratings signal to current and potential investors that our financial future is strong and ensure that interest costs will remain low. They also signal to businesses and individuals that Bloomington is a financially healthy community.

# ENTERPRISE FUNDS

These funds consist of utilities, recreational facilities, contractual police services and motor vehicle licensing. They are primarily supported by user fees.

		2017 OPERATING EXPENSES	2018 BUDGET	2018 OPERATING EXPENSES	2019 BUDGET	AVERAGE FEES PER MONTH
PARKS AND RECREATION	Recreational Facilities	\$5,744,051	\$6,256,722	\$6,055,812	\$7,744,583	\$4.04*
PUBLIC SAFETY	Contractual Police	822,326	950,000	1,350,433	615,000	--
	Solid Waste Management	7,278,211	8,781,402	7,607,220	9,229,555	23.48
PUBLIC WORKS	Stormwater Utility	4,759,560	15,081,623	3,872,262	11,878,109	7.66
	Water/Wastewater Utility	25,396,650	28,182,679	25,082,488	28,869,396	34.84**
ADMINISTRATION	Motor Vehicle Office	745,375	785,009	724,778	797,137	--

\* Included in the \$14.80 that the property owner of a median-valued home pays in property taxes for Parks and Recreation per month.  
\*\* Rates are based on average monthly winter use of 5,000 gallons for water, 3,400 gallons for sewer and medium garbage and recycling carts.

# INTERNAL SERVICE FUNDS

These funds finance interdepartmental goods and services on a cost-reimbursement basis. Internal Service Funds are supported by interdepartmental user fees already included as expenses to other funds in this report.

	2017 OPERATING EXPENSES	2018 BUDGET	2018 OPERATING EXPENSES	2019 BUDGET
BENEFIT ACCRUAL	\$1,948,854	\$1,877,073	\$2,098,757	\$1,890,136
FLEET MAINTENANCE	7,353,807	8,390,480	7,534,414	8,942,469
FACILITIES MAINTENANCE AND REPLACEMENT	9,956,833	12,690,153	11,318,868	20,565,382
INFORMATION TECHNOLOGY	5,416,905	6,316,777	5,461,275	5,852,091
EMPLOYEE BENEFITS	9,578,055	10,527,068	10,317,070	11,945,068
PUBLIC SAFETY RADIO	969,382	756,602	984,605	487,061
SELF-INSURANCE	1,212,793	2,321,658	1,355,222	2,709,042
SUPPORT SERVICES	469,257	547,533	454,788	563,185

# SPECIAL REVENUE FUNDS

These funds account for revenues used for specific purposes including, housing and community development, communications, public health initiatives and law enforcement activities.

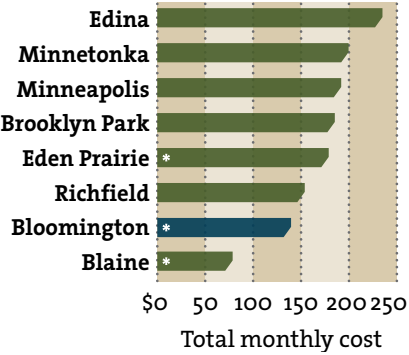
		2017 TOTAL EXPENDITURES	2018 BUDGET	2018 TOTAL EXPENDITURES	2019 BUDGET	FUNDING
COMMUNITY DEVELOPMENT	South Loop revolving fund	\$141,343	\$120,000	\$28,040	\$70,277	Environmental review fees
	Creative placemaking	532,752	400,000	267,542	430,000	Transfer from South Loop Capital
COMMUNITY SERVICES	Communications	1,827,838	1,961,636	2,068,612	2,022,668	Franchise fee/other fund charges
	Public Health special revenue	1,167,810	1,152,413	1,026,218	1,075,673	State grants
PARKS AND RECREATION	Park grants	46,910	72,000	88,485	217,100	State and federal grants
PUBLIC SAFETY	Public Safety special revenue	2,250,662	2,418,334	3,119,605	1,456,587	Forfeited assets and grants and one-time reimbursement*/property taxes**
ADMINISTRATION	Cemetery trust	146,608	323,801	272,076	203,331	Lot/niche sales

\* Used for specific police capital and operating expenses.  
\*\* If the City is required to fund Bloomington's Fire Pension Fund, the tax levy will generally be the funding source.



## PROPERTY TAXES, WATER, SEWER, WATER SOFTENING AND FRANCHISE FEES

In 2018, the monthly costs to residents in 12 cities for single-family property taxes plus water, sewer, water softening and franchise fees ranged from \$234 in Edina (including in-home, water-softening costs) to \$128 in Blaine. Bloomington has the second lowest cost at \$136.



Costs are based on a single-family residence. Water and sewer rates are based on 7,500 gallons (average based on the 2017 Residential Water and Sewer Rate survey).

\* Cities that soften water before distribution.



## IN FOCUS: A STUNNING SKYLINE

“I use a drone for photography so I can find great angles and views like this. It was just one of those days where everything came together perfectly to highlight the lake area. It’s hard not to love this area for photography thanks to having so many fantastic natural views and beautiful public spaces. Being a new resident has really helped me appreciate all the great things Bloomington has to offer.”

Jason Bates, Hyland Hills Ski Area





## ABOUT THIS REPORT

The City Council presents this corporate report of financial and related information to show how Bloomington’s City government performs. This report does not include Housing and Redevelopment Authority or Port Authority budgets.

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## COMPREHENSIVE ANNUAL FINANCIAL REPORT

The City of Bloomington reports financial year-end results in the approximately 200-page *Comprehensive Annual Financial Report* (CAFR). This *Corporate Report to the Community* summarizes significant data from the 2018 CAFR and the 2019 Annual Budget, and is consistent with Generally Accepted Accounting Principles. The report reflects the net tax cost by service expenditure developed by crediting related revenues against appropriate expenditures and allocating local taxes against the remaining balance.

The *Corporate Report* is unaudited. This popular report format, used and improved for the past 20 years, is also available online at blm.mn/financialreports. Audited numbers will appear on the City’s website in June.

Minnesota state law requires that “a city or county with a population of more than 15,000 must annually notify its residents of the positions and base salaries of its three highest-paid employees.” For the City, titles and salaries are: City Manager—\$181,240; Public Works Director—\$175,620; and Chief of Police—\$175,620.



## CAPITAL PROJECTS

Capital Project funds purchase and improve major assets such as land, structures, equipment and streets. Capital Project fund expenditures are incorporated into the budget process and developed based on City Council appropriation. Here are some upcoming capital projects.

### PARK IMPROVEMENTS

- Replace the wheel house building at Dred Scott Playfield: \$1,090,000.
- Install safety netting at Dred Scott Playfield: \$56,500.
- Replace playground equipment at Poplar Bridge Elementary School: \$300,000.

### TRANSPORTATION

- Improve and add missing segment of trail along the west side of France Avenue from West Old Shakopee Road to 84th Street: \$5.6 million, funded through federal, state and City sources.
- Improve the intersection of Old Shakopee Road and 86th Street adjacent to the new Fire Station 3: \$1,360,000, funded through City and county sources.

### UTILITIES INFRASTRUCTURE

- Rehabilitate the Western Reservoir—Phase II: \$550,000.
- Renew the water distribution system: \$600,000.
- Rehabilitate the sanitary sewer lift station: \$200,000.
- Renew the sanitary sewer collection system: \$500,000.



## PAVEMENT MANAGEMENT PROGRAM

The Pavement Management Program is a funding and implementation plan for the repair, maintenance and reconstruction of Bloomington roads. It’s all about providing the right maintenance at the right time to maximize efficiency of road replacement and repair.

Funding is provided through state aid, assessments and franchise fees after needs are identified. In 2019, approximately \$9 million will be invested in street reconstruction, \$5.3 million will be funded through debt service. The overlay of City streets is budgeted at \$4.1 million.



## MANAGING DEBT AND MEETING COMMUNITY NEEDS

Many community needs must be met by the City of Bloomington in a cost-effective manner, including street and infrastructure work, construction projects and equipment purchases. The ability to issue future debt at lower interest rates provides for our community’s upkeep and renewal without substantially increasing property taxes for debt service.

## OUTSTANDING DEBT

The City’s outstanding debt on December 31, 2017 was \$65,250,000. The legal limit for Bloomington is \$384 million. The City’s net debt per capita is \$471. More than 50 percent of Bloomington’s debt will be paid off in 10 years—a sign of strong financial management.