

CORPORATE REPORT TO THE COMMUNITY

FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2020

A YEAR LIKE NO OTHER

stories of hope, challenges and resilience

By Mayor Tim Busse

2020 was a memorable year—one like no other. Working from home, wearing masks, social distancing—it’s been more than a year since our lives changed seemingly overnight with the first cases of COVID-19 confirmed in Minnesota.

In that time, like many governmental entities, the City of Bloomington had to figure out how to continue necessary and highly valued City services in a new environment. Ensuring engagement and transparency meant quickly pivoting to new tools and new ways of working.

In addition to a public health crisis, the Twin Cities region experienced significant civil unrest in 2020 and 2021. Words cannot express the sadness and disappointment I felt when George Floyd was killed in Minneapolis and then, almost a year later, Daunte Wright was killed in Brooklyn Center. It seems, through the lens of hindsight, to be a pivotal moment that both set us back as a society and pushed us forward to address historical inequities.

Addressing racial disparities is not a new topic for the City of Bloomington. Since the City Council adopted its current strategic plan in 2016, we have made progress on the strategic priority of advancing equity and inclusion. However, there’s still so much more work to be done.

Fortunately, we have strong resources in place that can help us. The efforts of our Community Outreach and Engagement Division, and the Bloomington Police Department’s community liaison and multicultural advisory team, give us the structure to continue to build relationships and break down barriers. Additionally the City’s racial equity coordinator, a newly established position in late 2019, is an outstanding resource for all of us.

2020 was not a normal year. COVID-19 impacted municipal budgets worldwide, and Bloomington was no exception. The pandemic caused the largest global economic downturn since the Great Depression. Across the region, businesses have closed, people have lost jobs or were laid off, and many industries have come to a grinding halt. One of the industries most impacted is the tourism and hospitality sector.

In Bloomington, that has translated to millions of dollars lost from lodging and admissions taxes, mostly paid by visitors to Bloomington rather than residents. Bloomington’s hospitality industry is a multibillion-dollar economic engine for the state of Minnesota and about 20% of the City’s tax base.

Lodging tax revenues from the more than 9,000 hotel rooms in the city and admission tax revenues from entertainment venues such as Nickelodeon Universe usually generate about 12% of the City’s General Fund revenues. This fund pays for City services, including essential services like Police, Fire and Public Works.

We felt a larger local impact in 2020 because Bloomington relies on tourism as a major contributor to the budget. 2021 and 2022 will continue to be challenging years.

Bloomington is very fortunate to have a broad base of revenues combined with a long history of sound financial management. The City is not as dependent on property taxes as many other cities. Property tax revenue represents about two-thirds of the City’s general fund revenues.

Before the pandemic, the City Council adopted a 2020 property tax levy of \$64,689,863, an increase of 4.75% from the 2019 property tax levy. This meant the monthly cost of tax-supported services for the owner of a \$283,900 median-value home was \$89.73 in 2020.

Since March of last year, the City’s Public Health Division has helped us understand the pandemic, and the Finance Department has worked to identify the extent of the City’s budget shortfall. We involved residents more than ever in budget development by convening a Community Budget Advisory Committee. The committee helped bring resident voices to the forefront of planning for the 2021 budget and ensured the voice of the community was reflected in the values and priorities of the budget process.

You’ll find detailed information about the fiscal year ending on December 31, 2020 in this report, along with a summary of the services the City provided to residents and stakeholders in the last year.



BEHIND THE THEME

The Corporate Report to the Community is an overview of the financial results from fiscal year 2020. Each year, the City develops a theme that summarizes the previous year and uses it in the design of the annual *State of the City* address, *Budget Book* and *Corporate Report*. To summarize 2020, City staff landed on the theme *A Year Like No Other: Stories of Hope, Challenges and Resilience*. During the *State of the City* address Mayor Tim Busse and City Manager Jamie Verbrugge told the story of how City staff, local nonprofit organizations and residents met the challenges 2020 presented. To view this year’s *State of the City* address, visit blm.mn/2021soc. You can also find digital versions of this *Corporate Report* and the annual *Budget Book* online at blm.mn/financialreports.

THROUGHOUT THIS REPORT

The monthly expenses for City services described in this report are based on a median-valued home of \$283,900 with monthly property taxes for City services of \$89.73.

FINANCIAL REPORTS ONLINE

Check out the financial reports at blm.mn/financialreports.

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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 49 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 component units of the City that are responsible for redevelopment and housing.

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.



Government Finance Officers Association

Award for Outstanding Achievement in Popular Annual Financial Reporting

Presented to

City of Bloomington
Minnesota

For its Annual Financial Report
for the Fiscal Year Ended

December 31, 2019

Christopher P. Morrell
Executive Director/CEO

PUTTING YOUR 2020 TAX DOLLARS TO WORK



POLICE \$32.47



COMMUNITY SERVICES
\$3.30



PUBLIC WORKS
\$18.16



PARKS AND RECREATION
\$14.39



COMMUNITY DEVELOPMENT
\$5.16



FIRE
\$8.48



CAPITAL DEBT
\$7.60



MOTOR VEHICLE
\$0.17



TOTAL
\$89.73

WHAT THE OWNER OF A MEDIAN-VALUED HOME PAID IN 2020

Residents receive a variety of City services at an affordable price. The cost of City services in 2020 for the owner of a median-valued, single-family home in Bloomington with an assessor's market value of \$283,900 was \$89.73 per month. Public safety services such as Police and Fire account for \$40.95 of the \$89.73 per month cost. Property taxes also fund services such as Environmental Health, Engineering, Park Maintenance, Public Health, arts, and cultural events. The tax cost per month of \$89.73 was the amount required for tax support after allocating grants, program fees, lodging and

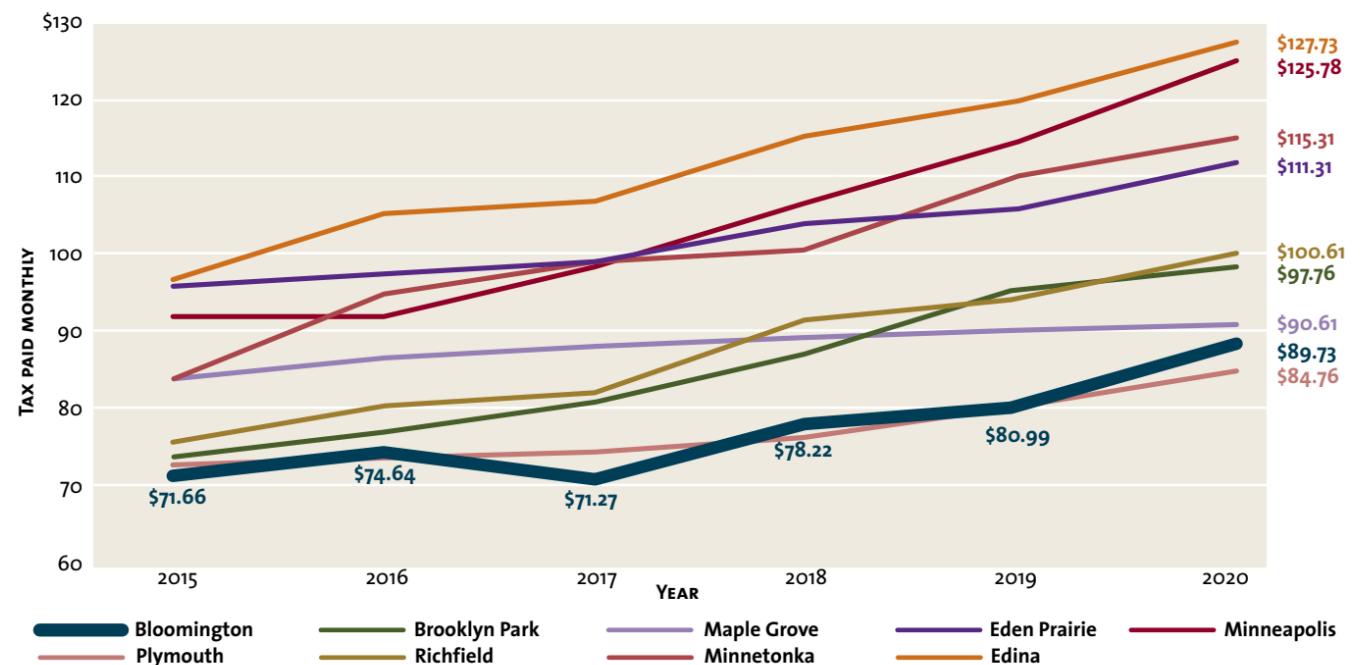
admission taxes and other non-property tax revenue to the appropriate services.

MONTHLY COST OF UTILITIES

Based on an average monthly water and sewer usage of 5,500 gallons and medium garbage and recycling carts, the monthly cost of utilities for a home in Bloomington was \$84.61 in 2020. Utility services include water, sewer, storm water, curbside cleanup and garbage and recycling.

Note: Utility bills are mailed bimonthly and averaged \$169.22 per two-month billing cycle in 2020.

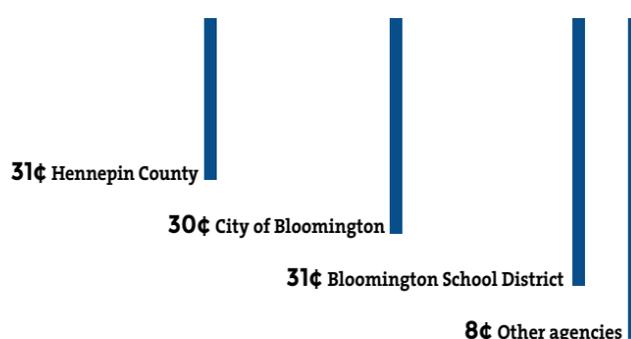
CITY PROPERTY TAX ON MEDIAN VALUE SINGLE-FAMILY HOME



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 2020 comparison of eight 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 \$89.73.

The graph above illustrates the cost-effectiveness of Bloomington services in terms of what the owner of a median-valued home paid in the metro area in 2020. Bloomington is very cost competitive even when compared to newer communities such as Plymouth and Maple Grove that are undertaking infrastructure renewal that Bloomington began almost 20 years ago.



YOUR 2020 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 were spent on 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. A Bloomington homeowner with a median valued home paid \$3,588 in property taxes in 2020. Of that, \$1,076.76, or \$89.73 per month, went to the City for services. The remaining \$2,511, or \$209.25 per month, went to other taxing districts.



CITY MAKES PROGRESS ON STRATEGIC PRIORITIES

It's been five years since the City Council created the One Bloomington strategic plan to guide the City's work. The plan started with six priorities: community amenities, community image, environmental sustainability, focused renewal, high-quality service delivery, and inclusion and equity. In 2020, the City Council added engagement and transparency as a seventh priority. Over the last year, the City has made progress in all its priorities despite the challenges presented by COVID-19.

HIGH-QUALITY SERVICE DELIVERY

In the 2020 National Community Survey™, overall customer service by Bloomington employees had a record-high rating of 86% excellent or good. A key question on the survey was how respondents perceived the value of City services for the taxes they pay. Seventy percent of those polled said the value of City services for taxes paid was excellent or good. This is a 7% increase from the 2019 and 2018 surveys. It is also higher than the national benchmark of jurisdictions in the National Community Survey™ database.



SURVEY SAYS...

A majority of residents remain pleased with the quality of life in Bloomington, according to the recent National Community Survey™. Here are a few highlights provided by survey respondents in 2020:

92% Would recommend Bloomington to others.

92% Said Bloomington is an excellent or good place to live.

88% Rated quality of life in Bloomington as excellent or good.

85% Plan to remain in Bloomington.



ENGAGEMENT AND TRANSPARENCY

COVID-19's damaging effects on the hospitality and tourism industries left the City with a \$6 million budget shortfall when planning for the 2021 budget. To ensure community voices were at the forefront of the City Council's budget decisions, the City formed its first-ever Community Budget Advisory Committee (CBAC). With weekly CBAC meetings, online engagement tools and community listening sessions, the 2020 budget cycle was the City's most transparent and inclusive yet.

The City also began producing two new video series to enhance communications with residents. *Council Minute* is a weekly series hosted by Mayor Tim Busse giving a wrap-up of that week's council business, any upcoming discussions, and updates on current news and events. *Q&A with BPD* is a series where Bloomington police answer residents' questions each month.

To encourage more public participation, the City Council changed its meeting start time to 6 p.m. in January 2021. This allows for more reasonable times in the evening for resident participation and will help prevent taking up items too late in the evening for public participation or constructive Council discussion. City Council meetings and study sessions were held via Webex, pictured above, and televised from the Council Chambers in 2020.

In 2020, City staff also launched a new online tool for people to provide feedback on current projects and services. Let's Talk Bloomington is a digital forum where staff share information about City initiatives and connect with community members. Check out the active City projects at Let's Talk Bloomington by visiting blm.mn/letstalk.



HIGHLIGHTING HOPE: VIRTUAL FELLOWSHIP

Ten families virtually gathered for a dinner party last summer during the stay-at-home order, sharing healthy recipes, laughs, food and fellowship. The virtual dinner was made possible by the Coalition of Asian American Leaders Sparks Grant secured by Dr. Hazel Claiborn, above.

"So much happens over dinner," Claiborn said. "This dinner was diverse, including African American families, blended families and white families. In African American homes, especially, a lot of healing happens over food. I believe laughter is medicine, especially in times like these."

THE PAST YEAR BY THE NUMBERS

43,000

Briefings distributed each month

444

Registered Let's Talk Bloomington users

52+

Council Minute videos produced

52+

City Council meetings televised/streamed



A YEAR LIKE NO OTHER

stories of hope, challenges and resilience

A YEAR LIKE NO OTHER: STORIES OF HOPE, CHALLENGES AND RESILIENCE

When January 2020 rolled around, the City had just sworn in its first new mayor in 20 years. The economy was strong, business was booming and unemployment was low. 2020 looked like it was going to be a great year. Then, three months in, the first cases of COVID-19 were found in Minnesota. This kicked off a year of unprecedented hope, challenges and resilience. Read more on these pages about how the City and community pulled together to make it through a year like no other.

UNPRECEDENTED CHALLENGES

The City's COVID-19 response efforts began in March 2020. The City Council declared a local state of emergency guided the City's emergency management efforts through the year. With guidance from Governor Tim Walz, staff began assessing the needs of the community and discussing how to maintain service levels with the ultimate goal of stopping the spread of COVID-19.

The pandemic had a significant impact on the local economy. Data from the Minnesota Department of Employment and Economic Development show Bloomington's job losses at the start of the pandemic were more than 20%, nearly double the statewide average.

Mall of America and Bloomington's 47 hotels, along with restaurants and other businesses, suffered significant revenue losses. As people stopped traveling, the City of Bloomington's lodging and admission tax revenues were hit hard. In 2020, that meant a \$7 million loss in revenues for the City's General Fund.

RESILIENCE IN THE FACE OF UNCERTAINTY

PUBLIC HEALTH PANDEMIC RESPONSE

The pandemic showed how impactful public health services and programs are to this community. Since the start of the pandemic, Bloomington Public Health provided COVID-19 safety guidance, contact tracing, testing events, vaccination clinics and more. Staff also coordinated and participated in several social drive-thru events in an effort to connect and engage Bloomington's older adults.

Part of this response was getting information out about staying safe during COVID-19. A new video series, *For Your Health*, was created, and important safety information and updates were delivered via the Mayor's Council Minute video recap, E-Subscribe alerts, the *Briefing* and social media.

Whether they're leading the pandemic response for Bloomington, performing socially distanced home visits with families, taking calls on the COVID-19 resource line or running a vaccine clinic, Bloomington Public Health employees are fulfilling their mission to engage the community in promoting, protecting and improving the health of all. To learn more about Bloomington Public Health's work, visit blm.mn/publichealth.

COLLABORATING WITH COMMUNITY PARTNERS

The demand for rental assistance in Bloomington was higher than ever in 2020. When COVID-19 strained households to the point where paying rent was out of reach, resources were available to help bridge the gap.

Last year, Volunteers Enlisted to Assist People provided support for about 650 households in the city. In all, the organization dispersed a remarkable \$3.5 million to households in Bloomington, Edina, Richfield and South Minneapolis, compared to \$150,000 dispersed in 2019.

VEAP partners with Hennepin County, the City of Bloomington and the Bloomington Housing and Redevelopment Authority (HRA) for financial support and advocacy for affordable housing. Through meetings coordinated by the City and HRA, rental property managers were provided the latest information about rental assistance.

More Minnesotans sought help from food shelves like VEAP in 2020 as well. About 8,800 households and 26,000 individuals from Bloomington, Edina, Richfield and south Minneapolis made use of VEAPs food programs in 2020. The organization distributed 4.7 million pounds of food last year, a 9% increase from 2019.

HELP FOR SMALL BLOOMINGTON BUSINESSES

The City created the Small Business Emergency Assistance Loan Program to assist Bloomington businesses that were negatively impacted by the COVID-19 pandemic. The program was funded using money from the Coronavirus Aid, Relief, and Economic Security Act. More than 150 businesses received loans administered by the City and Port Authority, with assistance from the Metropolitan Consortium of Community Developers and other community partners. The program distributed a total of \$843,000 to assist businesses in paying for working capital costs.



ACTIVE YEAR FOR NEW DEVELOPMENT

Despite the pandemic, 2020 was another active year in Bloomington for new development and property renovations. Bloomington had nearly \$220 million in new construction in 2020. This contributed 1.5% to the City’s total market value. The new construction for commercial, industrial and apartments was the most Bloomington has seen since 2016. In 2020, there were 496 new hotel rooms and more than 1,500 multifamily units were added. Residential construction helps support the City Council’s goal of reducing the shortage of housing in Bloomington.

COMMUNITY VOICES IN CITY BUDGETING

COVID-19 had a large impact on the hospitality industry, which in turn had a big effect on the City’s tax revenues. With difficult budget decisions on the horizon, the City Council formed the first Community Budget Advisory Committee (CBAC) in May 2020 to ensure community voices were at the forefront of all 2021 budget decisions.

The committee’s main tasks were to conduct research and provide the City Council with three options showing various tax levy amounts and the reductions in service levels associated with each.

After considering CBAC’s recommendations, the City Council adopted a 2021 property tax levy of \$66,468,834, an increase of 2.75%. This is the lowest property tax increase the Bloomington City Council has approved in nearly a decade.

CBAC and the City coordinated more public engagement around the budget than ever before. Activities included four online events and a digital platform where residents could provide feedback. Robust public engagement is one practice the City plans to continue moving forward.

“It is important to engage residents and businesses in budget and tax levy discussions so that community preferences are reflected in decisions about their local government services,” Budget Manager Kari Carlson said.

RACIAL EQUITY AND JUSTICE

Over the last several years, the City has made progress on the Council’s strategic priority of advancing equity and inclusion. The efforts of the Community Outreach and Engagement Division, the Bloomington Police community liaison and multicultural advisory team, and racial equity coordinator provide the structure to continue building relationships and break down barriers. The City’s racial equity coordinator is responsible for integrating race and equity principles into all operations, projects, and services of the City. The coordinator is accomplishing this by applying and integrating best practices into City operations, training staff, and tracking and monitoring outcomes.

In 2020, the City Council declared racism a public health crisis. Naming the racist foundations of policies in areas such as housing and employment acknowledges the detrimental effects they have had on racial disparities in health and life expectancy, according to the Harvard School of Public Health.

The City Council also adopted a racial equity business plan in October 2020 that includes specific goals and strategies that will guide the City’s racial equity work in the future. The final plan comes after months of work and a series of community listening sessions.

“The adoption of the racial equity business plan is a step in the right direction. People are less concerned with what we say and more concerned with what we will do,” Racial Equity Coordinator Faith Jackson said. “I am proud of the courageous leadership of the Council both in words and deeds. I trust we will show our commitment by implementing the strategies set forth with urgency and being transparent about our progress along the way.”

To read the City’s 2020 racial equity recap report, visit blm.mn/equity and click the PDF link at the top of the right-hand column.

HOPE FOR THE FUTURE

Nearly halfway through 2021, Bloomington Public Health staff have vaccinated thousands of community members in Bloomington, Edina and Richfield to protect them from COVID-19. As the year progresses, more people will be vaccinated and the community will move closer to life as we knew it before the pandemic.

Bloomington has long been a leader on issues related to public health, including being among the first cities in Minnesota to prohibit smoking in restaurants more than 15 years ago. The City Council has continued its leadership in protecting youth against the harms of commercial tobacco products through bold and innovative policy action. In April 2021, the Council voted to prohibit the sale of all flavored tobacco products, including menthol, starting January 2022, and to sunset the availability of new tobacco sale licenses starting June 2022.

The City Council is also looking to the future as it begins the process of writing its next strategic plan. This time, the City Council and City staff will be coordinating the project through community-based strategic planning. That means they’ll go out into the community to find out what’s most important to residents as they plan for the future of the city. Watch for more details on how you can get involved on the City’s website, social media channels and future issues of the *Briefing*.



ON THESE PAGES

The City of Bloomington reports financial year-end results in its Comprehensive Annual Financial Report, a required financial document for government entities that must comply with accounting requirements set forth by the Governmental Accounting Standards Board. It consists of three sections: Introductory, Financial, and Statistical. The Comprehensive Annual Financial Report goes into great detail and spans more than 200 pages.

This document, the 2020 *Corporate Report to the Community*, is Bloomington's *Popular Annual Financial Report*, a user-friendly companion to the December 31, 2020 *Comprehensive Annual Financial Report*. Both the *Popular Annual Financial Report* and *Comprehensive Annual Financial Report* are consistent with Generally Accepted Accounting Principles and the guidelines established by the Government Accounting Standards Board.

The following pages show 2020 financial results for the City's annually budgeted funds, including the General Fund, Enterprise Funds, Internal Service Funds, and Special Revenues Funds.

For a complete review of the financial position in all of the City's funds and component units (the Housing and Redevelopment Authority and Port Authority) for the year ending 2020, consult the Comprehensive Annual Financial Report available online at blm.mn/financial-reports.



HIGHLIGHTING HOPE: SERVING SENIORS

Public Health Nurse Ann Sattler's main focus at work is serving older adults, age 55 and up.

"We are here to connect people to services they need," Sattler said.

During the pandemic, Bloomington Public Health prioritized COVID-19 response. Sattler coordinated COVID-19 testing at long-term care facilities with the Minnesota National Guard and the Minnesota Department of Health, providing tests for residents and staff. She also helped coordinate senior drive-thru events as an opportunity for distanced social connection.

THE GENERAL FUND

The General Fund, which accounts for a majority of City services, is Bloomington's primary operating fund. It uses revenues such as property taxes, lodging taxes, admission taxes, permit revenues, license revenues, program income, and grant revenues to fulfill expense obligations.

	2020 ORIGINAL BUDGET	2020 FINAL BUDGET	2020 ACTUAL EXPENDITURES
	\$33,261,978	\$33,258,665	\$32,654,969
POLICE AND FIRE			
	14,121,459	13,302,641	11,181,800
PUBLIC WORKS			
	4,873,059	6,467,821	6,250,036
COMMUNITY SERVICES			
	10,392,521	10,665,510	8,501,688
PARKS AND RECREATION			
	9,851,924	10,170,426	9,805,913
COMMUNITY DEVELOPMENT			
	2,843,659	2,796,419	2,621,626
ADMINISTRATION			
	2,021,508	2,125,737	1,924,462
LEGAL			
	1,255,547	1,271,674	1,147,789
FINANCE			
	810,603	804,155	505,808
COUNCIL, COMMISSIONS			
TOTAL EXPENDITURES	79,432,258	80,863,048	74,594,091
TRANSFERS TO OTHER FUNDS	0	2,687,269	2,687,269
TOTAL	79,432,258	83,550,317	77,281,360

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.

		2020 ORIGINAL BUDGET	2020 FINAL BUDGET	2020 ACTUAL EXPENDITURES	FUNDING
COMMUNITY DEVELOPMENT	South Loop revolving fund	\$278,723	\$278,723	\$17,835	South Loop building permit surcharge
	Creative placemaking	510,993	302,098	296,799	Transfer from South Loop capital
COMMUNITY SERVICES	Communications	1,988,505	1,928,350	1,772,850	Franchise fees/other fund charges/property taxes
	Public Health special revenue	1,064,870	1,052,708	1,044,332	State grants
PARKS AND RECREATION	Park grants	99,107	524,337	445,934	State and federal grants
PUBLIC SAFETY	Public safety special revenue	2,902,703	3,969,361	3,239,332	Forfeited assets and grants and one-time reimbursement*/property taxes**
ADMINISTRATION	Cemetery trust	228,652	238,452	238,384	Lot/niche sales
TOTAL EXPENDITURES		7,073,553	8,294,029	7,055,466	

* 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.

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.

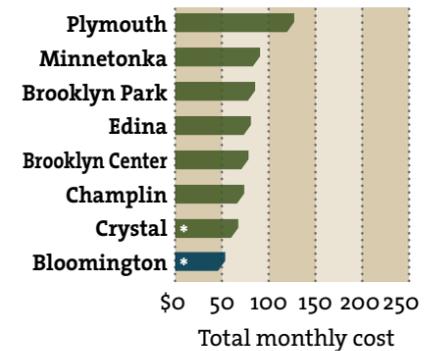
The City's excellent bond ratings signal to current and potential investors that our financial future is strong and ensure that interest costs will remain low. They also signal to businesses and individuals that Bloomington is a financially healthy community.



A dive inspection and cleaning project was completed on the City's four-million-gallon clearwell (an underground storage reservoir) in 2020.

WATER, SEWER, WATER SOFTENING

In 2020, the monthly costs to residents in eight cities for water, sewer and water softening ranged from \$124.11 in Plymouth (including in-home, water-softening costs) to \$54 in Bloomington.



Costs are based on a single-family residence. Water and sewer rates are based on 7,500 gallons (average based on the 2020 Residential Water and Sewer Rate survey).

* Cities that soften water before distribution.

ENTERPRISE FUNDS

These funds consist of utilities, recreational facilities, contractual police services and motor vehicle licensing. They are supported by user fees and in some cases also property taxes.

		2020 ACTUAL EXPENSES	2020 PROPERTY TAX SUBSIDY
PARKS AND RECREATION	Aquatics (Bush Lake Beach and Bloomington Family Aquatic Center)	\$1,326,415	\$1,226,000
	Center for the Arts	1,066,358	1,000,000
	Golf (Dwan and Hyland golf courses)	1,716,752	300,000
	Ice Garden	1,652,533	293,286
PUBLIC SAFETY	Contractual Police	490,593	0
PUBLIC WORKS	Solid Waste Utility	8,046,910	185,000
	Stormwater Utility	5,034,317	0
	Water	14,492,106	0
	Wastewater Utility	12,068,187	0
ADMINISTRATION	Motor Vehicle Office*	755,761	125,000
TOTAL		46,649,932	3,129,286

*The Motor Vehicle Office closed on March 31, 2021.

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.

	2020 ACTUAL EXPENSES
BENEFIT ACCRUAL	\$3,539,181
FLEET MAINTENANCE	7,263,912
FACILITIES AND PARK MAINTENANCE	10,840,210
INFORMATION TECHNOLOGY	5,741,746
EMPLOYEE BENEFITS	9,966,517
PUBLIC SAFETY TECHNOLOGY AND EQUIPMENT	1,041,145
SELF-INSURANCE	1,429,639
SUPPORT SERVICES	475,712
PERA PENSION*	(\$2,271,941)
TOTAL	\$38,026,121

*PERA Pension credit. Credit in 2020 is a result of a change in actuarial assumptions and investment performance of the State's Public Employees Retirement Association (PERA) liability attributed to the City of Bloomington.



HIGHLIGHTING HOPE: AN ENERGIZING DONATION

Many people faced financial hardship during the pandemic. To help, members of Cedar Valley Church donated \$87,518 to pay off past-due utility bills, impacting 207 properties.

"We know these are tough, uncertain times. We're very excited to be able to help more than 200 families and give them a little leg up," David Gohl, Cedar Valley Church trustee, said. "We're hoping this will be a little act of kindness that may lead people to pay it forward and help a neighbor."



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.

Mayor

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Councilmembers

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Nathan Coulter, 952-239-0531
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COMPREHENSIVE ANNUAL FINANCIAL REPORT

The City of Bloomington reports financial year-end results in the more than 200-page *Comprehensive Annual Financial Report*. This 2020 *Corporate Report to the Community* summarizes significant data from the 2020 *Comprehensive Annual Financial Report* 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* and *Comprehensive Annual Financial Report* are both available online at blm.mn/financialreports.

Minnesota state law states 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, 2021 titles and salaries are: City Manager—\$181,240; Public Works Director—\$178,780; Community Services Director—\$177,689.



CAPITAL PROJECTS

Capital project improvements are funded through a combination of reserves, property taxes, fees, federal grants, state grants, and debt. Capital projects that have expenditures of \$50,000 or more are included in the 10-year Capital Improvement Plan that is approved annually by the City Council at a public hearing. Individual project appropriations are then approved by the Council on a project-by-project basis. Here are some of the capital projects completed in 2020.

PARK IMPROVEMENTS

- Off-leash recreation area for dogs fencing: \$22,730.
- Ice Garden scoreboard: \$28,600.
- Old Cedar Avenue trailhead building: \$982,411.
- Dred Scott wheel house replacement: \$2.2 million.

PUBLIC SAFETY

- Fire Station 3: \$10 million.

UTILITIES INFRASTRUCTURE

- Water Treatment Plant Filter rehabilitation: \$550,671.
- Old Shakopee Road and 86th Street intersection improvements: \$1.1 million.

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 2020, the Pavement Management Program expended \$8.5 million. These improvements include just over four miles of reconstructed streets and nearly nine miles of overlaid streets.

MANAGING DEBT, 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, 2020 was \$79,363,846. The legal limit for Bloomington is \$436 million. More than 50% of Bloomington's debt will be paid off in five years and more than 80% in 10 years—a sign of strong financial management.