

B L O O M I N G T

ANNUALB **D G E T** 2 0 2 5 U







GOVERNMENT FINANCE OFFICERS ASSOCIATION

Distinguished Budget Presentation Award

PRESENTED TO

City of Bloomington Minnesota

For the Fiscal Year Beginning

January 01, 2024

Executive Director

Christopher P. Morrill



March 1, 2025

Dear Reader,

This year, our budget book theme, *Best of Bloomington*, celebrates our city and those who make it an enduring and remarkable community where people want to be.

To cultivate an enduring and remarkable community, the City needs a solid financial foundation. Bloomington ranks with an elite few cities nationwide in holding three triple-A bond ratings. For the last 21 years, the City has maintained its Aaa status from Moody's, AAA from Standard & Poor's and AAA from Fitch Ratings, the highest bond ratings awarded by these agencies.

This document presents the City's approved 2025 budget, and includes budget summaries for all funds, working capital goals, debt and capital overviews and operating program details. Background information used to develop the budget and to describe its impact and corresponding levies are included in the introduction to provide a more complete understanding. To determine the current levy and to consider the City's long-term financial stability, 5-, 10- and 15-year budget models were used.

> Lori Economy-Scholler Chief Financial Officer

TABLE OF CONTENTS

Introduction and Overview	13 -	- 42	
City Council		15	
Executive Leadership Team		16	
Organizational Chart		17	
Community Profile		18	
Strategic Goals and Strategies		19	
Mission Statement and Vision			
Goals and Strategies			
City Manager's Budget Message		23	
Budget Overview		38	
Financial Structure, Policy and Process	43 –	106	
Fund Descriptions and Structure		45	
Department Fund Relationship		52	
Basis of Accounting and Basis of Budgeting		53	
Budget Process		55	
Budget Calendar		58	
Financial Management Policies		62	
Organizational Vision and Preamble	2-P	63	
Budgetary and Financial Control Policy	4-P	65	
Capital Improvement Program Policy	7-P	68	
Debt Management Policy	9-P	70	
Economic Development			
Abatement District Policy	19-P	80	
Tax Increment Policy	21-P	82	
Fund Balance Year-End Classification Policy	25-P	86	
Investment Policy	28-P	89	
Purchasing Policy	40-P	101	
Revenue Policy	43-P	104	
Financial Management Policies Adoption Index	45-P	106	

Financial Summaries		107 – 122
Budget Summary		109
Consolidated Fund Financial Schedul	es	110
Changes in Fund Balance		114
Revenue Source Descriptions		116
Long Range Financial Plans		119
2019 101190 1 111110111 1 10110		
Capital and Debt		123 – 136
Capital Projects		125
Debt Overview		132
Departmental Information	o n	137 – 332
Staffing Levels		139
Position Summary Schedule		142
City Clerk	General Fund	144
Cemetery	Special Revenue Fund	147
City Council	General Fund	149
City Manager's Office	General Fund	151
Communications	Special Revenue Fund	153
Support Services	Internal Services Fund	156
Community Development		158-181
Community Development	General Fund	158
Administration	General Fund	160
Assessing	General Fund General Fund	163 166
Building and Inspection Environmental Health	General Fund	169
Planning	General Fund	172
Creative Placemaking	Special Revenue Fund	175
South Loop Rev. Dev.	Special Revenue Fund	180
Community Outreach & Engagement	General Fund	182
Finance		186-198
Finance	General Fund	186
Administration and Budget	General Fund	189

	Financial Operations Risk Management Self-Insurance	General Fund General Fund Internal Services Fund	192 195 197
Fire	Fire Fire Pension Fund Public Safety Tech. and Equip.	General Fund Special Revenue Fund Internal Services Fund	199-211 199 207 209
Huma	n Resources Accrued Benefit Employee Benefits	General Fund Internal Service Fund Internal Service Fund	212 214 216
Inforn	nation Technology	Internal Services Fund	218
Legal		General Fund	222
Office	of Racial Equity, Inclusion, and	Belonging General Fund	225
Parks	and Recreation Parks and Recreation Administration Recreation Park Maintenance Creekside Community Center Aquatics Center for the Arts Golf Courses Ice Garden Parks & Rec. Special Revenue	General Fund General Fund General Fund General Fund General Fund Enterprise Fund	230-256 230 232 235 238 241 244 246 249 253 255
Police	Police Administration Operations Support Division Contractual Police Overtime DWI Forfeiture Enhanced 911 Fed. DOJ Forfeiture Fed. Treasury Drug Forfeiture State Drug Forfeiture	General Fund General Fund General Fund General Fund Enterprise Fund Special Revenue Fund	257-282 257 260 263 268 271 273 275 277 279 281
Public	Health Opioid Settlement	General Fund Special Revenue Fund	283 287

Public Works		289-321
Public Works	General Fund	289
Administration	General Fund	291
Engineering	General Fund	295
Maintenance Admin.	General Fund	299
Street Maintenance	General Fund	301
Water Utility	Enterprise Fund	303
Wastewater Utility	Enterprise Fund	306
Storm Water Utility	Enterprise Fund	309
Solid Waste Utility	Enterprise Fund	312
Facilities Maintenance	Internal Service Fund	316
Fleet Maintenance	Internal Service Fund	319
Component Units		322-332
Housing and Redevelopme	nt Authority	322
Port Authority	•	326
Glossary		333 - 341

INTRODUCTION AND OVERVIEW



City of Bloomington

City Council

Mayor



Tim Busse
Term Expires Jan. 2028

Council Members



Jenna Carter At Large Term Expires Jan. 2028



Chao Moua At Large Term Expires Jan. 2026



Dwayne Lowman District I Term Expires Jan. 2026



Shawn Nelson District II Term Expires Jan. 2026



Lona Dallessandro District III Term Expires Jan. 2028



Victor Rivas District IV Term Expires Jan. 2028

Housing and Redevelopment Authority

Chairperson Jennifer Mueller

Commissioners Jenna Carter

Blake Doblinger Victoria Hoogheem

Samiira Isse Chao Moua Rod Wooten

Port Authority

President Bob Erickson

Commissioners Tim Busse

Cynthia Hunt Tim Keller Rob Lunz Shawn Nelson Steve Peterson

City Administration

Interim City Manager Elizabeth Tolzmann

Interim City Manager Kathy Hedin

Fire Chief Ulie Seal

Police ChiefBooker T. HodgesCity AttorneyMelissa ManderschiedChief Financial OfficerLori Economy-Scholler

Chief Information Officer
Community Development Director
Parks and Recreation Director
City Engineer

Amy Cheney
Kim Berggren
Ann Kattreh

Parks and Recreation DirectorAnn KattrehCity EngineerJulie LongUtilities SuperintendentScott M. Anderson

Maintenance Superintendent
Public Health Administrator

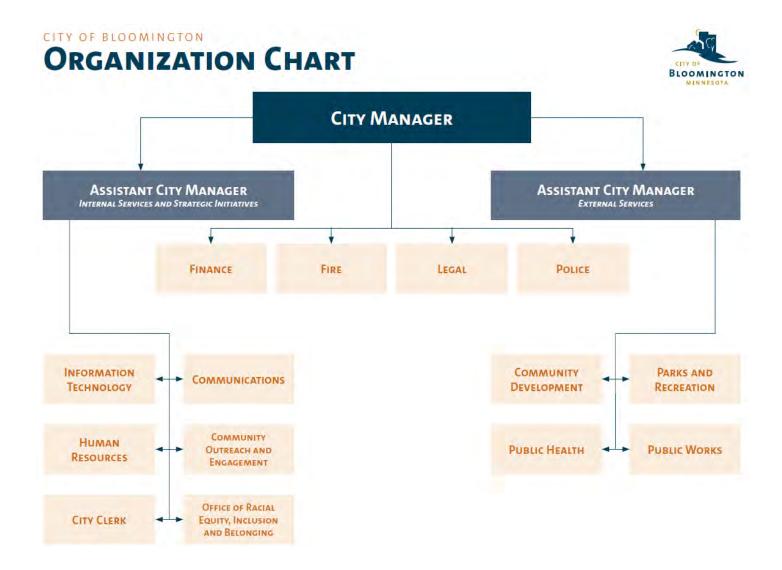
Scott M. Anderson
Tim Behrendt
Nick Kelley

Organization Structure and Chart

The home rule charter was adopted in November 1960. The City is a Council-Manager form of municipal government. The Council is comprised of the Mayor and six Council Members who serve four-year terms; the Mayor and two members are elected at-large, the rest are elected by district.

The City Council appoints a professional City manager, who is responsible to the Council for the administration of all City business. The Council also appoints residents to advisory boards and commissions.

Activities are managed through four departments and two service teams that report to the City Manager. Within each service team are several departments and divisions that report to service team leaders for cross-collaborative alignment, strategic priorities, and implementing City operations and service delivery throughout the year.



Community Profile

Bloomington, Minnesota is a dynamic urban center in the Twin Cities metro area and a vibrant community for both residents and businesses.





<u>This two minute video</u> describes just some of the wonderful features about Bloomington.

Bloomington, the fourth largest city in Minnesota, is a dynamic urban center with more than 90,000 residents and 3,500 businesses. Bloomington has a strong employment market, with two jobs for every city resident in the workforce. The city is one of the key drivers of the Minneapolis - St. Paul regional economy with industries including healthcare, hospitality, technology, and manufacturing. Home to Mall of America, Bloomington is also a major tourist destination for the upper Midwest.

The City has achieved 99 percent of its original development capacity. To provide visual and physical relief from continuous urban development, one-third of the city is designated for public parks and conservation. Bloomington is also home to award-winning schools and colleges. Significant redevelopment is occurring in Bloomington's South Loop District, an urban center at the crossroads of the metro area's transportation network.

City of Bloomington Strategic Plan

Bloomington. Tomorrow. Together

In 2021, the City embarked on a new strategic planning effort, one that involved the community in planning Bloomington's future. The initiative *Bloomington. Tomorrow. Together.* engaged residents in helping the City Council design a new strategic plan. City staff worked in partnership with members of the community at every stage of the process, from community cafes and surveys to understand Bloomington's strengths and challenges; through creation of a mission statement and strategic objectives by a core planning team; to identifying strategies and measurements for success by action and measurement teams.

The difference between this and previous strategic planning processes was that the community was involved in nearly every step of the process. As a result, the community's voice is reflected in the final product. The *Bloomington. Tomorrow. Together.* strategic plan was adopted by the City Council on April 25, 2022. The plan will guide the City's work through 2027.

Our Mission

Our mission is to cultivate an enduring and remarkable community where people want to be.

Our Core Values - We believe that...

- The community thrives when its members share responsibility for its well-being.
- Transformation will come through collective courage and the willingness to take risks.
- When diversity is embraced, the community is strengthened.
- Everyone benefits when there is equitable access to opportunity.
- Safety and security are critical components of a resilient and healthy community.

Our Strategic Objectives - By 2030...

- 1. Our community members will feel connected to their neighbors, welcomed, and valued by the community as a whole.
- 2. The City of Bloomington will achieve significant improvement in the indices measuring the community's environmental and individual health.
- 3. The City of Bloomington will achieve significant improvement in indices measuring equitable economic growth.

Our Strategies - What we will do

- 1. Build trusting relationships that acknowledge diversity so that we are able to embody our core values, live our mission and achieve our strategic goals.
- 2. Do what is necessary so that all of the community can understand, support and actively contribute to the achievement of the mission and strategic objectives.
- 3. Identify and align efforts across organizations in the community to leverage, develop and maximize assets to achieve mutually beneficial outcomes.

Five-Year Results

Measurement Results

- We will develop a measurement system and report by the end of 2022.
- The City will have a community-involved process for measuring the strategic plan

Strategy 1 Results

- The City's internal culture is consistent with core values.
- The City uses a model to support neighborhood identity, placemaking, connection, history, and culture.
- The City utilizes a comprehensive plan for addressing issues of safety and security.
- City regulations have been revised to increase flexibility and support for community gathering places, including small businesses, community organizations and City spaces.
- City staff are skilled, empowered and expected to build and maintain authentic relationships with community members.
- Issues of injustice for historically marginalized communities are acknowledged and addressed in Bloomington.
- The City expanded its Creative Placemaking program across Bloomington.
- The City has a model for a centralized gathering space that is welcoming, unique, dynamic and celebrates Bloomington's diversity.

Strategy 2 Results

- A network of diverse and trusted community partners has been established to share relevant information.
- We have identified what is missing in our approaches of communicating with our community.
- Barriers to participation are identified and removed.
- The community has a better understanding of how the strategic objectives will affect them and why they should care.
- Community members are increasingly motivated to actively contribute.
- Community members increasingly take advantage of opportunities to actively contribute.

Strategy 3 Results

- We have established and piloted a community asset mapping model for cataloging key services, benefits and resources to identify strengths and gaps relating to Bloomington's strategic objectives.
- We have established partnerships with organizations to connect residents and businesses with relevant resources.
- The community asset map is used by the public and partners to access and align resources.

We will not:

- Add any program, project, policy, or service that is not consistent with our core values and aligned to our mission.
- Allow past practices to interfere with the consideration of new ideas.

Dashboard

In 2023, the City launched a <u>Strategic Plan Dashboard</u> that demonstrates progress across the three priority areas. We will continuously monitor and measure to see how we are progressing toward accomplishment of these objectives.

Strategic Priorities



A connected, welcoming community

- 1. More connected neighbors
 - 2. More welcomed by city
- 3. More valued community



A healthy community

- 1. Improved environment
- 2. Improved human health
- 3. Improved safety/security



A community with equitable economic growth

- 1. More equitably distributed
- 2. Expanded business diversity
- 3. More equitable job growth







INTENTIONALLY LEFT BLANK

City Manager's Budget Message

Interim City Managers – Elizabeth Tolzmann & Kathy Hedin

Best of Bloomington

This year, our budget book theme, *Best of Bloomington*, celebrates our city and those who make it an enduring and remarkable community where people want to be.

To cultivate an enduring and remarkable community, the City needs a solid financial foundation. 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 has been very fortunate to have a broad base of revenues combined with a long history of sound financial management and good, stable governance. The City is not as dependent as other cities on property taxes, which represents about two-thirds of General Fund revenues.

In 2024, the City continued with public engagement in the budget planning process. Finance staff updated the <u>budget webpage</u> with videos, links to presentations and articles with extensive information on the budget planning process. Staff set up tables at popular events including festivals and farmers markets to learn what was important to residents when it came to City services with conversations and an interactive budget game.

The City's Annual Budget for fiscal year 2024 brings together the City Council priorities and financial planning with community needs and expectations. Doing this ensures that the City continues to meet the needs of residents while maintaining a stable and healthy budget.

Read more about what we are doing to move Bloomington forward.

Renewing community

Many new developments and property renovations were underway last year in Bloomington. The City's budget dedicates resources to implement plans for community renewal citywide. The following projects were under construction or completed construction in 2024:

- SICK Technology Campus Phase II, a 144,000-square-foot, four-story office building as part of a 547,000 sq. ft. campus.
- Seagate Expansion, 80,000-square-foot, two-story manufacturing addition.
- Noble Apartments, 149 units with 14 units affordable at 50% AMI.
- Walser Toyota, 122,000-square-foot auto dealership.
- Ardor Apartments, 235 market rate units.

- Oxboro Heights Senior Apartments, 125 units all affordable between 30% and 70% AMI.
- Luther Hyundai, 9,200-square-foot dealership expansion.
- Schneiderman's Furniture, office building conversion to retail plus 4,000-square-foot addition.
- Gyropolis, 2,400-square-foot expansion of the restaurant.
- The Knox apartments, 99-units with nine units affordable at 50 percent AMI.
- Ever apartments, 208-units with 17 units affordable at 60 percent AMI and 1,400 square feet of commercial space.
- The Rosalyn apartments, 128 units with 120 units affordable at 50 percent AMI and eight units affordable at 30 percent AMI.

Bloomington housing market

The value of the median home rose from \$361,300 to \$365,600, a 1.2% increase between 2024 and 2025. Industrial growth slightly outpaced residential this past year, posting a 2.3% increase. Overall, the commercial market was relatively flat between 2024 and 2025. Some segments like retail, hospitality, and restaurants saw growth, while the decline in office values of 5.8% offset those gains. The strong development cycle for multifamily properties from the last few years has stalled considerably due to higher interest rates and values of existing apartments have declined 4.5% year over year.

Bloomington's quality of life scores well in survey

Bloomington residents enjoy living here, according to the 2024 National Community Survey™. When asked to rank Bloomington as a place to live, 89% of respondents rated our city as "excellent" or "good." Overall quality of life here ranked highly too, with 84% of respondents saying it is "excellent" or "good."

Bloomington residents also provided ratings higher than the national average for their community in both attracting, and valuing and respecting people from diverse backgrounds. This is exciting because it aligns with our community-based strategic plan, *Bloomington. Tomorrow. Together.*, priority of being a connected, welcoming community.

Being a healthy community is another priority residents identified in the BTT plan. This includes individual health, sustainability and safety initiatives. The survey shows that residents see safety as a key benefit of living in Bloomington. Approximately 9 in 10 respondents said they felt very or somewhat safe in their neighborhoods and in Bloomington's commercial areas during the day. Similarly, 8 in 10 respondents reported feeling safe from violent crime and property crime.

The praise continued to flow for Bloomington's drinking water. This year's approval rating of 90% ranked Bloomington "much higher" than benchmarks comprised of resident feedback from more than 500 other communities nationwide.

More highlights

- The number of survey respondents calling the value of services for taxes paid "excellent" or "good" increased by 7% since 2023.
- About 9 in 10 residents positively rated the overall quality of maintenance at their local park.
- A majority of residents consider the Bloomington Briefing a top source of information about the city.
- Availability of affordable quality housing, affordable mental health care and preventive health services were cited as areas for improvement.

Last year was the 13th consecutive year that we conducted the National Community Survey™ in Bloomington. The City will work with Polco/National Research Center to administer the survey again in 2025.

For more information and survey results, visit the City's website at blm.mn/survey.

Retaining excellent financial integrity

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 35 cities out of more than 19,500 municipal governments in the U.S. that have achieved three triple-A ratings. Bloomington is one of only two Minnesota cities to hold all three highest ratings. According to the agencies, 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 the 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.

Factors influencing decisions - Strategic priorities

Many community members and City staff worked together to create the *Bloomington*. *Tomorrow*. *Together*. strategic plan. Development of the community-driven plan started in 2021 with a core planning team, action teams and a measurement team. In 2022, City staff took what those groups created and built an actionable work plan around it that will guide their work over the next five years. The work plan has three priorities: a connected, welcoming community; a healthy community; and a community with equitable economic

growth. The following projects fall within those priority areas and influenced budget decisions for 2024.

A connected, welcoming community

Three major community amenity projects move forward

During the 2023 election, Bloomington voters approved a new half-percent sales tax to provide \$155 million for renovations to the Bloomington Ice Garden, a new community health and wellness center, and enhancing and protecting the Nine Mile Creek corridor, and Moir and Central Parks. In 2024 and early 2025, the projects have been moving ahead. Here's an overview of the status of each of the three projects.

Bloomington Ice Garden



The Bloomington Ice Garden renovation has begun with a new cooling system, flooring and dasher boards being installed. The facility will close March 9 with the goal of reopening at the end of 2025, in time for the next hockey season. This project will use \$35 million of the \$155 million approved by voters.

Community health and wellness center



The City conducted community engagement to determine what programming and amenities a new center would include and what stakeholders value in a new facility in 2024. The design process is underway with a draft schematic design currently out for community review. This project will use \$100 million of the \$155 million approved by voters. The end goal is for the new center to open by 2027.

Nine Mile Creek corridor



Spanning 240 acres, the Nine Mile Creek corridor is a beautiful slice of nature, featuring trails and many outdoor amenities that residents enjoy. Bloomington residents

consistently rank Moir Park as one of the city's top parks. They also consider natural resources a priority. The next step for the Nine Mile Creek corridor will be community engagement. Parks and Recreation leadership will begin this process early next year. This project will use \$20 million of the \$155 million approved by voters.

Bryant and Tretbaugh parks under construction

In summer 2022, staff consulted residents on potential amenities and design ideas for Bryant and Tretbaugh parks through several community sessions. Now the community's vision is coming to life. Bryant and Tretbaugh parks are under construction. The parks are tentatively scheduled to open in spring 2025. Read on to learn more about the two park projects.

Tretbaugh Park was identified to be a bike skills park. The reimagined park will feature a paved all-wheel track and a gravel course for mountain bike skills development. There will also be a new shade structure and seating areas.

Bryant Park was identified to host the first fully inclusive playground in Bloomington along with a redesigned park shelter.

The new Bryant Park shelter will offer a warming house for ice skating during winter months, youth programs, facility rental and other recreational amenities like seating areas and restrooms with exterior access open during park hours.

Both park designs include clean water and natural resource improvements, such as wetland quality and surface water quality improvements resulting in more native prairie.

These parks were chosen using the City's approach to equity prioritization, which evaluates parks on neighborhood characteristics (e.g. income, poverty rates, race, crime), number of people using the public space and the condition of the existing facilities.

Welcome to Bloomington encourages new residents to engage

Welcome to Bloomington is a program that launched in January 2024 to greet new residents and has continued to grow in 2025. The program provides monthly new resident meetings, neighborhood events, a resource fair and a cultural fair. It also includes a bucket list.

"We want to encourage people to check out their new community, so we developed a bucket list filled with fun things to do and places to visit," said Faith Jackson, the City's former Chief Equity and Inclusion Officer.

Bucket list activities include attending a high school play in Bloomington, attending a Winter Fete event, touring Mall of America, visiting a local park or trail, attending the farmers market and more.

Creative placemaking expanding citywide

From murals, sculptures and performances, to events, temporary art pop ups and more, the City of Bloomington began its creative placemaking efforts in 2016. Creative placemaking is a process where art plays an intentional, integrated role in place-based community planning and development. It honors the existing assets, history and character of a place, with community engagement as a vital part of the process. Until 2023, Bloomington's creative placemaking efforts were focused in the South Loop. The efforts are now citywide, as requested by community members in the City's *Bloomington. Tomorrow. Together.* strategic plan.

A healthy community

BPD receives award for innovative mental health rapid response pilot program



The City was recognized during the Minneapolis Regional Chamber's 2024 Regional Leaders and Innovators Awards ceremony last October for the Police Department's Bloomington Community Brain Health Services in its public safety category, which pairs people in crisis with therapists.

Many 911 calls about people suffering a mental health crisis result in a visit from a police officer and often an emergency room visit, but an innovative pilot program being implemented by Bloomington Police Chief Booker T. Hodges will reduce those incidents by providing community members with immediate in-home therapy at no cost.

"Our core value here at the Bloomington Police Department is respect, and respect is demonstrated through our compassionate and honest service. I believe that it's not very compassionate to allow someone who needs and wants help to go months without getting the help they need," Chief Hodges said.

This first-in-Minnesota program includes two licensed marriage and family counselors who are embedded within the Bloomington Police Department. The two therapists will supervise four students who are completing their clinical practice requirements. Individuals receive services at no cost, with appointments available in-person at their home or another convenient location. The pilot program, which began in December 2023, will cost \$63,000 and be paid for with funds from the state's opioid settlements and state Public Safety Aid funds.

Curbside Cleanup is more sustainable

In 2021, After months of digital community engagement, a survey and community listening sessions, the City Council approved a new plan for handling bulky waste items in a more sustainable way than the Curbside Cleanup program of the past. The purpose behind the new program and the added activities, listed below, is to reuse and recycle more, and landfill less. The new plan and activities began in 2022, including changes to the spring Curbside Cleanup with limited items accepted. 2023 was the first year that no Curbside Cleanup took place. Changes in the new program included:

- Curbside Cleanup events now take place every other year as opposed to every year.
- Small items that can fit in a small garbage cart are no longer accepted during the cleanup.
- There is an annual drop-off event for recyclable materials.
- There are swap events for exchanging items such as sporting goods or gardening tools.
- The City is also exploring options to have a regular pickup of reusable bulky items for customers with City garbage and recycling. Read more on this below.

Sold out tree sale boosts urban canopy

Each year, Bloomington Public Works holds a tree sale to encourage residents to help build Bloomington's urban canopy. In 2024, all the trees available were sold. Now in its 18th year, this program helps the City maintain its Tree City USA designation and has added nearly 3,000 trees to Bloomington's urban forest.

A community with equitable economic growth

Bloom in Bloomington internship program continues



Bloom in Bloomington is a youth workforce program offering summer intern experiences to young people, aged 16 to 24, who live or attend school in Bloomington. The second cohort of interns went through the program in summer 2024. We are currently taking applications for the third intern cohort.

The City designed Bloom in Bloomington internships to provide youth who face barriers to employment an opportunity to build skills, learn leadership and gain valuable work experience. Participants have an opportunity to explore career paths from a wide variety of local employers, including the City.

In the coming years, Minnesota employment statistics confirm a projected workforce shortage. Conversely, nonwhite populations are growing more quickly than the white population in the Twin Cities region, according to former Chief Equity and Inclusion Officer Faith Jackson. To meet future workforce needs, Minnesota employers must attract and retain more workers of all races. Learn more at https://docs.nih.google.com/bloomington.

Southtown redevelopment



In 2024, the City Council approved plans for the partial redevelopment of the Southtown Shopping Center site where the former Herberger's and Toys 'R Us building once stood.

The approved development plans include a two-level, 120,000 square foot Dick's House of Sport retail building located just to the east of the existing Kohl's store, and a complementary 18,000 square foot outdoor athletic field on the north side along I-494.

A future development phase would include a four-story medical office building. The plans also reconstruct the parking areas to meet city code standards with landscaping and lighting improvements, on the eastern half of the site.

To improve the pedestrian experience, the plan calls for sidewalk connections through the parking lot, sidewalks along Knox Avenue, north of American Boulevard, and a connection to the Orange Line Bus Rapid transit and a pedestrian tunnel under I-494.

The City anticipates more redevelopment at Southtown in the future. A prerequisite for further development is addressing the sanitary sewer capacity constraints in the vicinity.

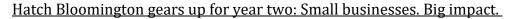
Work related to the Dick's House of Sport and the parking lot is expected to begin this fall. Stay tuned for more updates.

Gyropolis expansion complete



Gyropolis, known for its Greek family recipes made with organic produce, expanded their restaurant to triple its previous size at 2325 W. 90th St. in 2024.

The project included a 2,400-square-foot addition, featuring a new kitchen and adding 74 indoor seats, along with a 58-seat outdoor patio. The City supported this project by ensuring business owners had access to resources that would be helpful, including a DEED grant of \$58,400. This project was also supported Tax Increment Financing (TIF).





Hatch Bloomington, a retail pitch competition hosted by the City of Bloomington and Minneapolis Regional Chamber, gives ambitious entrepreneurs the opportunity to win a \$100,000 financial assistance award, significant exposure, and a robust business network to tap into. In 2024, the program named its first winner—Scramblin' Egg. The Hatch winnings made an impact for the Scramblin' Egg owners who are planning to open their first brick-and-mortar location in Bloomington this spring.

The City is in the process of launching another round of the Hatch Bloomington competition in 2025.

Hatch is one tool the City is using to help the growing small business community to reflect local market demands.

Hatch Bloomington's goals

- Support the existing, and growing, small business community in Bloomington.
- Position Bloomington as an attractive location for outside investment and economic activity.
- Build and maintain a pipeline of up-and-coming entrepreneurs who are Bloomington-focused.
- Strengthen partnerships between the City, Minneapolis Regional Chamber, and other drivers of economic growth throughout the Metro area.

Impact on the 2025 budget

Engaging the community

Finance staff and other City employees continued the tradition of finding creative ways to engage community members in the budget planning process. Staff went out and about and talked with residents at seven different community events. From farmers markets to concerts in the park, Finance staff brought an interactive game to learn more about what was important to residents when it came to the budget and City services. The Mayor and Council discussed the budget during multiple Council meetings. The National Community Survey™ also addressed budget topics. Based on that feedback, the community engagement and thoughtful Council discussions, the 2025 budget reflects the community's priorities.



2025 budget and property tax levy reflect community's priority of public safety

In December, the City Council approved Bloomington's 2025 property tax levy and general fund budget with a tax levy increase of 9.18%. That levy increase translates into an actual increase in City property taxes of 6.85% for a median-valued home and equates to an annual increase of \$97, or \$1.87 per week.

"I believe this budget reflects the values, priorities, and expectations of the residents of Bloomington. Like any budget discussion, our conversation was centered on revenues and expenditures. On the revenue side, the City continues to see increases in our collections from lodging and admission taxes. In both cases, we're at or above 2019 levels, which tells me that our hospitality industry is back to pre-pandemic numbers. That's good news," Mayor Tim Busse said. "The City collects about \$10 million each year from those two revenue sources, which is significant. On the flip side, we'll see a decrease again this year in

revenues from permits. That's the result of fewer big construction projects underway in Bloomington."

From an expenditure perspective, once again this year, the two biggest expense drivers are closely related to City services that residents have come to expect. City governments are in the service industry. The City of Bloomington does not make widgets, but instead provides services like police and fire protection, snow plowing, park maintenance, water delivery, and many others. For decades, Bloomington residents have made it clear that high-quality City services are a priority.

On the topic of services we've all come to expect, Bloomington's investments in public safety are a major expense driver. For years, the Council has heard that public safety is the top priority in this community. This budget and frankly budgets for the past couple of years reflect that. You all know that we have one of the best—if not the best—police departments in Minnesota. That requires investment in people, training and equipment. You also know that we're building a long-overdue fire department that is a combination of full-time and paid on-call firefighters. Even with federal grants to help defer those costs, a fire department is a significant investment. Of the 9.18% levy increase, almost 65% goes toward police and fire services. If you prefer raw dollar figures, the increase in the property tax levy for 2025 is \$7.4 million. More than \$4.7 million will go to police and fire.

On a larger scale, more than 82% of this budget will go toward the five areas that make up the nuts-and-bolts work of city government: police, fire, public works, parks and recreation, and community development. That level of spending in these vital areas reflects the priorities, values, and expectations of Bloomington residents.

As you've heard me say before, the Council's work on the annual budget is the most important work we do. I firmly believe that the 2025 levy increase reflects the City's mission to cultivate an enduring and remarkable community where people want to be.

Thank you to everyone who provided feedback in this process. You can watch my full comments on the 2025 budget in the episode of Council Minute at blm.mn/budget.

The 2025 City property tax dollar

Most property taxes support police, fire and public works. For every dollar of City taxes paid, 51 cents go toward police and fire, 16 cents go toward public works, 15 cents go to parks and recreation, 9 cents go to pay outstanding debt for street and construction projects, 6 cents go toward community development and 3 cents of each property tax dollar go toward public health.

DIVIDING UP THE 2025 CITY PROPERTY TAX DOLLAR



Conclusion

The City's Finance team is a great example of the *Best of Bloomington*. As one of only 35 cities nationwide to achieve triple-A ratings from all three credit rating agencies, Bloomington is at the top of its class for financial strength and stability. The 2025 budget outlined in this book will continue the tradition of sound budget management at the City of Bloomington. That foundation of excellent management and quality service delivery is vital for the City to achieve its mission of cultivating an enduring and remarkable community where people want to be.

2025 Budget Overview

The budget is the blueprint for services and plans for fiscal year 2025. It communicates the allocation of resources and the plan to achieve the City's goals and objectives.

Adopted 2025 Budget

Budgeted revenues for all funds total \$232,996,297 and budgeted expenses for all funds total \$241,961,536. The \$8,965,239 difference will fund planned capital expenditures as well as bring balances in line with fund goals, as appropriate.

General Fund

The General Fund budget is balanced, with both revenues and expenditures equaling \$109,813,407. The General Fund expenditure budget includes a contingency of 2.5% of proposed expenditures or \$2,678,376 that is available for emergencies or unanticipated expenses.

Special Revenue Funds

Budgeted total revenues of all the Special Revenue Funds equal \$6,843,826. Budgeted expenditures are \$7,275,675 resulting in decrease of working capital of \$431,849. Most of the decrease is in the Fire Pension fund.

Enterprise Funds

The Enterprise Funds' budgets have total budgeted revenues of \$64,677,222 and expenses of \$70,458,595 resulting in a net decrease of \$5,781,373. Most of the budgeted decrease is caused by large capital projects in the Storm Water Utility fund.

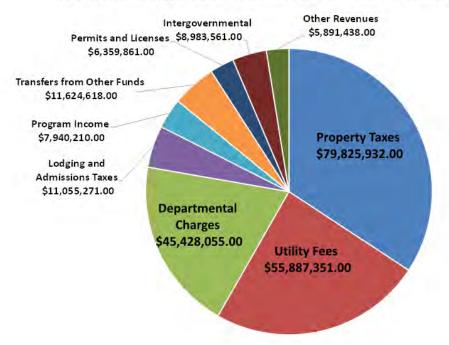
Internal Service Funds

The \$2,751,019 decrease in the Internal Service Funds results from budgeted revenues of \$51,661,842, being less than the budgeted expenses of \$54,413,861. Some of the larger planned decreases are in the Employee Benefits Fund, Insurance fund, and Fleet fund. All the Internal Service Fund budgets have 10-year budget models to manage internal fee increases and predict the working capital balance of each fund compared to working capital goals.

Budgeted Revenues – All Funds

Budgeted revenues for all funds total \$232,996,297.

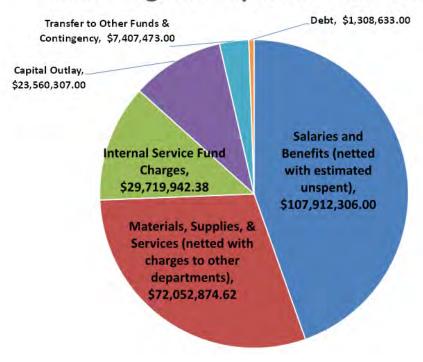
2025 Budgeted Revenues - All Funds



Budgeted Expenses – All Funds

Budgeted expenses for all funds total \$241,961,536.

2025 Budgeted Expenses - All Funds



Property Tax Levy Components

The dollars levied for 2025 by tax levy category as compared to the 2024 tax levy are illustrated in the following table:

	2024 Tax Levy	2025 Tax Levy	Tax Levy \$ Change	Tax Levy % Change
General Revenues:				
General Fund	\$69,321,549	\$75,657,500	\$6,335,951	
Communications	\$400,000	\$700,000	\$300,000	
Forestry	\$185,000	\$185,000	\$0	
Fire Pension	\$1,050,000	\$1,050,000	\$0	
Aquatics	\$500,000	\$335,000	(\$165,000)	
Art Center	\$1,000,000	\$1,500,000	\$500,000	
Golf	\$105,565	\$0	(\$105,565)	
Ice Garden	\$125,000	\$200,000	\$75,000	
Strategic Priorities	\$0	\$0	\$0	
Tax Abatement	\$400,000	\$400,000	\$0	
Total General Revenues	\$73,087,114	\$80,027,500	\$6,940,386	8.62%
Debt Service	\$7,397,156	\$7,848,711	\$451,555	0.56%
Total Tax Levy	\$80,484,270	\$87,876,211	\$7,391,941	9.18%

Property Tax Value Information

One of the most difficult concepts of the Minnesota Property Tax System is the proportionate share of the property tax levy. Some states set a mill rate which when applied to the home value creates a property tax similar to a sales tax. In Minnesota, taxing jurisdictions such as Cities, Counties, and School Districts set an annual total property tax levy (or total tax dollar amount) and each individual property's market value determines their proportionate amount that they will pay of the tax levy. Therefore, if residential property values increase more than commercial values, residential property values will take on more of the share of the tax levy in that year.

Values showed a small decrease in net value of .02% year-over-year for the median value home from \$361,600 to \$361,300 for the 2025 tax levy. Commercial properties increased by 6.7%

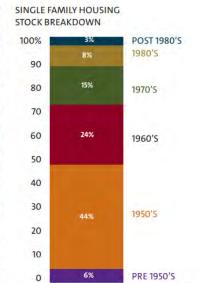
The Deputy Finance Officer and City Assessor published an explainer video, "<u>Understanding your property taxes and home valuations</u>" The four-minute video describes the relationship between property taxes and home valuations.



Single Family Residential

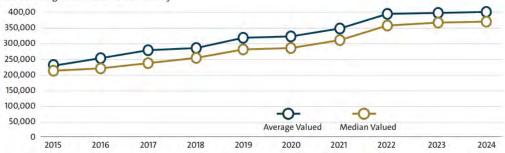
Average and Median Value History					
Assessment Year	Average Value	% Chg	Median Value	% Chg	
2024	397,200	0.1%	361,300	-0.1%	
2023	396,700	1.8%	361,600	1.6%	
2022	389,500	16.8%	355,900	15.9%	
2021	333,600	6.5%	307,200	7.3%	
2020	313,100	0.3%	286,400	0.9%	
2019	312,200	9.1%	283,900	10.5%	
2018	286,200	4.9%	256,900	4.3%	
2017	272,800	7.2%	246,400	9.1%	
2016	254,400	2.3%	225,900	2.8%	
2015	248,700	6.3%	219,700	6.3%	
2007 (Previous peak)	280,700	0.9	247,900	1.3	

The Average and Median Value homes are 41.5% and 45.7% higher than the previous peak of 2007.

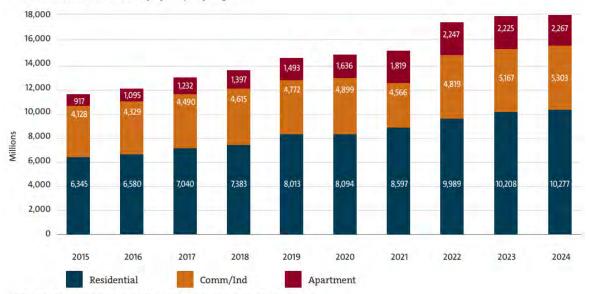


This chart shows that 74% of the City's housing stock was built prior to 1970 and 89% prior to 1990.





10 Year Market Value History by Property Segments



Note: Residential includes Condos, Townhouses and Cooperatives above.

INTENTIONALLY LEFT BLANK





Fund Descriptions and Structure

Fund Accounting

The accounts of the City are organized by funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that contain revenues, expenses, assets, liabilities, and fund balance. Resources are allocated to and accounted for in individual funds based upon the purposes for which they are expended.

In accordance with Generally Accepted Accounting Principles (GAAP), City funds are grouped as either Governmental or Proprietary. The City has four types of Governmental funds - the General Fund, Special Revenue Funds, Debt Service Funds, and Capital Funds. Proprietary funds involve business-like interactions. The City has two types of Proprietary funds – Enterprise Funds and Internal Service Funds.

Governmental Funds

General Fund - The general fund is the basic operating fund of the City. It is used to account for all financial resources except for those required to be accounted for in other funds.

Special Revenue Funds - Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes.

Debt Service Funds - Debt service funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs. (Debt Service funds are not included in the annual budget process. Bond sales are brought separately to the City Council for approval).

Capital Funds - Capital funds are used to account for financial resources to be used for the acquisition or construction of major capital projects that are not financed by the proprietary funds. (Capital funds are not included in the annual budget process. The Council separately approves the annual Capital Improvement Plan (CIP) document and capital construction projects are individually brought to the City Council for approval).

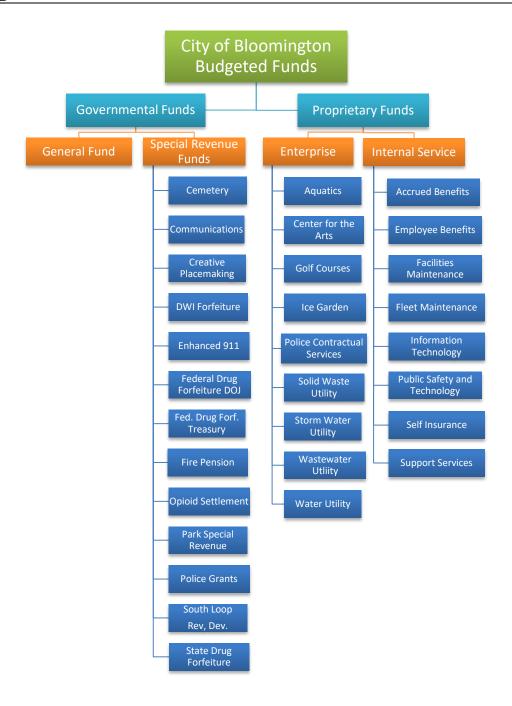
Proprietary Funds

Enterprise Funds - Enterprise funds are stand-alone business-type activities that provide goods or services to the public for fees that allow it to be substantially self-supporting. Enterprise funds are predominantly supported via fees, however tax support is neither prohibited nor unusual.

Internal Service Funds - Internal Service funds are used to account for activities that provides goods and services to other funds, departments, or component units on a cost

reimbursement basis. They "charge out" to each benefiting department and then use the funds received to pay for the item or service they provide. They allow departmental budgets to more accurately reflect the true cost of providing a particular public service. Internal Service Funds also allow for major expenses – such as employee benefits, vehicles, and computers to be managed over time, so that large purchases or significant cost increases are less likely to cause a spike in the budget for a particular year.

Budgeted Fund Structure



Budgeted Fund Descriptions

General Fund:

- **1.** The General Fund is the basic operating fund of the City. The main source of revenue for the General Fund is property tax. It contains the following:
 - City Clerk
 - City Council
 - City Manager's Office
 - Community Development
 - Community Outreach and Engagement (COED)
 - Finance
 - Fire
 - Human Resources
 - Legal
 - Office of Racial Equity, Inclusion, and Belonging (OREIB)
 - Parks and Recreation
 - Police
 - Public Health
 - Public Works

Special Revenue Funds:

2. Cemetery

The Bloomington Cemetery was established in 1858. It offers burial options within the City with preferred pricing for those that meet eligibility requirements.

3. Communications

Communications is a full-service shop that uses multiple communication vehicles devoted to educating and informing the community. This Division cablecasts and webcasts City Council and other meetings, produces news magazine shows and videos, maintains the City's websites and social media, operates public access television, and generates the monthly newsletter. The Communications Division is funded by franchise and PEG (Public-Education-Government) fees received from cable companies who provide cable service in the City.

4. Creative Placemaking

Revenue is transferred from the South Loop Capital Improvement Fund and Port Authority to the Creative Placemaking Fund. Creative Placemaking works to build vibrant, distinctive, and sustainable communities through the arts. It engages artists and stakeholders in building social fabric and local economies while making physical, place-based improvements, leveraging the distinctive character and creative and cultural resources of each place.

5. DWI (Driving While Intoxicated) Forfeiture

The DWI fund accumulates proceeds from the sale of vehicles seized in DWI arrests and forfeited in accordance with State law and through court order. Police costs for enforcement and a portion of Legal costs are accounted for in this fund.

6. Enhanced 911

The Enhanced 911 Special Revenue Fund receives funding from the 911 service fees charged to telephone customers. The funds are used for implementation, operation, maintenance, enhancement, and expansion of 911 service, including acquisition of necessary equipment.

7. Federal DOJ (Department of Justice) Drug Forfeiture

The Federal Department of Justice (DOJ) Drug Forfeiture Special Revenue Fund separately tracks equitable sharing drug forfeiture funds from the DOJ Equitable Sharing Program. Expenditures in this fund must comply with the *Guide to Equitable Sharing for State, Local, and Tribal Law Enforcement Agencies* published by the U.S. Department of Justice and the U.S. Department of the Treasury. DOJ forfeitures are kept in a separate fund and bank account from other City funds in compliance with U.S. Department of Justice guidelines.

8. Federal Treasury Drug Forfeiture DOT

The Federal Department of Treasury (DOT) Drug Forfeiture Special Revenue separately tracks equitable sharing drug forfeiture funds from the DOT Equitable Sharing Program. Expenditures in this fund must comply with the *Guide to Equitable Sharing for State, Local, and Tribal Law Enforcement Agencies* published by the U.S. Department of Justice and the U.S. Department of the Treasury. DOT forfeitures are kept in a separate fund and bank account from other City funds in compliance with U.S. Department of Treasury guidelines.

9. Fire Pension

The Fire Pension Fund accumulates revenue to pay annual Fire Pension obligations. The City of Bloomington has a Paid-On-Call Fire Department. After 20 years of service, Paid-On-Call firefighters are eligible to receive a pension from the Bloomington Fire Department Relief Association (BFDRA). Each year, an independent actuary calculates the fire pension liability due to the BFDRA two years in the future.

10. Opioid settlement

The Opioid Settlement Funds Special Revenue Fund is designated for the receipt and expenditure of the National Opioid Settlement Funds. Communities across the United States are receiving opioid recovery funds from multibillion dollar settlements with drug distributors and manufacturers, resolving investigations into the companies' roles in distributing and marketing opioids. In Minnesota, 75% of the funds received from these settlements were allocated to counties and cities to be spent on opioid abatement. Bloomington will receive approximately \$1.9 million over 18 years

11. Park Special Revenue

Park grants are accounted for in this fund as well as the Forestry activity that is funded with property taxes, special assessments, and grant revenues.

12. Police Grants

The Police Grant Special Revenue Fund contains grants that the Police Department pursues from both Federal and State sources as a means of enhancing enforcement efforts, community outreach and engagement, response to homeland security and/or terrorism, and on-going training in these areas.

13. South Loop Revolving Development Services

The South Loop Revolving Development Services Special Revenue Fund is supported by a 65 percent building permit surcharge in the South Loop District. This purpose of this fund is to expedite development in the South Loop District.

14. State Drug Forfeiture

This State Drug Forfeiture Special Revenue Fund accumulates proceeds from the sale of assets (proceeds or instrumentality of criminal enterprises) seized in drug related arrests under State laws. The funds must be used for law enforcement purposes.

Enterprise Funds:

15. Aquatics

The Aquatics Enterprise Fund includes the Bloomington Family Aquatic Center and Bush Lake Beach. The Bloomington Family Aquatic Center is an eight lane, 50-meter lap pool with a zero-depth entry. The facility also has two looping water slides and a concessions operation. Bush Lake Beach is managed by the Three Rivers Park District.

16. Center for the Arts

This Enterprise Fund accounts for the revenues and expenses of the Bloomington Center for the Arts (BCA) which provides high quality arts and cultural experiences for residents, patrons, and participants. With venues such as the Schneider and Black Box Theaters, and painting and clay classrooms, the Center for the Arts is a magnet for people looking for enriching experiences in the arts.

17. Golf Course

The Golf Enterprise Fund includes the Dwan Golf Course which is an award-winning 18-hole regulation length golf course that is home to a wide variety of weekly leagues and groups.

18. Ice Garden

The Ice Garden Fund accounts for the operations of the Bloomington Ice Garden or "BIG". BIG has three rinks (one of them Olympic sized) with a total seating capacity of 2,500 as well as dry land training facilities. The rinks are used primarily for youth and high school hockey and figure skating. The rinks also offer public skating as

well as open hockey. Skating lessons are offered for both youth and adults by professionally trained instructors.

19. Contractual Police Services

The Contractual Police Service Fund accounts for the expenses and related revenues for Police Contractual Overtime (COT). The Bloomington Police Department provides contractual services to businesses that are holding special events or functions that require police assistance beyond that which would normally be provided. The businesses receiving contractual police assistance are billed directly from the City for the cost of the police overtime plus related fringe benefits and overhead.

20. Solid Waste Utility

The Solid Waste Utility Fund accounts for the City-wide garbage, recycling, organics, bulky items, and yard waste program; clean-ups after major storm events, and private property Environmental Health abatements.

21.Storm Water Utility

The Storm Water Utility Fund provides for the operations, maintenance, and improvements to the storm sewer system through a storm utility fee charged to property owners. The fee is intended to recover costs associated with providing storm water utility service to residents and commercial establishments in a fair and equitable manner. The objective is to protect structures and the public from storm water damage caused by surface water runoff.

22. Wastewater Utility

The Wastewater Utility Fund accounts for the City-owned wastewater collection system and the interceptor and treatment charges from the Metropolitan Council Environmental Services (MCES). The objective of the Wastewater Utility is to provide sanitary service capacity and sufficient maintenance to minimize system blockages and infiltration/inflow.

23. Water Utility

The Water Utility Fund accounts for the revenues and costs related to the operation, maintenance, and renewal of the City-owned water system. The City strives to provide an uninterrupted supply of water, which meets or exceeds all federal and state quality standards, at a rate that ensures long-term sustainability of the water system.

<u>Internal Service Funds</u>

24.Accrued Benefits

The Accrued Benefits Fund pays and records the liabilities associated with employee accrued time off for vacation, personal leave, and compensatory time. The possibility of the City going out of existence and needing to fully fund this account to pay all the employee accrued time off at one time is remote however the goal of this fund is to have enough cash to fully fund the accrued liability.

25. Employee Benefits

The Employee Benefits Fund brings in a set, per-employee fee from each Department's operating budget and uses that revenue to fund the core benefits package provided to each full-time employee. This includes the employer-share of medical, dental, life, and disability insurance premiums, as well as tuition reimbursement and health club reimbursement benefits.

26. Facilities Maintenance

The Facilities Maintenance Fund is an Internal Service fund that pays for the costs related to capital repair and maintenance of City buildings, park structures, fire stations, and cemetery property. Revenues are from internal department charges.

27. Fleet Maintenance

The Fleet Maintenance Fund pays for the costs related to the operations, maintenance, repair, and replacement of City vehicles and equipment. Departments are charged for vehicles used by their department. Part of the internal fee is to pay for operations; the other part is allocated for the replacement of the equipment.

28. Information Technology (IT)

The Information Technology Fund contains the City's IT Department. The IT Department provides the City with computer hardware and software and coordinates the networking and communications of systems in accordance with the City's Information Technology Strategic plan.

29. Public Safety Technology and Equipment

The Public Safety Technology and Equipment Fund has the following Public Safety activities: Radios, Mobile Digital Computers (MDC's), Police Small Equipment, Fire Small Equipment, and Fire Large Equipment.

30. Self-Insurance

The Self-Insurance Fund pays all costs related to the administration of the City's self-insured workers' compensation program, including costs associated with hiring a Third-Party Administrator and reinsurance premiums assessed by the Workers Compensation Reinsurance Association as required by law. In addition, this fund pays the insurance premiums for the City's property/casualty insurance program, made up of municipal liability, auto, and property coverage obtained through the League of Minnesota Cities Insurance Trust (LMCIT), as well as all claim payments and expenses incurred by LMCIT on the City's behalf subject to each policy's deductible.

31. Support Services

The Support Services Fund includes the City's Print Shop, Mailroom, and Information Desk functions. There is one part-time employee in the Print Shop, two part-time employees at the Information Desk, and two part-time employees in the Mailroom. These activities are supported by user fees to departments.

Department / Fund Relationship

This matrix shows the relationship between departments and funds. For example, the Police Department has authorized appropriations in the General Fund, Police Contractual Services Enterprise Fund, the Public Safety Technology and Equipment Internal Service Fund and several Special Revenue Funds.

	Department										
Fund	Administration	City Council	Community Development	Community Services	Finance	Fire	Information Technology	Legal	Parks & Recreation	Police	Public Works
General Fund	X	X	X	X	X	X		X	X	X	X
Enterprise Funds											
Aquatics									X		
Center for the Arts									X		
Golf Courses									X		
Ice Garden									X		
Police Contractual Services										X	
Solid Waste Utility											X
Storm Water Utility											X
Wastewater Utility											X
Water Utility											X
Internal Service Funds											
Fleet Maintenance											X
Public Safety Tech.& Equip.						X				X	
Self Insurance					X						
Employee Benefits	X										
Accrued Benefits	X										
Support Services				X							
Information Technology							X				
Facilities Maintenance											X
Special Revenue Funds											
Cemetery	X										
Communications				X							
Creative Placemaking			X								
DWI Forfeiture								X		X	
Enhanced 911										X	
Federal Drug Forf. DOJ										X	
Federal Drug Forf. Treasury										X	
Fire Pension						X					
Opioid Settlement				X							
Park & Rec Special Revenue									X		
South Loop Revolving Dev.			X								
State Drug Forfeiture										X	

Basis of Accounting and Basis of Budgeting

Basis of Accounting

The City's basis of accounting is consistent with Generally Accepted Accounting Principles (GAAP). For the Governmental Funds such as the General Fund and Special Revenue Funds, a modified accrual basis of accounting is used which means that revenues considered to be both measurable and available for funding current appropriations are recognized when earned. "Measurable" means the amount of the transaction can be determined and "available" means that it is collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Major revenues that are susceptible to accrual include property taxes (excluding delinquent taxes received over 60 days after year-end), special assessments, intergovernmental revenues, charges for services, and interest on investments. Revenues that are not susceptible to accrual include fees and miscellaneous revenues that are only recorded as received because they are not measurable until collected. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred, except for principal and interest on general long-term debt, which is recognized when due.

Also, in accordance with GAAP, Proprietary Funds such as the Enterprise Funds and Internal Service Funds use the full accrual basis of accounting. Revenues are recognized when earned, and expenses are recorded at the time liabilities are incurred. For example, unbilled utility service receivables are recorded at year-end in the Utility Enterprise Funds.

Basis of Budgeting

For the General Fund and Special Revenue Funds, the City uses the same modified accrual basis of budgeting as the basis of accounting.

For the Enterprise and Internal Service Funds, the City uses the full accrual basis of budgeting as the basis of accounting with the following exceptions to ensure that there are adequate liquid assets (cash on hand or assets that can be readily converted to cash) available for short-term and long-term expenses:

Capital Outlay - The budgetary basis for Enterprise and Internal Funds includes
expenses for capital outlay, which are not considered expenses in the full accrual
basis of accounting. In full accrual basis accounting, capital is put on the balance
sheet as an asset and then recognized as depreciation expense over the life of the
asset.

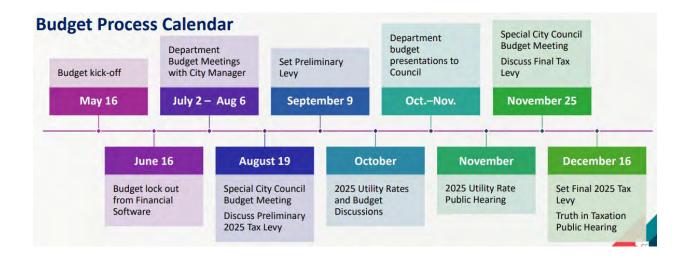
- **Depreciation and Amortization** The budgetary basis for Enterprise and Internal Service Funds does not include depreciation or amortization which are considered expenses on the accrual basis of accounting, but not for budget since these items do not require a cash outlay.
- Bond Proceeds and Debt Service Payments The Enterprise and Internal Service Fund budgets reflect bond proceeds as revenue when the actual cash is received from selling bonds and recognize the expense for principal debt service payments when the payments are made. For full accrual basis accounting, bond proceeds are not recorded as a revenue, but instead they are recorded as a longterm liability and debt service payments are not recorded as an expense, but as a reduction of the long-term liability.

Funds with Budget Basis vs Accounting Basis Differences

	Capital Outlay (Budgeted)	Depreciation Expense (Not Budgeted)	Bond Proceeds (Budgeted)	Debt Service Payments (Budgeted)
Enterprise Funds				
Aquatics	X	X		
Center for the Arts	X	X		
Golf Courses	X	X		
Ice Garden	X	X	X	X
Solid Waste Utility	X	X		
Stormwater Utility	X	X	X	X
Wastewater Utility	X	X		
Water Utility	X	X	X	X
Internal Service Funds				
Facilities Maintenance	X	X		
Fleet Maintenance	X	X		
Information Technology	X	X		
Public Safety Tech. & Equip.	X	X		
Support Services	X	X		

Budget Process

The City of Bloomington follows a calendar fiscal year. The 2025 budget was developed for 31 funds that include the General Fund, Special Revenue Funds, Enterprise Funds, and Internal Service Funds. Debt Service Funds and Capital Project Funds are not included in the annual budget process. Rather, bond sales for debt service are brought separately to the City Council for approval. Also, the City Council separately approves the annual Capital Improvement Plan (CIP) document which is a ten-year summary of potential capital projects. Capital projects are then individually brought to the City Council for approval.



Recap of the Process to Create the 2025 Budget

The 2025 budget process for the City of Bloomington follows a structured timeline involving City staff, residents, and the City Council. The process includes public engagement, departmental budget submissions, and multiple council discussions before final approval in December.

Key Phases of the Budget Process:

January - February 2024: Preparation & Review

- Staff finalizes the prior year's Annual Budget Book (due 90 days after Council approval).
- The prior year Summary Budget is submitted to the State Auditor.
- Feedback from the City Council is collected to improve the upcoming budget process.

March - April 2024: Engagement & Initial Budget Development

- A public engagement plan is created.
- A budget discussion occurs with the Executive Leadership Team (ELT).
- Salary and benefit projections for the next year are run.
- The Let's Talk Bloomington webpage is launched for resident input.
- Staff uploads preloaded expenses into the financial system.
- The budget process and engagement plan are presented to the City Council.

May - July 2024: Departmental Budget Development & Public Outreach

- Internal budget kickoff for staff is held.
- Departments submit budget requests and work with budget staff to refine proposals.
- Public outreach begins with budget tables at community events, including:
 - o Juneteenth Celebration (June 15)
 - o Midweek Music & Market (July 17)

August - September 2024: Budget Discussions & Preliminary Levy

- Budget engagement continues with events at Learning Link Up (Aug. 17) and One the One Music Festival (Aug. 17).
- A special City Council meeting on August 19 discusses the preliminary tax levy and General Fund budget.
- The preliminary tax levy (11.5% increase) is approved on September 9.
- Additional budget tables at the Farmer's Market (Sept. 14) and Bloomington Pride Festival (Sept. 22).
- On September 30, the Fire Department and Strategic Priorities Fund present budget details to the City Council.

October - November 2024: Budget Refinement & Utility Rates

- Public engagement wraps us with a budget table at the Fire Department Open House (Oct. 12).
- Staff prepares the Truth-in-Taxation (TNT) flyer that will be mailed with preliminary property tax statements.
- Several City Council meetings focus on specific departmental budgets, including:
 - Utility Funds & Community Development (Oct. 14)

- Public Health, Finance, Internal Services, IT & Employee Benefits (Oct. 21)
- o Parks & Recreation, Fire, and Legal Departments (Oct. 28)
- o Public Works, Fleet, and Facilities budgets (Nov. 18).
- The proposed 2025 utility rates are published in November, with a public hearing on Nov. 18.
- A special Council meeting on Nov. 25 discusses the final tax levy and General Fund budget.

December 2024: Finalization & Adoption

- o The Truth-in-Taxation public hearing is held on Dec. 16.
- The City Council approves a final tax levy increase of 9.18% and the 2025 budget.
- Staff certifies the final tax levy with the County and begins work on the Annual Budget Book.

This process ensures a transparent and participatory budget development cycle, incorporating community input and detailed financial analysis before final approval.

Alterations to the Original Budget

Per the Bloomington City Charter, the City Manager can approve transfers of sums within the major expense classifications in a Department or Division. All other budget alterations must be approved by City Council resolution.

2025 Budget Process Calendar

Month	Residents	City Staff	City Council
January		Work on prior year Annual Budget Book Document – must publish 90 days after final City Council approval. Submit prior year Summary Budget report to the Minnesota Office of the State Auditor.	
February		Continue work on prior year Annual Budget Book Document.	Compile feedback from City Council members on last year's budget process to present enhancements and new ideas for the upcoming budget process.
March		Create budget public engagement plan. Budget discussion with Executive Leadership Team (ELT). Analyze Internal Service Fund charges and General Fund chargebacks.	
April	Launch Let's Talk Bloomington budget page on City's websites for residents to submit online spending prioritization survey and comments.	Run next year's salary and benefit projections. Upload preloaded expenses into financial software. Analyze Internal Service Fund charges and General Fund chargebacks.	April 29, 2024: Present and discuss budget process, public engagement plan, and Assessing information at City Council meeting.

Month	Residents	City Staff	City Council
		Publish budget engagement event dates on budget web page.	
May		Budget check-in with Executive Leadership team Thursday, May 16, 2024 Internal budget kick- off for City staff.	
June	Saturday, June 15, 2024: • Budget table at Juneteenth Celebration at the Bloomington Center for the Arts	Departments enter budget requests in financial software. Budget team members work with their assigned departments to review and analyze budget requests.	
July	Wednesday, July 17, 2024: • Budget table at Midweek Music and Market	Department budget meetings with City Manager, Assistant City Manager, CFO, and Deputy Finance Officer.	
August	Saturday, Aug. 17, 2024: Budget table at Learning Link Up school district event Saturday, Aug. 17, 2024: Budget table at One the One Music Festival at Central Station Park		August 19, 2024: Special City Council meeting to discuss preliminary tax levy and general fund budget
September	Saturday, Sept. 14, 2024: Budget table at Farmer's Market Saturday, Sept. 22, 2024:		September 9, 2024: Council approves 11.5% increase for preliminary tax levy

Month	Residents	City Staff	City Council
	Budget table at Bloomington Pride Festival		at City Council meeting. September 30, 2024: Fire Dept. and Strategic Priorities Fund budget presentations at City Council meeting.
October	Saturday Oct. 12, 2024: • Budget table at Fire Department Open House	Create TNT (Truth-in- Taxation) flyer for Preliminary Tax Notices and submit to County	October 14, 2024: Utility Funds budget and rate changes and Community Development presentations at City Council meeting. October 21, 2024: Special City Council meeting to present the following budgets: Public Health, Finance, Internal Services, Employee Benefits Fund, IT and Communications October 28, 2024: Parks & Recreation Dept., Fire Dept., and Legal Dept. budget presentations at City Council meeting.
November	November 18, 2024:	Publish proposed 2025 Utility rates in local paper.	November 18, 2024: Public Works general fund, Fleet and

Month	Residents	City Staff	City Council
	2025 Utility rates		Facilities funds
	public hearing at		budget
	Council meeting.		presentations at City
			Council meeting.
			November 25, 2024: Special Council meeting to discuss final 2025 tax levy and General Fund budget.
December			
December	December 16, 2024: Truth-in-Taxation Public Hearing at City Council meeting	Publish public hearing notice for Truth-in- Taxation hearing in local paper Certify final tax levy with County after approved by City Council. Begin work on Annual Budget Book Document – due 90 days from December 16, 2024.	December 9, 2024: Continued discussion of 2025 property tax levy and general fund budget. December 16, 2024: Council approves 9.18% increase for final tax levy at Council meeting and final 2025 budgets.



FINANCIAL MANAGEMENT POLICIES

The complete listing of the City of Bloomington's Financial Management Policies is available on the City's Finance Department website – blm.mn/fin

Organizational Mission and Preamble	2-P
Budgetary and Financial Control Policy	4-P
Capital Improvement Program Policy	7-P
Debt Management Policy	9-P
Economic Development	
Abatement District Policy	19-P
Tax Increment Policy	21-P
Fund Balance Year-End Classification Policy	25-P
Investment Policy	28-P
Purchasing Policy	40-P
Revenue Policy	43-P
Financial Management Policies Adoption Index	45-P

Originally adopted – August 31, 1987 Last revised – January 6, 2025

ORGANIZATIONAL VISION

Engaged and empowered professionals working courageously together to create a thriving Bloomington for all.

BLOOMINGTON. TOMORROW. TOGETHER.

COMMUNITY-BASED STRATEGIC PLAN MISSION (2022-2027)

Our mission is to cultivate an enduring and remarkable community where people want to be.

PREAMBLE

- A. **Purpose**: The City of Bloomington, including the Housing and Redevelopment Authority in and for the City of Bloomington (the "HRA"), and the Port Authority of the City of Bloomington (the "Port") (collectively the "City") have an important responsibility to its residents, businesses and visitors to plan adequate funding of services desired by the public, including the provision and maintenance of public facilities, prudent financial management and accurate accounting for public funds.
- B. **Objectives**: To achieve this purpose, the following objectives have been established to measure the City's fiscal performance:
 - 1. Protect the City Council's policy-making ability by ensuring that important policy decisions are not controlled by financial problems or emergencies.
 - 2. Enhance the City Council's policy-making ability by providing accurate information on the full costs of current operations, maintenance, new proposals and capital requests.
 - 3. Assist sound management of the City government by providing accurate and timely information on the City's financial condition.
 - 4. Provide sound principles to guide the decisions of the City Council and City staff which have fiscal impacts.
 - 5. Establish operational principles which promote long-term cost effectiveness while providing services desired by the public with minimal financial risk.
 - 6. Employ revenue policies and forecasting tools to identify and prevent undue or unbalanced reliance on certain revenues, especially property taxes, to distribute the costs of municipal services fairly and to provide adequate funds to operate desired programs, as determined by the Council.
 - 7. Provide and improve essential public facilities and prevent deterioration of the City's infrastructure in order to assist in long-term cost-effective provision of City services.
 - 8. Protect and enhance the City's credit rating and prevent default on any municipal debt obligations.
 - 9. Ensure the proper use and protection of all City funds through a good system of financial and accounting controls.
 - 10. Maintain a risk management program that will work to minimize the impact of legal liabilities, natural disasters or other emergencies through the following activities:

- Loss Control Increase awareness of potential loss exposures throughout City operations, enhance employee safety. and at a minimum comply with applicable OSHA regulations.
- Loss Prevention Reduce or mitigate expenses of a negative occurrence.
- Loss Financing Reduce or mitigate the costs associated of potential losses while providing a means to finance said losses.
- Loss Analytics Collect and analyze relevant data to make prudent loss prevention, loss control and loss financing decisions.
- Compliance Ensure financial compliance with state, federal, and local laws, regulations and ordinances, including specifically but not limited to prevailing wage requirements.
- 11. Record transactions in a manner which matches the corresponding fund's type basis of accounting. Governmental funds are accounted for using the modified accrual basis of accounting which has a measurement focus of using current financial resources. Proprietary funds and fiduciary funds are accounted for using the full accrual basis of accounting which has an economic resources measurement focus.
- 12. Report year-end financial information in accordance with generally accepted accounting principles (GAAP) and in accordance with recommended best practices as promulgated by the Government Finance Officers Association (GFOA).

Budgetary and Financial Control Policy

- A. General budgetary and financial control is to be centralized in one department whose functions shall include, but not be limited to, the following:
 - (1) Budget compilation
 - (2) Budget monitoring
 - (3) Central purchasing (see Purchasing Policy and P-Card Policy)
 - (4) Income and expenditure projections
 - (5) Capital improvement financing
 - (6) Risk management (see Risk Management Policy and Self-Insurance Reserve Policy)
 - (7) Screening of Conduit Debt applications (see Conduit Debt Policy)
 - (8) Cash and investment management
 - (9) Monitoring financial data for warning signals or trends
 - (10) Preparation of financial summary reports for key funds at least quarterly
 - (11) Maintain a detailed inventory listing of all material fixed assets so as to adequately ensure proper accounting of assets.
 - (12) "Project Financial Analysis" to be presented as part of any proposal to the Council in connection with any new or expanded operating or capital improvement programs and other projects. The objective of the financial analysis is to provide the best possible estimate of expenditures, revenues, and staffing impacts of a proposed project. The financial analysis should be factual, informative, and concise which should enable the Council to make intelligent and informed decisions.
 - (13) Payroll
 - (14)Accounts Receivable
 - (15) Receipts, Collections, and Customer Billing
 - (16)Accounts Payable
- B. The City will maintain a program for the investment of funds consistent with the City's Investment Policy.
- C. The City will strive to maintain an undesignated and unreserved General Fund Balance in the range of 35%-40% of the General Fund revenues and/or expenditure of a balanced budget for the following year. Currently, the General Fund, Fund Balance is at 35%. Annually, the goal is to increase the Fund Balance ratio by 1.00% until the Fund Balance reaches the 40% ceiling. If the City has more than the required annual Fund Balance level, after each incremental 1.00% increase, any excess may be used as the City Council designates.

- D. The City will also review, and update the schedule of fund balances, reserves, and working capital in all other operating funds of the City and determine adequacy of those money balances, using specified guidelines and criteria in conjunction with the budgets set annually.
- E. The City will monitor the performance of the Bloomington Fire Department Relief Association pension fund through its City representatives.
- F. Department Directors will be responsible for administration of their respective Department Budgets and are to submit requests for any required budget adjustments, such as supplemental appropriations, to the Budget Manager, Chief Financial Officer or the City Manager before the program incurs cost overruns for the annual budget period.
- G. Primary responsibility in the management of budgeted funds lies with the Department Directors. Such management includes, but is not limited to, reviewing expenditures before authorization, reviewing monthly financial reports to detect errors and assess progress, and staying within expenditure budget authorization. All costs incurred must be reasonable and necessary. Department Directors shall be responsible for contacting the Chief Financial Officer or Budget Manager should there be any questions regarding financial management or if the issue or concern is related to internal controls. The Chief Financial Officer and Budget Manager will monitor overall budget operating progress routinely throughout the year. The city manager must strictly enforce the provisions of the budget. The city manager cannot approve any order upon the city chief financial officer for any expenditure unless an appropriation has been made in the budget resolution, nor for any expenditure covered by the budget resolution unless there is a sufficient unexpended balance. No officer or employee of the city can place any order or make any purchase as defined in City Charter Sections 6.07 and 6.08 except for a purpose and up to the amount authorized in the budget resolution.
- H. The City will not use short-term borrowing, internal or external, to balance the operating budget for any fund.
- I. The City will not sell assets or use one-time accounting principle changes to balance the budget for any fund.
- J. The City will develop two-year budgets in even numbered years. In odd numbered years, the previously developed budget for the following year will be fine-tuned, as necessary. Each year the City will certify only the following year's budget and levy to Hennepin County.
- K. The City will provide ample time and opportunity for public input into its Budget setting deliberations each year.
- L. The City will establish and maintain the highest standard of accounting practices, in conformity with Generally Accepted Accounting Principles (GAAP) and with recommended best practices as promulgated by the Government Finance Officers Association (GFOA).
- M. The City will arrange for an annual audit of all funds and account types by independent certified public accountants qualified and licensed to issue such reports.
- N. The City will strive to obtain each year the annual GFOA Certificate of Achievement for Excellence in Financial Reporting.
- O. Regular monthly reports will present a summary of financial activity by major type of funds as compared to budget. Department Directors will review monthly reports comparing actual revenues and expenditures to the budgeted amounts. Any negative variance in any revenue or spending

- category for their department as a whole projected to exceed \$100,000 by year-end will be reported in writing to the Chief Financial Officer and the City Manager.
- P. The City will strive to obtain each year the GFOA Distinguished Budget Award.
- Q. The City integrates performance measurement and productivity indicators to measure operational performance where practical. Performance data for individual departments are included on the budget document. Performance data should be directly related to the stated goals and objectives of the unit and focus on results and accomplishments rather than inputs. Performance measures should provide a meaningful way to assess the effectiveness and efficiency of each operational unit.
- R. The City will strive to obtain each year the GFOA Award for Outstanding Achievement in Popular Annual Financial Reporting.
- S. The City will adopt a balanced General Fund budget where revenues offset expenditures without the use of reserves.

(Revised 1/23/2012; 12/1/2014; 1/2/18)

Capital Improvement Program Policy

Policy Statement:

The Capital Improvement Plan (CIP) is a planning tool based on long-range physical planning and financial projections that forecast the City of Bloomington (City), the Bloomington Port Authority (Port), and Housing and Redevelopment Authority for the City of Bloomington (HRA) capital needs over a tenyear period as building blocks to help achieve the City's strategic vision and mission. The CIP includes a detailed description of every Capital Project over \$50,000 anticipated to be initiated during the ten-year period.

The CIP continues to evolve as project planning needs to respond to strategic community direction. Changes in economic conditions or other project related issues may alter timelines. Funding mechanisms change and projects become more or less feasible based on such funding changes. City management continuously looks for opportunities for efficiency which often change the projected needs for capital.

The CIP neither appropriates funds nor authorizes projects. The City Council must act to initiate each project over \$175,000. The City Manager may initiate projects for less than \$175,000. Projects will only be initiated when sources of funding are available as budgeted.

Authority:

MINNESOTA STATUTES, SECTION 475.521

Subd 3 (a) A municipality may adopt a capital improvement plan. The plan must cover at least a five-year period beginning with the date of its adoption. The plan must set forth the estimated schedule, timing, and details of specific capital improvements by year, together with the estimated cost, the need for the improvement, and sources of revenue to pay for the improvement. In preparing the capital improvement plan, the governing body must consider for each project and for the overall plan:

- (1) the condition of the municipality's existing infrastructure, including the projected need for repair or replacement;
 - (2) the likely demand for the improvement;
 - (3) the estimated cost of the improvement;
 - (4) the available public resources;
 - (5) the level of overlapping debt in the municipality;
 - (6) the relative benefits and costs of alternative uses of the funds;
 - (7) operating costs of the proposed improvements; and
- (8) alternatives for providing services most efficiently through shared facilities with other municipalities or local government units.
- (b) The capital improvement plan and annual amendments to it must be approved by the governing body after public hearing.

Policy:

- A. The City will develop a multi-year plan for capital improvements and update it annually. The capital amounts that are in operating budgets (General Fund, Enterprise Funds, Internal Service Funds, and Special Revenue Funds) will be approved by the City Council during the annual budget process. Amounts for future capital improvements will be incorporated into each fund's long-term budget model consistent with the Capital Improvement Plan.
- B. The City will develop a realistic and predictable program of capital spending with the projected fiscal capability to finance such projects. The capital spending program shall factor in projected tax capacity, debt retirement and projected general tax levies, avoiding sharp changes in the tax levy or bonded indebtedness.
- C. The City will identify the estimated cost and potential funding sources for each capital project proposal before it is submitted to the Council for approval and in that process will determine the most effective financing method for the proposed project. All construction projects shall include at least a ten percent contingency prior to receiving bids and at least five percent upon acceptance of the bid.
- D. The City will make all capital improvements in accordance with the adopted capital improvement program, or as it is amended by the Council. Capital purchases shall follow the procurement policy for appropriate dollar levels of authorization.
- E. The City will coordinate development of the capital improvement budget with the development of the operating budget. Future operating costs associated with new capital improvements will be projected and included in operating budget forecasts.
- F. The City will use inter-governmental assistance to finance only those capital improvements that are consistent with the capital improvement plan and City priorities, and that have operating and maintenance costs that have been included in operating budget forecasts. Intergovernmental loans will be short-term (less than three years) and utilize funds that are not required for operations during the period of the loan.
- G. The City will maintain all its assets at a level adequate to protect the City's and its citizens' capital investment and to minimize future maintenance and replacement costs.
- H. Equipment and building replacement shall be accounted for in an internal service fund with annual charges to operating funds to reflect depreciation based on the useful life of assets. Funds accumulated in these funds shall be used to purchase replacement assets.

(Revised 1/2/2018, 10/11/2021)

Debt Management Policy

I. Introduction

The City of Bloomington, the Housing and Redevelopment Authority in and for the City of Bloomington (the "HRA"), and the Port Authority of the City of Bloomington (the "Port") (collectively the "City") has significant capital improvement program (the "CIP") requirements, both for the funding of new facilities, the renovation and replacement of existing assets, and other qualified capital purposes such as but not limited to land acquisition, construction, equipment, and other capital requirements as may arise from time to time.

This Debt Management Policy provides guidance for the issuance of bonds and other forms of indebtedness and contingent liabilities (the "Debt Policy"). Contingent liabilities are generally defined as the Bloomington Fire Department Relief Association required pension contributions, and Public Employee Retirement Association ("PERA"), Other Postemployment Benefits ("OPEB"), debt with pledged City levies or taxes where other revenues are the primary source of payment, and interfund loans.

While the issuance of debt is an appropriate method of financing capital projects and major equipment acquisitions, such issuance shall be carefully monitored to preserve the City's credit strength and to provide the necessary flexibility to fund future capital needs. In addition, the issuance of debt shall be closely aligned with the cash flow requirements of the projects being financed. The City provides funding for its capital program from a variety of resources, including debt which is payable from property tax levies, utility revenues, utility fees, sales taxes, or other such identified revenues. Debt may be double barreled (meaning the debt is secured by multiple revenue sources) with a primary repayment source and a tax levy as a backup.

This Debt Policy shall govern, except as otherwise covered by the City Charter and City Code, the issuance and management of all debt and lease financings funded in the capital markets. While adherence to the Debt Policy is required in applicable circumstances, the City recognizes that changes in the capital markets as well as unforeseen circumstances may from time to time produce situations that are not covered by the Debt Policy and may require modifications or exceptions to achieve City goals. As appropriate, the Chief Financial Officer shall seek City Manager or City Council, or both, direction and approval for such modifications or exceptions.

The City recognizes that one of the attributes of sound financial management is a comprehensive debt management policy. Adherence to a debt management policy signals to residents, credit rating agencies, and the capital markets that a government entity is well managed and will meet its financial obligations in a timely manner. It is an important tool in ensuring that the City maintains appropriate resources and funding capacity to meet both present and future capital needs as well as long term contingent liabilities. The development of a debt management policy is a recommended best practice by the Government Finance Officers Association.

II. Purpose

The purpose of the City's Debt Policy is to ensure that all financings are completed in a manner such that the City:

- Achieves the lowest cost of capital;
- Preserves the City's high credit triple triple A ratings;
- Maximizes access to the capital debt markets;
- Preserves financial flexibility;
- Aligns debt repayment to the available cash flows;
- Manages interest rate risk exposure; and
- Limits exposure to third party credit and financial risk.

With respect to managing interest rate risk and the overall cost of capital, the City, in addition to the issuance of long-term fixed rate debt in favorable interest rate environments, may make use of several variable rate instruments and tools to manage its borrowing costs and access to the capital debt markets. While these types of structures and products provide opportunities to lower the cost of borrowing, they also introduce types of risks not found in the fixed rate market that require more intensive and ongoing oversight. To ensure that if the City uses these structures and products in the future prudently and effectively, this policy also provides a framework outlining purposes, procedures and limitations that addresses:

- The management of interest rate risk with respect to the City's debt portfolio;
- The use of variable interest rate debt;
- The use of third-party liquidity facilities; and
- The future use and management of derivative products.

This Debt Policy is for the benefit of the City and no provision of this Debt Policy shall give to any person other than the City any benefit, right, remedy or claim. The City may, at any time and without notice of any sort, amend or supplement the policy in such a manner as approved by the City Council and acknowledged by the Port Authority Board and HRA Board.

III. Application

This Debt Policy shall apply to any debt issued by the City and its related entities, the HRA and the Port. Indebtedness shall include all long-term general obligation and revenue secured debt. The City's Finance Department will be responsible for ensuring adherence to the Debt Policy.

IV. Considerations for Debt Issuance

A. Authorization and Approval

The City is permitted to issue fixed rate obligations, variable rate obligations and to enter into interest rate swaps pursuant to a variety of state statutes. Such debt may be general obligations of the City or revenue debt secured by a specifically identified resources. All long-term debt issuance shall be

approved by the appropriate governing body City, Port, or HRA and in cases where debt is issued by the HRA or Port, the City must also approve the issuance.

The City typically issues debt obligations once or twice a year to fund various capital projects. Generally speaking, the proceeds of the debt obligations issued fund necessary capital projects that are completed over a short term (e.g., 12-24 months) and may reimburse current capital activities. As bond proceeds are depleted, new debt can be issued to provide funding for additional projects. This capital cash-flow borrowing approach is intended to help safeguard against over issuance and unnecessary interest costs. In addition, it encourages a rate of spend-down that is consistent with arbitrage temporary periods and the exceptions to rebate.

The City may also consider borrowing on a "project" basis, where debt is issued upfront to pay for a particular capital project with a multi-year spend-down. This approach may be implemented to lock-in known long-term interest rates, minimize cost of issuance, and facilitate repayment from a specific City entity (such as an enterprise).

B. Guidelines for Funding the Capital Improvement Program with Debt

Capital program and general obligation debt issuance should be managed so that the property tax levy remains relatively consistent from year to year, contingencies and unforeseen emergencies can be addressed. The overall calculated debt service levy should not exceed 15 percent (15%) of the total annual property tax levy of the City, unless debt issuance is necessary for significant City facilities (e.g. Fire Stations and Public Works Garage).

Bonding should not be used to fund (i) on-going operations, (ii) projects smaller than \$50,000, the threshold for projects to be included in the CIP document, and (iii) projects for which the life expectancy of the project does not exceed the average maturity of the bonds.

To maintain its AAA ratings, the City generally considers the following guidelines when deciding how much additional long-term City general obligation debt to issue in the ten-year CIP period:

Overall Debt Per Capita:

Total net general obligation debt net of utilities supported debt, tax increment supported debt, and any debt supported by other pledged revenues like special assessments shall not exceed seventy-five percent (75%) of the per capita debt limit for the current year. Per Capita Debt Limit is calculated using 3% of the estimated market value of all properties in the City divided by the population.

C. Credit Rating Objectives

As of 2022, the City has the highest possible long-term credit ratings for its general obligation bonds from three of the major rating agencies: Fitch Ratings (AAA), Moody's Investors Service (Aaa), and Standard & Poor's Ratings (AAA). The HRA and Port's bonds could be similarly rated if the City's General Obligation ("GO") tax levy is pledged. Revenue Bonds are rated based on the strength of the revenues pledged for that bond issue. Annual appropriation bonds are usually one or two notches below the City's GO rating to reflect that ability of the City to non-appropriate. Bank Loans typically do not require a rating but is dependent on the transaction and the lender.

These ratings enable the City to borrow at the lowest interest cost and are a reflection of the City's strong management, favorable economy, financial control practices, high liquidity and reasonable debt levels. The City's Chief Financial Officer shall determine the number and firms that will provide credit ratings on each issue of City debt. The Chief Financial Officer will regularly brief rating agency analysts on information relevant to their credit analysis, as well as proactively inform the agencies of material changes in financial condition and/or developing events that may influence outstanding or future ratings. The City shall strive to maintain its strong financial management practices and resultant high ratings.

V. Debt Issuance and Management

A. Types of Debt Permitted

To the extent authorized by state and federal law, the City may issue the types of debt outlined below.

- i. <u>Tax Status</u> The City should generally issue debt on a tax-exempt basis whenever permissible under federal tax law. However, the City should compare tax-exempt obligations versus taxable obligations to provide flexibility in financing various types of capital improvements.
- ii. <u>Fixed Rate Debt</u> The City may issue debt with a rate of interest that is fixed at the time of issuance in the following forms:
 - General obligation bonds;
 - Limited tax bonds;
 - Revenue bonds; and
 - Other forms as allowed by federal and state laws.

iii. <u>Variable Rate Debt</u> - The City may issue debt with a rate of interest that varies and that is set via a periodic remarketing of the securities by a remarketing agent or according to a predetermined formula based on a spread to an interest rate index. This debt may be issued in the following forms:

- General obligation bonds;
- Limited tax bonds;
- Revenue bonds;
- Commercial paper;
- Floating rate notes; and
- Other forms as allowed by federal and state laws.

iv. <u>Use and Allocation of Fixed and Variable Rate Debt</u> - The City will make determinations and allocations among the different types and modes of debt based on cost/benefit and risk factors, including but not limited to the following:

- Interest cost and market conditions;
- Self-liquidity costs and capacity as discussed elsewhere in this Policy;
- Cost and availability of third-party liquidity;
- Exposure and/or concentration to third-party credit and financial risk;

- Integration of fixed rate and alternative modes of variable rate debt within the framework of this Policy; and
- Risk to taxpayers (debt funded 100% by ad valorem taxation should look to a stable repayment where revenue streams may benefit from variability).

See Section VI. Variable Rate Debt Exposure and Liquidity for standards relating to the use of variable rate debt, limitations on variable rate exposure and the use of liquidity facilities.

B. Structuring Considerations

- i. <u>Term and Repayment</u> Principal payment schedules will not exceed the average economic life of the asset being financed, the limits of state and/or federal law, or related bond covenants. Principal and interest payments will be structured within the revenues available for debt service. With respect to refunding debt issued solely to achieve economic savings, the final maturity should not exceed the final maturity of the debt being refunded.
- ii. <u>Debt Service Payment Structure</u> In general, City debt should be structured to produce level annual debt service payments. Debt service for non-property tax supported debt should be structured to match the revenue stream used for repayment.
- iii. <u>Coupon Structure</u> City debt can be structured using original issue discount, par or original issue premium coupons or any combination thereof within any limitations in statute or the resolution authorizing a bond issue. The permitting couponing structure will be determined in consultation with the City's municipal advisor.
- iv. Optional Redemption Provisions All City debt issues will include an option for the City to redeem the outstanding principal after a specific date at a price at or above par. Exceptions will be shorter term obligations (typically less than 10 years) for which inclusion of an optional redemption feature may have an adverse impact on the interest rate or marketability of the debt. The optional redemption provisions will be determined in consultation with the City's municipal advisor and should consider, among other market factors, the following:
 - Special requirements of the City due to program or business conditions; and
 - The earliest date at which bonds may be redeemed at the lowest price which does not have a material adverse impact on the price or marketability of the bonds.
- v. <u>Serial and Term Bonds</u> City debt may be structured with serial or term bonds or any combination thereof. All terms bonds shall be subject to mandatory annual sinking fund redemptions.
- vi. <u>Credit Enhancement</u> Normally, due to the high ratings on City general obligation debt, credit enhancement in the form of third party guarantees ensuring timely payment of debt service will not be cost effective. Such credit enhancement may be beneficial on certain revenue secured obligations, variable rate date, or other specially secured debt. If finance staff determines that credit enhancement may be financially beneficial, providers of such enhancement will typically be selected by competitive proposal.

C. Method of Sale

Debt issues of the City may be sold by competitive, negotiated, or private placement sale methods unless otherwise limited by state law. The selected method of sale will be the option that is expected to result in the lowest cost and most favorable terms given the debt structure used, market conditions and prior experience.

The City will use the competitive sale method unless there are compelling reasons which indicate that a negotiated sales or private placement would have a more favorable result. Circumstances that might cause consideration of a negotiated sale or private placement include:

- A need for special premarketing efforts, such as for a new credit structure;
- A below investment grade or no credit rating;
- A complex security structure or other transaction features;
- Factors that are expected to result in a lack of competitive bids; or
- A proprietary or innovative financing concept brought to the City.

For example, market conventions for variable rate transactions, including bonding for the City's Affordable Housing Trust Fund, are such that a negotiated sale is typically pursued. The City has a separate policy specifically for conduit bonds.

D. Refundings and Restructurings

The City and its municipal advisor will monitor its outstanding debt in relation to existing conditions in the capital markets. The City will consider refunding outstanding debt on either a current or advance (if the IRS provides for the ability to use advance refundings in the future) basis in order to (i) achieve debt service savings, (ii) restructure outstanding principal, and/or (iii) eliminate burdensome bond covenants. Due to federal tax law changes effective in January 2018, tax-exempt advance refundings are no longer permitted although taxable advance refundings and the use of other financial products that provide similar results of a tax-exempt advance refunding are still allowed.

Advance refundings undertaken to achieve debt service savings should demonstrate savings sufficient to meet, at a minimum, the state law requirement that net present value savings equal at least three percent (3%) of refunded interest. The manner in which debt service savings are realized (upfront or on an annual basis) should be determined based upon the financial needs of the City. In most instances upfront savings will be used to reduce property levy support (one time), while an annual savings structure will be used to reduce ongoing revenue or appropriation requirements.

Refundings involving a restructuring of principal will be considered if there is no expected adverse impact on credit ratings or credit perception of the issue, or if the City can achieve a more favorable matching of revenues or other pledged resources to debt service payments. When restructuring principal, the City will seek to minimize the amount of refunding debt to be issued, along with possible interest savings as mentioned above. Therefore, savings should be sufficient to offset potential reduced future refunding flexibility.

Refundings undertaken to accomplish a change of legal covenants or to make pledged revenues available for other purposes should be considered only after an evaluation of the economic effects to

the City as measured by the net present value of savings inclusive of cash contributions and/or debt service reserve fund earnings, if any. Such economic effects include:

- Limitations imposed by the Internal Revenue Code;
- Use of reserves;
- Future financing capacity;
- Future marketability of City debt; and
- Credit ratings which may be related to the specific circumstances of the refunding.

Debt service reserve funds that are released as a result of a refunding shall typically be used as a source of funds for that transaction, but in all cases shall not be used to pay operating expenses.

E. Debt Service Reserve Funds

Debt service reserve funds funded from proceeds of bonds or available cash may be created to provide an additional source of security for City revenue bonds. Since such reserve funds are subject to arbitrage rebate regulations, they should only be used when necessary to market a specific type of debt, achieve a desired credit rating or provide a source of liquidity for a debt issue. Such reserves will be pledged to the bondholders.

In certain cases, the City may establish an internal debt fund held by the City to provide a contingency reserve that is not pledged to bondholders. This is typically done in cases where a third party is providing part of the funds used for repayment and the bonds are tax-exempt.

F. Investment of Proceeds

Proceeds of debt issues will be invested in accordance with state law, the City's investment policy and any specific requirements contained in bond indentures or resolutions. Investments will be managed to maximize interest earned, subject to legal covenants, liquidity requirements and tax law limitations.

G. Rating Agency Coordination

The Chief Financial Officer will be responsible, on behalf of the City, the HRA, and the Port, for the communication of information to the rating agencies, keeping the rating agencies informed of significant developments throughout the year, and for the scheduling of rating agency calls or visits, or both.

H. Selection and Use of Professional Service Providers

The City will maintain ongoing agreements with certain professionals related to the issuance and management of its debt portfolio.

It will be the practice of the City to retain an independent, registered municipal advisor to provide services related to the structuring, rating, and issuance of all debt issues of the City. To ensure that there will be no conflict of interest, municipal advisors will not be permitted to underwrite debt issues of the City for which they provide municipal advisory services. Municipal advisors will be selected through a competitive process.

The Finance Department staff will work with the City Attorney's Office to select and retain bond counsel. Bond counsel's role is to render opinions on the validity, enforceability, and tax-exempt status of City

debt issues, prepare all necessary resolutions, agreements and other legal documents, advise on all relevant state law issues, advise on all federal tax matters, as well as debt issuance matters generally. Bond counsel will be selected through a competitive process.

The Chief Financial Officer shall periodically solicit for providers of other services necessary to carry out the debt issuance activities of the City, including but not limited to underwriters, remarketing agents, dealers, liquidity providers, paying agents (the City is the paying agent on outstanding debt), escrow agents, verification agents and trustees.

The criteria for selection of all professional service providers will consider factors such as experience and qualifications, depth of staff, availability and location, and costs. Periodic reviews of the fees, quality of service and performance of such firms shall be completed by staff.

Annually, the City Council, the HRA Board, and the Port Authority Board will designate the City's Municipal Advisor and Bond Counsel.

VI. Variable Rate Debt Exposure and Liquidity

A. Rationale for Use of Variable Rate Debt

Variable rate debt may be utilized as part of a strategy to achieve the following objectives:

- Reduce borrowing costs by creating an exposure to short-term interest rates as compared to
 historically higher long-term fixed interest rates, especially when long-term fixed rates are
 high;
- Mitigate the interest rate risk of the City's asset and liability profile by creating short-term interest rate debt exposure to balance short-term interest rate exposure of the City's investment portfolio;
- Maintain the integrity of the City's investment portfolio by utilizing short-term taxable debt to bridge the low points of the City's cash flow, if economically beneficial; and
- Diversify the City's debt portfolio by introducing debt instruments that have a historically different investor base and risk profile.

B. Limitation on Variable Rate Exposure and Interest Rate Risk Management

The amount of the City's variable rate exposure shall be limited to no more than 10% of the total outstanding principal of all outstanding general obligation bonds. The variable rate exposure risk may not exceed 25% of the total outstanding principal of all outstanding non-general obligation bonds.

State statutes requires that debt service for all general obligation bonds payable from unlimited ad valorem property taxes be levied at 105% of the amount due in each year. In addition, certain sales taxes used to pay for statutorily authorized purposes may accumulate funds that can only be used for those limited purposes. The City shall budget conservatively for variable rate interest payments and may utilize the excess interest and/or other legally available funds to periodically prepay outstanding variable rate principal when beneficial.

C. Liquidity Facilities for Variable Rate Debt

<u>Third-Party Liquidity Facilities</u> – The use of third-party liquidity providers should be carefully considered due to the additional risks associated with such products, including exposure to the providers and renewal risk. Where the use of third-party providers is useful or appropriate, the City will consider the following factors in selecting a provider:

- Type of liquidity facility Different forms of liquidity should be evaluated in order to balance the
 protection offered against the costs associated with each. These forms may include, but are not
 limited to, standby bond purchase agreements, direct pay letters of credit and lines of credit.
- Provider credit ratings The City shall generally seek out liquidity providers that have the highest short-term ratings.
- Agreements between the provider and the City The City should seek providers willing to
 accept contractual provisions most favorable to the City, such as term, interest rate and
 repayment/reimbursement provisions, default and termination events, and pass-through costs
 from the provider.
- Provider trading values The City shall seek information from its municipal advisor and other
 market participants, as appropriate, on anticipated trading levels and general market
 acceptance of bonds secured by various providers.
- Costs All costs associated with a proposed liquidity facility, including commitment fees, standby fees, draw fees, legal fees and interest rates charged when a draw occurs will be considered.
- Term of the facility The City shall generally select the provider offering the longest term of a facility when all other factors are equal.

VII. General Provisions

A. Arbitrage Rebate Compliance

The City will comply with all arbitrage rebate requirements as established by the Internal Revenue Service. This effort shall include tracking investment earnings on bond proceeds, calculating rebate payments in compliance with tax laws, and rebating positive arbitrage earnings, if any, to the federal government in a timely manner in order to preserve the tax-exempt status of the City's outstanding bonds. The City may use outside professionals, including its bond counsel and municipal advisor, to assist in preparing such reports, completing the necessary forms and making payments, if any.

B. Primary and Continuing Market Disclosure

Official statements, offering memoranda, financial reports, and other financial disclosure materials, including continuing disclosure will be prepared and disseminated in a timely fashion and in accordance with relevant bond documents, regulatory requirements, and industry best practices. The City has adopted internal policies and procedures with respect to its disclosure activities.

C. Post-Issuance Compliance

The City has adopted a Post Issuance Compliance Policy designed to assist in ensuring compliance with federal tax laws over the term of each series of tax-exempt bonds.

D. Dodd-Frank and Related Regulatory Compliance

The City shall implement this policy in compliance with the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Dodd-Frank Act") and its related regulatory reforms. To this end, the City shall engage one or more registered municipal advisors to provide advice with respect to debt issuance activities. Such engagement will include the evaluation of proposals made to the City by third parties. The City will make a representation to the appropriate third party that its municipal advisor is serving as an Independent Registered Municipal Advisor (an "IRMA") and that the City will independently evaluate and take into account the advice of its municipal advisor in the review of such proposals.

E. Policy Review and Revision

The City shall periodically review and update this policy at least every five years to ensure that the Debt Policy meets all statutory, regulatory, or other requirements, as well as the City's fundamental objectives of prudent debt and interest rate risk management. The changes and updates made shall be approved by the City Council prior to taking effect as part of the policy.

Effective Date: 11/28/22 Reviewed: 11-2022 Revised: 11-2022

(05-2002, Revised 11-2022)

Policy should be updated every 5 years.

Economic Development - Abatement District Policy

The City of Bloomington is authorized by Minnesota Statutes Sections 469.1812 to 469.1815 (the "Abatement Act") to grant an abatement of taxes imposed by the City of Bloomington on a parcel of property, or defer the payment of the taxes and abate the interest and penalty that would otherwise apply if:

- A. It expects the benefits to the City of Bloomington of the proposed abatement agreement to at least equal the costs to the City of Bloomington of the proposed agreement or intends the abatement to phase in a property tax increase; and
- B. It finds that doing so is in the public interest because it will:
 - 1. Increase or preserve tax base;
 - 2. Provide employment opportunities in the City of Bloomington;
 - 3. Provide or help acquire or construct public facilities;
 - 4. Help develop or renew blighted areas;
 - 5. Help provide access to services for residents of the City of Bloomington;
 - 6. Finance or provide public infrastructure; or
 - 7. Phase in a property tax increase on the parcel resulting from the increase of 50 percent or more in one year on the estimated market value of the parcel other than increase attributable to improvement of the parcel.
- C. The total amount of property taxes abated by the City of Bloomington in any one year may not exceed the greater of ten percent of the net tax capacity of the City for taxes payable in the year in which the abatement applies or \$200,000 if levy is less than \$2,000,000.
- D. Any new abatement district or new tax increment district shall not exceed the monetary limitations set forth in Section 4 of the City's Tax Increment Policy.
- E. The City of Bloomington will consider all proposals eligible for abatement districts before adopting an abatement district for any project. The City may grant an abatement for a period no longer than fifteen years. The duration may increase to twenty years in the event either the school district or the county chooses to decline the abatement or if 90 days pass after the school district or the county receive the City's abatement request and no response is provided.
- F. The Business Subsidy Law, M.S. Sections 116J.993 to 116J.995 as amended requires local government agencies to adopt criteria for awarding business subsidies grants of \$25,000 or more or loans of \$75,000 or more. Unless an exception to the Business Subsidy Law applies, tax abatement will be considered a business subsidy.
- G. The proceeds of bonds secured with abatements may be used to (1) pay for public improvements that benefit the property, (2) acquire and convey land or other property as provided in Section 469.1814, subd. 5 of the Abatement Act, (3) to reimburse the property owner for the cost of improvements made to the property, or (4) to pay the cost of issuance of the bonds.

- H. Data Practices Law. The City is a governmental body and is subject to the requirements of Minnesota Statutes Chapter 13 (the "Minnesota Government Data Practices Act"). Some of the data provided by the applicant to the City as part of the application for tax abatement may be required to be disclosed if requested pursuant to the Minnesota Government Data Practices Act.
- I. Amendments to Abatement Act. The references to the Abatement Act in this Abatement District Policy shall include any and all amendments to the Abatement Act that are made after this Policy is adopted.

(Revised 5/20/2002, 11/19/2007, 01/27/2020)

Economic Development - Tax Increment Policy

For the purpose of this Policy, the term "City" or "City of Bloomington" includes the City of Bloomington, the Housing and Redevelopment Authority in and for the City of Bloomington (HRA), and the Port Authority for the City of Bloomington (Port Authority).

The City of Bloomington is granted the power to utilize Tax Increment Financing (TIF) pursuant to the Minnesota Tax Increment Financing Act, Minnesota State Statutes 469.174 through 469.1794. The fundamental purpose of TIF is to encourage desirable development or redevelopment that would otherwise not occur but for the assistance provided through TIF.

Policy Purpose: To establish the City of Bloomington's position relating to the use of Tax Increment Financing for private development above and beyond the requirements and limitations set forth by State Law. This policy shall be used as a framework for the review and processing of TIF applications in an equitable and consistent manner.

Objectives: Tax increment financing uses the increased property taxes generated by new real estate development within a tax increment district to pay for certain eligible costs associated with the development. As a matter of adopted policy, the City will consider using TIF to assist private development projects that will achieve one or more of the following objectives:

- To create opportunities for affordable housing, with an array of housing choices that meet the needs of current residents, and attract new residents to the City.
- Projects that improve the quality of life in the City by providing a desirable good or service and address an unmet demand in the community.
- To retain local jobs and/or increase the number and diversity of jobs that offer stable employment and/or attractive wages and benefits.
- Projects that provide value in the forms of needed transportation and other utility infrastructure improvement that would be completed in conjunction with the project.
- To facilitate the development process and to achieve development on sites which would not otherwise be developed but for the use of TIF.
- To support neighborhood retail services, commercial nodes, and employment.
- To contribute to the implementation of other public policies, as adopted by the City from time to time, such as the promotion of quality urban or architectural design, energy conservation, sustainability, and decreasing capital and/or operating costs of local government.
- To remove blight and/or encourage redevelopment of commercial and industrial areas in the City that will result in high quality redevelopment and private reinvestment.
- To encourage additional private development in the area, directly or indirectly, through "spin off" development.
- To offset increased costs of redevelopment (such as, contaminated site clean-up) over and above the costs normally incurred in development.
- To promote development consistent with the City's Comprehensive Plan.

General TIF Policies

- 1. The City Council is the coordinating governmental unit in the City of Bloomington for the review and fiscal control of all tax increment financing within the City.
- 2. Each proposed project must satisfy at least one of the objectives set forth above.
- 3. Tax increment financed projects, and all other capital projects, of the Port Authority and the HRA shall be included in the City's 5-Year Capital Improvement Program each year for prioritizing.
- 4. The City will not approve any new tax increment district if the resulting total projected captured increment tax capacity (net of the City's estimated contribution to the fiscal disparities pool) of all tax increment districts and abatement districts in the City (including the proposed district, but excluding TIF Project Numbers 1359 and 1369) exceeds 15.0 % of the total projected net tax capacity of all taxable property (including the proposed district) in the City (termed "Tax Capacity Used for Local Rate" by Hennepin County Taxpayer Services). Further, to allow for flexibility in the future this 15.0% shall be considered allocated between the City and the component governmental units within the ranges expressed below:

City 0.0% to 5.0%

Port Authority 0.0% to 5.0%

HRA 0.0% to 5.0%

Total 0.0% to 15.00%

Any proposed alteration of this allocation can only be changed by a super majority (5/6 vote) of a committee comprised of the City's Chief Financial Officer, Port Authority Administrator, Housing & Redevelopment Administrator, City Manager, Community Development Director and the City Attorney.

- 5. The City will not consider tax increment financing requests for retail, service, industrial, hotel or office development projects that lie outside City approved redevelopment, development, or economic development districts.
- 6. Types of tax increment financing:
 - Tax increment financing will not, unless approved by a 5/7 vote of all members of the City Council, be guaranteed or backed by the full faith, credit, and taxing power of the City, but instead will be payable solely from the related tax increment revenue.
 - General obligation backed, or tax levy supplemented, tax increment financing is to be used only in those cases where it is found, by a 5/7 vote of all members of the City Council, that:
 - i. Such G.O. backed financing will not, in the opinion of the Council, place an undue burden on:
 - Tax rates

- Relative debt load (as expressed in terms of per capita debt, or as a percentage of debt to Assessor's Market Value), and
- ii. No other, better, financing alternative exists, and
- iii. There is a very significant rate of return relative to the risk taken or if it is found that there are overriding socioeconomic considerations which are significant to the City overall, as determined by the City Council.
- 7. As required by State law, each tax increment financing (TIF) proposal will be reviewed with Hennepin County and the Bloomington School District (ISD #271), or any other affected school district, prior to implementation. Response from these agencies received within 30 days of notification, if any, shall be forwarded to the City Council prior to approval of the plan. The City will take into consideration any official county request to fund county road costs resulting from the tax increment plan. If funds for the project are not sufficient to cover such expenditures, the TIF plan would not proceed.
- 8. The City reserves the right to approve or reject the use of TIF, the amount of TIF, and the total term, on a case by case basis, taking into consideration established policies, project criteria, and demand on services in relation to the potential benefits from the project.
- 9. The applicant will pay for all legal and consultant costs associated with the preparation, processing, review and actual use of TIF. The applicant will submit to the City a deposit equal to the total estimated costs for legal and consultant fees. The City will draw upon these funds to pay all related expenses.
- 10. The applicant will also pay to the City a separate non-refundable application fee to reimburse staff costs and cover all other City related costs associated with the processing of the TIF request.
- 11. Projects utilizing TIF are responsible for paying their share of Fiscal Disparities contributions from the project.
- 12. The City's consultant shall prepare the TIF plan and the applicant will provide to the City and its consultant all information necessary to conduct a financial analysis of the proposed project.
- 13. The applicant will be required to comply with the City's Business Subsidy Policy.

Application Process

- 1. Applicant submits the completed application along with a non-refundable initial application fee. The applicant will work with City staff to assure all appropriate information is supplied.
- 2. City staff reviews the application and completes the Application Review Worksheet.
- 3. Results of the Application Review Worksheet are submitted to the appropriate governing authorities for preliminary approval of the proposal.

- If preliminary approval is granted, the applicant shall submit a deposit for legal and consultant costs.
 Additional deposits from the applicant may be required to pay all fees and expenses incurred by the City.
- 5. The process of negotiating a contract for private development commences between the City, Port Authority, and/or the HRA.
- 6. The Tax Increment Financing Plan, along with all necessary notices, resolutions, and certificates are prepared by City staff and/or consultant(s) and sent to the county and the school board.
- 7. Public Hearing notices are published.
- 8. Public hearing(s) on the proposed project are held.
- 9. The City Council grants final approval or denial of the proposal.
- 10. If the HRA or Port Authority are involved, the applicable board of the HRA or Port Authority must also provide approval of the proposal.

Data Practices Law

The City is a governmental body and is subject to the requirements of Minn. Stat. Chapter 13 (the "Minnesota Government Data Practices Act"). Some of the data provided by the applicant to the City as part of the application for a Tax Increment Financing may be required to be disclosed if requested pursuant to the Minnesota Government Data Practices Act.

Amendments to Tax Increment Financing Act

The references to the Tax Increment Financing Act in this Tax Increment Policy shall include any and all amendments to the Tax Increment Financing Act that are made after this policy is adopted.

(Revised 6/10/1991, 3/16/1992, 3/14/1996, 12/4/17, 1/27/2020)

Fund Balance Year-End Classification Policy (Per GASB 54)

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

Following governmental accounting standards, the City has three basic categories: governmental funds, proprietary funds, and fiduciary funds. This fund balance classification policy applies only to the governmental categories.

GOVERNMENTAL FUNDS

In 2009, the Governmental Accounting Standards Board (GASB) issued a new standard, GASB Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions. This new standard has altered the categories and terminology used to describe the components of fund balance in the governmental funds (but it does not apply to the proprietary or fiduciary funds). This standard is effective for Bloomington beginning December 2011.

The City's governmental funds include the following fund types:

- A. General Fund
- B. Special Revenue Funds
- C. Debt Service Funds
- D. Capital Projects Funds

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

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

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

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

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

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

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

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

A. General Fund

The General Fund is established to account for all revenues and expenditures which are not required to be accounted for in other funds. Revenue sources include property taxes, license and permit fees, fines and forfeits, program revenues, intergovernmental revenues, investment interest earnings, and transfers. The General Fund's resources finance a wide range of functions including the operations of general government, public safety, and public works.

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

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

B. Special Revenue Funds

Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects. Governmental accounting standards require that substantial inflows of revenues into a special revenue fund be either restricted or committed in order for the fund to be considered a special revenue fund. The City has eight different special revenue funds as follows:

- Community Development Block Grant (CDBG) this normally has a zero fund balance at year end, and if there were to be a balance it would be considered restricted based upon grant requirements.
- 2. **Public Health** these grant funds are considered restricted based on grant requirements.
- 3. **Public Safety** these grant funds are mostly considered restricted based on grant requirements and state statutes regarding police pensions; one area of this fund would be considered committed by the City Council for future fire pension obligations.
- 4. **Communications** this fund is both restricted and committed by franchise agreements. The Public Education in Government (PEG) revenues (4302) are restricted per the franchise agreement. The cable TV franchise fees (4301) are committed per City Council.
- 5. **South Loop Revolving Development District** this fund balance is considered committed. The committed revenue source is permit surcharges.
- 6. **Energy Efficient Block Grant** this fund is restricted based on grant requirements.
- 7. **Cemetery Trust** this is considered restricted based on state statute.
- 8. **Park Grants** these funds are considered restricted by state and Metropolitan Council grant agreements.

C. Debt Service Funds

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

D. Capital Project Funds

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

- Capital Projects this category has balances that are considered both restricted and committed.
 The Carlton TIF District and the South Loop Industrial Development District I are both restricted through enabling legislation. The Art Center capital project fund is restricted per bond covenants. The Park Development and Strategic Priorities funds are both committed by the City Council for future projects. The Escrow Trust fund will be considered assigned.
- 2. **Improvement Construction** these funds are considered restricted either through bond covenants or enabling legislation.
- 3. **State Aid Construction** these funds are considered restricted by Minnesota Department of Transportation agreements.

Order of Fund Balance Spend-down

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

Carryovers and Encumbrances

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

(Adopted by City Council 12/19/2011)



Index 135201.5
FINANCE DEPARTMENT
Accounting Division

Investment Policy

Purpose and Scope:

Investment Policy Statement of Purpose

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

In accordance with this policy, a separate written procedures manual has been developed for the appropriate balance of risk and return for each of the funds under the City's control. The City Manager will approve periodic changes to the procedures manual.

Scope

This Investment Policy applies to all financial assets of the City. All cash and investments are pooled together to achieve economies of scale for each entity. These funds are accounted for in the Annual Comprehensive Financial Report and include all City, Port Authority and Housing and Redevelopment Authority (HRA) funds:

- General Fund
- Special Revenue Funds
- Capital Project Funds
- Debt Service Funds
- Enterprise Funds
- Internal Service Funds
- Fiduciary Funds

Prudence

Investments shall be made with judgment and care under circumstances existing at the time the investment is made. The standard of prudence to be used by investment officials shall be the "prudent person" standard and shall be applied in the context of managing an

overall portfolio. The prudent person standard requires that a fiduciary exercise discretion and average intelligence in making investments that would be generally acceptable as sound. Investment officers acting in accordance with written procedures and the investment policy and exercising due diligence shall be relieved of personal liability for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse situations. Investment procedures developed for the Finance Department must be complied by those with access to and management responsibilities for City investments.

I. Objective

The primary objective of the City of Bloomington's investment activities shall be:

- A. Safety Safety of principal is of critical importance to the investment program. Investments of the City shall be undertaken in a manner that seeks to ensure the preservation of principal in the overall portfolio. The objective will be to mitigate credit risk and interest rate risk.
 - 1. <u>Credit Risk</u> the risk of loss due to failure of the security issuer or backer will be minimized by:
 - Limiting investments to the types of securities listed in Section VI of this investment policy.
 - Pre-qualifying the financial institutions, broker/dealers, intermediaries, and advisors with which the City will do business in accordance with Section V.
 - Diversifying the investment portfolio so that the impact of potential losses from any one type of security or from any one individual issuer will be minimized. Insurance or collateral may be required to ensure return of principal.
 - 2. <u>Interest Rate Risk</u> the risk that the market value of securities in the portfolio will fall due to changes in market interest rates will be minimized to:
 - Provide for liquidity by reviewing cash flow requirements and make investments to meet the shorter cash flow needs, thereby avoiding the need to sell securities in the open market prior to maturity.
 - Manage the average maturity of the portfolio to be consistent with the risk profile of the City, not to exceed 4 years.
- B. Liquidity The City's investment portfolio will remain sufficiently liquid to
 enable the City to meet all operating requirements as reasonably anticipated.
 The portfolio will be structured so that the liquid component, a minimum of five
 percent of total investments, of the portfolio will be invested only in short-term

securities maturing in less than thirty days. Additionally, since all possible cash demands cannot be anticipated, the portfolio should consist largely of securities with active secondary or resale markets (dynamic liquidity). Furthermore, a portion of the portfolio may be placed in money market mutual funds or local government investment pools which offer same day liquidity for short-term funds.

- C. Yield/Return on Investment The City's investment portfolio shall be designed with the objective of attaining a market rate of return. The core of investments is limited to low-risk securities in anticipation of earning a fair return relative to the risk being assumed. Securities shall generally be held until maturity with the following exceptions:
 - A security with declining credit may be sold early to minimize loss of principal.
 - A security swap would improve the quality, yield, or target duration in the portfolio.
 - Liquidity needs of the portfolio require that the security be sold.

II. Delegation of Authority

The investment program shall be operated in conformance with federal, state, and other legal requirements. Authority to manage the City's investment program is derived from the following:

- a. Minnesota Statutes 118A, Municipal Funds
- b. Bloomington City Charter Section 7.11, Funds to be Kept

Management responsibility for the investment program is hereby delegated by the City Manager to the Chief Financial Officer (CFO), who shall establish written procedures for the operations of the Investment Program consistent with this Investment Policy. The CFO, with assistance from finance department staff, shall:

- c. Monitor performance of the investment portfolio;
- d. Ensure funds are invested in accordance with the policy;
- e. Analyze, recommend and implement policy and operational procedures that will enhance the City's investment program;
- f. Ensure that proper internal controls are developed to safeguard investment assets.

Procedures should include reference to: safekeeping, delivery versus payment (DVP), bank service contracts, depository agreements and investment accounting. Such procedures shall include explicit delegation of authority to persons responsible for investment transactions. No person may engage in an investment transaction except as provided under the terms of this Policy and the procedures established by the CFO. The CFO shall be responsible for all investment transactions and shall establish a system of controls to regulate the activities of subordinates.

III. Ethics and Conflicts of Interest

The City Manager, CFO, Port Authority, HRA and Finance staff involved in the investment process shall refrain from conducting personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions. Investment staff shall annually disclose to the City Clerk any material financial interests as required by state statute on an annual Statement of Economic Interest form. Investment staff shall subordinate their personal investment transactions to those of the City, particularly with regard to the time of purchases and sales and shall refrain from undertaking personal investment transactions with the same individual with whom business is conducted on behalf of the City.

IV. Investment Committee

An Investment Committee shall meet at least semi-annually or as needed to review the performance of investments and review the investment strategy. The Investment Committee shall be made up of the following individuals:

- Chief Financial Officer
- Deputy Finance Officer
- Treasury Manager
- Housing and Redevelopment Authority Representative
- Port Authority Representative

V. Financial Service Providers

The Investment Committee will maintain a list of financial institutions authorized to provide investment services. Public deposit shall be made in a qualified public depository as established by state laws. The purchase of all investments must be from qualified financial service providers via established competitive rate quotes. The City does not consider information advice from brokers on bond proceeds, but relies on advice from its' independent registered municipal advisor

Financial service providers who desire to become qualified bidders for investment transactions must supply the Investment Committee with the following upon request:

- a. Completed Broker/Dealer Certificate
- b. Certification of Having Read City's Investment Policy
- c. Proof of FINRA (Financial Industry Regulatory Authority) membership
- d. Proof of State Registration

VI. Authorized and Suitable Investments

Based on the investment objectives as defined in section I of this policy, the City will limit its investments to the following types of securities:

I. **Money Market Funds -** These funds may be held with next day withdrawal capacity to provide for daily liquidity requirements.

Maturities of money market funds will be no longer than 13 months.

- II. **Time Deposits** Time deposits that are fully insured by the Federal Deposit Insurance Corporation (FDIC) or the National Credit Union Administration (NCUA). A certificate of deposit (CD) is a time deposit that is insured for up to \$250,000 by the FDIC. Collateral in the amount of 110% of the excess over the FDIC insurance limit must be provided.
- III. **Banker's Acceptances** A banker's acceptance is a short term debt instrument issued by a company that is guaranteed by a commercial bank. Purchased on the secondary market, these should be rated with the highest short-term credit rating of any two Nationally Recognized Statistical Rating Organizations (NRSROs), at the time of purchase. If the banker's acceptance is rated by more than two NRSROs, it must have the highest rating from all the organizations. Maximum maturity will be 270 days.
- IV. Commercial Paper This type of investment is short term unsecured debt which has been issued by a United States corporation or their Canadian subsidiaries. Maturities typically range from one day to 270 days. The City may only buy paper that meets the Minnesota Statute 118A with the exception that no Asset Backed or Structured Investment Vehicle (SIV) commercial paper is allowed. Only commercial paper with two of the three highest quality ratings of A-1 (Moody's), P-1 (Standard & Poor's), F-1 (Fitch) may be purchased.
- V. U.S. Treasury Obligations These investments include bonds, notes, Treasury bills, or other securities which are direct obligations of the United States. Instruments sold and issued by the U.S. government carry the full faith guarantee of the U.S. government. These instruments provide the highest quality available to purchase and are highly liquid, but also typically have lower yields.
- VI. **U.S. Agency Government Sponsored Enterprises (GSEs)** These securities are commonly referred to as 'agency bonds'. These quasi-governmental entities were established by Congress to enhance the flow of credit to specific sectors of the US economy. GSEs primarily act as

financial intermediaries to assist borrowers in housing and agriculture. These investments provide higher yields than U. S. treasury obligations. The agencies in which the City can invest include the following specific issuers:

- FHLB: The Federal Home Loan Bank System (FHLB) was created by Congress in 1932 and acts as a source of funds for its nearly 6,500 member banks. THE FHLB Banks support residential housing, finance and community development by providing liquidity to its member institutions. FHLB System members include commercial banks, thrifts, credit unions and insurance companies and certified community development financial institutions. Each member is a shareholder in one of the 11 regional Federal Home Loan Banks. The FHLB System is regulated by the Federal Housing Finance Agency (FHFA).
- FHLMC: The Federal Home Loan Mortgage Corporation, commonly known as Freddie Mac is a housing GSE created by Congress in 1970 to provide liquidity and stability in the home mortgage market, thereby increasing the flow of funds available to mortgage borrowers. In order to accomplish this goal, Freddie Mac does not make individual mortgage loans to consumers. Rather, Freddie Mac purchases mortgages, pools them and sells them as mortgage backed securities to investors, thereby allowing them to lend the proceeds to more homebuyers. Freddie Mac is regulated by the Federal Housing Finance Agency (FHFA).
- FFCB: The Federal Farm Credit Bureau is an agency of the Federal government with a mission to support rural communities and agriculture by providing reliable credit and financial services. The FFCB issues debt securities and uses those funds from the securities to finance the Farm Credit System's loans, leases and operations. The Farm Credit System was created by Congress in 1916.
- FNMA: The Federal National Mortgage Association, commonly known as Fannie Mae was founded in 1938.
 Fannie Mae provides liquidity to mortgage markets by buying loans from banks and other lenders enabling them to make new loans. Fannie Mae then issues securities backed by pools of these mortgages. It is the largest single provider of residential mortgage funds in

- the United States. Fannie Mae's securities are also highly liquid and are widely accepted. FNMA guarantees that all security holders will receive timely payment of principal and interest. Fannie Mae is regulated by the Federal Housing Finance Agency (FHFA).
- Other issuers: There are other GSE issuers; however, they issue fewer securities and are less active in the marketplace. Therefore, yields typically are slightly higher, but they provide less liquidity. The City may purchase other GSE names but will limit the amount held in the portfolio.
- VII. **Municipal Securities -** These investments are registered securities of state, county, local or other governmental agencies. In compliance with MN Statute, Chapter 118A.04, Subd 2, funds may be investing in the following:
 - any security which is a general obligation of any state or local government with taxing powers which is rated "A" or better by a national bond rating service;
 - any security which is a revenue obligation of any state or local government which is rated "AA" or better by a national bond rating service;
 - a general obligation of the Minnesota housing finance agency which is a moral obligation of the state of Minnesota and is rated "A" or better by a national bond rating agency; and
 - any security which is an obligation of a school district with an original maturity not exceeding 13 months and (i) rated in the highest category by a national bond rating service or (ii) enrolled in the credit enhancement program pursuant to section 126C.55.
- VIII. Repurchase agreements These agreements which consist of collateral allowable in Minnesota Statute, Chapter 118A, and reverse repurchase agreements may be entered into with any of the following entities:
 - A financial institution qualified as a "depository" of public funds of the government entity;
 - Any other financial institution which is a member of the Federal Reserve System and whose combined capital and surplus equals or exceeds \$10,000,000;
 - A primary reporting dealer in U.S. government securities to the Federal Reserve Bank of New York; or
 - A securities broker-dealer licensed pursuant to Minnesota Statute, Chapter 80A, or an affiliate of it,

regulated by the Securities and Exchange Commission and maintaining a combined capital and surplus of \$40,000,000 or more, exclusive of subordinated debt. Reverse agreements may only be entered into for a period of 90 days or less and only to meet short-term cash flow needs. In no event may reverse repurchase agreements be entered into for the purpose of generating cash for investments, except as stated in Minnesota Statute, Chapter 118A.

- IX. Guaranteed investment contracts Specific project monies may be invested in agreements for guaranteed investment contracts if they are issued or guaranteed by United States commercial banks, domestic branches of foreign banks, United States insurance companies, or their Canadian subsidiaries, or the domestic affiliates of any of the foregoing. The credit quality of the issuer's or guarantor's short and long-term unsecured debt must be rated in one of the two highest categories by a nationally recognized rating agency. Should the issuer's or guarantor's credit quality be downgraded below "A", the government entity must have withdrawal rights.
- X. Securities Lending Agreements These agreements, including custody agreements, may be entered into with a financial institution meeting the qualifications of Minnesota Statute 118A and further restricted within this investment policy. Securities lending transactions may be entered into with entities meeting the qualifications and the collateral for such transactions and shall be restricted to the securities described in Minnesota Statute 118A. Any future security lending contract would be subject to City Council approval.

Each type of security listed above in Sections E, F and G may have various structures such as non- callable, callable and variable rate debt.

- Non-Callable A debt instrument issued for the purpose of raising capital by borrowing. They typically pay semi-annual coupons and have a stated final maturity with no option to redeem prior to the final maturity date.
- Callable Debt in which the issuer has the right to redeem prior to its maturity date, under certain conditions.
- Variable Debt in which the issuer has the right to reset the coupon rate based on specified market conditions and terms.

VII. Collateralizations

Collateralization will be required on the following types of investments:

- Demand Deposits (Checking, Savings, Money Market Accounts)
- Time Deposits (Certificates of Deposit)
- Repurchase Agreements and Reverse Repurchase Agreements

In order to anticipate market changes and provide a level of security for all funds, the collateralization level will be 110% of market value of principal and accrued interest. The underlying securities will be subject to periodic (monthly) market valuations to ensure there is no market exposure.

Collateral is limited to the following U. S. government securities:

Treasury Issues

Treasury Bills Treasury Notes Treasury Bonds

Agency Notes, Bonds, and Letters of Credit

Federal National Mortgage Association Federal Home Loan Bank Federal Farm Credit Bank Federal Home Loan Mortgage Corporation

For cash deposits on hand, clearly marked evidence of ownership (safekeeping receipt) must be supplied and retained. Collateralization shall be in the form of specific securities with an active secondary market for the City held by an independent third party. The only exceptions are Federal Depository Insurance Corporation (FDIC), Securities Investor Protection Corporation (SIPC) and pre-approved insurance coverage

VIII. Safekeeping and Custody

Securities purchased shall be held in a segregated account for the City's benefit at a third party trustee as safekeeping agent. The investment dealer or bank in which the security is purchased shall issue a confirmation ticket to the City listing the specific instrument, issuer, coupon,

maturity, CUSIP number, purchase or sale price, transaction date, and other pertinent information. The financial service provider which executes the transaction on the City's behalf shall deliver all securities on a delivery versus payment method (DVP) to the designated third party. Delivery versus payment (DVP) is a way of controlling the risk to which securities market participants are exposed. Delivery of securities (i.e. the change in their ownership) is done simultaneously with payment or immediately after payment.

Investments, contracts, and agreements may be held in safekeeping with:

- any Federal Reserve bank
- any bank authorized under the laws of the United States or any state to exercise corporate trust powers, including, but not limited to, the bank from which the investment is purchased

The City's ownership of all securities should be evidenced by written acknowledgments identifying the securities by:

- The names of issuers
- The maturity dates
- The interest rates
- Any serial numbers or other distinguishing marks

IX. Diversification

The City will substantially reduce the risk of loss resulting from the overconcentration of assets in a specific maturity, issuer, institution, or class of securities.

Diversification strategies will be implemented with the following constraints:

<u>ISSUER TYPE</u> % of TOTAL PORTFOLIO

Money Market Funds 100%

Under normal conditions 50%, but if a project requires liquidity, up to 100% of funds may be held in money

market funds

Time deposits (CDs) 20%

Bankers Acceptances 10%

Commercial Paper 20%

US Treasury Obligations 100%

GSE-Agency Securities 100%

Municipal Securities: 50%

Repurchase Agreements 10%

Guaranteed Investment Contracts By Project

Due to fluctuations in the value of the portfolio, maximum percentages for a particular issuer or investment type may be exceeded at a point in time subsequent to the purchase or maturity of a particular security. Securities need not be liquidated to realign the portfolio; however, consideration should be given to this matter when future purchases are made.

Given the smaller portfolio of the Housing and Redevelopment Authority and the Port Authority, the above restrictions will be waived on any portfolio with specific project needs.

X. Maximum Maturities

- A minimum of five percent of the portfolio will mature under 30 days to ensure appropriate liquidity to meet the City's current obligations
- 85% of total funds will be invested to 5 years and less, and a maximum of 15% of funds will be laddered out to a maximum of 10 years.
- Total weighted average maturity of total funds will not exceed 4 years for the portfolio.

XI. Internal Control

The CFO is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the City are protected from loss, theft or misuse. The internal control structure shall be designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments. The internal controls are addressed in the procedures manual.

XII. Performance Standards

The investment portfolio will be designed to obtain a market average rate of return during budgetary and economic cycles, taking into account the City's investment risk constraints and cash flow needs The investment portfolio will be structured to meet specific criteria addressing safety, liquidity and yield. The City's reporting system will provide information concerning cash position, investment performance, and percentage of the portfolio that is invested by security issuers and maturity structure.

XIII. Market Yield/Benchmark

The City's investment strategy is conservative. The City's average weighted yield will be compared to 1 year US Treasury Note and 2 year US Treasury Bonds yields quarterly.

XIV. Responsibilities of External Investment Managers

The City may enter into contracts with third-party investment advisory firms when their services are deemed to be beneficial to the City. The advisor must comply with this Investment Policy and may have authority to transact investments on behalf of the City. The advisor may only act on a non- discretionary basis if they are hired to provide transactional services on behalf of the City.

XV. Reporting

The CFO is charged with the responsibility of preparing a periodic investment report. This includes a management summary that provides an analysis of the status of the current investment portfolio, the individual transactions executed over the last period, and a detailed listing of portfolio securities held at the end of the period. The report summarizes data on investments by type, maturity, and call date with associated book values, portfolio percentages, and market values.

XVI. Investment Policy Adoption

The City's Investment Policy shall be adopted by resolution by the City Council, Housing and Redevelopment Authority Board and the Port Authority Board. The Policy shall be reviewed on a bi- annual basis and any modifications made thereto must be approved by the City Council. The Investment Policy will be consolidated within the Financial Management Policy.

City Council Approval: November 18, 2024 (Revised 3/3/1997, 1/19/1999, 3/19/2007, 9/14/2009, 12/1/2014, 11/18/2024)

Purchasing Policy

Purpose

To establish a consistent City-wide policy for the acquisition of goods, services, repairs, construction, joint power agreements, and in-kind agreements for all Departments, Boards, Commissions and Agencies of the City, except Boards or Agencies which are required to follow their own statutory or regulatory provisions (for example, Housing and Redevelopment Authority, Port Authority, etc.), in a manner that is in compliance with the Bloomington City Charter, Bloomington City Code, and applicable State and Federal laws governing municipal contracting and the expenditure of public funds.

To establish a consistent City-wide policy for contracts to protect the City from liability and ensure that contractors perform their duties properly. Well-drafted contracts are essential to protecting the City and enforcing its rights. The absence of a contract or an unenforceable contract could easily result in costly litigation and embarrassment for the City.

Policy

To ensure that the goods and services required by the City are obtained using established procedures that comply with all legal requirements for public purpose expenditures while promoting fair and open competition to ensure public confidence in the procurement process, ensure fair and equitable treatment of vendors who transact business with the City, and provide safeguards for the maintenance of a procurement system of quality and integrity.

Responsibility

The City Manager is the chief purchasing agent for the City. Responsibility for administering established Purchasing Policies and Procedures has been delegated to the Finance Department.

Central Purchasing Authority ("Purchasing"), as established by the Bloomington City Council, has responsibility for the following functions:

- a) Purchase of all materials, supplies, equipment, repairs and construction required by all Departments, Boards, Commissions, and Agencies of the City, except as hereinafter set forth, where funding has been approved during the annual budget process.
- b) Coordination of all plans and specifications for such materials, supplies, equipment, repairs and construction with input from the user department.
- c) Review and analysis of the purchasing activity of all City departments to obtain the best possible value from the combined volume purchasing of like commodities and services.
- d) Monitoring of procedures for the retaining of professional services by all Departments, Boards, Commissions, or Agencies.
- e) Coordination and oversight of the disposal of surplus, obsolete, or unused supplies, materials, or equipment.
- f) Training on purchasing procedures and regulations, monitoring compliance, and reporting any violations.
- g) Serving as a central contact for vendors and maintaining a central file of available vendors interested in doing business with the City.

An exception to utilizing Central Purchasing through the Finance Department is extended to the Engineering Division within the Public Works Department specifically limited to street and sewer construction/improvement projects that are subject to competitive bidding under Minnesota Statutes §429.

Procedures

Specific procurement requirements are addressed in the Purchasing Procedures.

Professional Services

Contracting for professional services, such as those provided by engineers, lawyers, architects, accountants, and other services requiring technical, scientific, or other professional training, when competitive bidding is not required, shall be the primary responsibility of the Departments, but with Purchasing oversight and compliance with established contract procedures.

Non-Monetary Contracts

Contracts with no monetary requirements including joint powers and in-kind agreements must be approved and signed by the City Manager if the agreement is for duration of less than one year. Contracts with no monetary requirements that are of duration longer than one year must be approved by the City Council and signed by the Mayor.

Emergency Purchases

Minnesota Statute §12.37 gives the City the ability to declare an emergency situation for a limited period of time. During such an emergency, the City is not required to use the typically mandated procedures for purchasing and contracts.

Emergency purchases require approval by the City Manager, Chief Financial Officer and, when necessary because of the dollar amount, formal City Council action. An emergency purchase is defined as one where an immediate response is required to protect the health, welfare or safety of the public or public property.

Conflicts of Interest

Minnesota State Statutes §471.87 and §471.88 prohibit the purchase of goods and services wherever a conflict of interest may exist.

City of Bloomington Personnel Rules require employees to disclose to their immediate supervisor any personal financial interest in the selling or buying of goods or services for the City of Bloomington. No purchase orders, contracts or service agreements shall be given to an employee of the City or to a partnership or corporation of which an employee is a major stockholder or principal. No employee shall enter into the relationship with a vendor where the employee's actions are, or could reasonably be viewed as, not in the best interests of the City. If any employee becomes involved in a possible conflict situation, the employee shall disclose the nature of the possible conflict to his or her supervisor and to the City Manager. The City Manager shall promptly notify the individual in writing of an approval or disapproval of the activity. If disapproved, the employee shall remove himself or herself from the conflict situation.

Gifts and Gratuities

The City's Employment Rules prohibit employees from soliciting or accepting a gift or gratuity from any interested person who has a direct financial or economic interest in a decision that a City employee is authorized to make. Employees responsible for making purchasing decisions for the City may not accept, directly or indirectly, any gifts, favors, privileges, or employment from current or prospective City vendors.

Contracting Authority

No agent or employee shall have the authority to bind the City to any contract or procurement except as provided by the City Charter (Section 7.07). Any procurement transaction made on behalf of the City which is not in compliance with established policies and procedures shall be deemed unauthorized. Any person making an unauthorized purchase may be liable for payment, restitution and/or further disciplinary action. Any obligation incurred by any City employee for any purpose not authorized in the budget or for any amount in excess of the amount authorized is considered a personal obligation of the person incurring the expenditure.

In accordance with the City Charter (Section 6.07), the City Manager is authorized to approve contracts for the purchase or lease of merchandise, materials, or equipment, if budgeted, or for any kind of construction work, repair or maintenance of real or personal property or personal services when the amount of such contract does not exceed \$175,000. Contracts subject to competitive bidding under the Uniform Municipal Contracting Law, Minnesota Statutes Section 471.345, as amended from time to time, shall be approved by the City Council. Section 2.105(b) of the City Code further provides the "The City Manager is authorized to delegate to city department heads the authority to approve contracts for the purchase or lease of merchandise, materials, or equipment, if budgeted, or any kind of construction work, repair or maintenance of real or personal property or personal services when the amount of the contract does not exceed \$50,000." For purposes of Section 2.105(b), "city department heads" shall mean the following positions: Assistant City Manager, Police Chief, Fire Chief, Chief Financial Officer, Chief Information Officer, City Attorney, Director of Parks and Recreation, Director of Community Development, Port Authority Administrator, and Housing and Redevelopment Authority Administrator.

(Revised 5/20/2002, 9/12/2011, 5/20/2024)

Revenue Policy

Purpose

The City of Bloomington will endeavor to maintain a diversified, stable, and sustainable revenue system that mitigates the impact of economic fluctuations and ensures the delivery of essential services to residents and businesses. This policy supports fiscal responsibility, transparency, and the long-term financial health of the City.

Revenue Estimation and Budgeting

The City will employ a conservative, objective, and analytical process to estimate and budget annual revenues. This will include:

- Annual re-evaluation of all existing and potential revenue sources to identify new opportunities or adjustments.
- Ensuring that estimates are based on historical trends, economic indicators, and legislative or policy changes.

Contingency

The total appropriated expenditures must be less than the total estimated revenue by a safe margin, as required by Section 7.06 of the City Charter. The City's policy defines this "safe margin" as at least 2.5% of the proposed budget, which will be reflected as "Contingency" in the budget.

Property Valuation and Tax Base Management

To ensure fair and accurate property taxation, the City will:

- Maintain up-to-date appraisal procedures, conducting physical reviews of each parcel at least every five years as required by Minnesota Statute 273.08.
- Seek a balanced tax base by promoting a mix of residential, commercial, and industrial development, supporting a vibrant and sustainable local economy.

Revenue Diversification and Stability

The City will maintain a diverse revenue base, including property taxes, sales taxes, user fees, and intergovernmental aid, to reduce dependency on any single source. This approach minimizes risk and provides resilience against economic downturns.

User Charges and Fees

User charges and fees for activities will be set based on the full cost of providing services, adjusted for specific program goals when necessary.

The City will:

- Conduct an annual review of user fees to account for inflation, cost increases, and market rates.
- Present these reviews and any proposed fee changes to the City Council during the budget process.

Enterprise Fund Fees

Fees for enterprise funds (e.g., Water, Wastewater, Golf) will be established to support direct and indirect costs, including capital outlay and debt service.

The City will:

- Ensure fees maintain a positive cash flow and provide adequate working capital for each enterprise.
- Use accumulated earnings for infrastructure replacement, or bond when necessary, to sustain enterprise operations.

Grant Revenue and Intergovernmental Aid

The City will actively seek grant funding and intergovernmental aid to supplement revenues. Grants will be pursued strategically to support capital projects, economic development, and programmatic initiatives aligned with the City's goals. Regular reporting and tracking of grant funds will be implemented to ensure compliance and transparency. Grant reimbursement requests will be submitted in a timely manner, at least quarterly, when required. For grants where funds are received upfront or quarterly reporting is not mandated, compliance will follow the specific grant terms and conditions.

Revenue Monitoring and Adjustment

The City will continuously monitor revenue performance against the budget and make adjustments as needed. This will include monthly financial reporting to the City Council and adjusting expenditure patterns to align with revenue realities when necessary.

Long-term Financial Planning

The City will incorporate revenue forecasting in its long-term financial planning processes, aligning revenue policies with strategic priorities and capital improvement plans to ensure that the City can meet future obligations and sustain essential services.

City Council Approval: January 6, 2025

Adopted 8/31/1987; revised 1/23/2006; revised 1/6/2025

FINANCIAL MANAGEMENT POLICIES ADOPTION

The Financial Management Policies shall be adopted by resolution by the City Council. The policies shall be reviewed by the Finance and Accounting staff on an ongoing basis and any modifications made thereto must be approved by the City Council.

Adopted by City Council August 31, 1987; Adopted by Bloomington Housing and Redevelopment Authority and Bloomington Port Authority November 10, 2009.

Policy	Origination	Last	Last
	Date	Reviewed	Revised
Abatement District Policy	5/20/2002	9/1/2021	1/27/2020
Budgetary and Financial Control Policy	1/23/2012		1/2/2018
Business Subsidy Policy	11/19/2007	9/1/2021	11/18/2019
Capital Improvement Program Policy		10/11/2021	10/11/2021
Conduit Debt Policy	4/10/1978	11/8/2021	11/8/2021
Credit Card Service Fee Policy	11/14/2022	11/14/2022	11/14/2022
Debt Management Policy	5/20/2002	11/28/2022	11/28/2022
Electronic Fund Transfers (EFT)	3/19/2024	3/19/2024	3/19/2024
External Auditor Independence Policy	5/20/2002		1/23/2012
Forfeited Funds Policy			1/23/2012
Fund Balance Year-End Classification Policy			12/19/2011
Grant Administration Policy	12/19/2022	12/19/2022	12/19/2022
Housing Improvement Area (HIA)	8/4/2014	6/3/2024	6/3/2024
Investment Policy	3/3/1997	11/18/2024	11/18/2024
Mileage Reimbursement Policy		1/1/2023	1/1/2023
Post-Issuance Compliance Policy for Tax- Exempt Govt. Bonds	6/22/2009	9/1/2021	1/27/2020
Public Purpose Expenditure Policy		12/18/2023	12/18/2023
Purchasing Policy	5/20/2002	5/20/2024	5/20/2024
Revenue Policy	8/31/1987	1/6/2025	1/6/2025
Risk Management Policy			1/19/2006
Self-Insurance Reserve Policy	1/23/2012		1/23/2012
Tax Increment Policy	6/10/1991	9/1/2021	1/27/2020
Travel Policy	11/1/1980	4/3/2023	4/3/2023
Uniform Grant Guidance Policy	2/22/2021	2/22/2021	2/22/2021
Utility Collection Policy Financial Management Policy	10/21/2013 cies pg. 45-P		10/21/2013



Summary of Budgeted Funds (General, Special Revenue, Enterprise, Internal Service)

		2023		2024		2025
Revenues		Actual		Projected		Budget
Property Taxes	\$	67,327,723	\$	72,687,114	\$	79,627,500
Property Taxes for Debt Service	\$	200,835	\$	199,630	\$	198,432
Delinquent Taxes & Abatements	\$	(2,454,638)	\$	301,895	\$	(907,890)
Utility Fees	\$	52,142,606	\$	51,394,425	\$	55,887,351
Departmental Charges	\$	46,111,625	\$	49,480,734	\$	45,428,055
Lodging and Admissions Taxes	\$	10,173,813	\$	10,781,231	\$	11,055,271
Bond Proceeds	\$	52,507	\$	52,507	\$	11,033,271
Program Income	\$	9,181,441	\$	9,658,003	\$	7,940,210
Permits and Licenses	\$	7,148,389	\$	8,602,008	\$	6,359,861
Transfers from Other Funds	\$ \$	9,345,736	\$	17,207,653	\$	11,624,618
Intergovernmental	\$ \$	14,765,864	\$	13,184,844	\$	8,983,561
Other Revenues	\$ \$	4,349,724	э \$	3,024,567	э \$	3,441,062
Franchise & PEG Fees	\$ \$	1,232,420	э \$	1,043,481	э \$	1,328,000
Interest Income	\$ \$		э \$		э \$	
Fines & Forfeitures	\$ \$	6,416,858	э \$	5,697,422	э \$	1,257,266
	\$ \$	584,986 679,042		761,675		500,000
Special Assessments	<u>\$</u>		\$	933,316	\$ \$	273,000
Total Revenues	Þ	227,258,931	\$	245,010,505	3	232,996,297
Expenses						
Salaries and Benefits	\$	105,862,453	\$	111,619,122	\$	109,567,245
Materials, Supplies, & Services	\$	68,809,187	\$	74,946,080	\$	84,737,262
Capital Outlay	\$	15,176,869	\$	16,900,750	\$	23,560,307
Debt	\$	1,317,328	\$	1,313,520	\$	1,308,633
Transfers to Other Funds & Contingency	\$	2,579,423	\$	13,461,426	\$	7,407,473
Internal Service Fund Charges	\$	30,238,235	\$	32,009,500	\$	29,719,942
General Fund Chargebacks	\$	(10,852,380)	\$	(12,013,064)	\$	(12,684,387)
Budgeted Estimated Unspent					\$	(1,654,939)
Total Expenses	\$	213,131,115	\$	238,237,334	\$	241,961,536
Property Tax Recap		2023		2024		2025
Property Tax Amounts in Capital and Debt Service	Funds					
Tax Abatement Capital Fund	\$	300,000	\$	400,000	\$	400,000
Debt Service Funds	\$	6,717,320	\$	7,197,526	\$	7,650,279
	\$	7,017,320	\$	7,597,526	\$	8,050,279
Property Tax Amounts in Budgeted Funds	\$	67,528,558	\$	72,886,744	\$	79,825,932
Total Property T	ax \$	74,545,878	\$	80,484,270	\$	87,876,211

Total General Fund Financial Summary

	2023 Actual	2024 Projected	2025 Budget
Revenues			
Property Taxes	\$ 63,160,085	\$ 68,420,369	\$ 75,657,500
Delinquent Taxes & Abatements	(1,623,343)	1,203,075	(907,890)
Special Assessments	45,958	55,504	
Lodging and Admissions Tax	10,173,813	10,781,231	11,055,271
Permits and Licenses	6,675,071	7,944,434	6,259,861
Intergovernmental	11,810,044	9,651,478	7,398,865
Program Income	2,084,205	2,285,747	2,300,753
Fines	443,149	595,611	435,000
Interest Income	2,058,340	1,653,083	350,000
Other Revenues	1,730,988	1,689,148	1,309,163
Transfers from Other Funds	5,345,313	6,959,671	5,954,884
Total Revenues	101,903,622	111,239,351	109,813,407
Expenses			
Salaries and Benefits	69,437,518	78,876,499	82,629,066
Materials, Supplies, & Services	33,881,745	35,779,786	38,692,291
Capital Outlay	895,496	353,097	153,000
Transfer to Other Funds & Contingency	1,691,472	3,416,096	2,678,376
Charged to Other Funds	(10,262,088)	(11,511,927)	(12,684,387)
Budgeted Estimated Unspent			(1,654,939)
Total Expenses	 95,644,143	106,913,551	109,813,407
Working Capital			
Net Change	6,259,479	4,325,800	-
Working Capital at Beginning of Year	44,898,090	51,157,569	55,483,369
Working Capital at End of Year	\$ 51,157,569	\$ 55,483,369	\$ 55,483,369
Working Capital Goal	\$ 46,829,794	\$ 50,019,335	\$ 50,019,335

Special Revenue Funds Financial Summary

	2023 Actual		2024 Projected		2025 Budget	
Revenues						
Fire Pension	\$	2,065,282	\$	2,214,875	\$	1,933,615
Communications		1,937,173		1,903,869		2,330,297
Creative Placemaking		667,520		764,450		765,601
Opioid Settlement		268,724		347,190		490,133
South Loop Revolving Development		177,718		184,485		159,000
Cemetery		228,005		224,133		211,515
Parks and Recreation		104,700		1,041,143		662,000
Enhanced 911		290,445		240,134		225,165
DWI Forfeiture		47,474		40,309		31,000
State Drug Forfeiture		40,326		62,947		15,500
Federal Dept. of Justice Drug Forfeiture		78,106		84,045		20,000
Federal Treasury Drug Forfeiture		7,060		-		-
Total Revenues	\$	5,912,533	\$	7,107,580	\$	6,843,826
Expenditures						
Fire Pension	\$	813,512	\$	2,455,270	\$	2,371,149
Communications		1,992,490		2,048,712		2,290,053
Creative Placemaking		456,327		800,663		765,601
Opioid Settlement		10,625		49,555		490,133
South Loop Revolving Development		180,185		25,922		171,500
Cemetery		227,912		215,589		210,548
Parks and Recreation		90,688		1,121,077		714,725
Enhanced 911		162,871		102,336		149,604
DWI Forfeiture		33,023		47,920		87,206
State Drug Forfeiture		107,155		-		10,000
Federal Dept. of Justice Drug Forfeiture		61,281		6,114		15,000
Federal Treasury Drug Forfeiture		2,106		149		156
Total Expenditures	\$	4,138,175	\$	6,873,307	\$	7,275,675

Enterprise Funds Financial Summary

	2023	2024	2025
	 Actual	Projected	Budget
Revenues			
Water Utility Fund	\$ 22,314,626	\$ 22,359,810	\$ 22,470,178
Wastewater Utility Fund	14,897,847	15,347,419	15,704,596
Solid Waste Utility Fund	10,264,366	10,345,168	10,520,562
Storm Water Utility Fund	8,284,464	8,958,670	8,541,997
Golf Courses Fund	2,342,120	2,410,161	2,022,365
Ice Garden Fund	2,408,376	2,612,710	1,543,932
Aquatics Fund	960,365	984,378	606,000
Center for the Arts Fund	1,544,508	1,357,823	1,835,000
Contractual Police Services Fund	 1,786,822	1,568,853	1,432,592
Total Revenues	\$ 64,803,494	\$ 65,944,992	\$ 64,677,222
Expenses			
Water Utility Fund	\$ 17,561,553	\$ 19,513,478	\$ 23,404,220
Wastewater Utility Fund	12,671,262	13,442,418	19,330,418
Solid Waste Utility Fund	9,587,939	10,620,935	9,865,397
Storm Water Utility Fund	6,716,440	7,687,886	9,472,531
Golf Courses Fund	1,997,389	2,042,360	2,449,858
Ice Garden Fund	2,340,310	2,352,632	1,959,764
Aquatics Fund	1,059,822	980,807	821,204
Center for the Arts Fund	1,456,375	1,454,163	1,722,611
Contractual Police Services Fund	 1,785,914	1,568,853	1,432,592
Total Expenses	\$ 55,177,004	\$ 59,663,532	\$ 70,458,595

Internal Service Funds Financial Summary

	2023 Actual	2024 Projected	2025 Budget
Revenues			
Facilities Fund	\$ 9,427,117	\$ 8,145,955	\$ 10,385,327
Employee Benefits Fund	12,709,500	13,341,578	13,221,035
Fleet Maintenance Fund	8,770,833	9,473,076	9,212,783
Information Technology Fund	6,898,677	8,086,699	8,916,610
Benefit Accrual Fund	2,938,873	9,026,736	4,574,674
Self Insurance Fund	2,739,448	2,699,626	2,495,770
Public Safety Technology & Equipment Fund	3,402,595	1,993,341	2,271,034
Support Services Fund	511,913	513,429	584,609
Total Revenues	\$ 47,398,956	\$ 53,280,440	\$ 51,661,842
Expenses			
Facilities Fund	\$ 8,393,238	\$ 6,099,102	\$ 9,738,878
Employee Benefits Fund	12,275,520	14,014,818	14,889,778
Fleet Maintenance Fund	10,743,615	10,154,016	9,823,804
Information Technology Fund	7,216,050	8,096,126	9,234,537
Benefit Accrual Fund	3,129,914	12,139,307	5,317,719
Self Insurance Fund	2,735,244	2,745,922	3,090,247
Public Safety Technology & Equipment Fund	751,751	4,615,473	1,721,933
Support Services Fund	474,948	483,848	596,965
Total Expenses	\$ 45,720,280	\$ 58,348,612	\$ 54,413,861
			\$ (2,752,019)

Fund Balances - Governmental Funds

Fund balance is defined as the difference between a fund's assets and liabilities. Adequate fund balance enhances the City's financial position and bond ratings. It also provides cash for operations prior to receipt of tax revenues. Cities in Minnesota receive their largest sources of revenue, property tax, only twice each year. Fund balances are used for day-to-day cash flow for the following six months of operations until the next property tax distribution. Fund balances are required to be categorized as one of five different components on the Annual Comprehensive Financial Report:

Fund Balance Restricted Components:

Non-spendable: Dollars that cannot be spent because they are not in a spendable form, or they are legally or contractually required to remain intact.

<u>Restricted</u>: Dollars on which there are constraints placed regarding their use. External constraints include those imposed by creditors, grantors, or laws of other governments. Other constraints might be those imposed by law.

Fund Balance Unrestricted Components:

<u>Unrestricted-Committed</u>: Dollars that must be kept for specific purposes as determined by formal action of the decision-making authority.

<u>Unrestricted-Assigned:</u> Dollars that the City intends to use for a specific purpose but they are not committed.

<u>Unrestricted-Unassigned</u>: Dollars that do not fall into any of the other classifications.

	Estimated			2025	Projected	
		2025 Budgeted	2025 Budgeted	Budgeted	Ending 2025	
Governmental Funds	Fund Balance		Expenses	Net Change	Fund Balance	% Change
General Fund	\$ 55,573,086	\$ 109,813,407	\$ (109,813,407)	\$ -	\$ 55,573,086	0.00%
Fire Pension	6,483,414	1,933,615	(2,371,149)	(437,534)	6,045,880	-6.75%
Communications	77,260	2,330,297	(2,290,053)	40,244	117,504	52.09%
Creative Placemaking	388,930	765,601	(765,601)	-	388,930	0.00%
Opioid Settlement	625,902	490,133	(490,133)	-	625,902	0.00%
South Loop Revolving Development	745,968	159,000	(171,500)	(12,500)	733,468	-1.68%
Cemetery	391,498	211,515	(210,548)	967	392,465	0.25%
Parks and Recreation	4,246	662,000	(714,725)	(52,725)	(48,479)	-1241.77%
Enhanced 911	358,553	225,165	(149,604)	75,561	434,114	21.07%
DWI Forfeiture	476,717	31,000	(87,206)	(56,206)	420,511	-11.79%
State Drug Forfeiture	99,878	15,500	(10,000)	5,500	105,378	5.51%
Federal Dept. of Justice Drug Forfeiture	168,727	20,000	(15,000)	5,000	173,727	2.96%
Federal Treasury Drug Forfeiture	7,133	-	(156)	(156)	6,977	-2.19%
	\$ 65,401,312	\$ 116,657,233	\$ (117,089,082)	\$ (431,849)	\$ 64,969,463	-0.66%

% Changes greater than 10% highlighted are explained below

<u>Communications Fund</u> - Communications negotiated a new contract that has higher cable franchise fees and higher PEG (Public-Education-Government) fees beginning in 2025.

<u>Parks and Recreation Special Revenue Fund</u> – A new Forestry activity has been added to this fund with designated funds from the property tax levy for the removal and replacement of diseased trees.

Enhanced 911 – The State increased the monthly aid for Enhanced 911 midway through 2021 and it will continue to be at higher levels in 2025. Which will allow for future upgrade to in dispatch area.

DWI Forfeiture - Planned spending of previously accumulated DWI Forfeiture fund on allowable Police and Legal Prosecution expenses.

Working Capital

Working capital balance is the difference between a fund's current assets and current liabilities. It measures operational liquidity, ensuring the ability to meet short-term financial obligations while also setting aside funds for future long-term purchases. Additionally, it provides a financial cushion for unexpected or emergency events.

The working capital balances of all budgeted funds are analyzed during the budget process to ensure that the proposed budget maintains the balance near the fund's target - both for the budget year and in long-range projections. The General Fund Financial Summary, found earlier in this section, includes the beginning balance, ending balance, and net change in working capital. Similar summaries for all Special Revenue, Enterprise, and Internal Service Funds also display these working capital details.

2025 Budgeted Revenue Sources

Budgeted Revenues

The largest budgeted revenue sources are Property Taxes, Utility Fees, Lodging and Admission Taxes, Program Income, Intergovernmental revenues such as grants and State aids, and Permits and Licenses. These revenues comprise 96.7% of the City's overall revenue budget.

Revenue Source	2025 Budget	% of Overall Budgeted Revenue
Property Taxes	\$79,825,932	45.37%
Utility Fees	55,887,351	31.77%
Lodging and Admission Taxes	11,055,271	6.28%
Program Income	7,940,210	4.51%
Intergovernmental	8,983,561	5.11%
Permits and Licenses	6,359,861	3.61%
Other Revenues	5,891,438	3.35%
Total Revenues	\$175,943,624	100.00%

(Not including Internal Service Fund revenue of \$45,428,055 or transfers from other funds of \$11,624,618)

Property Taxes – 95% of the budgeted \$79,825,932 in property taxes are expended in the General Fund to support taxpayer services such as Police, Fire, Public Works, Parks and Recreation, Public Health, and Community Development. The remaining 5% of budgeted property taxes support the Bloomington Family Aquatic Center, Bush Lake Beach, Ice Garden, the Bloomington Center for the Arts, the Fire Pension Fund, the Communications Fund, and removal and replacement of diseased trees in the Parks & Recreation Special Revenue Fund. Additional property taxes of \$8 million were levied for Capital Project Funds and Debt Service Funds that are separate from the City's annual operating budget.

The City Council sets a preliminary tax levy that is due to the County by the end of September. The preliminary tax levy for 2025 was an 11.5% increase from the 2024 tax levy. The City Council then approves a final tax levy in December after a property tax public hearing that is required by State statute. The final tax levy for 2025 was a 9.18% increase from the 2024 tax levy. The City receives the distribution of property taxes from the County twice a year, in January and July.

Utility Fees – The City has utility services for water, sewer, stormwater mitigation, and garbage and recycling. Rates are determined by calculating the amount of funding needed to cover operations and future capital costs.

The City Council approved the following 2025 rate changes after a public hearing on November 18, 2024:

Utility	Current Rate 2024	Proposed Rate 2025	Proposed % Increase 2025
Water Tier 1 Rate, Per 1,000 gallons	\$5,02	\$5.17	3.00%
Wastewater Per 1,000 gallons	\$5.50	\$5.67	3.00%
Stormwater Single Family Residential	\$9.36	\$9.83	5.00%
Solid Waste Weighted average of Garbage + Recycling + Organics + Bulky Item Mgmt. Fee	\$34.88	\$35.82	2.60%

Water Utility

Recent local weather patterns and conservation efforts have influenced overall water use, current water fund reserves, and annual budgeting estimates. The City Council approved a water utility rate increase of 3% for 2025 after a public hearing on November 18, 2024. The increase was necessary to cover annual operational and maintenance costs, while building capital reserves for asset renewal.

Wastewater Utility

A large portion of annual operational expenses for the wastewater utility are for the treatment charges from the Metropolitan Council Environmental Services (MCES). A 3% rate increase for 2025 was approved after a public hearing on November 18, 2024. The current rates and working capital balance were adequate to cover annual operational and maintenance costs, while building capital reserves for asset renewal.

Stormwater Utility

A stormwater utility fee is charged to property owners to recover costs associated with providing storm water utility service to protect structures and the public from storm water damage caused by surface water runoff. Construction projects strive to improve and renew existing infrastructure as well as build resiliency within the existing storm sewer system. A combination of funds on hand, bond proceeds, and future rate increases are proposed to fund these projects. A 5% rate increase for 2025 was approved by the City Council on November 18, 2024. This increase will allow the storm

utility to continue funding maintenance construction and activity and maintain compliance with State and Federal regulations.

Solid Waste Utility (Garbage, Recycling, and Organics)

In October 2016, Bloomington began managing garbage and recycling for approximately 22,000 households that previously had individual contracts with residential haulers. The haulers formed a consortium that handles collection and customer service for these households. In March 2022, the service of Organics Recycling began. Like regular recycling, an organics rate is paid by all residents with City garbage service, but residents must sign up for a cart to participate. In 2023, the bulky item management program changed to every other year curbside cleanup with an annual community drop off event offered in alternate years.

Program Income – Program income is received from fee-supported services such as green fees, pool admissions, sport team fees, and public health fees. Fees are reviewed annually and increased to match the cost of service when necessary. The annual fee schedule is approved by the City Council. Revenues are projected on historical averages with considerations of rate increases and changes to program offerings.

Permits and License Fees – Permits and license fees of \$6,359,861 account for 3.61% of total budgeted revenues. The City Clerk's Office issues licenses as required by the City Code. Licenses for business, liquor, gambling, pets, taxicabs, and rental housing are all examples of licenses issued by the City. The Building and Inspection Division in Community Development issues permits for building, roofing, siding, decks, electrical, mechanical, plumbing, fire prevention, and special events. Permit revenues have been trending higher than budget in recent years.

Lodging and Admission Taxes – A 7% lodging tax is collected from hotel and motel lodging accommodations and related services. 3% of the lodging tax supports the General Fund. 2% supports the South Loop Capital Fund and 2% supports the Bloomington Visitors and Convention Bureau. A 3% admissions tax is collected on entertainment events in the City that includes ticket sales to theaters, amusement parks, and cover charges to night clubs, bars, and restaurants. The full 3% admission tax supports the General Fund. During the pandemic, this revenue source declined dramatically. However, 2024 admission tax levels surpassed 2019 pre-pandemic levels and lodging tax revenues have also increased considerably and are projected to surpass 2019 levels for 2025.

Intergovernmental – A major source of intergovernmental revenue in the General Fund is from State aid for the Police pension expenses of \$1.1 million. There is also over \$820,000 received from the State for the Paid-On-Call Volunteer Firefighter's pension that is budgeted in the Fire Pension Special Revenue Fund. Most of the intergovernmental revenue in the budget is for the Public Health Division. There is a total of \$5.2 million budgeted in the General Fund for the Public Health division for intergovernmental revenue for the many grants that fund a large portion of their operations.

Long-Range Financial Plans

The City employs long-range financial budget models to proactively identify potential structural funding challenges. These models help ensure adequate working capital to sustain current services and support future capital needs. If trends indicate a decline in working capital below established goals, early action can be taken to explore additional revenue sources, reduce operating expenses, adjust future capital investments, or modify programs and services. Additionally, long-range models provide essential financial context for major policy decisions that may impact future tax levies.

Key Assumptions in General Fund Long-Range Model

Lodging and Admission Taxes

Over the past two years, lodging and admission taxes have exceeded budget expectations and have now surpassed pre-pandemic levels. This marks a significant recovery from the initial declines in 2020 and 2021 caused by the COVID-19 pandemic's impact on the hospitality and entertainment industries. While previous forecasts anticipated a full recovery by 2025, actual revenues have rebounded more quickly than expected, reflecting stronger-than-projected industry performance and visitor activity.

Property Taxes

Property taxes are the primary funding source for key City services, including Public Safety, Public Works, Parks and Recreation, Public Health, and Community Development. The long-range financial model includes an annual property tax levy increase to account for inflation and potential economic downturns. However, this increase may be adjusted as future budgets are refined through expenditure reductions or additional revenue sources.

Permits and Business Licenses

Permits and business license revenue has been conservatively estimated due to its variability. In 2022, revenue reached a record high of \$8,082,181 but declined to \$6,675,071 in 2023. The 2024 projection reflects an increase to \$7,944,434, followed by a budgeted decrease to \$6,259,861 in 2025. Building permit revenue can fluctuate significantly based on new commercial development, reinvestments by property owners in existing properties, and broader market conditions impacting construction activity.

Program Income

Program income is generated by various City programs and has continued to recover following the declines experienced in 2020 due to pandemic-related program cancellations. In 2023, program income totaled \$2,084,205, reflecting steady growth. The 2024 projection anticipates an increase to \$2,285,747, with further modest growth budgeted at \$2,300,753 in 2025. This gradual recovery aligns with the continued

expansion of Parks and Recreation programs and other fee-based services throughout the City.

Appropriations

Appropriation needs are developed by Department Heads and Division Managers after pre-loaded expenses such as salaries, benefits, and internal charges are loaded in budgets. On average, salaries and benefits make up approximately 75% of General Fund expenses in the 2025 budget. Overall, appropriations in long-term models are projected to increase annually at an average rate of approximately 3% a year.

Salaries

Salaries are projected to increase by an estimated cost of living plus incentives for performance and step increases. 2025 salary budgets included an average increase of 3.5%. Later years of budget forecasts include wage increases of 2.5-3.5% for modeling purposes only. Part-time hourly rates for temporary seasonal positions in Parks and Recreation and Public Works increased significantly in recent years to compete with the current labor market.

Health Insurance

The City received a 7.8% increase in health insurance premiums, with a larger portion of the increase shared with employees compared to previous years. This adjustment was made to help balance rising healthcare costs while maintaining the long-term sustainability of the City's benefits program. Long-term financial models assume an average annual increase of 8% in health insurance costs to account for inflation and anticipated industry trends.

Contingency

A contingency of at least 2.5% of the current year's budgeted expenditures is included in the General Fund model. Additionally, an estimated unspent amount is factored in to offset the budget, reflecting historical underspending in the General Fund. This is primarily due to cost savings from vacant full-time positions.

Structural Balance

The General Fund long-term model incorporates conservative revenue estimates and expenditure projections based on trends, industry forecasts, and future service level plans. Each year, the model is updated to reflect changes in inflation, community growth, program adjustments, and service levels, ensuring a balanced budget across all forecasted years. This modeling provides a financial framework to assess funding needs for maintaining quality services while considering potential levy limits, program modifications, and service level adjustments in future years.

Budget gaps identified in future years are proactively addressed at least a year before budget adoption through cost reductions and/or revenue enhancements.

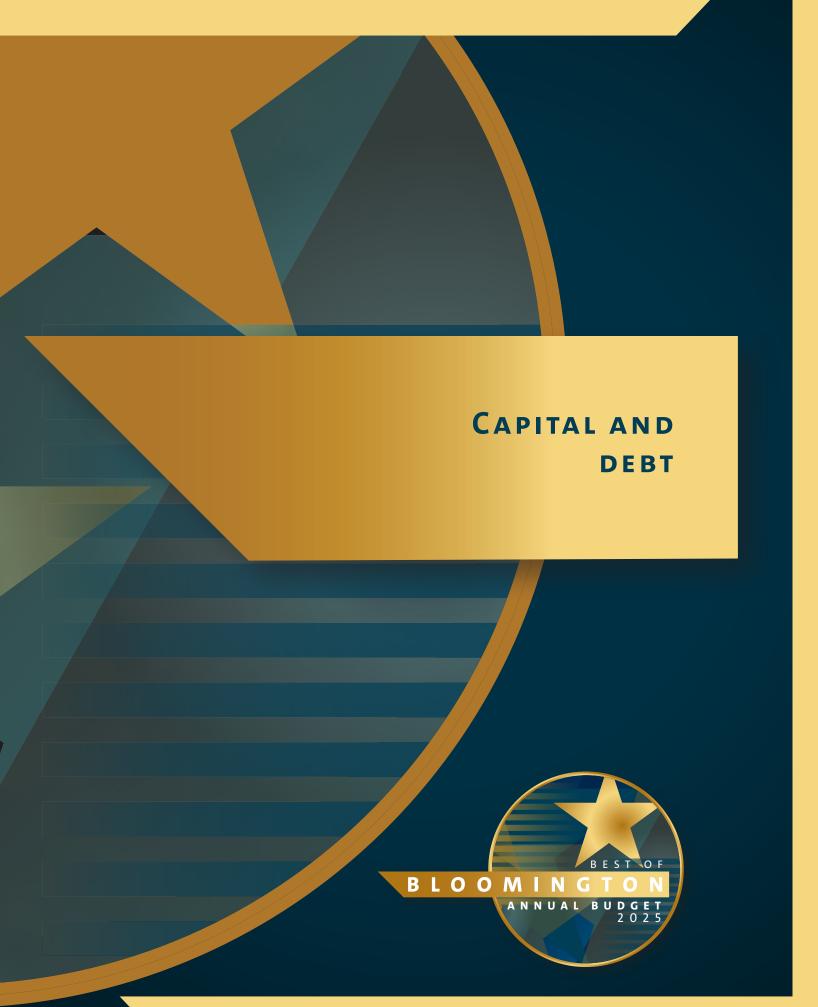
The General Fund model is part of a broader financial strategy designed to navigate economic downturns. The City continuously evaluates options for increasing revenues and reducing expenditures, applying these strategies effectively during downturns and phasing them out in periods of recovery to restore fund balances where appropriate. A key principle of the City's conservative budget management approach is maintaining expenditure growth in line with inflation.

General Fund Long-Range Model Years 2025-2029

	2025	2026	2027	2028	2029
	Budget	Projected	Projected	Projected	Projected
Property Tax Levy	\$75,657,500	\$86,816,760	\$92,000,141	\$96,435,583	\$100,749,803
Less Delinquent Taxes & Abatements	(907,890)	(1,041,801)	(1,100,041)	(1,155,363)	(1,204,148)
Admissions Tax	2,183,956	2,249,475	2,316,959	2,386,468	2,458,062
Lodging Tax	8,871,315	9,137,454	9,411,578	9,693,925	9,984,743
Business Licenses	2,295,500	2,312,000	2,335,120	2,358,471	2,382,056
Permits	3,964,361	4,527,930	4,618,489	4,710,858	4,805,076
Fines	435,000	435,000	435,000	435,000	435,000
Program Income	2,300,753	2,208,390	2,230,474	2,252,779	2,275,306
Intergovernmental Revenue	7,398,865	7,368,209	7,441,891	7,516,310	7,591,473
Interest	350,000	350,000	350,000	350,000	350,000
Transfers from Franchise Fees PMP Sealcoating	1,477,229	1,521,546	1,567,192	1,614,208	1,662,634
Transfers from Franchise Fees for Trails	170,000	170,000	170,000	170,000	170,000
Transfers from South Loop to Police	2,222,655	2,289,335	2,358,015	2,428,756	2,501,618
Transfers from Police COT for Admin	60,000	60,000	60,000	60,000	60,000
Transfers from Strategic Priorities - Tax Stabilization	1,100,000				
Transfers from CARES / ARP Fund	275,000				
Transfers Other	650,000	915,000	770,000	1,000,000	800,000
Miscellaneous Revenue	1,309,163	1,314,323	1,327,466	1,340,741	1,354,148
REVENUES	109,813,407	120,633,621	126,292,284	131,597,736	136,375,772
Oit O Compail	000 474	075 477	000.004	700.070	707.445
City Council	638,171	675,477	692,364	709,673	727,415
Administration	4,291,251	4,626,455	4,742,116	4,860,669	4,982,186
Legal	3,084,418	3,415,639	3,501,030	3,588,556	3,678,270
Finance	1,671,266	1,950,901	1,999,674	2,049,665	2,100,907
Police	37,977,745	40,823,843	42,971,058	44,045,335	45,146,468
Fire	11,609,711	14,459,290	16,514,672	19,032,539	20,969,677
Community Development	11,353,677	12,039,305	12,340,288	12,648,795	12,965,015
Community Services	9,399,401	9,835,292	10,081,174	10,333,204	10,591,534
Parks and Recreation	13,173,911	13,996,576	14,346,490	14,705,153	15,072,781
Public Works	15,590,419	17,437,031	17,872,957	18,319,781	18,777,775
Estimated Unexpended (2% of Salaries & Benefits)	(1,654,939)	(1,795,960)	(1,849,839)	(1,905,334)	(1,962,494)
Total Expenditures	107,135,031	117,463,849	123,211,985	128,388,035	133,049,533
Contingency (2.5% of Total Expenditures)	2,678,376	3,169,772	3,080,300	3,209,701	3,326,238
Expenditures with Contingency	109,813,407	120,633,621	126,292,284	131,597,736	136,375,772

Note: Estimates for 2026-2029 are projected. The property tax increases modeled for these years will likely be adjusted as future budgets are refined through revenue growth and/or expense reductions.

INTENTIONALLY LEFT BLANK



Capital Projects

The Capital Improvement Plan (CIP) is a planning tool based on long-range physical planning and financial projections that forecast the City, the Bloomington Port Authority (Port), and Housing and Redevelopment Authority for the City of Bloomington (HRA) capital needs over a ten-year period as building blocks to help achieve the City's strategic vision and mission. The CIP includes a detailed description of every Capital Project anticipated to be initiated during the ten-year period.

The <u>2025-2034 Capital Improvement Plan (CIP)</u> was adopted by the City Council after a Public Hearing at the December 16, 2024 City Council Meeting. The preliminary draft was presented at the October 28, 2024 City Council Meeting and brought to the Planning Commission in November 2024. The CIP document is approved annually. Projects are tracked and updated on a quarterly basis. To view the most recent updates, visit our dedicated CIP page at blm.mm/CIP.

The Capital Budget development process starts with Departments preparing requests for needed projects using the CIP database. Projects can come from the Alternative Transportation Plan, the Park System Master Plan, the South Loop Master Plan, the Pavement Management Program, the fifteen-year modeling done for water, sewer and storm water utilities and the facility fund. The Facilities Committee reviews and prioritizes these types of structural needs. Once completed, an analysis of funding requirements and any necessary related prioritization is done by the Executive Management Team.

The cost estimates for each request include capital and operating budget costs that would result from the new or expanded capital facilities improvements and infrastructure. The cost estimates are presented in the CIP document, as is the impact on bonded debt and related debt service and the tax cost impact for various property types. According to the City's CIP Policy, operating costs must be projected and included in operating budget forecasts.

The CIP is reviewed by the Planning Commission for compliance with the Comprehensive Plan. The Mayor and Council then use the compiled information, along with results of public discussion, to decide which projects are to proceed and how they will be funded. The CIP is approved as a plan guide and does not represent approval of any project. Individual projects are not given final approval until they are brought back to the City Council for reaffirmation.

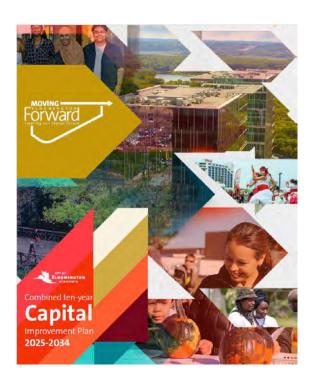
Capital projects have expenditures of at least \$50,000 and a useful life of at least four years. Capital project fund expenditures are incorporated into the budget process based on Council appropriation. Individual project budgets are then approved by the Council on a project-by-project basis.

Capital Improvement Plan Goals

The CIP continues to evolve as project planning needs to respond to strategic community direction. Changes in economic conditions or other project-related issues may alter timelines. Funding mechanisms change and projects become more or less feasible based on such funding changes. City management continuously looks for opportunities for efficiency which often changes the projected needs for capital. The CIP is updated annually to ensure consistency and the reflection of changing strategic needs, cost fluctuations, and financial resources. The CIP document incorporating the recommended changes is then submitted to the City Council for consideration, modification, and adoption.

The goals of the document are as follows:

- Maintain a systematic approach to planning and initiating capital projects affording the opportunity to plan the location, timing, and financing of the needed public improvements.
- Development of a realistic program of capital spending with the projected fiscal capability to finance such projects, avoiding sharp changes in the tax levy or bonded indebtedness.
- Enable the City, Port and HRA to evaluate the needs of the entire City on a strategically oriented framework.
- Coordinate capital needs with the adopted Comprehensive Plan.
- Maintain awareness with the public and private investors of the scope of the City's capital improvements.
- Enhance opportunities for participation in federal and/or state grant and aid programs.



Highlights of 2025 Capital Projects:

City Facilities

Civic Plaza Restroom \$1,000,000

This is a major demolition to the gang restrooms near the information desk and the main entryway to Civic Plaza. The intent of the project is to explore alternative options of design to meet the needs of a changing demographic. Surveys and engagement will help inform the final design.

Fire Station 2 Rebuild

\$1,300,000

Rebuild fire station 2 at same location, 10601 Xerxes Ave. S. Replace with an energy efficient modern fire and EMS station that accounts for firefighter and citizen safety designed for continuous 24 hour operations to provide a timely, effective response to emergencies. Total project cost estimate 2025-2026 is \$13,600,000

Phase I PW Refit \$4,900,000

Public Works hired a consultant in 2023 to review the needs of current work performed at this facility. This first phase will include reviewing the location of the salt shed, brine equipment and wash off area. Storm water and reuse of wash off water will be planned with a drive lane realignment. Staff is working on funding in the form of Infrastructure grants, stormwater grants, DOT grants, and sustainability funding.

Equipment Maintenance Garage - New

\$27,042,000

New equipment garage/maintenance garage is approximately 40,000 square feet. This new building may include the central warehouse, parts room, as well as lockers, and restrooms. This cost does not include any land acquisition that may be required.

Community Health and Wellness Center Community Health and Wellness Center Parking Ramp

\$100,000,000 \$10,000,000

The City will invest \$101.8 million to build a new Community Health and Wellness Center that will support a wide range of recreational and fitness activities and community programs. The new center will replace Creekside Community Center and the Public Health building. It will be located on the same site as Creekside Community Center, 9801 Penn Avenue South. Potential amenities include gymnasiums, walking/jogging track, indoor playground, pool, exercise spaces, multipurpose rooms, and public health clinic and programming spaces.

Park Development

Park System Field Renovations

\$ 19,000,000

Bloomington regional athletic field complexes - Valley View Park, Gene Kelly Park, Dred Scott Playfields - regarding diamond fields, installation of new turf athletic fields, field lighting, replacement of dugouts, associated site improvements.

Sewer, Water, and Storm Water

Adaptive Level Control Management Project

\$1,000,000

Retrofit existing flood control smart infrastructure into existing lift stations and flow control features across part of the City.

Meter Change Program

\$1,000,000

Updated meters & Radios. Commercial and Residential roll-out of AMI to be determined. (ongoing, annual)

Water System Fac. Tower/Reservoir Restoration

\$1,000,000

Repair/modifications to interior and exterior water distribution of various water storage structures equaling a combined 30 MG. (ongoing, annual)

South Central (100th San Sewer-Pleasant to 1st)

\$1,410,000

Sewer mainline upsizing needed to convey proposed future wastewater flow. Replace 1640' of 12" RCP with 16" PVC.

Storm Main Asset Renewal/Replacement (PMP)

\$1,950,000

Storm Sewer replacement, rehab, & renewal. (ongoing, annual)

Water Treatment Plant Renewal

\$2,275,000

Building and structural renewal of water treatment plant. Plant improvements & capital equipment. (ongoing, annual)

South Central (Nicollet & 102nd to 100th & 3rd)

\$2,511,561

Sewer mainline upsizing needed to convey proposed future wastewater flow. Replace 1640' of 12" RCP with 16" PVC. 50% SAC contribution.

Killebrew Dr. San Sewer-Cedar to 23rd

\$2,800,000

Sewer mainline upsizing needed to convey proposed future wastewater flow from the South Loop district. Up size 27" and 30" with 30" and 33" FRP.

South Loop

A development district that includes Bloomington Central Station and the Mall of America. Funding for projects is provided by business tax revenues dedicated to area improvements. No projects over \$1 million planned for 2025.

Surface Transportation

90th Street Retaining Walls

\$1,210,000

Replace the existing two-tiered retaining wall on the south side of W 90th Street adjacent to 2708, 2706 and 2704 W 91st St Circle. Also, replace the existing timber retaining wall on the north side of W 90th St adjacent to 3110 W 90th Street.

Pavement Management Program

Sewer Main Asset Renewal/Replacement	\$1,000,000
Water Main Asset Renewal/Replacement	\$1,000,000
Storm Main Asset Renewal/Replacement	\$1,950,000
Overlay of City Streets	\$4,590,000
PMP Street Reconstruction	\$8,947,000
PMP ROW Trail Program	\$5,257,000
Total estimated costs for 2025	\$22,744,000

Within the Surface Transportation Area, the <u>Pavement Management Program</u> (PMP) is the predominate activity that provides a system for ongoing maintenance of approximately 340 centerline miles and 40 miles of asphalt trails within the City of Bloomington.

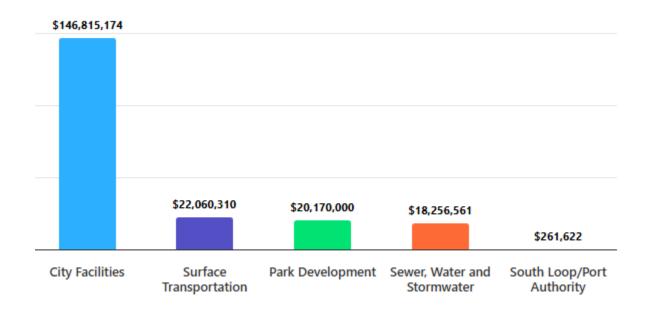
Evaluating the asphalt pavement infrastructure within the City, the current average Pavement Condition Index (PCI) for roads is 76 and trails is 67. As part of the street PCI, roads are broken into three categories "adequate" PCI over 66, "marginal" PCI between 36-65 and "problem" PCI 35 or under. The goals of the PMP program are to have the number of "adequate" streets at 70% or greater and keep the "problem" street at 10% or less. This ensures that the City preserves the infrastructure investment and provides an expected level of service to the community. This requires an annual investment of City funds and includes state aid funds in addition to general funds and franchise fees.

Franchise fees were adopted in 2015 with the first revenue collected in 2016 and the fees were increased for the first time effective 2022 and again in 2024. These fees are used as part of the PMP funding sources for overlays, seal coat, and trail and sidewalk work.

A funding and implementation plan for repair and maintenance of Bloomington roadways was adopted in 1992. Needs are identified, then funding is provided through state aids, assessments, and franchise fees. This program not only strategically plans for repair and replacement but also maximizes efficiency in the process by identifying the optimum time to replace or repair roads and streets. The original plan spanned three specific areas: reconstruction, overlay and seal coating. In 2015 the City Council approved adding trails to the program and sidewalks in 2021.

Operating costs are not significantly impacted because on average the same number of miles are reconstructed and overlaid every year on a long-term schedule, keeping costs for street maintenance stable and predictable.

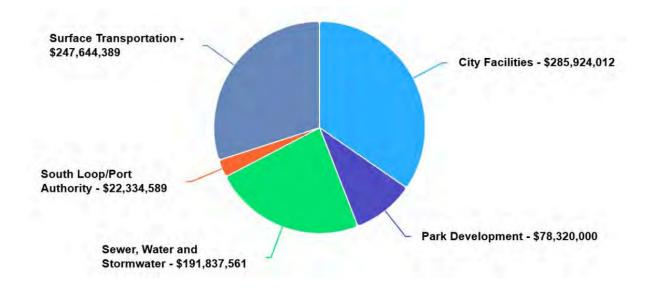
Estimated Expenses by Department for 2025 Capital Projects



Estimated Funding Sources for 2025 Capital Projects

Funding Source	2	025 Projects
City Funds	\$	27,887,380
Grants	\$	1,198,000
Other/Misc.	\$	31,588,900
Charter Bonds	\$	10,000,000
CIP Bonds	\$	28,342,174
PIR Bonds & Assessments	\$	8,547,213
Sales Tax Revenue Bonds	\$	100,000,000
Total	\$	207,563,667

Estimated Expenses by Department 2025-2034



Estimated Funding Sources in the ten-year range, 2025-2034

Funding Source	,	10 Year Plan
City Funds	\$	258,489,570
Grants	\$	19,736,983
Other/Misc.	\$	167,704,716
Charter Bonds	\$	62,650,000
CIP Bonds	\$	88,942,174
PIR Bonds & Assessments	\$	108,537,108
Sales Tax Revenue Bonds	\$	120,000,000
Total	\$	826,060,551

Debt Overview

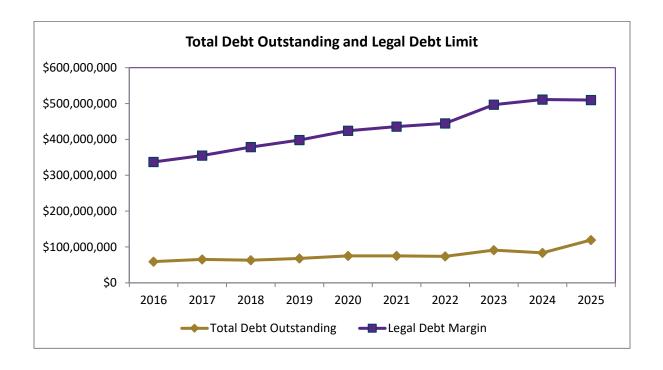
Ongoing positive performance in financial operations and savings from conservative spending assist in reducing the level of annual debt issuance. This results in debt service cost savings and, ultimately, lower debt service levies.

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

Debt Margin

Minnesota State law limits the amount of General Obligation (GO) debt for any municipality to 3 percent of market value. This limitation provides reasonable assurance of the municipality's ability to pay its obligations. Bloomington's estimated taxable market value for taxes payable year 2025 is \$17,824,006,400. The graph below shows ten years of legal debt limit and total debt outstanding. The space between the debt limit and outstanding debt shows that the City is conservative in the amount of debt issued compared to the statutory limit.

<u>2</u>	<u>2025</u>	
General Obligation Debt Limit	\$ 534,720,192	
Bloomington's Debt Subject to the limit	24,825,000	
Debt Margin	<u>\$ 509,895,192</u>	



Debt Issuance

The City of Bloomington has been very conservative in its debt issuance practices and holds Moody's Aaa, Standard & Poor's AAA and Fitch Rating Agency's AAA G.O. debt ratings, one of 37 municipal governments of 19,500 nationwide to achieve the "Triple Triple A."

General Obligation Debt Issuances During 2024

In September 2024, the City issued:

• \$9,110,000 of General Obligation Charter Bonds (Social Bonds). The proceeds were used to finance park improvements within the City.

In November 2024, the City issued:

• \$34,780,000 of Taxable Sales Tax Revenue Bonds. The proceeds were used to finance improvements at the Bloomington Ice Garden.

Anticipated Debt Issues

In the spring of 2025, the City anticipates issuing \$28 million in G.O. Capital Improvement Program bonds for the Public Works maintenance garage and \$1 million in G.O. Housing Improvement Area taxable bonds for the Heights. In the summer of 2025, the City anticipates issuing \$100 million in bonds for the Community Health and Wellness Center. This includes \$63 million in sales tax revenue bonds and \$37 million in G.O. bonds with sales tax as the planned source. Also in the summer of 2025, the City plans on issuing \$10 million in G.O. Charter bonds to be used for sustainability. It is also anticipated that up to \$9 million of G.O. Bonds will be issued for the Permanent Improvement Revolving Fund for the Pavement Management Program.

The City's total outstanding tax and assessment supported debt on December 31, 2024, was \$110,125,569 for a per capita amount of \$1,203 (population 91,537). The per capita limit on the City's debt is \$5,842.

The total debt principal and interest due in 2025 is \$12,929,840 of which \$2,021,462 is borne by the property tax levy. About 39 percent of the currently issued debt will be paid off in five years and over 68 percent in ten years. The ability to retire at least half of a city's debt in ten years is considered a strength.

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

General Obligation

General Obligation Revenue

2017B Water Utility Bonds (2018-2027)

2018D Storm Water Utility Bonds "Green Bonds" (2020-2034)

2019A Bloomington Ice Garden Charter Bonds (2021-2030)

General Obligation

2011 Permanent Improvement Revolving, Forty-Five Series (2013-2031)

2012A Permanent Improvement Revolving Refunding. Bonds refunded the 2004 Permanent Improvement Revolving, Thirty-Nine Series (2015-2025)

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

2014 Permanent Improvement Revolving, Forty-Eight Series (2016-2025)

2015 Permanent Improvement Revolving, Forty-Nine Series (2017-2036)

2016 Permanent Improvement Revolving, Fifty Series (2018-2037)

2016C Permanent Improvement Revolving Refunding. Bonds refunded the 2007 Series Forty-One and 2008 Series Forty-Two (2019-2029)

2017 Permanent Improvement Revolving, Fifty-One Series (2019-2028)

2017A Charter Bonds (2018-2027)

2018 Permanent Improvement Revolving, Fifty-Two Series (2020-2029)

2018A Charter Bonds (2020-2029)

2019 Permanent Improvement Revolving, Fifty-Three Series (2021-2030)

2019B Charter Bonds (2021-2030)

2020 Permanent Improvement Revolving, Fifty-Four Series (2022-2031)

2021 Permanent Improvement Revolving, Fifty-Five Series (2023-2032)

2021A Charter Bonds (2023-2032)

2022 Permanent Improvement Revolving, Fifty-Six Series (2024-2034)

2022A Capital Improvement Plan Bonds (2024-2043)

2024A Charter Bonds "Social Bonds" (2026-2035)

Permanent Improvement Revolving Bonds will be retired from special assessments and general property tax levies.

Sales Tax Revenue Bonds

2024B Sales Tax Revenue Bonds (2026-2045)

General Obligation Tax Increment

2020B Tax Increment Refunding (2023-2032)

Taxable General Obligation

2018B Housing Improvement Bonds (2020-2034)

2019C Taxable Tax Increment Revenue (2022-2036)

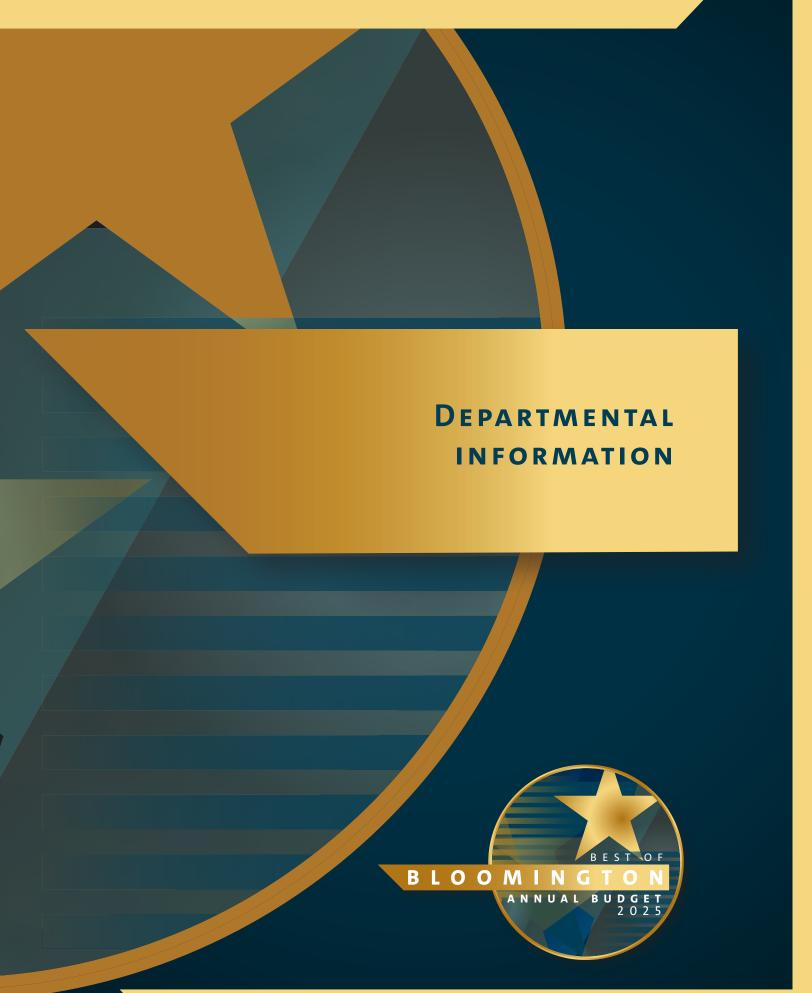
Total Outstanding City Debt

Not all debt is paid out of property tax receipts. Less than half of the City's debt is paid from the property tax levy. The rest is paid through assessments to properties which benefit from a project, through operating fees from people who seek service from an enterprise activity of the City (water utility fees or ice-skating admission, for example), sales tax revenue, and tax increment financing.

Existing Debt Payments

	To	Total		Proprietary Bonds		sessment ted Debt
Year	Principal	Interest	Principal	Interest	Principal	Interest
2025	8,862,340	4,067,500	960,000	348,632	7,902,340	3,718,868
2026	9,380,903	4,306,531	990,000	306,707	8,390,903	3,999,824
2027	9,758,705	3,917,297	1,035,000	264,189	8,723,705	3,653,108
2028	9,292,855	3,530,548	935,000	221,113	8,357,855	3,309,435
2029	8,952,232	3,168,445	970,000	185,573	7,982,232	2,982,873
2030	8,246,842	2,837,465	995,000	156,046	7,251,842	2,681,418
2031	7,466,692	2,534,545	835,000	124,100	6,631,692	2,410,445
2032	7,001,786	2,243,939	865,000	90,100	6,136,786	2,153,839
2033	6,322,130	1,956,206	895,000	54,900	5,427,130	1,901,306
2034	5,902,734	1,694,169	925,000	18,500	4,977,734	1,675,669
2035	4,273,600	1,492,257			4,273,600	1,492,257
2036	8,854,750	1,282,650			8,854,750	1,282,650
2037	2,555,000	1,099,136			2,555,000	1,099,136
2038	2,600,000	988,265			2,600,000	988,265
2039	2,715,000	871,472			2,715,000	871,472
2040	2,835,000	747,363			2,835,000	747,363
2041	2,960,000	616,550			2,960,000	616,550
2042	3,095,000	479,169			3,095,000	479,169
2043	3,230,000	334,956			3,230,000	334,956
2044	2,550,000	197,500			2,550,000	197,500
2045	2,675,000	66,875			2,675,000	66,875
	\$119,530,569	\$38,432,838	\$9,405,000	\$1,769,860	\$110,125,569	\$36,662,978

INTENTIONALLY LEFT BLANK



Staffing Levels

The 2025 budget has a total increase of 53 full-time authorized employee positions compared to the 2024 budget. The 2024 budget had 637 full-time authorized positions and the 2025 budget has 690 full-time authorized positions.

During 2024, 28 new full-time positions were added. These positions support various City functions, including Public Health, Police, Human Resources, Public Works, Housing and Redevelopment, and Administrative Services. Several positions were funded through new revenue sources, such as new Public Health grant funding streams, Public Safety State Aid, and new Right-of-Way (ROW) permit revenue. Notable additions include four Civilian Jail Officers, three Utility Specialists, and multiple Public Health roles to support expanded health services. Additionally, some positions were reclassified from part-time to full-time to better meet operational needs, and others were offset by the elimination of previous roles.

Two full-time Director-level positions, the Director of Public Works and the Director of Community Services, were eliminated from the 2025 budget as part of an Executive Leadership reorganization. Additionally, the full-time City Clerk Elections Specialist position was replaced with part-time roles to increase service hours and provide greater flexibility in serving the public.

In the 2025 budget, 28 new full-time positions were added, most notably 18 Firefighters who will be funded for three years through a Staffing for Adequate Fire and Emergency Response (SAFER) Grant from FEMA. The SAFER Grant program provides funding to help fire departments maintain adequate staffing levels to improve response times and ensure sufficient personnel are available for fire and emergency incidents. Other additions include roles across various City functions, such as Assistant Fire Chiefs, a Crime Victim Liaison, and a Community Health & Wellness Center Recreation. Additionally, positions like the Ice Garden Arena Specialist, Target Market Program Coordinator, and Port Authority Strategy, Research, & Project Manager were added to enhance operational efficiency and economic development. Some positions were reclassified from part-time to full-time to better meet service demands.





Impact of not adding positions in 2025

Target Market Program Coordinator \$129,900

 Delay the implementation of a new TMP purchasing process aimed at supporting local small businesses and providing new opportunities to bid on City contracts that align with equitable economic growth goals.

Crime Victim Liaison \$114,500

 Likely result in insufficient staff to communicate with crime victims and attorneys, potentially resulting in unfavorable outcomes, dissatisfied victims, and difficulty meeting statutory mandates that can impact prosecutors' professional licenses.

Community Health and Wellness Center Recreation Manager \$138,600

 Without a Recreation Manager in 2025, key aspects of pre-operational planning, stakeholder engagement, and program development for the Community Health and Wellness Center could be affected, potentially impacting the center's readiness to meet community needs at its opening.



Impact of not adding positions in 2025

Assistant Fire Chief - Training \$138,170 (April 2025 start)

 Not adding this position could compromise the department's ability to maintain rigorous training standards, impacting firefighter readiness and public safety.

Assistant Fire Chief - EMS \$138,170 (April 2025 start)

- Excluding this position may hinder the City's ability to enhance emergency medical services, delaying response times and critical care in emergencies.
- Paramedic engines number of call types (1/1/24 11/26/24)
 - · 1,254 difficulty breathing
 - 826 cardiac arrest
 - · 4,458 sick person
 - · 215 Stroke/CVA
 - · 1,239 unconscious
 - 44 pregnancy/childbirth/miscarriage
 - 73 traumatic injury



New Full-Time Positions added during 2024:	
Racial Equity, Inclusion, and Belonging Office Support Specialist	1
Reclass HR Office Assistant Position from Part-Time to Full-Time	1
Assistant Capital Projects Manager	1
HRA Assistant Administrator	1
HRA Program Specialist I	1
HRA Program Specialist II	1
WIC Clerk / Interpreter (funded with new Public Health Grant Funding Streams)	1
Public Health Program Supervisor (funded with new Public Health Grant Funding Streams)	2
Public Health Specialist (funded with new Public Health Grant Funding Streams)	3
Dietitian(funded with new Public Health Grant Funding Streams)	1
Civilian Jail Officers (funded with Public Safety State Aid)	4
Crime Analyst Supervisor (funded with Public Safety State Aid)	1
Police Administrative Commander (funded with Public Safety State Aid)	1
Police Special Projects Commander (funded with Public Safety State Aid)	1
Assistant City Attorney - Prosecution (funded with Public Safety State Aid)	1
Legal Office Assistant (funded with Public Safety State Aid)	1
Utility Specialist - (funded with ROW Permit revenue)	3
Reclass Public Works Office Support Specialist from Part-Time to Full-Time (funded with ROW Permit Revenue)	1
Assistant City Manager (offset with eliminated Director of Public Works position)	1
Strategic Innovation Coordinator (offset with eliminated Director of Community Services position)	1
Strategic innovation coordinator (onset with eminiated Director of community services position)	1
	28
Full-Time Positions eliminated from 2025 Budget:	20
Director of Public Works	1
Director of Community Services	-1 -1
Move Full-Time City Clerk Elections Specialist to Part-Time positions	-1
	-3
New Full-Time Positions added in 2025 Budget:	
Firefighters (Funded with second SAFER Grant)	18
Facilities Service Technician	1
Center for the Arts Assistant Manager	1
Reclass Part-Time Center for the Arts Maintenance Production Superintendent to Full-Time	1
Ice Garden Arena Specialist	1
Assistant Fire Chiefs	2
Crime Victim Liaison	1
Community Health & Wellness Center Recreation Manager	1
Target Market Program Coordinator	1
Port Authority Strategy, Research, & Project Manager	1
	28
Total Change in Full-Time Staffing Levels from 2024 to 2025	53

City of Bloomington Position Summary Schedule Authorized Full-Time Positions

	2023 Authorized Full-Time	2024 Authorized Full-Time	2025 Authorized Full-Time
City Clerk	8	7	4
City Council	1	1	1
City Manager	3	3	5
Communications	10	10	9
Community Development	65	66	64
Community Outreach & Engagement	5	6	6
Finance	27	27	28
Fire	38	44	64
Human Resources	7	7	8
Information Technology	19	20	22
Legal	16	17	20
Office of Racial Equity Inclusion and Belonging	2	2	3
Parks and Recreation	54	56	61
Police	162	166	173
Public Health	28	29	37
Public Works	157	158	162
Component Units of the City			
Housing and Redevelopment Authority	8	9	12
Port Authority	9	9	11
Total	619	637	690

INTENTIONALLY LEFT BLANK

City Clerk

The activities of the City Clerk's office which are in the General Fund include elections, business licensing, and passports. Federal, state, and county elections are held in even-numbered years and city and school district elections are held in odd-numbered years. The City Clerk division also maintains records and provides sales for the Bloomington City Cemetery, which is accounted for in the Cemetery Special Revenue Fund. Beginning in 2025, the City Clerk division will also maintain records and provide sales for the Bloomington Veteran's Memorial.

Authorized Full-Time Position	2025 Budget
City Clerk	1
Deputy City Clerk, Elections	1
Deputy City Clerk, Licensing	1
Licensing / Passport Specialist	1
Grand Total	4







2024 Accomplishments

- Successfully managed the 2024 Elections, including the Presidential Nomination Primary, Primary, and General.
- Created cannabis ordinance.

2025 Goals and Objectives

- Administer 2025 Municipal Election.
- Increase passport appointments.
- Reduce the number of polling locations and reallocate resources to absentee voting.
- Pursue ordinance amendments to streamline business licensing activities.
- Update business license fees.
- Special Events Guide.

Stratogia Driovity	Performance Measure	2022 Actual	2023 Actual	2024 Actual	2025 Goal
Strategic Priority		Actual	Actual	Actual	Goal
	General Election Voter Turnout	73%	36%	83%	36%
Connected, welcoming community	Number of registered voters	57,944	57,633	63,158	64,000
	RCV voter education activities	n/a	90	n/a	25
	Licenses/permits				
	issued				
	Business	1,809	1,850	2,128	2,200
W 1.1 C	Rental	1,954	1,984	1,878	2,000
Healthy Community -	Event	230	221	263	270
Safety and Environment	Fire	2,000	2,000	2,895	2,895
	Contractor	529	499	522	525
	Solicitor	90	95	121	125
	Animal	374	343	285	350
	Total	6,986	6,930	8,092	8,365
	Cemetery interments	56	53	54	55
Core service	Ground lot and columbarium niche purchases	48	59	49	50
Core service	Passport applications processed	2,135	1,536	2,211	4,000

City Clerk - General Fund Financial Summary

		2023 Actual	2024 Projected		2025 Budget
Revenues					
Program Income	\$	172,249	\$	115,579	\$ 225,500
Intergovernmental		-		83,185	-
Transfers from Other Funds					
Total Revenues		172,249		198,764	225,500
Expenditures					
Salaries and Benefits		1,147,902		1,518,199	975,136
Materials, Supplies, & Services		338,681		393,198	330,421
Transfer to Other Funds					
Total Expenditures	<u></u>	1,486,583		1,911,397	1,305,557
Less Expenses Charged to Other Funds		(160,132)		(143,754)	(17,788)
Net Total Expenditures	\$	1,326,451	\$	1,767,643	\$ 1,287,769

City Clerk - Cemetery

First established in 1858, the Bloomington Cemetery consists of approximately 10 acres just west of the intersection of Lyndale Ave and 104^{th} Street. The oldest portion of the cemetery is listed on the National Register of Historic Places.

Both in-ground burial lots and columbarium niches are available, with preferred pricing for Bloomington residents. The City Clerk's office provides record keeping for the cemetery and assists families with purchases and scheduling for services. Staff from the Parks Maintenance section of the Public Works Department maintain the cemetery grounds.

2025 Goals and Objectives

- Continue to provide compassionate and timely service to individuals and families and excellent caretaking of the cemetery grounds.
- Market burial options to the general public and relevant businesses.
- Continue converting paper records to digital records.
- Cemetery master plan.

Strategic Priority	Performance Measure	2022 Actual	2023 Actual	2024 Actual	2025 Goal
Core service	Cemetery internments	56	53	54	55
Core service	Ground lot and columbarium niche purchases	48	59	49	50



Cemetery - Special Revenue Fund Financial Summary

			2024 Projected	2025 Budget	
Revenues					_
Program Income	\$	208,180	\$	207,525	\$ 206,115
Interest Income		19,825		16,608	5,400
Transfers from Other Funds					
Total Revenues		228,005		224,133	211,515
Expenses					
Materials, Supplies, & Services		227,912		215,589	210,548
Transfer to Other Funds					
Total Expenses		227,912		215,589	210,548
Working Capital					
Net Change		93		8,544	967
Working Capital at Beginning of Year		382,861		382,954	391,498
Working Capital at End of Year	\$	382,954	\$	391,498	\$ 392,465

City Council

City Council activities are accounted for within the General Fund. The City is governed by an elected, part-time Council consisting of a Mayor and six Councilmembers. Two of the Councilmembers are elected at-large and four are elected from their separate districts. All legislative power is vested in this City Council which appoints a full-time City Manager as well as appoints residents to boards and commissions. There is one full-time City employee, an Executive Assistant allocated to the City Council budget who is the Executive Assistant to the Mayor and City Council.

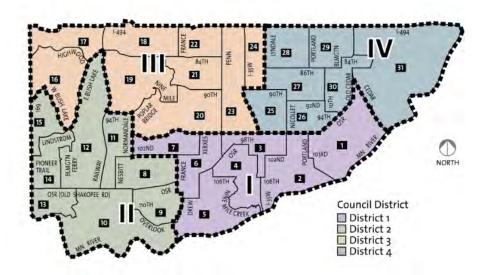
Authorized Full-Time Position	2025 Budget
Executive Assistant	1
Grand Total	1

2025 Goals and Objectives

- Continue to enhance the City's Public Safety response capabilities.
- Continue to implement the *Bloomington. Tomorrow. Together.* strategic plan.
- Develop and guide investment in the City, including the adoption of plans and funding strategies to enhance the quality of life in the community.
- Continue to provide policy direction and organizational governance on issues of importance to the community including Environmental Sustainability, Public Health, and Racial Equity and Inclusion.



City Council districts



City Council - General Fund Financial Summary

	2023 Actual	2024 Projected	2025 Budget
Revenues			
Other Revenues	\$ - \$	-	\$ -
Total Revenues	-	-	-
Expenditures			
Salaries and Benefits	316,666	333,057	332,320
Materials, Supplies, & Services	418,262	423,888	461,671
Total Expenditures	 734,928	756,945	793,991
Less Expenses Charged to Other Funds	 (189,136)	(194,810)	(155,820)
Net Total Expenditures	\$ 545,792	562,135	\$ 638,171

City Manager's Office

The City Manager's Office is accounted for within the General Fund. The City Manager leads and manages the daily operations of the City and its various departments in accordance with the policy directives, strategic priorities, and resource allocations of the City Council. This includes community outreach, financial management, and personnel administration, as well as short and long-range planning for City operations, facilities, and amenities.

Authorized Full-Time Position	2025 Budget
City Manager	1
Assistant City Manager	2
Special Projects Coordinator	1
Strategic Innovation Coordinator	1
Grand Total	5

2025 Goals and Objectives

- Continue the work of the *Bloomington. Tomorrow. Together.* strategic plan.
- Implement the Gallup Strengths Finder model for improving employee engagement and staff development in becoming a strengths-based organization.
- Continue to utilize Community Indicators Dashboard and public-facing outreach to enhance community transparency of City's work.
- Hire and begin onboarding the City of Bloomington's next City Manager in Q3 or Q4 of 2025.

City Manager - General Fund Financial Summary

	2023 Actual	2024 Projected		2025 Budget
Revenues				
Other Revenues	\$ -	\$	-	\$ -
Transfers from Other Funds	-		-	-
Total Revenues	-		-	-
Expenditures				
Salaries and Benefits	\$ 639,340	\$	840,324	\$ 1,182,297
Materials, Supplies, & Services	475,529		400,208	421,660
Capital Outlay				
Transfer to Other Funds	-		-	-
Total Expenditures	1,114,869		1,240,532	1,603,957
Less Expenses Charged to Other Funds	(201,932)		(207,990)	(281,639)
Net Total Expenditures	\$ 912,937	\$	1,032,542	\$ 1,322,318

Communications

The Communications Fund is a Special Revenue Fund. This Division of Community Services is a full-service communications shop that uses multiple communications vehicles devoted to educating and informing the community. The Division cablecasts and webcasts City Council and other meetings, produces news magazine shows and videos, maintains the City's websites, social media, operates public access television and generates the monthly *Briefing*. The Communications Division also oversees the City's cable television franchises. The Communications Division fund is supported by cable franchise fees and property taxes.

Authorized Full-Time Position	2025 Budget
Communications Administrator	1
Production Supervisor	1
Communications Supervisor	1
Strategic Communications Coordinator	1
Media and Video Production Coordinator	1
Video Production Coordinator	1
Digital Communications Coordinator	1
Graphics Production Specialist	1
Administrative Assistant	1
Grand Total	9

2025 Goals and Objectives

- By March 2025, optimize the reach of short-form video by launching YouTube shorts to provide expanded content on the platform and increase users and viewership.
- By April 2025, increase media outreach activities by reaching out to new reporters at TV
 news channels and local newspapers to grow our media contacts list by 5-10 reporters and
 begin pitching stories to highlight the great work happening at the City to trade publications
 resulting in two spotlight articles in 2025.
- By April 2025, identify all public-facing websites, web content, and mobile applications impacted by the 2026 ADA requirements to provide the scope of services affected. These assets will undergo an accessibility audit in the summer of 2025.
- By May 2025, develop a communications and outreach plan designed to address safety and speeding in Bloomington that will highlight recent speed limit changes, raise awareness for pedestrian safety and appeal to residents' sense of place and community.
- By May 2025, create a specific communications plan for the community, health and wellness
 center that informs and generates excitement about the new facility design and possible
 programs and amenities.
- By May 2025, launch the National Community Survey to gather a statistically valid look at residents' opinions about Bloomington's livability and quality of life.
- By June 2025, organize and provide media training for key staff, leadership and elected officials as identified in Communications strategic communications plan.
- By August 2025, create a plan for public relations and marketing services for Community
 Development/Port Authority economic development initiatives. The plan will be used for
 public relations and marketing consulting services over a two-year period for the purpose of
 promoting business development, retention, and expansion of businesses within our
 community and equitable economic growth in Bloomington.

- By October 2025, provide training and resources on creating and maintaining accessible digital content to City staff in charge of digital content.
- By November 2025, continue to increase engagement on the City's Instagram account with creative trend-driven posts to reach 7,500 followers, a more than 1,000 gain from January 2025.

Strategic Priority	Performance Measure	2022 Actual	2023 Actual	2024 Actual	2025 Goal
Connected, welcoming community	Percent of residents who rate the City's public information services as excellent or good in the National Community Survey	71%	76%	68%	75%
Connected, welcoming community	Percent of residents who rate Bloomington's overall image or reputation as excellent or good in the National Community Survey	75%	75%	77%	79%
Connected, welcoming community	Average accessibility score for the City's website as measured by Siteimprove's accessibility scorecard (goal: 90)	81%	87%	83%	90%



Communications - Special Revenue Fund Financial Summary

	2023 Actual		2024 Projected		2025 Budget
Revenues					
Property Taxes	\$	400,000	\$	400,000	\$ 700,000
Franchise & PEG Fees		1,232,420		1,043,481	1,328,000
Program Income		87,056		86,358	82,200
Interest Income		3,581		(1,506)	1,000
Transfers from Other Funds		214,116		375,536	219,097
Total Revenues		1,937,173		1,903,869	2,330,297
Expenses					
Salaries and Benefits		1,175,202		1,275,509	1,350,364
Materials, Supplies, & Services		732,245		735,876	858,689
Capital Outlay		79,543		37,327	81,000
Transfer to Other Funds		5,500		-	-
Total Expenses		1,992,490		2,048,712	2,290,053
Working Capital					
Net Change		(55,317)		(144,843)	40,244
Working Capital at Beginning of Year		277,420		222,103	77,260
Working Capital at End of Year	\$	222,103	\$	77,260	\$ 117,504

Communications - Support Services

The Support Services Fund is an Internal Services Fund supervised by the Communications Division in the Community Services Department. Support services includes the City's print shop, mailroom and information desk functions. The print shop is staffed by one part-time employee, while the mailroom and information desk are each staffed by two part-time employees. Support services activities are supported by user fees to departments.

2025 Goals and Objectives

- By March 2025, update and simplify copier paper and envelope ordering procedures for City staff. This will allow the City to retire an inventory module that has been in use, resulting in a reduction in the cost of Finance's financial software system.
- By June 2025, complete the print shop's transition to an online printing service portal to provide a simpler ordering process for City employees and to make it easier to provide service to external customers.
- By December 2025, reach out to City employees via Insider four times to increase awareness of print shop services and availability to encourage continuing and increased use of the print shop.

2024 Highlights

- The information desk answered over 24,000 calls (close to 100 per weekday) and greeted thousands of people visiting Civic Plaza, providing a consistently high standard of customer service in 2024.
- The mailroom processed over \$70,000 in metered mail and over 1,000 incoming and outgoing packages and made more than 750 mail runs in Civic Plaza and to City buildings throughout Bloomington.
- The print shop produced over 473,000 printed pages in 2024. Its work output spanned a wide range of print jobs, including individually addressed mailings, envelopes and postcards, serial-numbered forms, project plan and spec books, financial reports, handbooks, laminated signage, marketing materials, multipart carbonless forms, foam board posters, business cards, brochures, calendars, and more. These materials supported staff in communicating with and informing residents and stakeholders about City projects and activities.











Support Services - Internal Service Fund Financial Summary

	2023 Actual	2024 Projected		2025 Budget
Revenues				_
Departmental Charges	\$ 485,804	\$	497,491	\$ 579,609
Interest Income	13,817		13,527	2,000
Other Revenues	4,292		2,411	3,000
Transfers from Other Funds	8,000		-	-
Total Revenues	 511,913		513,429	584,609
Expenses				
Salaries and Benefits	182,094		190,704	215,705
Materials, Supplies, & Services	292,854		293,144	357,260
Capital Outlay	-		-	24,000
Total Expenses	474,948		483,848	596,965
Working Capital				
Net Change	36,965		29,581	(12,356)
Working Capital at Beginning of Year	259,337		296,302	325,883
Working Capital at End of Year	\$ 296,302	\$	325,883	\$ 313,527

Community Development

The Community Development Department supports the long-term vitality of the community. Working together, we're creating a "Community of Choice." In addition to the activities in the general fund, the department includes additional funds for the Port Authority, Housing and Redevelopment Authority, and Creative Placemaking.

To accomplish this, we will:

- Promote and pursue development and redevelopment of underutilized properties.
- Expand economic development and placemaking activities city-wide.
- Collaborate with external stakeholders including the Minneapolis Regional Chamber of Commerce, Greater MSP, Hennepin County and DEED to promote small business ownership and the success of entrepreneurs in Bloomington.
- Collaborate on development review activities, maintaining a welcoming environment for all businesses, property owners and residents alike.
- Ensure continued public health and safety through education and excellent program delivery.
- Educate customers, exercise discretion and fairness, encourage voluntary compliance.
- Create a stronger web presence to provide greater access to City documents.
- Promote the professional development of our staff.
- Improve the quality of life for individuals and families by expanding homeownership and affordable housing opportunities.



Community Development - General Fund Financial Summary

	2023 Actual	2024 Projected		2025 Budget
Revenues				
Program Income	\$ 6,300	\$	7,647	\$ 11,010
Permits and Licenses	5,473,463		6,528,416	4,601,600
Intergovernmental	260,801		17,476	14,000
Other Revenues	248,114		211,621	194,800
Transfers from Other Funds	-		50,000	-
Total Revenues	5,988,678		6,815,160	4,821,410
Expenditures				
Salaries and Benefits	8,763,158		9,023,223	9,563,850
Materials, Supplies, & Services	1,836,484		1,820,220	1,839,827
Capital Outlay				
Transfer to Other Funds	110,000		-	-
Total Expenditures	10,709,642		10,843,443	11,403,677
Less Expenses Charged to Other Funds	(40,148)		(42,356)	(50,000)
Net Total Expenditures	\$ 10,669,494	\$	10,801,087	\$ 11,353,677

Community Development - Administration

The Community Development Administration division provides support to all six divisions and coordinates the development and implementation of the department's strategic priorities and objectives. These activities are located within the General Fund.

Authorized Full-Time Position	2025 Budget
Director of Community Development	1
Special Projects & Initiatives Manager	1
Administrative Assistant	1
Grand Total	3

2025 Goals and Objectives

- Collaborate with the Minneapolis Regional Chamber of Commerce and the Port Authority on the 2025 Hatch Bloomington program, a high-profile retail pitch competition.
- Collaborate with the Port Authority on the third year of the Bloom in Bloomington internship program to integrate high school and young adult interns into the city's workforce.
- Continue seeking projects and initiatives to align with the City's strategic priorities.
- Collaborative approach: engage with partner agencies, community organizations, businesses, residents, and other cities in the region to create opportunities for growth.
- Support the professional development of our department.



Strategic Priority	Performance Measure	2022 Actual	2023 Actual	2024 Goal	2025 Goal
Core service	Support professional development of managers and supervisors by conducting quarterly team building opportunities	4	4	4	
Equitable economic growth	Work to shape ordinances and policies that direct the growth of the City	2	3	3	
Equitable economic growth	Develop programs that will achieve significant improvement in indices measuring equitable economic growth	3	3	3	

Community Dev. Admin. Division - General Fund Financial Summary

	2023	2024 Projected		2025
	 Actual			Budget
Revenues				_
Intergovernmental	\$ 245,957	\$	-	\$ -
Other Revenues	62,699		48,471	30,000
Transfers from Other Funds	-		50,000	-
Total Revenues	 308,656		98,471	30,000
Expenditures				
Salaries and Benefits	507,016		458,245	536,773
Materials, Supplies, & Services	516,912		437,649	306,954
Transfer to Other Funds	110,000		-	-
Total Expenditures	\$ 1,133,928	\$	895,894	\$ 843,727
Less Expenses Charged to Other Funds				
Net Total Expenditures	1,133,928		895,894	843,727

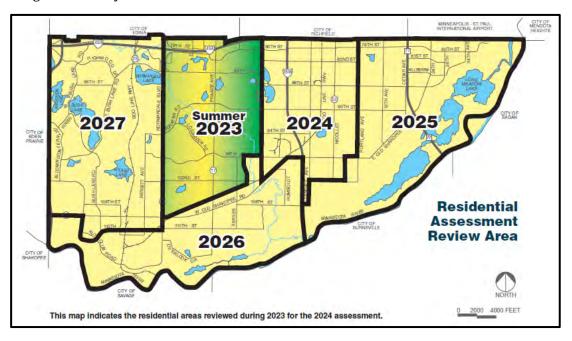
Community Development – Assessing

Assessing activities are also part of the General Fund. The City Assessor's office determines the annual valuation and classification for properties located within Bloomington's geographic boundaries for the purposes of property taxation. All properties must be valued annually and reviewed once every five years. A Board of Review made up of independent real estate experts holds an annual hearing to rule on valuation disputes brought by owners. Assessing staff also manages appeals on commercial/industrial and apartment properties in Minnesota Tax Court. The Assessor's Office advises the Bloomington Port Authority and Bloomington Housing Redevelopment Authority on development projects requesting Tax Increment Financing. Assessing staff also participate in administering Special Assessment and Park Dedication calculations.

Authorized Full-Time Position	2025 Budget
City Assessor	1
Commercial Appraisal Supervisor	1
Residential Appraisal Supervisor	1
Commercial Property Appraiser	4
Residential Property Appraiser	4
Grand Total	11

2025 Goals and Objectives

- Complete field review and revaluation of required 20% of residential and commercial-industrial parcels annually per State Statute in the City's Welcome Bag Initiative.
- Track improvements and changes to properties completed during the year.
- Ensure statistical measurements of accuracy and equalization for both residential and commercial assessments remain within the targets set by the Department of Revenue. We principally want the Median Ratio (Sales Ratio) to be 95% or more in the ratio between the Assessor's estimated market value and the trended sale price. State guidelines say that these ratios should be 90% to 105%.



Strategic Priority	Performance Measure	2022 Actual	2023 Actual	2024 Actual	2025 Goal
Core service	MN 273.01 All real property subject to taxation shall be listed and at least one-fifth of the parcels listed shall be appraised each year with reference to their value on January 2 preceding the assessment so that each parcel shall be reappraised at maximum intervals of five years.	Reviewed 6,470 out of approx 31,000 parcels or 20.8%	Reviewed 6,831 out of approx 31,000 parcels or 22.0%	Reviewed 6,195 out of approx 31,000 parcels or 20.0%	To review 6,200 out of approx 31,000 parcels or 20%
	Ensure statistical measurements of accuracy and equalization across all property assessments as set by the Department of Revenue. The Median Ratio (Sales Ratio) between a property sale and the Assessor's estimated market value should be between 90% to 105%.	Median Ratios for: Residential 95.7%, Apartments 98.7% Commercial 95.4% and Industrial 96.7%	Median Ratios for: Residential 95.6%, Apartments 95.2% Commercial 95.2% and Industrial 95.3%	Median Ratios for: Residential 95.4%, Apartments 95.3% Commercial 96.4% and Industrial 95.8%	Median Ratio for each property segment between 95.0% and 100%
Connected, welcoming community	Publish Annual Property Assessment Report, implemented online property database	Published Annual Assessment Report and Online Property Data Live on Web	Published Annual Assessment Report and Online Property Data Live on Web	Published Annual Assessment Report and Online Property Data Live on Web	Publish Annual Assessment Report

Comm. Dev. Assessing Division - General Fund Financial Summary

	2023	023 2024		2025
	 Actual		Projected	Budget
Revenues				_
Program Income	\$ 390	\$	630	\$ 500
Other Revenues	-		-	-
Transfers from Other Funds				
Total Revenues	390		630	500
Expenditures				
Salaries and Benefits	1,613,370		1,729,797	1,822,532
Materials, Supplies, & Services	295,459		287,628	323,640
Transfer to Other Funds	-		-	-
Total Expenditures	1,908,829		2,017,425	2,146,172
Less Expenses Charged to Other Funds	(40,148)		(42,356)	(50,000)
Net Total Expenditures	\$ 1,868,681	\$	1,975,069	\$ 2,096,172

Community Development – Building & Inspections

The Building and Inspection Division is responsible for evaluating construction plans and conducting inspections to ensure compliance with Minnesota state building codes. Additionally, the division offers advisory support to homeowners during the permitting and inspection phases, as well as being responsible for overseeing the time-of-sale (TOS) inspection program designed to uphold safety standards in owner-occupied housing within the city. The division operates under the General Fund.

Authorized Full-Time Position	2025 Budget
Building & Inspection Manager	1
Assistant Building Official	1
B&I Program Coordinator	2
Office Supervisor	1
Senior Plans Examiner	1
Plans Examiner	1
General Inspector	3
Office Support Specialist	4
Building Inspector	3
Electrical Inspector	2
HVAC Inspector	1
Plumbing Inspector	2
Building Inspection Aide	1
Grand Total	23

2025 Goals and Objectives

Priority goals

- Design and implement a new Parking Ramp licensure program
- Update fees to begin in Jan 2026
- Update the City Code to align with division policies and procedures
- Provide virtual inspection options for minor non-life safety permits
- Implement Cityview code enforcement module in partnership with Environmental Health
- Update and improve internal division policies and procedures for clarity and consistency within our division

On-going objectives

- Issue residential remodeling, plumbing, electrical and mechanical permits within one workday.
- Continuation of the time of sale (TOS) inspection program to provide consistent and high-level inspections of homes by City inspectors.
- Complete all inspections within 48 hours of request.

- Complete 90% of all Plan review within 10 working days (electronic plan review).
- Investigate all code complaints within 24 hours of receiving.
- Continue to update and provide translated handouts to better serve our residents and customers.
- Maintain partnership with HRA to support their Home Improvement Loan Program. We will ensure that education on permits is accessible and permitted work under these loan programs are trackable.

Strategic Priority	Performance Measure	2022 Actual	2023 Actual	2024 Actual	2025 Goal
Core service	Perform inspections within 48 hours of time requested	100%	100%	100%	100%
Core service	Perform 95% of Time of Sale inspections by City of Bloomington building inspectors	81%	90%	100%	100%
Connected, welcoming community	Be active participants in the City and Community Developments Racial Equity Action Team	3 Staff Members on CD REAT	3 Staff Members on CD REAT	2 Staff Members on CD REAT	2 Staff Members on CD REAT
Connected, welcoming community	Building Division Website Visits (note major change in Google Analytics visit tracking methodology starting in 2023)		681K	755k	800k
Healthy Community	Investigate all code complaints within 24 hours of receiving	-	-	-	80%
Healthy Community	Implementation of Code Enforcement software to allow for online complaints and utilize technology to reduce paper files/notices	-	-	-	100%

Comm. Dev. Building & Inspect. Div. - Gen. Fund Financial Summary

	2023 Actual	2024 Projected		2025
Revenues Permits and Licenses Transfers from Other Funds	\$ 4,239,919	\$ 5,227,278	\$	3,135,100
Total Revenues	4,239,919	5,227,278		3,135,100
Expenditures				
Salaries and Benefits	2,860,942	2,895,335		3,160,341
Materials, Supplies, & Services	485,843	529,801		556,257
Capital Outlay				
Transfer to Other Funds				
Total Expenditures	\$ 3,346,785	\$ 3,425,136	\$	3,716,598
Less Expenses Charged to Other Funds				
Net Total Expenditures	3,346,785	3,425,136		3,716,598

Community Development – Environmental Health

Environmental Health handles inspection and enforcement activities in three program areas all located within the General Fund:

- 1. Minnesota Departments of Health and Agriculture delegate licensing and inspection of food and lodging establishments, public pools, manufactured home parks and wells in Bloomington. Plus, contracted inspections in Richfield, and provide education and outreach to protect the public's health.
- 2. Residential and commercial property complaints and systematic inspections to maintain properties' appearance and value for those living and working in Bloomington.
- 3. Rental property inspection and enforcement to provide safe and well-maintained rental housing.

Authorized Full-Time Position	2025 Budget
Environmental Health Manager	1
Environmental Health Supervisor	2
Environmental Health Program Coordinator	3
Environmental Health Specialist	9
Office Support Specialist	2
Grand Total	17

2025 Goals and Objectives

- Inspect high- and medium-risk food establishments twice per year and low-risk at least once plus all needed follow-up inspections.
- Inspect public pools twice per year and hotels once per year including 10 percent of rooms.
- Inspect all licensed multiple-family rental bldgs. (including 10 percent of units) once/year.
- Inspect all licensed rental single-family houses, condos, townhomes, and duplex units once/year.
- Inspect at least 75% of all well permits.
- Investigate all complaints of food or waterborne illness within 24 hours of receiving the complaint.
- Investigate all residential and commercial nuisance and rental complaints within two days.
- Systematically inspect from the street all residential properties at least once per year.

Strategic Priority	Performance Measure	2022 Actual	2023 Actual	2024 Actual	2025 Goal
	Percent of all open food, lodging and public pool facilities inspected.	100%	100%	100%	100%
Healthy community	Number of residential, rental, and commercial complaints investigated.	3,865 (100%)	3,757 (100%)	4,135 (100%)	4,000 (100%)
(Environment)	Percent of all licensed rental single- family houses, condos, townhomes, and duplex units inspected.	93%	97%	99%	100%
Healthy community (Environment)	Percent of residential properties inspected from the street for maintenance and nuisance city code violations.	100%	100%	100%	100%











Comm. Dev. Enviro. Health Division - Gen. Fund Financial Summary

	2023 Actual	2024 Projected		2025 Budget
Revenues				
Permits and Licenses	\$ 1,159,141.15	\$	1,227,522.20	\$ 1,401,000.00
Intergovernmental	14,844		17,476	14,000
Interest Income				
Other Revenues	155,415		163,150	164,800
Transfers from Other Funds				
Total Revenues	1,329,400		1,408,148	1,579,800
Expenditures				
Salaries and Benefits	2,439,384		2,596,590	2,649,245
Materials, Supplies, & Services	342,736		370,010	414,933
Transfer to Other Funds				
Total Expenditures	\$ 2,782,120	\$	2,966,600	\$ 3,064,178
Less Expenses Charged to Other Funds				
Net Total Expenditures	2,782,120		2,966,600	3,064,178

Community Development - Planning

The Planning Division defines and implements future directions for the City through land use plans and City Code amendments. The Division also reviews and prepares recommendations on applications for development, rezoning, use permits and variances, and conducts special studies for the City. These activities are located within the General Fund.

Authorized Full-Time Position	2025 Budget
Planning Manager	1
Planning Supervisor	2
Planner	5
Office Support Specialist	1
Planning Technician	1
Grand Total	10

2025 Goals and Objectives

Priority goals

- Support community renewal and guide growth to maximize benefits for Bloomington stakeholders and the Bloomington community as a whole.
- Complete a significant proportion of the Zoning Ordinance Updates identified in the Planning Commission's 2025 Work Plan.
- Complete and support other special studies and projects identified in the 2025 Planning Commission Work Plan.
- Continued improvements in employee recognition, satisfaction, and retention.

On-going objectives

- Review development proposals to ensure Comprehensive Plan and Code compliance.
- Support other priority initiatives of the Community Development Department and other Departments of the City of Bloomington.
- Negotiate and administer City wireless and fiber leases.
- Provide excellent customer service to those seeking or utilizing the Planning Division's services.

Strategic Priority	Performance Measure	2022 Actual	2023 Actual	2024 Actual	2025 Goal
Core service	Counter Visits (downward trend indicates ability to submit applications and access information online)	477	451	477	425

	Percent of site plan revisions processed administratively (higher number reflects streamlined approval processes)	76.7%	65.9%	70.3%	75.0%
Connected, welcoming	Planning Division Website Visits (note major change in Google Analytics visit tracking methodology starting in 2023)	16,690	11,263	13,383	15,000
community	Planning Commission E-Subscribers	2,028	2,178	2,548	2,700

Community Dev. Planning Div. - General Fund Financial Summary

	2023 Actual	2024 Projected		2025 Budget
Revenues				
Program Income	\$ 5,910	\$	7,017	\$ 10,510
Permits and Licenses	74,402		73,616	65,500
Other Revenues	30,000		-	-
Transfers from Other Funds				
Total Revenues	110,312		80,633	76,010
Expenditures				
Salaries and Benefits	1,342,446		1,343,256	1,394,959
Materials, Supplies, & Services	195,534		195,132	238,043
Capital Outlay				
Transfer to Other Funds	-		-	-
Total Expenditures	\$ 1,537,980	\$	1,538,388	\$ 1,633,002
Less Expenses Charged to Other Funds				
Net Total Expenditures	1,537,980		1,538,388	1,633,002

Community Dev. - Creative Placemaking

The Creative Placemaking Fund is a Special Revenue Fund with revenue transferred from the South Loop Capital Improvement Fund that can be used for projects within the South Loop District. There is also a transfer each year from the Port Authority's Development fund that can be used for city-wide projects or events. The Office of Creative Placemaking is part of the Port Authority division of the Community Development Department. The Creative Placemaking Commission advises staff and the City Council on creative placemaking efforts, project prioritization, and criteria for resource use and artist selection. Commissioners also help promote activities and foster partnerships.

Creative placemaking integrates arts, culture, and design to strengthen and connect communities. It includes and extends beyond art creation, involving partnerships across sectors, deep community engagement, and contributions from artists and culture bearers to advance local social, physical, and economic goals.

Authorized Full-Time Position	2025 Budget
Director of Creative Placemaking	1
Creative Placemaking Specialist	1
Grand Total	2

2025 Goals and Objectives

- Engage artists, designers, and performers in building social fabric and making place-based improvements throughout the year.
- Engage the community to enhance pride of place and community, building on local assets and local character to strengthen the social and civic fabric.
- Facilitate the Creative Placemaking Commission to maintain the momentum to sustain Creative Placemaking well into the future in the South Loop and expand throughout Bloomington.

South Loop District:

- Install mural and indigenous garden by Tara Perron and Sandy Spieler at Old Cedar Avenue trailhead shelter, partner with Minnesota Valley National Wildlife Refuge on celebration.
- Artboxes: Install 10 artwork plaques on designs installed in 2024. Paint four Xcel Energy transformers, wrap three utility boxes.
- Bloomington Central Station Park Sunday Funday Music Series in June, July, and August, in partnership with Parks and Recreation.
- Latino Nature Fest in partnership with Minnesota Valley National Wildlife Refuge, to take place at the Visitor and Education Center in July or September.
- Sponsor On the One Festival at Bloomington Central Station Park on August 16.
- Support development of art banner project and engagement activities by Sheila Novak and Erin Genia at Minnesota Valley National Wildlife Refuge Visitor Center.
- Continued support for community-led events and activities, to be identified.
- Identify lighting options for The Goldfinch sculpture.
- Creative Sparks, finalize call for art and select artists.
- Develop project scopes for the following: support artist/creative business development, a temporary installation in the vacant lot in front of SICK, creative educational components at South Loop Community Garden, a mural next to Backstory Coffee (behind mosaic bench), and a creative wayfinding system plan.

<u>Citywide projects and events outside the South Loop District:</u>

- Citywide Creative Placemaking Plan: approval of plan and celebration.
- Install vinyl mural in Bloomington Ice Garden vestibule by the end of summer, in partnership with Parks and Recreation.
- Pond Dakota-Mission Park Sculpture: partner with Parks and Recreation and Dakota Advisory Committee artist selection process and installation.
- Develop scope and call for art at Bryant and Tretbaugh Parks in partnership with Parks & Recreation.
- Allocate resources to support community-led events and programs.
- Develop youth engagement pilot program with Parks & Recreation at Valley View Skate Park.
- Commission art projects at Civic Plaza that contribute to a welcoming, vibrant gathering place. Collaborate with landscape renovation project.
- Continued efforts to build artist capacity and provide resources.
- Continue to learn, research, and share indigenous history of Bloomington.

2024 Projects Completed

South Loop District:

- Sponsored three Sunday Funday Arts in the Parks music performances at Bloomington Central Station Park (June 23, July 14, and August 4) in partnership with Parks and Recreation.
- Hosted South Loop Community Garden Opening Celebration on June 29.
- Participated as an organizational partner of Latino Nature Fest at Minnesota Valley National Wildlife Refuge Visitor and Education Center on July 20.
- Installed seven new ARTBOX designs (vinyl wraps on utility boxes) in the summer.
- Supported On the One Music Festival on August 17 at Bloomington Central Station Park in partnership with Parks & Recreation Department.
- Artwork maintenance for *Street Seat* art swing by Greg Mueller.
- Sponsored Celebrando las Fiestas Patrias (Celebrating Hispanic Heritage Month),
 September 15 at Bloomington Central Station Park.
- Continued promotion of South Loop Public Art Audio Tour in the Otocast App. Installed 3 artwork plaques with QR code to App.

City-wide projects and events outside the South Loop District:

- Initiated the development of a Citywide Creative Placemaking Plan. Hired consultant Forecast Public Arts. Engagement included interviews, working with 4 local artists to lead 20 engagement activities, a public survey, and the formation of an Advisory Committee. Input and results were compiled and analyzed, and a Plan draft was developed for review.
- Coordinated engagement sessions for COVID-19 Art Memorial at Creekside, Hillcrest Community School, Fairview Martin Luther Campus, and Civic Plaza in April.
- Sponsored StoryFest May 4 at Bloomington Civic Plaza.
- Supported Bloomington Juneteenth event, June 15 at Bloomington Civic Plaza, participated in meetings, supported marketing and event coordination. Commissioned community mural activity with Ta-coumba Aiken.
- Sponsored Bloomington Street Arts Fest, July 26, 27, and 28 at Countryside Center.
- Old Shakopee & Old Cedar Avenue: installed one ARTBOX project designed by local business owner Daniel 'Natural' Song of Ocean Blue Tattoo.

Strategic		2022	2023	2024	2025
Priority	Performance Measure	Actual	Actual	Actual	Goal
Equitable economic growth	Creative Placemaking - Percentage of BIPOC Artists/Artist Teams commissioned for public art projects reflects and celebrates Bloomington BIPOC population.	48%	84%	64%	40%
Connected, welcoming community	Creative Placemaking - Art Tour App – total location views to date.	5,083	6,518	8,668	9,600
Connected, welcoming community	Creative Placemaking – Old Cedar Avenue Bridge AR Tour total views to date.	38,290	42,885	47,269	50,000
Connected, welcoming community	Total number of Creative Placemaking projects and events to date.	55	75	117	137







Latino Nature Fest. Photo credit: Tomas Leal.



 $2024\ \mbox{MN}$ Story Fest performance. Photo courtesy of MN Story Fest.



South Loop Community Garden Opening Celebration performance by Alto Designó.



Rest & Remembrance Artist Engagement Activity led by Rupa Shenoy-Thadani. Photo credit: Forecast Public Art



Juneteenth community painting activity with Artist Ta-coumba Aiken. Photo courtesy of Adrian Lowe.



Taste a Flower Artist Engagement Activity (detail) led by Erin Lavelle at Bloomington PRIDE. Photo credit: James Orione.



ARTBOX Project (vinyl wrapped utility box) designed by artist Ron Brown. Located at 33rd Avenue S. at the Light Rail.

Creative Placemaking - Special Revenue Fund Financial Summary

	2023 Actual	2024 Projected		2025 Budget
Revenues				
Interest Income	\$ 37,324	\$	34,454	\$ -
Other Revenues	200,200		200,000	335,601
Transfers from Other Funds	429,996		529,996	430,000
Total Revenues	667,520		764,450	765,601
Expenses				
Salaries and Benefits	125,359		133,062	269,701
Materials, Supplies, & Services	135,966		331,653	348,529
Capital Outlay	195,002		35,948	147,371
Transfer to Other Funds	-		300,000	-
Total Expenses	456,327		800,663	765,601
Working Capital				
Net Change	211,193		(36,213)	-
Working Capital at Beginning of Year	213,950		425,143	388,930
Working Capital at End of Year	\$ 425,143	\$	388,930	\$ 388,930

Community Development - South Loop Revolving Development Services Fund

The South Loop Revolving Development Services Special Revenue Fund is supported by a 65 percent building permit surcharge in the South Loop District. The purpose of this fund is to expedite development in the South Loop District, mainly by removing the often time-intensive studies needed to entitle a site.

2025 Goals and Objectives

- To update the South Loop District Plan categories such as traffic and transportation, pedestrians, bicycles, water and sanitary sewer utility capacity, parking, signage, natural resources, energy, and storm water management.
- To plan for capital improvement projects to support South Loop District Plan goals.
- To plan and develop programs to conserve and protect resources such as energy, surface and subsurface water, and existing infrastructure.

- Continued development of software that controls digital message signs and other intelligent traffic assets in the District.
- Continued work on Blue Line enhancements that include improvements to signal equipment and infrastructure along the Blue Line to improve running time for LRT and reduce delay for cars at intersections along the tracks.



Aerial view of South Loop

South Loop Revolving Dev. - Special Rev. Fund Financial Summary

	2023 Actual		2024 Projected	2025 Budget
Revenues				_
Intergovernmental	\$ -	\$	-	\$ -
Program Income	147,905		158,748	150,000
Interest Income	29,813		25,737	9,000
Transfers from Other Funds				
Total Revenues	 177,718		184,485	159,000
Expenses				
Salaries and Benefits	7,171		53	11,500
Materials, Supplies, & Services	173,014		25,869	160,000
Transfer to Other Funds				
Total Expenses	180,185		25,922	171,500
Working Capital				
Net Change	(2,467)		158,563	(12,500)
Working Capital at Beginning of Year	589,872		587,405	745,968
Working Capital at End of Year	\$ 587,405	\$	745,968	\$ 733,468

Community Outreach and Engagement

- The Community Outreach and Engagement Division (COED) vision and mission are:
 Vision: Bloomington has a vibrant culture of engagement where people are valued, connected, and proud of the city we cultivate together.
 - Mission: COED enriches our organization and community by building trusted relationships, civic engagement, and inclusive decision-making across Bloomington.

Authorized Full-Time Position	2025 Budget
Community Outreach & Engagement Manager	1
Community Outreach Coordinator	4
Volunteer Coordinator	1
Grand Total	6

2025 Goals and Objectives

COED's 2025-27 strategic plan prioritizes advancing BTT initiatives and growing participation in City programs and decision-making. From COED's 2024 community survey, the top three barriers to public participation, which are addressed in the plan, are 1) Being informed, 2) Feeling like they have something to contribute, 3) Trusting their input matters.

2025 goals below reflect COED's 2025-27 strategic plan year-1 goals and seek to address community input, grow public participation, and advance BTT initiatives.

- Outcome 2, Strategy B: Nurture and sustain inclusive relationships within the community, emphasizing duty to reach harder to reach residents Goal: Collaborate with City staff who have outreach roles to assess current relationships (strengths and gaps) and work to maintain and grow.
- Outcome 3, Strategy B: Enhance collaboration with Communications and Office of Racial Equity, Inclusion, and Belonging to strengthen service delivery and impact Goal: Communicate COED's role and services, creating a "menu of options" and examples of success (enhancing COED's service and teamwork with Comms & OREIB).
- Outcome 4, Strategy A (BTT): Create neighborhood engagement and connectivity model. Goal: Gain direction from BTT planning team, and develop planning process with project team, community, and City Council support.
- Outcome 4, Strategy B (BTT): Establish a Community Asset Map Model. Goal: Develop and publish asset map utilizing Community Resource Catalogue as foundational resource.
- Outcome 5, Strategy A (BTT): Implement City board & commission continued process improvement and strategic planning. Goal: Enhance commissioner onboarding/orientation, training, mentorship and team building, and workplan coordination.

- Outcome 5, Strategy C (BTT): Expand and standardize the City's Volunteer Management Program.
 - Goal: Achieve consistency with intake and management of volunteers. Increase opportunities, participation, and community engagement.
- Outcome 6, Strategy A: COED refreshes and refines the public participation (P2) practice and process.
 - Goal: Create best practices and training for public participation (process, how we define and report on results, how we "close the feedback loop" with the public).
- Outcome 7, Strategy A: Refine and strengthen the model for COED to partner with staff on public participation.
 - Goal: Update liaising model to meet department needs (COED currently liaises to departments to design and implement public participation), ensuring regular touchpoints.



Performance Measures

Strategic Priority	Performance Measure	2022 Actual	2023 Actual	2024 Actual	2025 Goal
	Percent of residents who rate opportunities to participate in community matters as excellent or good in the National Community Survey™	62%	57%	62%	65%
Connected, welcoming community	Number of subscribers/projects on the City's digital engagement platform (Let's Talk Bloomington)	979/36	1,109/44	1,257	1,400
	Percent of City board and commission applicants that identify as Black, Indigenous or People of Color (BIPOC)	24%	34%	32%	33%
Connected, welcoming community	Percent of BIPOC applicants selected to serve on City boards and commissions	21%	39%	25%	33%
community	Percent of residents who rate the openness and acceptance of the community toward people of diverse backgrounds as excellent or good in the National Community Survey™	67%	68%	68%	70%

Community Outreach & Engagement - Gen. Fund Financial Summary

		2023 Actual	2024 Projected	2025 Budget	
Revenues					
Intergovernmental	\$	584	\$ 6,710	\$	-
Interest Income					
Other Revenues		329	7,245		-
Transfers from Other Funds		-	12,018		-
Total Revenues	•	913	25,973		-
Expenditures					
Salaries and Benefits		679,856	856,950		951,619
Materials, Supplies, & Services		303,573	243,650		268,180
Transfer to Other Funds					
Total Expenditures	\$	983,429	\$ 1,100,600	\$	1,219,799
Less Expenses Charged to Other Funds			-		(246,858)
Net Total Expenditures	\$	983,429	\$ 1,100,600	\$	972,941

Finance

The activities of Finance are located within the General Fund. The Finance Department provides financial services for the City as well as the City's two component units - the Port Authority and the Housing and Redevelopment Authority. Financial services include accounting, audit, budget, cash management, investing, grant coordination, general billing, utility billing, accounts payable, purchasing, payroll, and risk management. The Finance department provides monthly financial reports to the City Council and Executive Leadership Team and is responsible for submitting required reports to the Office of the State Auditor and Hennepin County throughout the year as well as annual financial reports to the Government Finance Officers Association. Through conservative financial management and long-term planning, the City of Bloomington maintains the highest possible bond ratings possible "Triple AAA" bond ratings from Standard & Poor's, Moody's, and the Fitch Rating Agency.

Finance Department Vision

"We are a team of dedicated professionals whose diverse strengths are used to create the positive, responsible, and accountable environment necessary to accomplish an accurate and transparent accounting of public funds and provide exceptional customer service for our internal and external customers."

The following reports are published annually by the Finance Department:

- Annual Comprehensive Financial Report

 Certificate of Achievement for Excellence in Financial Reporting received for 53 years.
- Popular Annual Financial Report

 Award for Outstanding Achievement in Popular Annual Financial Reporting received for 25 years.
- Annual Budget Document
 Distinguished Budget Presentation Award received for 29 years.
- Ten Year Capital Improvement Plan









Performance Measures

Strategic Priority	Performance Measure	2022 Actual	2023 Actual	2024 Actual	2025 Goal
Healthy community (Environment)	Percentage of contractor construction payments processed by EFT as opposed to check.	0%	3%	3%	5%
Core service	Percentage of outstanding Accounts Receivable invoices that are more than 18 months past due.	11%	10%	4%	3%
Healthy community (Environment)	Percentage increase in online utility payment transactions	16%	9%	14%	15%
Healthy community (Environment)	Percentage increase in Utility customers that receive bills on-line (paperless)	37%	32%	7%	15%
Equitable economic growth	Percentage of Vendors that are awarded thru the competitive process who are classified as small, minorityowned, or women-owned	0%	0%	0%	3%
Connected, welcoming community	Number of Public Engagement and Outreach Budget Events	7	13	7	7

Finance - General Fund Financial Summary

	2023 Actual	2024 Projected		2025 Budget	
Revenues					
Intergovernmental	\$ 50,000.00	\$	-	\$	-
Other Revenues	332,573		358,111		240,000
Transfers from Other Funds	-		80,270		-
Total Revenues	382,573		438,381		240,000
Expenditures					
Salaries and Benefits	2,958,411		3,172,901		3,390,092
Materials, Supplies, & Services	664,116		753,763		778,939
Capital Outlay					
Transfer to Other Funds					
Total Expenditures	3,622,527		3,926,664		4,169,031
Less Expenses Charged to Other Funds	(2,047,666)		(2,182,410)		(2,497,765)
Net Total Expenditures	\$ 1,574,861	\$	1,744,254	\$	1,671,266

Finance – Administration and Budget

The Administration and Budget division provides financial management and advice to the City Council, City Manager, and Departments with a focus in capital financing, budget coordination, debt management, and grant compliance. Administration coordinates the City's capital improvement plan, annual budget document, and numerous reports required by the State and County throughout the year. The City's annual budget includes more than 30 individual funds.

In 2024, City staff engaged with the public about the budget at 7 different community events with 625 resident interactions to learn more about what was important to residents when it came to the budget and city services. Rather than holding events specifically to obtain budget feedback, staff went out into the community at events such as the Fire Department Open House, Community Events, and the Farmer's Market to engage residents and obtain feedback on the budget. The City's budget web page has been enhanced with additional content and provides easy access to all budget information including videos, presentations, documents, and links to recorded budget discussions at City Council meetings.

Authorized Full-Time Position	2025 Budget
Chief Financial Officer	1
Deputy Finance Officer	1
Special Projects Coordinator	1
Grant Coordinator Accountant	1
Grand Total	4



Key Investments in the 2025 Budget Request

- The 2025 budget reflects the City's mission to cultivate an enduring and remarkable community where people want to be.
- It supports high-quality City services with strategic investments in:
 - · Public Safety (Police, Fire, and Legal)
 - · Community Health and Recreation
 - · Equitable Economic Growth





2025 Goals and Objectives

- Provide excellent financial services to internal and external customers.
- Prepare accurate and transparent financial reports based on industry best practices.
- Take all appropriated budgets to City Council for approval by year end.
- Earn the Distinguished Budget Award from the Government Finance Officers Association.
- Publish the Annual Budget Document by March 16, 2025 (90 days after the Final Budget and Tax Levy approved by the City Council)
- Publish the Popular Comprehensive Annual Financial Report (PAFR) by June 30.
- Compile and present Ten-Year Capital Improvement Plan (CIP) for Council approval.
- Implement Priority Based Budgeting Module for the 2026 Budget.

2024 Accomplishments

- Maintained highest bond rating possible from three rating agencies:
 - Moody's Aaa, since 1998
 - Standard and Poor's AAA, since 2000
 - Fitch Rating Agency AAA, since 2004
- Received the GFOA Distinguished Budget Award for the 29th consecutive year.
- Received the GFOA Award for Outstanding Achievement in Popular Annual Financial Reporting for the 25th year.
- Published the 10-Year Capital Improvement Plan (2025-2034) and published in coordination with approval of the 2025 Operating Budget.
- Coordinated, analyzed, and presented 2025 budgets to the City Council for all appropriated funds the Final Budget and Tax Levy was approved by the City Council December 16, 2024.
- Implemented new version of Plan It! Software used for creating the annual Capital Improvement Plan document.

Finance Admin. and Budget Div. - General Fund Financial Summary

	2023 2024		2025	
	Actual	Projected	Budget	
Revenues				
Intergovernmental	\$ 50,000	\$	-	\$ -
Other Revenues	135,241		159,552	50,000
Transfers from Other Funds				
Total Revenues	185,241		159,552	50,000
Expenditures				
Salaries and Benefits	651,210		693,730	730,876
Materials, Supplies, & Services	178,365		183,331	150,691
Total Expenditures	829,575		877,061	881,567
Less Expenses Charged to Other Funds	(285,020)		(293,570)	 (220,883)
Net Total Expenditures	\$ 544,555	\$	583,491	\$ 660,684

Finance – Financial Operations

The Accounting Division manages and records the day-to-day accounting of the City's transactions, including audit, payroll, accounts receivable, centralized purchasing, investments, accounts payable, utility billing, cash receipts, and general accounting. The division prepares an analysis of the monthly financial statements for executive leadership and City Council. They prepare the Annual Comprehensive Financial Report which has received the annual GFOA award since 1970. The audit function monitors the City tax on lodging, admissions, and liquor sales.

Authorized Full-Time Position	2025 Budget
Deputy Finance Officer	1
Finance Manager	1
Treasury Manager	1
Purchasing Manager	1
Utility Billing Manager	1
Accountant	2
Auditor	1
Payroll Coordinator	1
Utility Billing Specialist	3
Accounting Assistant	4
Office Support Specialist	2
Purchasing Specialist	1
Office Assistant	3
Grand Total	22

2025 Goals and Objectives

- Work with the Office of Racial Equity, Inclusion, and Belonging to create a Target Market Program for vendors.
- Upgrade Cogsdale Utility Billing software, including security profiles and service order workflow.
- Upgrade Tyler Technologies ERP Software from on premise server to Saas.
- Provide quality accounting and related financial services to all City departments.
- Publish the Annual Comprehensive Financial Report (ACFR) by June 30.
- Report accurate and transparent monthly financial statements in an easily understood format to both internal and external users by the following month end.
- Invest public funds in such a manner that all daily cash flow needs are met.
- Produce vendor checks every week, submit purchase orders to vendors within two days of receiving requisitions from departments, maintain accurate records, monitor grants and capital assets for compliance with internal and external policies, process payroll bi-weekly and provide financial system assistance to users.
- A successful audit of year-end financial information.

2024 Accomplishments

- Implemented a new online payment portal for Liquor, Lodging, and Admission Taxes.
- Implemented local sales tax in the Cogsdale Utility Billing Software.
- Completed a Utility Billing Training Manual
- Set up and completed and Electronic Funds Transfer policy and published on City's internal website.
- Completed cross-training in both Accounts Receivable and Accounts Payable areas.

Finance Operations Division - General Fund Financial Summary

	2023	2024 Projected		2025
	Actual			Budget
Revenues				
Program Income	\$ -	\$	-	\$ -
Other Revenues	197,332		198,559	190,000
Transfers from Other Funds	-		80,270	
Total Revenues	197,332		278,829	190,000
Expenditures				
Salaries and Benefits	2,190,949		2,353,117	2,528,054
Materials, Supplies, & Services	456,791		540,298	592,008
Total Expenditures	2,647,740		2,893,415	3,120,062
Less Expenses Charged to Other Funds	(1,613,674)		(1,728,506)	(2,109,480)
Net Total Expenditures	\$ 1,034,066	\$	1,164,909	\$ 1,010,582

Finance – Risk and Litigation Management

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

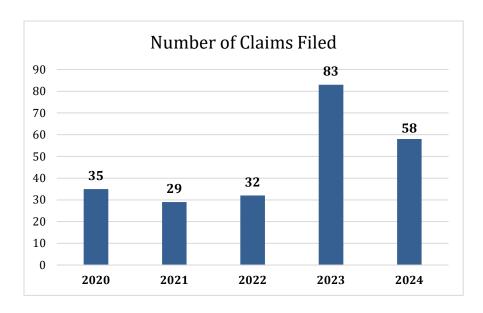
Authorized Full-Time Position	2025 Budget
Risk and Litigation Manager	1

2025 Goals and Objectives

- Complete required insurance renewals and provide necessary reports to City Council.
- Continue working with the City-wide Safety Committee to implement required safety training and improve overall employee safety, including co-sponsoring another Employee Safety Open House and other City-wide trainings to include AED use and CPR
- Implement Risk Management retention schedule changes when approved by the State of Minnesota.
- Provide an insurance training/refresher course for City employee who work with certificates of insurance.
- Update and provide training on accepting legal service of documents.

2024 Accomplishments

- Renewed the City's municipal liability insurance package policies for 2024-2025 with the League of Minnesota Cities Insurance Trust (LMCIT). Renewed the liquor liability policy for Dwan Golf Course, medical professionals policy for Public Health, and placed new insurance policies for construction projects throughout the City, as well as counselors in the Police Department.
- Completed training on the City's Safe at Home policy.
- City-wide Safety Committee, in conjunction with the City's Wellness Committee, sponsored the 2nd Annual Employee Safety Open House.
- Worked with the Legal department to implement use of the AIA construction documents for City construction projects, specifically providing input regarding insurance coverages and limits.
- Provided insurance requirement/contracts training for employees.



Finance Risk Mgmt. Division - General Fund Financial Summary

	2023 Actual	2024 Projected	2025 Budget
Revenues			
Other Revenues	\$ -	\$ -	\$ -
Transfers from Other Funds	-	-	-
Total Revenues	 -	-	-
Expenditures			
Salaries and Benefits	\$ 116,252	\$ 126,054	\$ 131,162
Materials, Supplies, & Services	28,960	30,134	36,240
Transfer to Other Funds			
Total Expenditures	145,212	156,188	167,402
Less Expenses Charged to Other Funds	(148,972)	(160,334)	(167,402)
Net Total Expenditures	\$ (3,760)	\$ (4,146)	\$ -

Finance - Self-Insurance

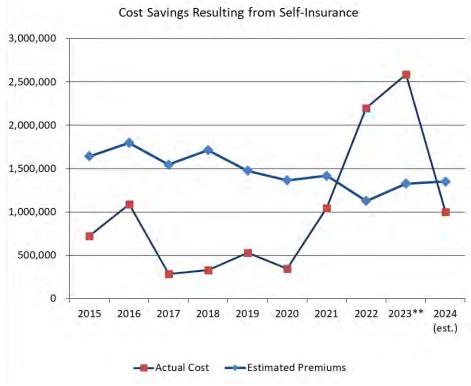
The Self-Insurance Fund is an Internal Service Fund that pays all costs related to the administration of the City's self-insured workers' compensation program, including costs associated with hiring a Third-Party Administrator (TPA) and reinsurance premiums assessed by the Workers Compensation Reinsurance Association (WCRA), as required by law. In addition, this fund pays the insurance premiums for the City's property/casualty insurance program, made up of municipal liability, auto, and property coverage obtained through the League of Minnesota Cities Insurance Trust (LMCIT), as well as all claims, payments, and expenses incurred by LMCIT on the City's behalf subject to each policy's deductible.

2025 Goals and Objectives

- Protect the City's assets and minimize costs of insurance.
- Continue work with the City's insurance broker and TPA to evaluate coverage and investigate possible premium savings.
- Complete an actuarial audit of claims reserves.

2024 Accomplishments

The chart below shows worker's compensation costs of self-insured plan compared to estimated insurance premium costs. The estimated cumulative savings from 1986 to 2024 is \$26.5m.



**the significant increase in costs for 2022 and 2023 results from PTSD claims paid.

Self Insurance - Internal Service Fund Financial Summary

	2023 Actual	2024 Projected		2025 Budget	
Revenues					
Departmental Charges	\$ 2,347,885	\$	2,465,192	\$	2,455,770
Interest Income	391,563		234,434		40,000
Other Revenues	-		-		-
Total Revenues	2,739,448		2,699,626		2,495,770
Expenses					
Materials, Supplies, & Services	2,735,244		2,745,922		2,690,247
Transfer to Other Funds	-		-		400,000
Total Expenses	2,735,244		2,745,922		3,090,247
Working Capital					
Net Change	4,204		(46,296)		(594,477)
Working Capital at Beginning of Year	3,840,382		3,844,586		3,798,290
Working Capital at End of Year	\$ 3,844,586	\$	3,798,290	\$	3,203,813

Fire Department

The operational activities of the Fire Department are located within the General Fund. Purchases of equipment are accounted for in the Public Safety Technology and Equipment Internal Service Fund. The Fire Department has 42 full-time firefighter positions and 86 paid-on-call firefighters. The department operates out of six fire stations and uses the latest in firefighting equipment including engines, ladders, and other specialty units. Fire Prevention is an integral part of providing fire safety through code enforcement and education. Firefighters install battery operated smoke detectors or replace batteries in detectors for homeowner occupied homes that need them upon request.

The Fire Department responded to 10,477 calls for service in 2024. These ranged from water rescues and vehicle extrications to structural fires, medical emergencies, and hazardous materials emergencies. The response time measurement goal is for an effective response force of 4 personnel within 7 minutes and 30 seconds of the 911 call 90% of the time. The actual 90th percentile performance was 9minutes 37 seconds. The difference between the goal and our actual performance is due to only being able to operate out of four of the six fire stations 24 hours a day. All firefighters are required to meet training standards.



Operations and Training

Fire Operations encompasses emergency response, dispatching, building and equipment maintenance and repair. Fire department operations also includes equipment research and development of new methods and technology to improve emergency response and performance. Fire department training includes all aspects of training and exercising the emergency response forces to include maintaining certifications, maintaining and improving existing response skills, and training and implementing new tactics and procedures as they are identified and validated.

Six additional staff were added in 2024 to continue to address staffing issues. A Staffing for Adequate Emergency Response (SAFER) grant was applied for and awarded for the addition of 18 full time firefighters in 2025 to continue to address staffing and response issues. These firefighters start March 31, 2025. This effort continues the transition from a primarily paid on call department to a combination full-time part-time department.

Fire Prevention

Fire prevention staff inspects all new construction and renovation of commercial, industrial, and multi-family residential structures to ensure fire code compliance. Fire inspectors inspect all properties, except single-family dwellings, to verify continued compliance with the fire code. Fire prevention staff collects annual data on storage and use of hazardous material within the city and verifies annual maintenance of all fire alarm and fire sprinkler systems. Fire inspectors investigate all fires in Bloomington to determine cause and origin and work with the Police Department to investigate arson cases. The division promotes fire prevention education and training and oversees the school fire education programs and Fire Department open house. The Fire Prevention division participates in the City's multi-department Development Review Committee.

Emergency Management

Fire, Police, and Public Health staff work together to provide a multi-layered emergency management capability for the City. Fire, Police, and Public Health Command Staff have emergency management and incident management training.

The Emergency Operations Plan (EOP) and Continuity of Operations Plan (COOP) are both plans that have had extensive review by all City Departments and are updated and revised annually.

The City's emergency early warning capability is also a multi-department effort with Fire, Police, Public Works, and Information Technology all working to implement the Everbridge notification system to alert residents and visitors to hazard information.

Authorized Full-Time Position	2025 Budget
Fire Chief	1
Deputy Fire Chief	2
Assistant Fire Chief	3
Battalion Chief	3
Fire Captain	9
Firefighter/Fire Inspector	5
Firefighter	39
Office Support Specialist	2
Grand Total	64

2025 Goals and Objectives

Fire Department:

- The Department's mission is the preservation and protection of life, property, and the environment, against injury and damage from emergencies and disasters.
- Provide fire prevention services and fire education to residents, businesses, and visitors.
- The current goal is to respond initially with a minimum of four personnel and arrive to calls within 7 minutes 30 seconds of the 911 call 90% of the time. This will continue to require additional resources being added for several years.
- The goal for structure fire response is to arrive at a low hazard working structure fire with a minimum of 15 firefighters 9 minutes after dispatch or 11 minutes 30 seconds after the receipt of the 911 call, 90% of the time.

Operations and Training:

- Respond to emergency calls for service in 7 minutes 30 seconds or less from time of the 911 call with a minimum of four personnel 90% of the time.
- Respond an initial effective response force of 15 firefighters within 11 minutes 30 seconds to structure fires where fire attack hose lines are deployed 90% of the time.
- Provide quality training to firefighters to meet or exceed Federal and State training requirements.
- Continue to work with dispatch to achieve call processing time to meet or exceed NFPA standard from receipt of 911 call to dispatch of resources.
- Continue to maintain equipment for emergency response to prolong life and effectiveness.

Fire Prevention:

- Issue the majority of the fire sprinkler and fire alarm permits within five business days.
- Inspect a majority of designated high-risk occupancies each year.
- Inspect 45% of existing commercial, industrial, and multi-family residential properties.
- Resolve the majority of known fire code violations within 30 days.
- Investigate complaints within one business day.
- Respond to a majority of fire scenes within 24 hours of a report by the Police Department or Fire Operations.
- Minimize the number of incendiary and suspicious fires through education and effective investigations.
- Continue to conduct home safety survey inspections in owner-occupied singlefamily homes with an emphasis on residents over age 55.
- Conduct fire education programs for business and resident groups upon request:
 - o Assist and monitor fire education and fire drills at all schools.
 - o Assist and monitor the Fire Department open house.
- Facilitate and coordinate fire department truck visits, smoke detector installations, car seat installation, station tours and other programs.

Emergency Management:

- Review and revise the City's Emergency Operations Plan annually.
- Review and revise the City's Continuity of Operations Plan annually.
- Maintain the operational readiness capabilities of the City's Emergency Operations Center.
- Conduct inter-departmental training for EOC operations.
- Increase awareness and participation of the public in the City's Everbridge notification system.
- Maintain and continue to update the emergency early warning siren system.
- Maintain alternative redundant or resilient communications capability for use during disasters impacting the City's normal communications channels.

Performance Measures

Strategic	-	2022	2023	2024	2025
Priority	Performance Measure	Actual	Actual	Actual	Goal
	Percent of calls responded to within 7 minutes and 30 seconds (goal of 90%)	63%	63%	63%	90%
	# of lives lost in structure fires	0	0	0	0
	# of civilian injuries due to fires	2	2	2	0
	% of time that at least 15 firefighters arrive at structure fires in 11 minutes 30 or less (goal of 90%)	25%	25%	10%	90%
	Total inspections completed (annual, follow up inspections, building final, fire alarm testing, rough-in, tanks)	1283	1274	1095	1300
Healthy Community	Inspect 25% of existing commercial, industrial and multi-family residential properties each year.	482	426	547	500
(Safety)	# of smoke alarms installed/batteries replaced	12	20	57	40
	# of inventories of hazardous materials stored and used in commercial properties	90	282	182	182
	Conduct fire cause and origin investigations. # conducted	77	85	81	70
	Minimize the number of incendiary and suspicious fires through education and effective investigations. # of education events		Planned	Planned	Planned

	Home Safety Survey Inspections – Owner-occupied single-family homes	NA	6	8	4
	Car Seats installation and safety checks performed by car seat technicians	42	41	62	62
	# of firefighter injuries (first report)	8	23	25	
	# of workdays lost due to injury (lost/restricted)		210/128	620/109	
	# of personnel who attend outside training/education		10	20	20
	# hours firefighter training delivered	11,000	11,276	10,894	10,000
Healthy	Assist and monitor fire education and fire drills at all schools. # drills	NA	13	2	10
Community (Safety)	Expand fire education program to include persons over age 55.	Developed	Ongoing	Ongoing	Ongoing
	Deliver life safety information to the public. # of deliveries	38	44	83	80
	# of school programs delivered each year	NA	13	22	14

Fire Department

• From receipt of the 911 call to arrival time 90% of the time is 9 minutes 37 seconds for first arriving unit with 3 or 4 personnel. This is considerably longer than our goal of 7 minutes 30 seconds for the first arriving unit with 3 or 4 personnel.

Operations and Training

- Responded to 10,477 calls for service.
- Responded with 15 or more firefighters within 11 minutes 30 seconds 10% of the time to all structure fires where fire attack hose lines were deployed (goal is 90%).
- Provided 10,894 hours of training for current firefighters to meet Federal and State requirements.
- Provided 1430 hours of live fire training attempting to meet Federal and State requirements.
- Coordinated with auto-aid and mutual aid partners to maintain capability for large incident response.
- Represented the Fire Department in ongoing operations of the Tri-Tech/Central Square Computer Aided Dispatch (CAD) system.
- 6 new full-time firefighters were added to the Department in 2024.
- Adding 18 new firefighters to the Department in 2025.

Fire Prevention

- Performed inspections (annual, building final, fire alarm testing, rough-in, tanks)
- Completed Home Safety Survey Inspections in owner-occupied single-family homes.
- Conducted safety presentations at K-12 schools, businesses, senior living facilities and other venues.

Emergency Management

- Performed monthly checks on the City's 22 emergency warning sirens.
- Assisted maintaining the Everbridge emergency notification system for residents to sign up for alerts.
- Assisted maintaining and updated senior staff alert notifications as part of the Everbridge implementation.
- Maintained and exercised communications capabilities for use during disasters.



2024 Fire Department Incident Response Time

The Call to Arrival time 90% Performance with an effective response force of 4.

	Goal Time 90% of the time	% Of Time Goal Met	Actual 90% Time of Goal
Alarm Processing	1:30	100%	1:00
Response	6:00	60%	9:27
Call to Arrival	7:30	36%	11:30

City of Bloomington EMS Response

This data provided by Allina includes a breakdown of all calls responded to by Allina Health EMS within the City of Bloomington during the calendar year 2024. Calls for service are categorized into emergency and non-emergency.

- 2024 Total Priority Responses (911) 11,705
 - o Total Emergency Responses (Red Lights / Siren) 8,983
 - o Total Non-Emergent (Routine Response) 2,722
- 2024 Average Response Time for all Emergent calls Average: 90th Percentile

Emergent Responses = 8,983 Emergent Response Time 8:25 13:20

• 2024 Average Response Time for all Routine Calls - Average: 90th Percentile

Non-Emergent Resp. = 2,722 Non-Emergent Resp. Time 12:11 20:35

• Mutual Aid Volume

Non-Allina resources used to complete a call are considered mutual aid volume. In the case where both a mutual aid and Allina unit were both assigned, the volume will be reflected in both the mutual aid and Allina volumes. The Total Count will reflect the unique number of incidents, regardless of whether multiple types of resources were assigned.

o Allina EMS 11,705

o Mutual Aid 482

Total Count 12,178

Fire - General Fund Financial Summary

	2023	2024		2025	
	Actual		Projected		Budget
Revenues					
Program Income					
Permits and Licenses	\$ 242,539	\$	228,675	\$	223,161
Intergovernmental	\$ 1,863,390	\$	2,452,494	\$	-
Other Revenues	7,818		300		-
Transfers from Other Funds	421,800		382,651		525,000
Total Revenues	2,535,546		3,064,120		748,161
Expenditures					
Salaries and Benefits	6,263,293		8,293,982		7,110,007
Materials, Supplies, & Services	3,690,658		3,820,599		4,429,704
Capital Outlay	155,148		83,416		70,000
Transfer to Other Funds	405,000		-		-
Total Expenditures	\$ 10,514,099	\$	12,197,997	\$	11,609,711
Less Expenses Charged to Other Funds					
Net Total Expenditures	10,514,099		12,197,997		11,609,711

Fire Pension Fund

The Fire Pension Fund is a Special Revenue Fund for accumulating revenue to pay annual Fire Pension obligations. Fire Pension revenue is received from the following sources: State aid, property tax levy, and transfers from the General Fund and/or Strategic Priorities. The City of Bloomington has a Paid-On-Call Fire Department. After 20 years of service and are 50 years old Paid-On-Call firefighters are eligible to receive a pension from the Bloomington Fire Department Relief Association (BFDRA).

Each year, an independent actuary calculates the fire pension liability due to the BFDRA two years in the future based upon their financial activities. The annual fire pension obligation is impacted by market volatility of the investment returns, the police officer's salary rates, and firefighter demographics. If the annual accrued liability funding ratio is under 120% funded, State statute requires that the City send an annual contribution in addition to State Fire Aid money.

The Bloomington Fire Relief Association required annual contribution has 3 main variables:

- End of year investment performance
- Number of members of BFDRA
- The police patrol union contract wage rates.

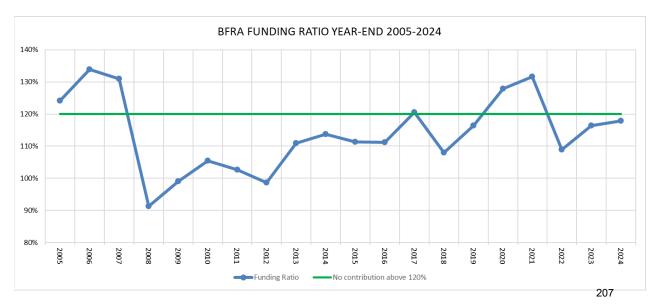
Based on the 1/1/2024 Actuarial Report, in 2025, the City has no contribution requirements except to pass through 100% of the Fire Aid to BFDRA. The Actuarial Report for 1/1/2025 is complete and impacts the 2026 budget. The fund is now 119.21% funded There will not be a City contribution requirement for 2026 and Finance will move 100% of the 2026 Fire Aid to BFDRA.

2025 Goals and Objectives

• Build a reserve within the Fire Pension fund to provide current and future pension obligation contributions without causing property tax levy volatility.

Performance Measures

• Working Capital balance of the Fire Pension fund was above the Working Capital Goal of \$2,500,000.



Fire Pension - Special Revenue Fund Financial Summary

	2023 Actual	2024 Projected	2025 Budget
Revenues			
Property Taxes	\$ 1,000,000	\$ 1,050,000	\$ 1,050,000
Intergovernmental	804,969	884,039	821,149
Interest Income	260,313	280,836	62,466
Transfers from Other Funds	-	-	-
Total Revenues	2,065,282	2,214,875	1,933,615
Expenses			
Salaries and Benefits	804,969	2,163,247	821,149
Materials, Supplies, & Services	8,543	-	-
Transfer to Other Funds	-	292,023	1,550,000
Total Expenses	813,512	2,455,270	2,371,149
Working Capital			
Net Change	1,251,770	(240,395)	(437,534)
Working Capital at Beginning of Year	5,472,039	6,723,809	6,483,414
Working Capital at End of Year	\$ 6,723,809	\$ 6,483,414	\$ 6,045,880

Public Safety - Technology and Equip.

The Public Safety Technology and Equipment Fund is an Internal Service Fund that has the following six activities:

- Radios
- Mobile Digital Computers (MDC's)
- Body Worn Cameras
- Police Small Equipment
- Fire Small Equipment
- Fire Large Equipment

Authorized Full-Time Position	2025 Budget
Radio Communications Technician	1

Radios (Police and Fire):

Portable and dash mounted radio operations are scheduled for replacement every 8-10 years. The Police Department and Fire Department use the majority of the City's radios. However, Public Works and Public Health also use radios in their operations. Charges for operations are internally charged to all four of these departments, but charges for replacement are only charged to Police, Fire, and Public Works and build up working capital balance for future equipment purchase. Public Health purchases their own replacement radios.

MDC's (Police and Fire):

Mobile Digital Computers are in Public Safety vehicles to communicate with dispatch and access Public Safety databases. They are scheduled to be replaced every 4 years. Charges for operations and replacement are charged to Police and Fire and build up working capital balance for future equipment purchases.

Body Worn Cameras (Police):

Body worn cameras is a new activity in this fund. The initial purchase, implementation, and training of body worn cameras had multiple funding sources including grant and forfeiture funds. Charges for on-going data storage fees are funded from a transfer from Police forfeiture funds and from a transfer of funds from the IT department.

Police Small Equipment:

The Police small equipment activity purchases equipment such as tasers, tactical vests, guns, and other equipment on a replacement schedule of 5-15 years depending on the item. Consistent replacement charges to Police in the General Fund are the revenue for this activity and build up working capital balance for future equipment purchases.

Fire Small Equipment:

The Fire small equipment activity purchases equipment such as fire hoses, gear, and rescue equipment on a varying replacement schedule. Charges to Fire in the General Fund are the revenue for this activity and build up working capital balance for future purchases.

Fire Large Equipment:

The Fire large equipment activity purchases large equipment such as large ladder trucks. Revenues come from the Fire Department activity in the General Fund.

2025 Goals and Objectives

- Maintain a reliable and efficient communications system for Public Safety.
- Maintain adequate, consistent internal charges to fund future purchases of Public Safety equipment without causing large variances in the General Fund.
- Implementation of planned Fire Department MDC upgrades.
- Inventory of 52 Police Department MDC's is current with next purchases scheduled in 2025 for approximately \$235,040.
- Inventory of 82 Fire Department portable radios is current with next purchases scheduled in 2025 for approximately \$480,000.
- Inventory of 38 Public Works portable radios is current with next purchases scheduled in 2033 for approximately \$205,974.
- Inventory of 28 Fire Department MDC's is current with the next purchases scheduled for 2025 for approximately \$144,592.
- Inventory of 200 Police Department portable radios is current with next purchases scheduled in 2026 for approximately \$1,291,160.
- Inventory of 52 Fire Department mobile radios is current with next purchases scheduled in 2028 for approximately \$344,596.
- Inventory of 90 Police Department mobile radios is current with next purchases scheduled in 2028 for approximately \$600,886.

Public Safety Tech & Equip - Internal Service Fund Financial Summary

		2023 Actual	2024 Projected		2025 Budget
Revenues					
Departmental Charges	\$	2,067,958	\$ 1,707,817	\$	2,236,034
Intergovernmental		716,000	40,000		-
Interest Income		130,354	211,328		35,000
Other Revenues		28,287	34,196		-
Transfers from Other Funds		459,996	-		-
Total Revenues	·	3,402,595	1,993,341		2,271,034
Expenses					
Salaries and Benefits		112,670	124,173		179,533
Materials, Supplies, & Services		385,300	1,988,599		1,119,400
Capital Outlay		253,781	2,502,701		423,000
Transfer to Other Funds		-	-		-
Total Expenses		751,751	4,615,473		1,721,933
Working Capital					
Net Change		2,650,844	(2,622,132)		549,101
Working Capital at Beginning of Year		2,822,034	5,472,878		2,850,746
Working Capital at End of Year	\$	5,472,878	\$ 2,850,746	\$	3,399,847

Human Resources

The Human Resources Division is also part of the General Fund. This division coordinates staff recruitment and hiring, designs and services employee benefit programs and conducts employee relations activities for all City employees. The HR Division also develops and implements classification and compensation systems, as well as employment rules and policies, that are consistent with the City's mission, vision, and values.

Authorized Full-Time Position	2025 Budget
Human Resources Manager	1
Human Resources Business Partner	2
Benefits & Wellness Coordinator	1
Human Resources Representative	1
Human Resources Analyst	1
Human Resources Technician	1
Office Assistant	1
Grand Total	8

2025 Goals and Objectives

- Develop a reporting dashboard to highlight demographic data of the City's workforce.
- Develop and implement a supervisor training program that incorporates experiential learning opportunities for all supervisors in the City.
- Create new opportunities for employees to easily access Human Resources services, such as a web portal.
- Develop and/or participate in three (3) career fairs to promote Bloomington jobs and to diversify the workforce.
- Reduce time to hire for all staff and streamline recruiting and hiring process.
- Successfully negotiate labor agreements with the collective bargaining units and ensure Bloomington's pay and benefits plans are consistent with market averages/benchmarks.
- Develop and implement new tools to successfully improve employee performance.

Performance Measures

Strategic Priority	Performance Measure	2022 Actual	2023 Actual	2024 Actual	2025 Goal
	Percentage of all supervisors to receive 12 hours of training annually		85%	85%	90%
Core service	Decrease the time for recruitment and new hires in the organization*	74 days	<75 days	Less than 60 days	Less than 40 days
	Participate in 5 career fairs (new goal)		5	5	3
Connected, welcoming community	Increase percentage of BIPOC staff by 2.0% per year	16.4%	18.9%	21%	23%

Human Resources - Gen. Fund Financial Summary

	2023 2024 Actual Projected		2025 Budget	
Revenues				
Other Revenues	\$ -	\$	-	\$ -
Transfers from Other Funds	-		-	-
Total Revenues	-		-	-
Expenditures				
Salaries and Benefits	\$ 919,811	\$	1,000,776	\$ 1,109,592
Materials, Supplies, & Services	310,078		345,818	349,812
Transfer to Other Funds				
Total Expenditures	1,229,889		1,346,594	1,459,404
Less Expenses Charged to Other Funds	(286,205)		(294,791)	(295,540)
Net Total Expenditures	\$ 943,684	\$	1,051,803	\$ 1,163,864

Human Resources - Accrued Benefits

The Accrued Benefits Fund is the Internal Service Fund that pays and records the liabilities associated with employee accrued time off - vacation, personal leave, and compensatory time. The possibility of the City going out of existence and needing to fully fund this account to pay all the accrued time off at one time is remote. However, the goal of this fund is to have enough cash to fully fund the accrued liability.



The Accrued Benefits fund is currently funded at 70% of the total accrued liability with a long-term plan of being 100% funded in 2034.

Revenues for this fund come from charges to City departments that pay full-time and permanent part-time salaries. Charges are calculated at 3.5% of salaries.

Expenses for this fund come from:

- The year-end conversion of any accumulated personal leave hours over 1,000 hours to either a post-retirement health care savings account (employee self-funded health care) or cash payout.
- Payout of unused vacation, personal leave, and compensatory time to employees leaving service (retirements, terminations, or leaving for new opportunities).
- Year-end accrual to cover liabilities for employees with balances of vacation, personal leave, or compensatory time.

2025 Goals and Objectives

- 100% funded for total liability of accrued time by 2034.
- Continue providing City employees with fair leave policies to retain and attract excellent employees.

Accrued Benefits - Internal Service Fund Financial Summary

	2023 Actual	2024 Projected	2025 Budget
Revenues			
Departmental Charges	\$ 2,277,936	\$ 2,487,542	\$ 2,507,791
Intergovernmental			
Interest Income	660,937	456,692	114,800
Other Revenues			
Transfers from Other Funds		6,082,502	1,952,083
Total Revenues	2,938,873	9,026,736	4,574,674
Expenses			
Salaries and Benefits	3,129,914	3,539,307	2,817,719
Materials, Supplies, & Services			
Capital Outlay			
Transfer to Other Funds		8,600,000	2,500,000
Total Expenses	3,129,914	12,139,307	5,317,719
Working Capital			
Net Change	(191,041)	(3,112,571)	(743,045)
Working Capital at Beginning of Year	14,119,002	13,927,961	10,815,390
Working Capital at End of Year	\$ 13,927,961	\$ 10,815,390	\$ 10,072,345

Human Resources - Employee Benefits

The Employee Benefits Fund is an Internal Service Fund that brings in a set per-employee fee from each department's operating budget and uses that revenue to fund the core benefits package provided to each full-time employee. This includes the employer-share of medical, dental, life, and disability insurance premiums, as well as tuition reimbursement and health club reimbursement benefits. The 2025 employee benefits charge to each department is \$17,000 per full-time employee which is a 5% decrease from 2024.

2025 Goals and Objectives

- Stabilize insurance expenses in departmental budgets to avoid large budget spikes due to increases in benefit costs, especially in health insurance.
- Expand wellness programs and opportunities for employees coordinated by the Wellness Committee with the wellness funds provided by the SWWC (Southwest West Central Service Cooperative).

2024 Accomplishments

- Worked with insurance broker, NFP, to finalize a 7.8% rate increase in health insurance premiums for 2025 with the Minnesota Health Consortium (MHC)/Medica that includes access to fitness and wellness programs.
- The Wellness Committee organized several activities to promote employee wellness using funds from the SWWC wellness funds including a "Wellness Passport" program that included incentives for employees to record completed wellness activities in the categories of purpose, social, financial, physical, and community.



Employee Benefits - Internal Service Fund Financial Summary

	2023 Actual	2024 Projected	2025 Budget
Revenues			
Departmental Charges	\$ 11,541,168	\$ 12,148,925	\$ 12,624,685
Intergovernmental	-	-	-
Interest Income	242,215	180,977	25,000
Other Revenues	926,117	1,011,676	571,350
Transfers from Other Funds	-	-	-
Total Revenues	 12,709,500	13,341,578	13,221,035
Expenses			
Salaries and Benefits	301,223	312,886	237,700
Materials, Supplies, & Services	11,974,297	13,166,936	14,652,078
Capital Outlay			
Transfer to Other Funds	-	534,996	-
Total Expenses	12,275,520	14,014,818	14,889,778
Working Capital			
Net Change	433,980	(673,240)	(1,668,743)
Working Capital at Beginning of Year	4,129,468	4,563,448	3,890,208
Working Capital at End of Year	\$ 4,563,448	\$ 3,890,208	\$ 2,221,465

Information Technology

Mission statement: We make a positive impact through collaboration and innovation.

The Information Technology (IT) Fund is an Internal Services Fund that contains the City's IT Department. The IT Department provides the City with computer hardware and software, Geographical Information Systems (GIS), and coordinates the networking and communications of systems in accordance with the City's Information Technology Strategic plan. The oversight for data and records management and governance was moved to the IT Department in 2024. Its main functions include assisting staff in management, protection, and preservation of data and records in accordance with state laws governing the creation, security, maintenance, and disposal of government data and official records. Additionally, the division coordinates general data practices requests to ensure compliance with the Minnesota Government Data Practices Act (MGDPA) and the city's Records Retention Schedules.

Cross functional teams including the IT Steering Committee, Data Management Team, and Data Governance Council address cross-organizational items having significant short and long-term technology and data impact for the City's employees and community.

The IT Department's resources include the total hours available for services to City operating departments, as well as funding for hardware, software, and training.

Authorized Full-Time Position	2025 Budget
Chief Information Officer	1
Information Technology Manager	2
Network Systems Engineer	1
IT Systems Engineer	1
Applications Administrator II	1
Applications Administrator I	2
IT Systems Administrator II	1
IT Systems Administrator I	2
Network Administrator	1
Database Administrator	1
Desktop Administrator	1
Data Governance Officer	1
Data Governance Coordinator	1
IT Project Coordinator	1
Business Analyst	1
GIS Coordinator	1
GIS Specialist II	1
GIS Specialist I	1
Desktop Support Specialist	1
Grand Total	22

2025 Goals and Objectives

- Provide technology expertise, equipment, software, and services to meet Council's Goals by:
 - o Implementing items identified in the 2022-2026 IT Strategic Plan.
 - o Securing the City's technology systems.
 - Supporting Council's strategic objectives by collaborating with city departments to implement essential technology.
- Plan for and deploy technology for remodeled and new city facilities.
- Implement initiatives defined in the Geographic Information Systems (GIS) strategic plan to enhance functions & activities City-wide.
- Review existing policies and procedures. Identify and implement necessary changes.
- Develop and implement training and tools for Records Management and Data Practices for employees of varying roles and skill levels.
- Continue to review and update retention schedules and data inventories.
- Provide exceptional services to positively impact city operations.

Performance Measures

Strategic		2023	2024	2025
Priority	Performance Measure	Actual	Actual	Goal
	Total Completed Tickets	3937	4982	4500
	Ticket Time of Completion time to resolve 80% of the tickets	4 Hours	4 Hours	4 Hours
	% Employees Completed Security Training	84%	85%	90%
	Security Maturity Model Scores	1	1.5	1.75
	GIS Maturity Model Scores	3.5		
Core	Project Mgmt. Maturity Model Scores (PMI Scale)	Level 3	Level 3	Level 3
service	Budgeted Maintenance Costs to Actual	95%		100%
	General Data Requests Received	478	599	NA
	General Data Requests Processed	487	594	100%
	Coordinated Secure Shredding, both onsite and off-site	17,427 lb	24,700 lb	>24,700 lb
	Coordinated Off-site Storage Orders	38	31	>31
	Off-site Storage Space Reduction	114 cu ft	192 cu ft	NA
	Manage city's data	2,398	2,649	NA

IT Supports and Secures the City's Information and Infrastructure

- More than 3.1 million e-mails were processed in 2024.
- 42% of e-mail messages were rejected as spam and 46,000 messages contained malware/viruses that were blocked before entering the City's network.
- Simulated Phishing Email 10,108 messages with 7.5% phish prone, industry average is 15%.

- Processed 594 data requests
- The Planning WebGIS site is the most popular map with more than 34,000 views since 2013. In 2024, 250 items were added to the site, making data and maps more accessible for our 400 users.
- In 2024, the City's Organized Collection Map received more than 21,000 views.
- Over 60 GIS users maintain close to 500 datasets in our enterprise database.

2022-2026 IT Strategic Plan

The city has an IT Strategic to ensure a focused and collaborative approach to technology through 2026. The plan includes initiatives centered on four key themes:

- Collaboration and Communication
- Data Management
- Obsolescence
- Process

IT Assists with New & Remodeled City Facilities

IT plays an integral role in planning for and implementing technology in new and remodeled city facilities. Including:

Public Health Remodel

- Community Health and Wellness Center
- Bloomington Ice Garden
- Maintenance Garage
- Community Development Remodel

Information Technology - Internal Service Fund Financial Summary

	2023 Actual	2024 Projected		2025 Budget
Revenues				
Departmental Charges	\$ 6,795,234	\$	7,553,106	\$ 8,884,610
Intergovernmental				
Interest Income	105,580		49,176	30,000
Other Revenues	(2,137)		2,093	2,000
Transfers from Other Funds	-		482,324	-
Total Revenues	6,898,677		8,086,699	8,916,610
Expenses				
Salaries and Benefits	2,727,501		2,977,854	3,471,719
Materials, Supplies, & Services	4,252,114		4,270,113	5,153,721
Capital Outlay	22,319		627,623	390,000
Transfer to Other Funds	214,116		220,536	219,097
Total Expenses	7,216,050		8,096,126	9,234,537
Working Capital				
Net Change	(317,373)		(9,427)	(317,927)
Working Capital at Beginning of Year	2,503,411		2,186,038	2,176,611
Working Capital at End of Year	\$ 2,186,038	\$	2,176,611	\$ 1,858,684

Legal

The Legal Department is within the General Fund. The City Attorney's Office provides legal counsel to the City Council, Advisory Boards and Commissions, the City Manager, and other City departments, and prosecutes non-felony criminal offenses occurring within the City.

Authorized Full-Time Position	2025 Budget
City Attorney	1
Deputy City Attorney	2
Compliance Manager	1
Assistant City Attorney (Civil)	2
Assistant City Attorney (Prosecution)	5
Paralegal	3
Crime Victim Liaison	2
Office Support Specialist	2
Office Assistant	2
Grand Total	20

2025 Goals and Objectives

- Create and maintain a highly collaborative, aligned, focused, positive, and professional work environment that promotes employee growth and satisfaction while providing convenient, accessible, and expert legal services to City Departments, staff, elected and appointed officials, and other government entities;
- Promote justice, access to justice for victims of crimes, and enhance public safety through locally accountable, fair, and effective criminal prosecution and community outreach;
- Deliver timely, high quality, accessible, and cost-effective legal counsel to City Departments;
- Minimize the City's exposure to claims and lawsuits through staff safety and other training, regular review and revision of policies and procedures, and proactive case management;
- Deploy and promote the use of technology to improve and enhance access to justice; fair and effective criminal prosecution; and timely review, exchange, and execution of documents;
- Draft, negotiate, and review agreements, policies, and programs that address the City's interests and protect its assets.
- Advise and support City Departments' efforts to bring about high-quality, innovative, and collaborative development;
- Advise and support City Departments' efforts to shape the ordinances, policies, and plans that direct the City's growth, development, and renewal;
- Advise and support City Departments' efforts to develop, review, and revise their
 policies to promote staff development; increase compliance with city objectives; and
 enhance the overall public experience;

- Advise and support City Departments' efforts to protect the quality and safety of City residents, neighborhoods, licensed establishments, and other businesses through outreach, screening, education, communication, and enforcement actions;
- Educate to ensure community-wide compliance with programs, rules, and laws;
- Advise and support efforts to train and educate City Departments to improve and streamline requests, responses, and access to public records; and
- Provide administrative hearings to provide efficient participative solutions.

Performance Measures

Strategic Priority	Performance Measure		2023	2024	2025
		Actual	Actual	Actual	Goal
Healthy community (Safety) & Connected, welcoming community	Serving victims by meaningfully involving them in the criminal process through written notification of prosecution and case closing	654	882	1007	1320
Healthy community (Environment)	Use technology to efficiently and sustainably execute documents	1319	1422	1665*	1700
Equitable economic growth	Advise and support City Departments' efforts to shape the ordinances, policies, and plans that direct the City's growth, development, and renewal	479	406	421	400
Healthy community (Safety) & Connected, welcoming community	Promote justice, access to justice for victims of crimes, and enhance public safety through locally accountable, fair, and effective criminal prosecution by opening and prosecuting criminal cases	3930	5016	5315	5600
Connected, welcoming community	Provide the public with legal notice of upcoming city actions	144	103	112	115
Core service	Draft, negotiate, and review agreements and related documents that address the City's interests and protect its assets	931	853	990	1000
Core service	Advise and support City Departments' efforts to develop, review, and revise their policies to promote staff development; increase compliance with city objectives; and enhance the overall public experience	197	350	482	475

^{*}Since deployment in March 2020: DocuSign reports the City has saved 15,063 pounds of wood (45 trees), 44,354 gallons of water, 35,358 pounds of carbon (removing 3 cars from the road) and 2,447 pounds of waste (saving 89,062 pages of paper).



Legal - General Fund Financial Summary

	2023 Actual	2024 Projected		2025 Budget	
Revenues					
Program Income	\$ 10,377	\$	6,500	\$	-
Intergovernmental	36,117		97,732		217,939
Transfers from Other Funds	-		-		-
Total Revenues	46,494		104,232		217,939
Expenditures					
Salaries and Benefits	2,306,696		2,704,158		2,962,094
Materials, Supplies, & Services	501,699		518,572		771,569
Transfer to Other Funds	-		-		-
Total Expenditures	2,808,395		3,222,730		3,733,663
Less Expenses Charged to Other Funds	(401,988)		(416,056)		(649,245)
Net Total Expenditures	\$ 2,406,407	\$	2,806,674	\$	3,084,418

Office of Racial Equity, Inclusion, and Belonging

The Office of Equity, Inclusion, and Belonging falls under the City of Bloomington's Administration Department. The Office of Racial Equity, Inclusion, and Belonging's mission is to create, lead, manage, and support systems change throughout the organization to ensure equity, inclusion, and belonging is emphasized. The office serves both internal and external customers.

The Office of Racial Equity, Inclusion, and Belonging is funded through the General Fund. The office sets the vision for the City's equity efforts and supports departments in implementing specific equity goals and strategies. Its responsibilities include providing professional learning opportunities for City staff, applying an equity framework to policies, practices, procedures, and decisions, and developing equity tools and policies to guide staff and Council. The office also monitors progress, holds the City accountable for advancing equity, and collaborates with community partners to promote equity and inclusion within Bloomington and the region, driving measurable improvements and reducing disparities.

Authorized Full-Time Position	2025 Budget
Chief Equity & Inclusion Officer	1
Equity & Inclusion Program Manager	1
Office Support Specialist	1
Grand Total	3



Juneteenth Celebration

Bloom in Bloomington Interns

2025 Goals and Objectives

- Develop and launch City-wide equity training framework.
- Support employees and Human Resources in developing an inclusive and equitable work culture.
- Support City leaders and elected officials in providing equitable service delivery in a manner that disrupts racial disparities and inequities.
- Facilitate opportunities for cross cultural and multigenerational community connections including but not limited to sustaining the Welcome to Bloomington Program.
- Expand use of the Language Access Plan (LAP) by continuing training to access language translation and interpretation services

- Provide cultural competency and agility assessments, training, and coaching for Racial Equity Action Team (REAT) members
- Provide coaching opportunities for Employee Resource Groups (ERGs)
- Transition to quarterly new resident meetings hosted at Bloomington Farmers Markets

2024 Accomplishments

- Awarded a Certified Welcoming Designation From Welcoming America, that formally
 recognizes cities and counties that have developed policies and programs demonstrating a
 commitment to immigrant inclusion. This certification assesses local governments on their
 efforts to ensure immigrants can fully participate in civic, social, and economic aspects of
 community life.
- Workforce Diversity Facilitated the second year of the Bloom in Bloomington workforce development program expanding the number of interns and employers
- **Authentic Community Engagement** Partnered with Police Department REAT to host a community barbeque and hosted the second annual Juneteenth Celebration with community partners.

Language Access Plan

The Language Access Plan Policy (LAP) provides the City with guidance, process, practices, and procedures on how to support Limited English Proficient (LEP) communities. The City of Bloomington has 18+ diverse languages spoken and the top 5 languages are: Spanish, Somali, Vietnamese, Cambodian (Khmer), and Mandarin Chinese. This is a collaborative effort between the Community Outreach and Engagement Department and the Office of Racial Equity Inclusion and Belonging.

Racial Equity Action Teams

Racial Equity Action Teams (REATs) withing City departments:

- Support the City of Bloomington's mission to advance racial equity
- Work to implement this mission within our departments by supporting development and implementation of the department's annual racial equity work plan
- Promote the development of respectful and inclusive culture in the department
- Increase staff awareness of the City's commitment to advance racial equity
- Identify opportunities to advance racial equity in the department's programs, practices, and policies
- Serve as a sounding board for racial equity-related workplace issues in the department

Employee Resource Groups

An Employee Resource Group (ERG) is an organizationally supported group of employees who share a common diversity characteristic (e.g., gender, disability status, ethnicity or race, sexual orientation, generation, etc.) – or allies of that group. Formalized under a charter, an ERG supports its members, the employee demographic they represent, and the organization.

There are currently seven ERG's.

- Ethnic Diverse Group of Employees (E.D.G.E) est. 2022
- Women Employee Resource Group (Women ERG) est. 2022
- Bloomington Black Employee Network (BBEN) est. 2022
- Asian American Pacific Islander Employee Resource Group (AAPI ERG) est. 2023
- Prism (LGBTQIA+ ERG) est. 2023
- Better Together (Mental Health and Disability ERG) est. 2023
- Hispanic/Latino Organization for Leadership and Allyship (HOLA ERG) est. 2024

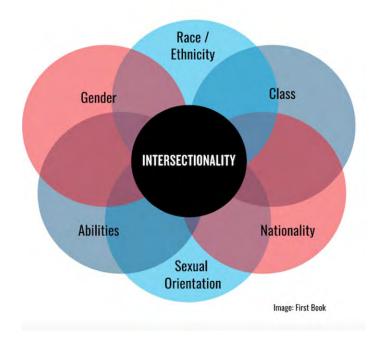
This past year several ERG's hosted amazing events, lunch and learns, guest speakers, peer learning and empowerment opportunities, etc.

Welcome to Bloomington – New Resident Meetings

The Welcome to Bloomington program is an initiative that welcomes new residents to the City of Bloomington and facilitates community connections. In alignment with Bloomington Together Tomorrow (BTT), Welcome to Bloomington desires to have an inclusive and welcoming community. One initiative of this program is the new resident meetings, where new residents can connect with staff and community about services and resources.



Workforce Diversity	Inclusive Culture	Equitable Programs and Services	Authentic Community Engagement
 % of BIPOC applicants in the pool of candidates % of BIPOC FT City Employees % of BIPOC PT City Employees % of BIPOC new hires % of BIPOC resignations % of BIPOC interns # of BIPOC employees in leadership positions - # of new or revised job descriptions that incorporate racial equity as a desired competency 	 % of FT and PT employees attending racial equity- training % of supervisors & managers who complete inclusive workforce training # of complaints of racial discrimination in the workforce. Employee inclusive culture survey results. Employee engagement survey results disaggregated by race. 	 # of staff trained to use racial equity toolkit. # of improvements made to design or implementation of services/programs based upon racial equity toolkit results. # of Departments / Divisions tracking service data disaggregated by race. 	 % of BIPOC residents serving on Boards and Commissions. # of Departments who design and implement community engagement plans utilizing the community engagement toolkit.



Office of Racial Equity, Inclusion, & Belonging Financial Summary

	2023 Actual	2024 Projected	2025 Budget
Revenues			
Other Revenues	\$ -	\$ 16,000	\$ -
Transfers from Other Funds	-	69,000	-
Total Revenues	-	85,000	-
Expenditures			
Salaries and Benefits	\$ 293,748	\$ 276,546	\$ 423,040
Materials, Supplies, & Services	85,011	113,709	188,042
Capital Outlay			
Transfer to Other Funds	-	-	-
Total Expenditures	378,759	390,255	611,082
Less Expenses Charged to Other Funds	(134,622)	(138,660)	(93,782)
Net Total Expenditures	\$ 244,137	\$ 251,595	\$ 517,300

Parks and Recreation

The Parks and Recreation Department has activities within the General Fund, Enterprise Funds, and a Special Revenue Fund. Administration, Recreation, and the Creekside Community Center activities are located within the General Fund. The Golf Courses, Ice Garden, Aquatics, and Center for the Arts are all in separate Enterprise Funds. Park grant revenue is in a Special Revenue Fund. Parks and Recreation oversees 97 parks and recreational facilities for users to enjoy. The department provides recreational opportunities through programs and facilities offering a wide variety of opportunities for people of all ages and abilities.



Parks and Recreation - General Fund Financial Summary

	2023 Actual	2024 Projected	2025 Budget
Revenues			_
Program Income	\$ 556,126	\$ 615,598	\$ 608,650
Other Revenues	629,220	581,794	680,363
Transfers from Other Funds	-	-	-
Total Revenues	1,185,346	1,197,392	1,289,013
Expenditures			
Salaries and Benefits	5,812,937	6,725,596	7,492,754
Materials, Supplies, & Services	5,392,731	5,635,187	5,923,658
Capital Outlay	395,696	164,472	-
Transfer to Other Funds	-	1,450,000	-
Total Expenditures	 11,601,364	13,975,255	13,416,412
Less Expenses Charged to Other Funds	(371,439)	(382,583)	(242,501)
Net Total Expenditures	\$ 11,229,925	\$ 13,592,672	\$ 13,173,911

Parks and Recreation – Administration

Administration provides leadership, planning, budgeting, and training to support all its divisions.

Authorized Full-Time Position	2025 Budget
Director of Parks & Recreation	1
Deputy Director of Parks & Recreation	2
Facility & Project Supervisor	1
Communications Specialist	1
Administrative Assistant	1
Grand Total	6



2025 Goals and Objectives

- Continue cross-departmental collaboration for Bloomington Forward Project Teams to manage Bloomington Ice Garden, a Community Health and Wellness Center on the Creekside campus, and the Nine Mile Creek Corridor Renewal project scopes, project delivery, budget alignment, and timelines.
- Collaborate with central communications and Community Outreach and Engagement Division (COED) to deliver individual communication and engagement plans for all three Bloomington Forward projects including timelines, staffing, engagement and communication goals, key strategies, and reporting.
- Continue to provide project updates on the Bloomington Forward website and individual project pages.
- Hire consultants and begin community engagement for the design of the Nine Mile Creek Corridor Renewal Project
- Complete plans for the Bryant Park Renovation Project and Tretbaugh Bike Skills Park and begin construction.
- Develop a park shelter building design standard concept.
- Continue using Placer.ai for data-driven reporting and decision guidance for parks and recreation facilities, trails, and parks. Select vendors to provide professional services for several components of the CHWC project including sustainability

- funding and resources, fitness center design and equipment procurement, and indoor play design and equipment procurement.
- Select vendor to explore naming rights and sponsorship options for the Bloomington Ice Garden ("BIG"), the Community Health and Wellness Center ("CHWC"), and potentially other property assets owned by the City of Bloomington and under the control and management of the Parks and Recreation Department.
- Hire and onboard a new Community Health and Wellness Center Manager and Recreation Manager.
- Develop and implement the reclassification of a Data and Strategic Alignment position within the Parks and Recreation Department as suggested in the Park System Master Plan.
- Continue negotiations for the Bloomington Public Schools District Master agreement with the City of Bloomington Parks and Recreation department.
- Implement new Food and Beverage Strategic Plan for concessions at the Bloomington Family Aquatics Center, Dwan Golf Course, and the Ice Garden (once it reopens in October).
- Continue to communicate changes to reservations and facility use to support the Regional Parks maintenance transition to Three Rivers Park District.

Performance Measures

Strategic Priority	Performance Measure	2022 Actual	2023 Actual	2024 Actual	2025 Goal
Connected, welcoming community	Nine Mile Creek Corridor Renewal Project Design	n/m	n/m	50% Complete	100% complete
Connected, welcoming community	Completion of design for Bryant and Tretbaugh Park Renovation	10%	50% complete	100% complete	100% constructed
Connected, welcoming community	Resident support of Bloomington Sales Tax for all new facilities is received	No Tax Bill	100% complete	n/a	n/a
Healthy Community (Environment)	Complete a City-Wide Forestry Plan	n/a	n/a	50% Complete	75% complete
Connected, welcoming community	Inventory of park assets, condition, combined with natural resources and programing data that is integrated with existing software programs	50% complete	90% complete	90% Complete	100% complete
Healthy community (Environment)	Natural resources funding is programed according to the Plan to restore natural areas to achieve a healthy, diverse, and balanced park system	70% complete	100% complete	n/a	n/a

n/m = not measured

Parks and Rec. Admin. Div. - General Fund Financial Summary

		2023 Actual	2024 Projected		2025 d Budget	
Revenues						
Program Income	\$	4,208	\$	6,084	\$	2,500
Other Revenues		550,871		492,562		592,710
Transfers from Other Funds						
Total Revenues	,	555,079		498,646		595,210
Expenditures						
Salaries and Benefits		969,645		1,063,183		1,190,212
Materials, Supplies, & Services		403,397		548,479		580,751
Capital Outlay		-		48,967		-
Transfer to Other Funds						
Total Expenditures		1,373,042		1,660,629		1,770,963
Less Expenses Charged to Other Funds		(77,789)		(80,123)		(47,552)
Net Total Expenditures	\$	1,295,253	\$	1,580,506	\$	1,723,411

Parks and Recreation – Recreation

Parks and Recreation focuses on preserving, managing, and programming the City's vast parks system of 3,700 acres for the enjoyment of people of all ages and abilities. The division provides a wide range of activities for all ages, from highly competitive individual and team sports to youth summer programming to community wide special events to self-directed leisure activities.

Authorized Full-Time Position	2025 Budget
Recreation Manager	1
Recreation Supervisor	4
Recreation Coordinator	1
Office Support Specialist	1
Grand Total	7

2025 Goals and Objectives

- Finalize agreement with the School District regarding joint initiatives.
- Assist with the continued planning of the programming at the new Community Health and Wellness Center.
- Create and distribute a winter activity catalog.
- Reinvigorate youth and family art education class in the Bloomington Center for the Arts.
- Implement two new Indigenous based initiatives including Indigenous Arboretum and Indigenous Art Fair.

Performance Measures

Strategic Priority	Performance Measure	2022 Actual	2023 Actual	2024 Actual	2025 Goal
	Attaining enrollment capacity for fee-based youth and family programs	n/m	n/m	n/m	75%
	Increase program offering during 12 week summer school off period.	n/m	n/m	58.3%	100%
Connected,	Participations in adaptive recreation programs including adaptive softball and adaptive dances	55	243	513	550
welcoming	´	21,000	17,000*	20,000	22,000
community	Percent of community survey respondents that rated the overall quality of parks and recreation opportunities as excellent or good	86%	86%	88%	90%
	Percent of community survey respondents that rated the overall quality of recreation programs or classes as excellent or good 78%	78%	73%	80%	
	Reg. fee revenue for adult sport leagues	\$ 159,750	\$163,389	\$171,625	\$180,000

^{*}Excessive heat cancelled or detoured attendance

n/m = not measured



Parks and Rec. Recreation Div. - Gen. Fund Financial Summary

	2023 Actual	2024 Projected			
Revenues					
Program Income	\$ 456,677	\$	514,748	\$	549,950
Other Revenues	76,294		73,412		87,128
Transfers from Other Funds					
Total Revenues	532,971		588,160		637,078
Expenditures					
Salaries and Benefits	972,853		1,051,101		1,496,459
Materials, Supplies, & Services	773,590		739,852		783,959
Transfer to Other Funds					
Total Expenditures	\$ 1,746,443	\$	1,790,953	\$	2,280,418
Less Expenses Charged to Other Funds					
Net Total Expenditures	\$ 1,746,443	\$	1,790,953	\$	2,280,418

Parks and Recreation - Park Maintenance

In 2022 the budget for Parks Maintenance changed from a single Internal Service fund to ten General Fund budgets. These funds pay for the costs associated with the maintenance of City parkland, park buildings and natural resources restoration and management. The budget for 2023 was approved as part of the Public Works budget. In January of 2023 Park Maintenance merged with Park and Recreation and as part of the transition the 2024 budget is included with the Park and Recreation budgets. Implementation of the Park Maintenance and Operations Plan continued during 2024 including a restructuring of Park Maintenance to include new Crew Lead Positions and transforming one Supervisor Position into the role of Park Maintenance Project Manager.

Authorized Full-Time Position	2025 Budget
Assistant Director of Parks & Natural Resources	1
Park Maintenance Supervisor	2
City Forester	1
Natural Resources Specialist	1
Park Maintenance Crew Leader	5
Parkkeeper	19
Grand Total	29

2025 Goals and Objectives

- To support strategic priorities through efficient and sustainable maintenance practices of Parks, Natural Resources and Urban Forestry:
 - o Implement action steps from Park System Master Plan
 - o Implement Park Maintenance and Operations Plan aligning resources with established standards.
 - Complete Park inventory data analysis and GIS development project that will help us understand, protect our Park system, and plan the future.
 - Undertake an Urban Forest Master Plan that includes canopy analysis and ROW Inventory. This plan will provide Bloomington with a strategic vision for community tree care and management into the future.
- Participate in the capital improvement process to prioritize and cost out improvements to Park facilities to prepare the Capital Improvement Plan.
- Explore improved maintenance options that are environmentally sustainable and financially responsible by:
 - o Continue efforts to minimize the impact of EAB by planting trees from our gravel bed nursery.
 - o Converting more turf parkland into more self-sustaining native prairie plant communities.
 - Seek grants and implement projects from the MN River Valley and Natural Resource Prioritization and Management Plan.

- Complete the Geographic Information System project to provide a park asset inventory and condition rating, operationalize Equity Prioritization Model, and inform program delivery.
- Develop systems and processes for updating GIS data on work products and projects and train Park Maintenance staff to utilize these systems consistently and completely.

Strategic Priority	Performance Measure	2022 Actual	2023 Actual	2024 Actual*	2025 Goal
Core	Percent of Resident Surveys rating Parks as good or excellent quality.	N/A	N/A	84%	90%
	Park Maintenance Standards are met 90% frequency	N/A	N/A	90%	90%
	Inspect inventoried park amenities and update as needed.	N/A	N/A	100%	100%

^{*}We began tracking measures in 2024 and will determine goals going forward.







Parks and Rec. Park Maint. Div. - General Fund Financial Summary

	2023 Actual	2024 Projected	2025 Budget
Revenues			
Intergovernmental	\$ -	\$ -	\$ -
Interest Income			
Other Revenues	1,608	15,911	-
Transfers from Other Funds	-	-	-
Total Revenues	1,608	15,911	-
Expenditures			
Salaries and Benefits	3,350,587	4,108,842	4,090,088
Materials, Supplies, & Services	3,710,227	3,830,775	3,992,637
Capital Outlay	395,696	115,505	-
Transfer to Other Funds		1,450,000	-
Total Expenditures	7,456,510	9,505,122	8,082,725
Less Expenses Charged to Other Funds	 (293,650)	(302,460)	(194,949)
Net Total Expenditures	\$ 7,162,860	\$ 9,202,662	\$ 7,887,776

Parks and Recreation – Creekside Community Center

The Creekside Community Center is home to active adult programming, various community partner organizations and activities, as well as open to community rentals. It is a facility in which the community can gather to connect with their friends and neighbors while participating in a variety of programs. Creekside will close in 2025 and a new Community Health and Wellness Center will be built. The new center will replace the existing Public Health and Creekside Community Center buildings and be located on the current Creekside site at 9801 Penn Ave. South.

Authorized Full-Time Position	2025 Budget
Community Health & Wellness Center Manager	1
Recreation Manager	1
Recreation Supervisor	1
Office Support Specialist	1
Maintenance Worker	1
Grand Total	5



2025 Goals and Objectives

- Develop a plan and implement the transition of Creekside programs and staff to the Center for the Arts and Logan Avenue buildings in April May.
- Hire and onboard a new Seniors Program Coordinator.
- Develop and deliver a clear communications plan to articulate the location and details for Creekside programs transitioning to the Logan Avenue building and Art Center.
- Continue community engagement with Creekside seniors for project updates, timelines, closure information, and construction timelines.
- Work with current user groups on continuation of services plans
- Create and distribute monthly 50+ programming materials

Performance Measures

Strategic Priority	Performance Measure	2022 Actual	2023 Actual	2024 Actual	2025 Goal
Core Service	Operating revenue as a % of operating expenses	10.5%	10%	10.28%	9%*
	Program registration fee revenue for active adult programming	\$16,873	\$16,292	\$21,379	\$16,000*
	Number of unique Park and Recreation older adult Creekside program participants**	1243	1552	1166	1200*
	Number of on-going active adult programs	35	37	38	38*
	Number of special events	20	23	30	24*

^{*}Creekside Community Center closing in May of 2025 and programming moving to Logan Lodge.

^{**}Does not include partner program and facility rental participants. Each person is only counted once per year.



Parks and Rec. Creekside Division - Gen. Fund Financial Summary

	2023			2024	2025	
		Actual Projected		Projected	Budget	
Revenues	' <u> </u>					_
Program Income	\$	95,241	\$	94,766	\$	56,200
Other Revenues		447		(91)		525
Transfers from Other Funds						
Total Revenues		95,688		94,675		56,725
Expenditures						
Salaries and Benefits		519,852		502,470		715,995
Materials, Supplies, & Services		505,517		516,081		566,311
Transfer to Other Funds						
Total Expenditures		1,025,369		1,018,551		1,282,306
Less Expenses Charged to Other Funds		-		-		-
Net Total Expenditures	\$	1,025,369	\$	1,018,551	\$	1,282,306

Parks and Recreation – Aquatics

The Aquatics Enterprise Fund includes the Bloomington Family Aquatic Center and the Cedarcrest Splash Pad. Bush Lake Beach and its operations were formerly a part of this fund since partnering with Three Rivers Park District on operations and maintenance in regional parks.

Bloomington Family Aquatic Center

The Bloomington Family Aquatic Center is an eight-lane, 50-meter lap pool with a zero-depth entry. The zero-depth entry includes three tot-slides and water play features. The diving well has a one-meter diving board, a climbing wall, and a drop slide. The facility also has two looping water slides and a concessions operation.



Bush Lake Beach

Bush Lake Beach is a key component of the Hyland-Bush-Anderson Lakes Regional Park Reserve that provides exceptional outdoor recreation opportunities. Convenient parking off East Bush Lake Road provides access to a variety of features and amenities including a designated swimming area, indoor restrooms, a playground, volleyball court, permanent bag toss boards, a large-capacity rentable picnic shelter, additional small picnic gazebos, and several walking and hiking trails. As of January 1, 2025, Bush Lake Beach and the surrounding Bush Lake Park are under the management of Three Rivers Park District.

2025 Goals and Objectives

- Replace Failing Boiler
- Repair pool shell
- Communicate and support the transition of maintenance and operations of Bush Lake Beach to Three Rivers Park District as of January 1, 2025.
- Implement the Food and Beverage Strategic Plan including equipment upgrades and menu changes to enhance food and beverage offerings and increase food and beverage sales in 2025.

Performance Measures

Strategic Priority	Performance Measure	2022 Actual	2023 Actual	2024 Actual	2025 Goal
Connected, welcoming community	Number of Season Passes sold	2174	2716	2497	3,000
	Number of Daily Pass Visits	27,503	28,416	29,235	35,000
	Percent of survey respondents that were overall satisfied or highly satisfied with the BFAC	91%	85%	92%	95%

Aquatics - Enterprise Fund Financial Summary

	2023 Actual	2024 Projected	2025 Budget
Revenues			
Property Taxes	\$ 465,000	\$ 500,000	\$ 335,000
Program Income	386,560	401,838	265,000
Other Revenue	15	(74)	-
Intergovernmental	67,137	51,753	-
Interest Income	41,653	30,861	6,000
Transfers from Other Funds	-	-	-
Total Revenues	960,365	984,378	606,000
Expenses			
Salaries and Benefits	468,046	491,963	444,487
Materials, Supplies, & Services	426,825	431,527	301,717
Capital Outlay	164,951	57,317	75,000
Transfer to Other Funds			
Total Expenses	1,059,822	980,807	821,204
Working Capital			
Net Change	(99,457)	3,571	(215,204)
Working Capital at Beginning of Year	871,066	771,609	775,180
Working Capital at End of Year	\$ 771,609	\$ 775,180	\$ 559,976

Parks and Recreation – Center for the Arts

This Enterprise Fund accounts for the revenues and expenses of the Bloomington Center for the Arts (BCA) which provides high quality arts and cultural experiences for residents, patrons, and participants. BCA serves a diverse group of constituents and community events. It is headquarters to seven independently owned and operated non-profit arts organization tenants, houses several civic engagement programs, hosts large-scale city and community annual festivals, serves as an extension of Civic Plaza for city departmental use, operates community arts education programs, offers a diverse array of spaces rentable for City and private functions, has two art galleries featuring local visual artists and exhibitions, and hosts over 150 events and performances annually. With diverse facilities such as the Schneider and Black Box Theaters, art galleries, rehearsal spaces, and education classrooms, the Center for the Arts is a magnet for people looking for enriching experiences in the arts.

Authorized Full-Time Position	2025 Budget
Center for the Arts Manager	1
Center for the Arts Assistant Manager	1
Maintenance and Production Superintendent	1
Grand Total	3

2025 Goals and Objectives

- Replace Schneider Theater stage and trap doors.
- Update Schneider Theater wall paint, trim, and fabrics to align with new seats.
- Complete acoustic treatment of Schneider Theater HVAC system to dampen noise.
- Replace Schneider Theater Orchestral Shell and purchase new performance furniture.
- Continue to engage new arts partnerships with racially diverse artists and arts organizations including arts partners that are BIPOC, LGBTQ+, and women owned.
- Conduct meetings with Resident Arts Organizations to highlight benefits of the partnership, strengthen relationships, improve communication, and discuss mutual concerns.
- Re-establish Education Programming in BCA classrooms in coordination with Resident Arts Organizations.
- Continue to build a diverse Black Box Performance Series.
- Hire and train a full-time Assistant Manager and Art Center Maintenance and Production Superintendent to accommodate increased facility usage and programmatic interest.
- Perform a Facility Operational Analysis to analyze all aspects of current BCA operations and working business model.

Performance Measures

Strategic	Performance Measure	2022	2023	2024	2025
Priority		Actual	Actual	Actual	Goal
Connected, welcoming community	Make BCA facilities more useable and competitive (# paid rentals)	77	274	236	250

Connected, welcoming community	Maximize rentals in Black Box multi-use space.	6	115	228	225
Connected, welcoming community	Total fees waived or discounted for in-kind use by resident groups, city dept, and city partners. *	\$944,295	\$1,499,698	\$1,851,006	\$1,350,000
Connected, welcoming community	Number of performances by Resident Arts Groups.	83	92	98	95
Connected, welcoming community	Number of performances by BCA Performance Series.	8	14	12	20
Core service	Overall percentage of seats sold. (Goal of 75% of house sold)	44%	72%	79%	80%
Connected	Address inequities and access to program (# of free or reduced ticket nights)	3	4	8	10
Connected, welcoming community	Increase partnerships with women-owned, LGBTQ+ and BIPOC artists, groups/orgs, or those that serve these populations.	4	4	6	8



Center for the Arts - Enterprise Fund Financial Summary

	2023 Actual	2024 Projected		2025 Budget
Revenues				
Property Taxes	\$ 1,000,000	\$	1,000,000	\$ 1,500,000
Program Income	54,172		56,359	90,000
Other Revenue	180,008		250,313	235,000
Interest Income	60,328		51,151	10,000
Transfers from Other Funds	250,000		-	-
Total Revenues	1,544,508		1,357,823	1,835,000
Expenses				
Salaries and Benefits	239,171		300,827	547,351
Materials, Supplies, & Services	1,073,530		968,532	1,047,260
Capital Outlay	143,674		184,804	128,000
Transfer to Other Funds				
Total Expenses	1,456,375		1,454,163	1,722,611
Working Capital				
Net Change	88,133		(96,340)	112,389
Working Capital at Beginning of Year	1,281,988		1,370,121	1,273,781
Working Capital at End of Year	\$ 1,370,121	\$	1,273,781	\$ 1,386,170

Parks and Recreation – Golf Courses

The Golf Enterprise Fund includes two golf courses operated by the City of Bloomington: Dwan and Hyland Greens via an operating agreement with the Three Rivers Park District.



Dwan Golf Course

Dwan Golf Course is an award-winning 18-hole regulation length golf course that is home to a wide variety of weekly leagues and groups. Dwan offers three tee options for men playing to a Par of 68 and three tee options for women playing to a Par of 70. Dwan also offers a shorter fourth tee option for juniors, seniors, and novice players.

Dwan finished the 2024 season recording its seventh straight year of revenue growth and collected the highest gross sales total in Dwan's history. Gross sales totaled \$2,256,782 up \$111,915 and 5.2% higher than 2023 and 75% growth compared to 2019.

Dwan recorded 53,356 rounds in 2024 up 1,999 rounds and 3.9% above the modern rounds record played in 2023. According to Golf Datatech, an industry rounds tracking agency, rounds played in 2024 in the Twin Cities golf market were up 1.6%. Dwan exceeded the market increase by more than 100%. Annual rounds played at Dwan have increased 46% since 2019 compared with the national average of 12.5% since 2019.

The National Golf Foundation released their findings, and key indicators point to the golf industry experiencing its highest rate of popularity since the late 1990's.

The renewed popularity in golf is being driven by several factors including significant increase in play by women, juniors and people of color.

The National Golf Foundations 2024 Graffis Report reports that the number of women participating in golf grew 25% from 2019 to 2023.

- As of 2023, women comprise 26% of all on-course golfers in the United States.
- There were more on-course youth golfers (18 and under) in 2023 than in any year since 2006
- The NGF reports that 6.1 million people of color participated in golf in 2023, up 27% from 2019.
- People of color represent 23% of green-grass golfers, a new high for participation.

Dwan's numbers have exceeded the growth rate nationally in rounds and women participation since 2019.

Dwan expects play to remain strong for the foreseeable future with continued interest in league play and the growing representation in a more diverse player profile of seniors, women, juniors and minority groups. Macro golf trends positions Dwan favorably to maintain rounds in the 45,000 plus per year range, however favorable weather is needed to sustain more than 50,000 rounds annually.

Hyland Greens Golf Course

In February 2024, the Bloomington City council conveyed Hyland Greens Golf Course land to be owned and operated by the Three Rivers Park District. A conservation easement was drafted to permanently preserve the property as a public recreation space or public open space. Three Rivers Park District operated the golf course in 2024 and plans to continue as a golf course in the foreseeable future. The City of Bloomington's Park and Recreation Department and the Three Rivers Park District co-promoted lesson series for youth, beginners, and adults in 2024 and will offer co-promoted lessons in 2025.

Authorized Full-Time Position	2025 Budget
Golf Course Manager	1
Assistant Golf Course Manager	1
Golf Course Maintenance Superintendent	1
Assistant Golf Course Maintenance Superintendent	1
Golf Course Equipment Manager	1
Grand Total	5

2025 Goals and Objectives

- Dwan completed the removal of all the deceased Ash trees in 2024, totaling more than 120 trees. Staff secured funding for 2025 to begin a tree reforestation program over a multi-year period. Trees will be strategically located and vary in size and consist of a variety of species.
- Dwan developed a multi-year plan in 2023 to systematically improve the playability of its bunkers. Select bunkers were improved in 2024 including the North practice bunker and green complex. Postponement of the course renovation plan necessitates that Dwan staff will need to continue to upgrade more bunkers in 2025.
- Dwan will work with Park Maintenance Natural Resources staff to improve, maintain and create natural areas and flower beds. Specific goals in 2025 are to install flower beds along the East side entry and Hole #17 bridge.
- In 2024 Dwan management drafted a multi-year golf course assessment plan to improve and repair aging physical assets on the golf course. The plan consisted of 42 unique upgrades and 30% of them were completed in 2024 with the goal of completing 50% of the projects in 2025.
- City council postponed the planned clubhouse replacement and course improvement CIP upgrade from 2026 to 2028.
- Due to the postponement of the new clubhouse until 2028 Dwan will work with facility maintenance in 2025 to address safety, repair, workstation ergonomics and aesthetic upgrades.
- Dwan Golf Operations plan to implement a cloud-based tee sheet wait list software to fill cancelled tee times and improve customer booking experience.
- Dwan will implement a Food and Beverage Strategic Plan in 2025 including equipment upgrades and menu changes to enhance food and beverage offerings and increase food and beverage sales in 2025.
- Support the City of Bloomington's legislative request for the state to create special legislation to allow the City of Bloomington to serve full strength beer and wine at Dwan Golf Course.

Performance Measures

Strategic Priority	Performance Measure	2022 Actual	2023 Actual	2024 Actual	2025 Goal
	Maintain Total number of rounds	49,089	51,357	53,357	51,268*
Core service	Total gross golf course revenue	1,843,549	2,144,867	2,256,782	2,204,524**
Service	Operating revenue as percent of operating expense.	108	107	112	N/A

^{*} Rounds based upon three-year average 2022-2024 ** Gross revenue based upon \$43 per round









Golf Courses - Enterprise Fund Financial Summary

	2023 Actual	2024 Projected	2025 Budget
Revenues			
Property Taxes	\$ 161,343	\$ 105,565	\$ -
Program Income	2,144,937	2,255,202	2,021,365
Other Revenue	(70)	(55)	-
Interest Income	35,910	49,449	1,000
Transfers from Other Funds	-	-	-
Total Revenues	2,342,120	2,410,161	2,022,365
Expenses			
Salaries and Benefits	1,142,764	1,238,329	1,225,551
Materials, Supplies, & Services	727,155	744,250	1,134,307
Capital Outlay	127,470	59,781	90,000
Transfer to Other Funds			
Total Expenses	1,997,389	2,042,360	2,449,858
Working Capital			
Net Change	344,731	367,801	(427,493)
Working Capital at Beginning of Year	728,964	1,073,695	1,441,496
Working Capital at End of Year	\$ 1,073,695	\$ 1,441,496	\$ 1,014,003

Parks and Recreation - Ice Garden

The Ice Garden Enterprise Fund is the fund that accounts for the operations of the Bloomington Ice Garden or "BIG." BIG is a premier, 126,000-square-foot facility and rents over 10,000 hours of ice annually and welcomed more than 465,000 visitors in 2024, according to Placer.ai data. BIG hosts a variety of hockey and figure skating events, including local, state, and regional competitions. BIG has three rinks with a total seating capacity of 2,500 that are used primarily for youth and high school hockey and figure skating activities, and a dry land training area. BIG hosts 20-25 special events annually including hockey tournaments, figure skating competitions, and other social events through space rentals. Programmatically BIG offers public skating, open hockey, Pro's Ice, facility rentals, a variety of family friendly programs, and operates concession services. Skating lessons are offered for both youth and adults by professionally trained instructors. BIG will undergo a major renovation and full facility closure starting in mid-March 2025 and will reopen in fall 2025.

Authorized Full-Time Position	2025 Budget
Ice Garden Manager	1
Assistant Ice Garden Manager	1
Ice Garden Maintenance Superintendent	1
Ice Garden Arena Specialist	1
Maintenance Worker	2
Grand Total	6





2025 Goals and Objectives

- Complete the Bloomington Forward Ice Garden Modernization project scheduled for full closure mid-March with reopening planned for early October 2025.
- Hire the new Ice Garden Arena Specialist position.
- Explore options for a new e-ticketing solution for high school hockey games and special events.
- Participate in the RFP process for Naming Rights and Sponsorship of Parks and Recreation facilities and amenities in the Bloomington Park System.
- Implement the Food and Beverage Strategic Plan with reopening of facility including equipment upgrades and menu changes to enhance food and beverage offerings and increase food and beverage sales in 2025.

Performance Measures

Strategic Priority	Performance Measure	2022 Actual	2023 Actual	2024 Actual	2025 Goal
Core	Operating Revenue as a percent of Operating Expense	96%	97%	115%	65%
service	Hours of Ice Utilized	10,182	10,848	10,923	5,150
	Total Operating Revenue	\$1,705,436	\$2,084,103	\$2,286.350	\$1,144,500

Ice Garden - Enterprise Fund Financial Summary

		2023 Actual	2024 Projected		2025 Budget
Revenues			,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,		
Property Taxes for Debt Service		200,835	199,63	0	198,432
Property Taxes for Operations		125,000	125,00	0	200,000
Program Income		2,056,520	2,215,20	4	1,142,500
Other Revenue		16,689	63,57	7	2,000
Intergovernmental		-		-	-
Interest Income		9,332	9,29	19	1,000
Transfers from Other Funds		-		-	-
Total Revenues	<u> </u>	2,408,376	2,612,71	0	1,543,932
Expenses					
Salaries and Benefits		944,676	997,76	0	902,408
Materials, Supplies, & Services		976,862	1,036,17	8	853,930
Capital Outlay		231,846	132,95	1	11,500
Debt Service		186,926	185,74	:3	191,926
Transfer to Other Funds		-		-	-
Total Expenses	'	2,340,310	2,352,63	2	1,959,764
Working Capital					
Net Change		68,066	260,07	'8	(415,832)
Working Capital at Beginning of Year		307,281	375,34	.7	635,425
Working Capital at End of Year	\$	375,347	\$ 635,42	5 \$	219,593

Parks and Recreation Special Revenue

The Park Grants Special Revenue Fund receives "Lottery-in-lieu-of-sales tax" revenues from the State's Environment and Natural Resources Fund along with "Legacy" revenues from the State's Parks and Trails Fund. These revenues are restricted to use for operational and maintenance costs associated with the Hyland-Bush-Anderson lakes Regional Park Reserve.

Examples of operational and maintenance expenditures funded by these revenues include:

- Normandale Lake Band Shell repairs
- Prairie restorations
- Picnic shelter repairs
- Trail and parking lot maintenance
- Bush Lake facility improvements



2025 Goals and Objectives

In 2024 the City and Three Rivers Park District executed a Cooperative Agreement to assign the operations and maintenance of all City-owned regional park units to the Park District. The primary changes in this fund include reduced revenues and related expenditures as Lottery-In-Lieu funds transition to the Three Rivers Park District. Additionally, there are increased expenses in Forestry and a proposed \$165,000 transfer from the Strategic Priorities Fund.

Performance Measures

The Park District and the City staff will develop a five-year Capital Improvement Program and further abide by and operationalize the Cooperative Agreement.



Parks & Recreation - Special Revenue Fund Financial Summary

	2023 2024 Actual Projected		2025 Budget	
Revenues			·	
Property Taxes	\$ -	\$	185,000	\$ 185,000
Special Assessments	-		9,013	8,000
Program Income	-		259,309	280,000
Intergovernmental	90,446		64,542	165,000
Interest Income	14,254		9,516	4,000
Other Revenues	-		15,600	20,000
Transfers from Other Funds	-		498,163	-
Total Revenues	104,700		1,041,143	662,000
Expenses				
Salaries and Benefits	39,156		41,367	-
Materials, Supplies, & Services	51,532		1,079,710	714,725
Transfer to Other Funds				
Total Expenses	90,688		1,121,077	714,725
Working Capital				
Net Change	14,012		(79,934)	(52,725)
Working Capital at Beginning of Year	70,168		84,180	4,246
Working Capital at End of Year	\$ 84,180	\$	4,246	\$ (48,479)

Police Department

A primary amount of the Police Department activities are within the General Fund and there are also police activities within other funds. There are six Special Revenue Funds for tracking forfeitures, grants, and other revenues that are restricted or committed to expenditures for specific purposes within the Police Department. There is a separate Enterprise Fund for Contractual Services for Police Officer overtime that is billed to outside vendors, as well as the Public Safety Technology and Equipment Fund which is an Internal Service Fund for purchases and operations of radios, mobile digital computers, body-worn cameras, and other Police Department equipment as well as Fire Department equipment.



In 2024, the authorized sworn strength of the Bloomington Police Department (BPD) increased from 128 to 129 full sworn strength capacity. The BPD employee allocation is 187 staff members, of which 166 are permanent full-time positions. 129 are sworn police officers. Thanks to funding from the Public Safety Aid (PSAID), BPD was able to exceed its full sworn officer capacity in order to be better prepared for upcoming retirements.



The Police Department provides safety within our community, prevents crime through an easily recognizable presence, engagement with our community, enforces state and local laws fairly, respectfully, and aggressively, offers social services, access to therapist, and provides crime prevention programs. The Patrol Division provides 24-hour-a-day service to the community by responding to crimes, traffic accidents, medical emergencies, fires, public safety hazards, domestic disputes, providing proactive policing, and meeting other community needs. More than 142,614 emergency and non-emergency phone calls are logged into the dispatch center annually. Of these, 49,200 are emergency (911) calls coming into the dispatch center, but not all these calls result in a request for police services.

Other Police Department units include the South Loop Unit, Traffic Investigations Unit, Crime Services Unit, K-9 Unit, and Emergency Management, Police Reserves and Animal Control. In addition, the Police Department also has an Emergency Services Group (ESG). The ESG is comprised of the Emergency Response Unit (ERU), the Bomb Squad, the Crisis Negotiators Unit, the Tactical Support Unit, and the Mobile Field Force (MFF) Unit. The specialty units use already authorized staff as needed. The Police Department oversees the Police Special Revenue, Contractual Police and Public Radio funds which are proprietary funds. The South Loop Unit is paid for through liquor and lodging taxes dedicated to South Loop Unit expenses.

Police - General Fund Financial Summary

		2023 Actual	2024 Projected		2025 Budget
Revenues					
Program Income	\$	248,860	\$	575,703	\$ 378,400
Intergovernmental		4,327,071		1,917,065	1,969,309
Other Revenues		69,264		130,412	-
Transfers from Other Funds		2,100,351		2,521,469	2,282,655
Total Revenues		6,745,546		5,144,649	4,630,364
Expenditures					
Salaries and Benefits		24,530,755		28,032,773	28,969,559
Materials, Supplies, & Services		7,460,783		8,504,506	9,373,703
Capital Outlay		232,019		16,052	-
Transfer to Other Funds		-		-	-
Total Expenditures	<u>-</u>	32,223,557		36,553,331	38,343,262
Less Expenses Charged to Other Funds		(337,199)		(347,315)	(365,517)
Net Total Expenditures	\$	31,886,358	\$	36,206,016	\$ 37,977,745

Police – Administration

Police Administration provides overall management and administrative support to the Police Department and comprehensive emergency management support for the City. Resource allocations and decisions within the Police Department are largely guided by our Mission, Vision, and Core Values.



Authorized Full-Time Position	2025 Budget
Chief of Police	1
Deputy Police Chief	2
Executive Assistant	2
Grand Total	5

2025 Goals and Objectives

- Full implementation of the Center for Values-Based Initiatives Model which includes the new Mission, Vision, and Core Value statement. This is a systemic project that will affect hiring, training, promotions, and day-to-day operations of the police department.
- Seek grant opportunities to assist with traffic safety issues such as seat belt use, speeding and impaired driving by increasing enforcement efforts; enhance public safety by engaging and educating the community to deter crime and reduce crashes.

- Continue to further develop the Department Wellness program by creating a department wide mentoring program and looking at other ways to improve the physical health of all department employees. Continue to seek funding for increased staffing of police officers to continue to provide the excellence in police services that our community expects.
- In 2024 we started the implementation of the Civilian Jailer Program. Three civilian jailers were hired in 2024 to take over the responsibility of maintaining the security of the BPD Jail facility by ensuring the safety of arrested individuals, staff, and visitors. This program provides the ability to reassign those sworn personnel, normally assigned to oversee the Jail, onto the street, thus increasing the number of officers to respond to emergency calls for service. We plan to hire a fourth civilian jailer in 2025 which will give 24-hour civilian jailer coverage. The next phase is to hire an additional two (2), for a total of four (4) positions to provide twenty-four (24) hour coverage.
- Continue to enhance our community engagement by increasing our use of social media. We plan to increase our investment in additional media formats to improve our communication and interactions with the public.

Performance Measures

Strategic	Performance Measure	2022	2023	2024	2025
Priority		Actual	Actual	Actual	Goal
Connected, welcoming community	Increase the diversity of police officers with the Pathways to Policing program and a new Cadet program	4	4	4	2

- Continued to monitor goals and measurable objectives for the Police Department, these
 objectives include directing patrols based on statistics and information showing problems
 areas; conducting high visibility traffic enforcement in known crash areas; and using
 technology to deter crime and apprehend criminals in areas of increased criminal activity.
- We will continue to monitor goals and measurable objectives related to citizens in crisis and those with mental health concerns. Specifically, we will analyze the frequency and demand for follow-ups conducted by our two (2) embedded social workers and the newly implemented therapist program, using this data to make improvements. In 2025, we will work to transition these positions, currently part-time, into full-time roles by 2026.
- In 2025, we intend to create the position of Chief Wellness Officer. The purpose of this role will be two-fold: first, to ensure that the Police Department's Mission, Vision, and Core Values are aligned throughout the organization; and second, to work with the Administration to continue providing programs that support and improve the wellness of all employees. The goal is for this position to become a full-time role in 2026.

Police Admin. Division - General Fund Financial Summary

	2023 Actual	2024 Projected			2025 Budget
Revenues					
Other Revenues	\$ 2,313	\$	497	\$	-
Transfers from Other Funds	77,496		79,500		81,885
Total Revenues	79,809		79,997		81,885
Expenditures					
Salaries and Benefits	1,029,544		1,172,086		1,214,154
Materials, Supplies, & Services	379,356		362,708		304,009
Capital Outlay					
Transfer to Other Funds					
Total Expenditures	1,408,900		1,534,794		1,518,163
Less Expenses Charged to Other Funds	(3,186)		(3,282)		-
Net Total Expenditures	\$ 1,405,714	\$	1,531,512	\$	1,518,163

Police - Operations

Police Operations provides twenty-four hour, seven-day a week response to requests for officer assistance, including crimes, traffic accidents, medical emergencies, and neighborhood problems.



The Investigative Bureau provides follow-up investigation to all reported crimes and proactively investigates narcotics, human trafficking, liquor and tobacco violations. The Special Operations Bureau provides support for high-risk operations with highly trained and specially equipped tactical, hostage negotiation and bomb squad units. The Police Department has six (6) patrol K-9's, one (1) Special Investigations Unit K-9, and in 2024 will be adding one (1) emotional support K9. The Police Department has a unique program where there are several officers trained as Crime Scene Technicians as part of the overall Patrol response resources.

Authorized Full-Time Position	2025 Budget
Commander	5
Sergeant	18
Police Officer	106
Grand Total	129

2025 Goals and Objectives

- Continuing to find ways to improve efficiency and better utilize technology to meet the needs of the Bureaus within the Police Department.
- Continue to partner with Public Health to address the dramatic increase in opioid related overdose deaths in recent years.
- Continue to partner with the Bloomington Fire Department on our combined response to medical calls for service in a manner that best serves the needs of the residents and guests of the city.
- Work with neighborhoods and businesses to identify and solve problems such as repeat calls for service, thefts, and other related criminal activity.
- Focus efforts to recover stolen vehicles using both stationery and mobile Automatic License Plate Reader technology (ALPR) in 2025.
- Continuing Community Engagement Events at each of our elementary schools, Safe Summer Night events, Holiday Helpers in Blue, Santa Cop, Cops and Kids coaching and other activities that will provide positive contact between patrol officers and our youth.
- Maintain a vigorous Field Training Program that emphasizes strong training ethics for the officers hired in 2025.
- Field Training of two "Pathways to Policing" officers to prepare them for patrol duty.

- Continue to work towards zero deaths (TZD) and decrease the number of traffic crashes resulting in injury through aggressive traffic and impaired driving enforcement, with the continuation of a grant funded traffic enforcement details.
- Educate local businesses on the updated laws to prevent the distribution of alcohol, tobacco, and THC products to underage persons.
- Continue to educate hotel/hospitality groups on narcotics and human trafficking to prevent these activities at local hotels.
- Continue to expand on the use of our UAV program to better serve the community, and to enhance the safety of our officers.
- Continue to inform parents, teachers, and social workers how to identify youth drug trends.
- Continue to provide evening and weekend investigative staff and Investigative Bureau personnel beyond traditional business hours and on Saturdays.
- Continue to investigate increasing the number of environmentally friendly vehicles to our fleet.
- Grow the in-house therapist program that provides immediate follow-up "gap" visits to individuals in need.

Performance Measures

Strategic Priority	Performance Measure	2022 Actual	2023 Actual	2024 Goal	2025 Goal
Healthy community (Safety)	Clearance rate of crimes reported	52%	56%	57%	57%
Healthy community (Environment)	Number of hybrid police vehicles	1	0	1	

- Provided auto theft prevention education via different types of communication.
- Currently 18,788 homes, 465 watch groups, and 659 Block Captains in the Neighborhood Watch group.
- Received 142,614 calls to the dispatch center in 2024; 49,200 of these were 911 calls and 202 were text-to-911 calls.
- Responded to 69,206 requests for Police services in 2024.
- Continue to utilize our canine team to detect hazards and apprehend criminals.
- Canine unit deployed on 384 incidents, ranging from apprehensions, locating people or items, and community engagement demonstrations. The unit also formally trained for approximately 1,127 hours.
- In 2024, the K9 unit began the process of adding a Facility Companion Dog, as well as a department Therapy Dog. The Facility Companion Dog will be used for employee mental health and will be housed within the police department 24 hours a day, 7 days a week.

- The Therapy Dog will be assigned to a department member for use with citizens in need of help or to decrease the stress of victims.
- In 2024 we replaced multiple pieces of UAV equipment to assist in technology offered. We
 had 103 total reported instances of UAV deployments or training events. 29 51of those
 incidents involved emergency searches or other searches in support of police calls for
 service.
- 2024 marked the second full year of the BPD Street Crimes Unit. This unit has assisted
 every bureau of the police department with not only directed enforcement of problem
 areas, but also performed countless community outreaches, and community engagements.
 2024 resulted in 1.76 pounds of narcotics recovered, 134 narcotic pills recovered, and 6
 guns recovered as well as 162 arrests made by the Street Crimes Unit
- Worked 303 traffic enforcement details that resulted from citizen complaints and traffic crash data.
- Deployed speed trailers to over 79 different locations throughout the City based upon citizen complaints. We now have 5 speed trailers to keep up with that demand.
- The Traffic Investigation Unit conducted 431 traffic related investigations. 267of those cases were Hit and Run Investigations.
- Continue to work towards zero deaths (TZD) and decrease the number of traffic crashes
 resulting in injury through aggressive traffic and impaired driving enforcement.
 Conducted 46 impaired driving details as well as an additional 154 details which included
 speeding, distracted driving, school bus stop arm violations, crosswalk violations and
 other traffic related offenses.
- Partnered with the Bloomington Public Schools to follow up on School Bus Stop Arm violations which resulted in 84 citations and 949 warning letters sent to vehicle owners/drivers.
- The Bomb Unit responded to 76 total incidents in 2024, including assists to the FBI, United States Secret Service, and the Bloomington Emergency Response Unit. Specifically, 20 were bomb response callouts, 3 were assists to ERU, 40 were assists to US Secret Service, and the remainder consisted of assists to outside agencies and demonstrations. In addition to activation, the Bomb Unit trained over 400 hours. Training consisted of multiple trips outside the state for basic Hazardous Devices School, Explosive Breaching and Ordnance Recognition.
- The Emergency Response Unit (ERU) had 24 49 total activations in 2024, including 32 search warrants, 8 emergency response incidents and 8 armored vehicle rescue request for assistance. In addition, the ERU trained over 240 hours and participated in several community engagement events.
- The Bloomington Police Honor Guard was requested and assisted at 18 events in 2024 ranging from honoring fallen police officers from around the state, to providing ceremonial duties at city events. 2024 also marked the unit being able to replace all formal uniforms, which hadn't been done since the unit's creation in 2006. Three current Honor Guard members are also proud members of the Minnesota state Law Enforcement Memorial Association representing Bloomington at a state level.

5-year Crime Statistics

Category	2020	2021	2022	2023	2024	5-year average
Homicide	6	1	3	2	1	3
Rape	71	40	81	90	52	67
Robbery	70	74	54	47	36	56
Aggravated Assault	158	147	171	162	179	163
Burglary	235	247	163	169	200	203
Theft	2,435	2,580	2,918	3,056	2,713	2,740
Vehicle Theft	277	307	291	253	200	266
Arson	13	16	9	7	13	12

Police Operations Division - General Fund Financial Summary

		2023 Actual	2024 Projected		2025 Budget
Revenues	·				
Program Income	\$	199,389	\$	518,135	\$ 354,400
Intergovernmental		4,205,214		1,713,332	1,406,011
Other Revenues		60,840		122,667	-
Transfers from Other Funds		1,959,516		2,185,168	2,140,770
Total Revenues		6,424,959		4,539,302	3,901,181
Expenditures					
Salaries and Benefits		18,466,644		20,951,724	21,486,843
Materials, Supplies, & Services		5,004,924		5,642,924	6,438,953
Capital Outlay		49,768		12,052	-
Transfer to Other Funds		-		-	-
Total Expenditures		23,521,336		26,606,700	27,925,796
Less Expenses Charged to Other Funds		-		-	-
Net Total Expenditures	\$	23,521,336	\$	26,606,700	\$ 27,925,796

Police – Support

The Police Support division consists of the professional standards unit, the police records unit, dispatch operations, property and evidence control, crime prevention, and animal control functions. These activities support the operational units of the Police Department.

Authorized Full-Time Position	2025 Budget
Support Services Bureau Manager	1
Police Accountant	1
Crime Analyst Supervisor	1
Crime Analyst	1
Dispatch Supervisor	2
Dispatch Training and Quality Assurance Coordinator	1
Public Safety Telecommunicator	12
Community Outreach & Engagement Coordinator – Police	1
Police Records Supervisor	1
Police Data Coordinator	1
Police Records Specialist	7
Property Control Specialist	2
Digital Evidence & Discovery Specialist	1
Animal Control Coordinator	1
Civilian Jail Officer	4
Information Assistant	1
Grand Total	38

2025 Goals and Objectives

- Encourage predictive policing and directed patrols by providing daily information to department personnel and advising of high priority areas.
- Continue to support Business Watch initiatives to help local businesses improve the safety of customers and employees and work to reduce crime.
- Continue to support Neighborhood Watch and National Night Out to communicate with residents and improve their safety and quality of life. In 2024 we visited 317 National Night Out gatherings and connected with an estimated 7,800 residents.
- Continue to expand community engagement efforts, Coffee with a Cop, Safe Summer Nights, Kids to Cops and others and add new types of engagement opportunities.
- Implement online Citizen Reporting to 911 capability to enhance accessibility and efficiency. This allows citizens to request non-emergency calls for service via web portal from their home computer or mobile device.
- Acquire and deploy a new 911 call handling system in partnership with other area agencies, leveraging cost savings and technological advancements.
- Joint training(s) with the owner agencies of the South Metro Public Safety Training Facility (SMPSTF).

Performance Measures

Strategic	Performance Measure	2022	2023	2024	2025
Priority		Actual	Actual	Actual	Goal
Connected, welcoming community	Average time to process, track and fulfill public data requests	1.44 days 4,046 requests	4.9 days 4350 requests	6 days 4418	5 days

- Entered 12,073 police reports into the record management system (RMS).
- Continued using Patrol Online training for all officers to more efficiently provide mandated training while creating opportunity for additional training as desired.
- Met state-mandated training objectives for all personnel:
 - o 48 continuing law enforcement credits every three years.
 - o Other mandated training, such as Use of Force, Pursuit Driving and Community Policing
- Continued to hold regular Multi-Cultural Advisory Board meetings to discuss current issues and sought feedback from the Multi-Cultural Advisory Board regarding new and updated police policies.
- Implemented CAD-to-CAD technology to enhance dispatcher efficiency in relaying medical calls to our EMS partner, reducing response times and streamlining information sharing.
- Deployed a software integration with our records management system to eliminate duplicate data entry, streamlining the booking process and improving data entry accuracy.
- Conducted a Records Assessment and implemented recommended solutions to release bottlenecks and optimize workflow functionality.
- Increased transparency by adding a Data Dashboard to the website with weekly updates.
- Property and Evidence room received 8,308 property items that were held as evidence. This room currently holds over 65,000 pieces of evidence and an average of over 23 items are received each day.
- Continued to expand the Coffee with a Cop program, organized Back to School and Holiday Shoppers in Blue program and continued holding monthly events at locations around the city.
- We continue to have a very strong effective presence on social media via Twitter and Facebook. The PD consistently gets effective engagement with the community that builds upon the mission of the police department and creates a connection on the issues that concern the citizens we serve.



Police Support Division - General Fund Financial Summary

	2023 Actual	2024 Projected		2025 Budget
Revenues				
Program Income	\$ 49,471	\$	57,568	\$ 24,000
Intergovernmental	121,857		203,733	563,298
Other Revenues	6,111		7,248	-
Transfers from Other Funds	63,339		256,801	60,000
Total Revenues	240,778		525,350	647,298
Expenditures				
Salaries and Benefits	5,034,567		5,908,963	6,268,562
Materials, Supplies, & Services	2,076,503		2,498,874	2,630,741
Capital Outlay	182,251		4,000	-
Transfer to Other Funds	-		-	-
Total Expenditures	7,293,321		8,411,837	8,899,303
Less Expenses Charged to Other Funds	(334,013)		(344,033)	(365,517)
Net Total Expenditures	\$ 6,959,308	\$	8,067,804	\$ 8,533,786

Police Contractual Overtime

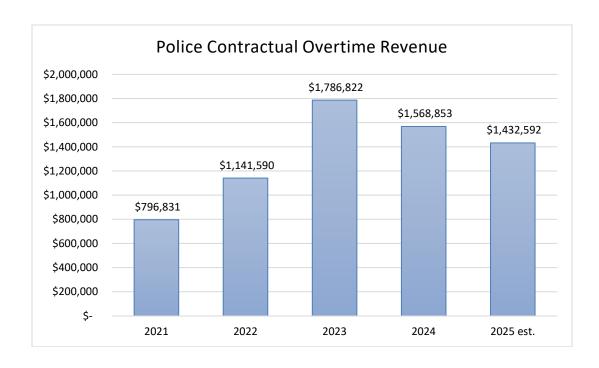
The Police Contractual Overtime Fund is an Enterprise Fund that accounts for the expenses and related revenues for Police Contractual Overtime (COT). The Bloomington Police Department provides contractual services to businesses that are holding special events or functions that require police assistance beyond that which would normally be provided. The businesses receiving contractual police assistance are billed directly from the City for the cost of the police overtime plus related fringe benefits and overhead. This fund allows for better comparability of basic police services with other communities since the expenses are separate from the General Fund.

2025 Goals and Objectives

- Meet requests for levels of police service without burdening the taxpayer. Users of extra
 police service pay the actual costs and related expenses such as the Mall of America
 paying for high visibility deterrent foot patrol details.
- Provide reimbursable police services to enhance public safety during special events and increased visibility during traditional peak retail shopping seasons.

2024 Statistics

- 1,654 events were scheduled for Contractual Police Services as compared to 1819 events in 2023.
- The total number of scheduled events included 2,872 officer positions, down from 3,802, and 37 supervisor positions.
- The business with the largest number of COT events in 2024 was Walmart with 363 events. Walmart contracted two officers daily for the entire year.



Contractual Police Services - Enterprise Fund Financial Summary

	2023 Actual	2024 Projected			2025 Budget
Revenues			•		
Program Income	\$ 1,786,822	\$	1,568,853	\$	1,432,592
Transfers from Other Funds	-		-		-
Total Revenues	1,786,822		1,568,853		1,432,592
Expenses					
Salaries and Benefits	1,681,516		1,493,280		1,354,700
Materials, Supplies, & Services	41,059		(9,039)		17,892
Transfer to Other Funds	63,339		84,612	2 60,0	
Total Expenses	1,785,914		1,568,853		1,432,592
Working Capital					
Net Change	908		(0)		-
Working Capital at Beginning of Year	(908)		0		(0)
Working Capital at End of Year	\$ 0	\$	(0)	\$	(0)

Police - DWI Forfeiture Fund

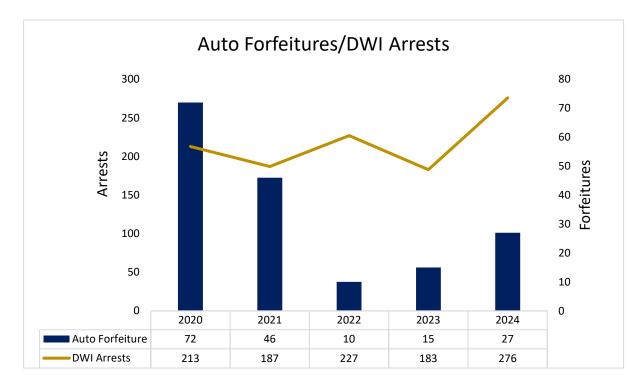
This DWI fund accumulates proceeds from the sale of vehicles seized in DWI arrests and forfeited in accordance with State law and through court order. Police costs for enforcement and a portion of Legal costs are accounted for in this fund.

2025 Goals and Objectives

- Reduce internal costs associated with DWI enforcement to provide additional resources for DWI enforcement.
- Continue efforts to seize vehicles uniformly and fairly under the DWI forfeiture law.
- Internally account for expenses associated with DWI forfeitures to assure proper allocation of expenses.
- To remove access to vehicles for repeat DWI offenders according to due process.

Performance Measures

Processed 27 DWI forfeited vehicles from 276 DWI arrests in 2024.



DWI Forfeiture - Special Revenue Fund Financial Summary

	2023 Actual	2024 Projected		2025 Budget
Revenues				
Intergovernmental				
Forfeitures	\$ 23,181	\$ 20,168	\$	30,000
Interest Income	24,293	20,141		1,000
Transfers from Other Funds				
Total Revenues	47,474	40,309		31,000
Expenses				
Salaries and Benefits	2,628	20,715		45,876
Materials, Supplies, & Services	23,540	27,205		41,330
Capital Outlay	6,855	-		-
Transfer to Other Funds	-	-		-
Total Expenses	 33,023	47,920		87,206
Working Capital				
Net Change	14,451	(7,611)		(56,206)
Working Capital at Beginning of Year	469,877	484,328		476,717
Working Capital at End of Year	\$ 484,328	\$ 476,717	\$	420,511

Police - Enhanced 911

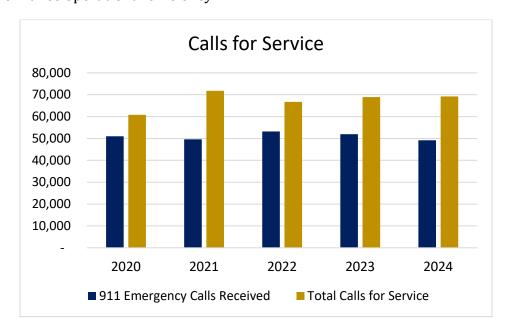
The Enhanced 911 Special Revenue Fund receives funding from the 911 service fees charged to telephone customers. The funds are used for implementation, operation, maintenance, enhancement, and expansion of 911 service, including acquisition of necessary equipment.

2025 Goals and Objectives

- Continue to maintain and improve communications center staffing, training, and equipment.
- Continue to implement recommendations from service assessment in the areas of hiring, retention, quality assurance and data driven decision-making.
- Fully develop a quality assurance program which will help us better serve the community.
- Implement online Citizen Reporting to 911 capability to enhance accessibility and efficiency. This allows citizens to report non-emergency calls for service via web portal from their home computer or mobile device.
- Leverage innovative technology, strategic recruitment and retention practices, and operational enhancements to support employee success and long-term retention.

Performance Measures

- Developed a comprehensive and structured training program to improve performance and retention.
- Introduced new options for employee health and wellness.
- Hired and trained several new dispatchers to strengthen staffing levels and enhance operational efficiency.



Note: Calls for service include any request for police action which originates outside the Police Department, from 911, non-emergency lines and walk-ins. This includes calls for service to the Mall of America.

Enhanced 911 - Special Revenue Fund Financial Summary

	 2023 Actual	2024 Projected		2025 Budget
Revenues				
Intergovernmental	\$ 288,340	\$	230,690	\$ 225,065
Interest Income	2,105		9,444	100
Transfers from Other Funds				
Total Revenues	 290,445		240,134	225,165
Expenses				
Materials, Supplies, & Services	107,875		102,336	149,604
Transfer to Other Funds	54,996		-	-
Total Expenses	162,871		102,336	149,604
Working Capital				
Net Change	127,574		137,798	75,561
Working Capital at Beginning of Year	93,181		220,755	358,553
Working Capital at End of Year	\$ 220,755	\$	358,553	\$ 434,114

Police - Federal Department of Justice Drug Forfeiture

The Federal Department of Justice (DOJ) Drug Forfeiture Special Revenue Fund separately tracks equitable sharing drug forfeiture funds from the DOJ Equitable Sharing Program. Expenditures in this fund must comply with the *Guide to Equitable Sharing for State, Local, and Tribal Law Enforcement Agencies* published by the U.S. Department of Justice and the U.S. Department of the Treasury. DOJ forfeitures are kept in a separate fund and bank account from other City funds in compliance with U.S. Department of Justice guidelines.

2025 Goals and Objective

- Use DOJ drug-forfeited equitable sharing funds to cover law enforcement expenses allowed by the DOJ equitable sharing program.
- Continue to conduct specialized training for narcotics related law enforcement activities such as hotel/motel and motor vehicle interdiction.

Performance Measures

- Officers assigned to the Drug Enforcement Agency investigated several cases that resulted in seizing considerable sums of assets involved in drug trafficking. From those assets, the City of Bloomington received approximately \$175,860 for involvement.
- Removed illicit drugs worth approximately \$1,264,640 from the community.

DRUG FORFEITURE ACTIVITY

	# of Grams	Est. Street Value	# of Grams	Est. Street Value	# of Grams	Est. Street Value
Marijuana	18,597	\$929,875	340,276	\$8,514,652	16,376	\$149,034
Methamphetamine	6,923	533,806	6,137	386,623	6,067	321,567
Fentanyl	13,171	1,857,148	2,039	230,444	4,941	543,538
Cocaine	553	56,909	485	51,410	2,779	247,355
Heroin	168	23,366	239	29,636	27	3,147
TOTAL	39,412	\$3,421,103	349,176	\$9,212,765	30,191	\$1,264,641

Federal DOJ Drug Forfeiture - Special Rev. Fund Financial Summary

	 2023 Actual	2024 Projected	2025 Budget
Revenues			_
Forfeitures	\$ 78,106	\$ 84,045	\$ 20,000
Other Revenues	-	-	
Transfers from Other Funds	 -	-	-
Total Revenues	78,106	84,045	20,000
Expenses			
Salaries and Benefits	-		-
Materials, Supplies, & Services	36,690	6,114	15,000
Capital Outlay	24,591	-	-
Transfer to Other Funds	-	-	-
Total Expenses	61,281	6,114	15,000
Working Capital			
Net Change	16,825	77,931	5,000
Working Capital at Beginning of Year	73,971	90,796	168,727
Working Capital at End of Year	\$ 90,796	\$ 168,727	\$ 173,727

Police - Federal Treasury Drug Forfeiture

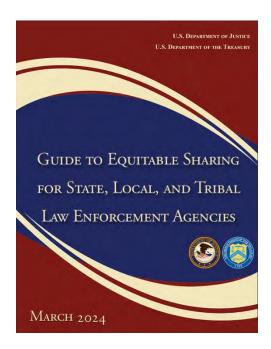
The Federal Department of Treasury (DOT) Drug Forfeiture Special Revenue separately tracks equitable sharing drug forfeiture funds from the DOT Equitable Sharing Program. Expenditures in this fund must comply with the *Guide to Equitable Sharing for State, Local, and Tribal Law Enforcement Agencies* published by the U.S. Department of Justice and the U.S. Department of the Treasury. DOT forfeitures are kept in a separate fund and bank account from other City funds in compliance with U.S. Department of Treasury guidelines.

2025 Goals and Objectives

• Use DOT drug-forfeited equitable sharing funds to cover law enforcement expenses allowed by the DOT equitable sharing program.

Performance Measures

 In 2024 BPD received \$0 in forfeitures from the Department of Treasury drug forfeiture fund.



Fed. Treasury Drug Forfeiture - Special Rev. Fund Financial Summary

	2023 Actual	2024 Projected	2025 Budget
Revenues			
Forfeitures	\$ 7,060	\$ -	\$ -
Interest Income	-	-	-
Other Revenues			
Transfers from Other Funds	-	-	-
Total Revenues	 7,060	-	-
Expenses			
Materials, Supplies, & Services	2,106	149	156
Transfer to Other Funds			
Total Expenses	2,106	149	156
Working Capital			
Net Change	4,954	(149)	(156)
Working Capital at Beginning of Year	 2,328	7,282	7,133
Working Capital at End of Year	\$ 7,282	\$ 7,133	\$ 6,977

Police - State Drug Forfeiture

This State Drug Forfeiture Special Revenue Fund accumulates proceeds from the sale of assets (proceeds or instrumentality of criminal enterprises) seized in drug related arrests under State laws. The funds must be used for law enforcement purposes.

2025 Goals and Objectives

• Use drug-forfeited assets to cover law enforcement expenses that are not funded by the taxpayers.

Performance Measures

• Laws have changed regarding how forfeitures are reviewed and processed. As a result, the funds collected are less than in previous years. In 2024 BPD received \$63,583.88 from State drug forfeiture cases.

State Drug Forfeiture - Special Revenue Fund Financial Summary

		2023 Actual	2024 Projected	2025 Budget
Revenues	•		·	
Forfeitures	\$	33,490	\$ 61,851	\$ 15,000
Interest Income		6,836	1,096	500
Other Revenues		-	-	
Transfers from Other Funds				
Total Revenues		40,326	62,947	15,500
Expenses				
Materials, Supplies, & Services		107,155	-	10,000
Transfer to Other Funds		-	-	-
Total Expenses		107,155	-	10,000
Working Capital				
Net Change		(66,829)	62,947	5,500
Working Capital at Beginning of Year		103,760	36,931	99,878
Working Capital at End of Year	\$	36,931	\$ 99,878	\$ 105,378

Public Health

Mission – To engage the community in promoting, protecting, and improving the health of all. Vision – A healthy community empowered by our locally based support and services.

The Bloomington Public Health Division (Public Health) provides health services across the cities of Bloomington, Edina and Richfield. This relationship has been in place for 48 years, since 1977.

Public Health is responsible for "administration and implementation of programs and services to address the areas of public health responsibility" as defined in the Local Public Health Act (Chapter 145A of Minnesota Statutes). How that is implemented in Minnesota is based on the framework below. Foundational public health services are mandated by law, only provided by governmental public health, and are population-based, focusing on disease prevention, protection and health promotion.

Foundational Public Health Services Community-specific Services **Foundational** Areas Chronic Disease Maternal. Disease Control Linkage with Clinical Care **Public Health** Family Health Organizational Competencies Assessment **Partnership** Equity **Foundational** Development Capabilities Policy Development Accountability Emergency Communications Preparedness & Performance Management phnci 0 February 2022

The funding to fulfill these responsibilities comes from state and federal dollars as well as property tax dollars, fees, and insurance reimbursement. As a nationally accredited health

department, Public Health fulfills its statutory requirements through four program areas:

- **Community Health Services**: Includes the Women, Infants and Children (WIC) Supplemental Nutrition Program, immunizations, follow-up investigations on infectious disease cases, and home visits for eligible families.
- **Population Health**: Includes health in all policies, emergency preparedness, Statewide Health Improvement Partnership (SHIP), substance prevention, population-based support for older adults and follow up on referrals for public health support.
- Operations: Includes insurance reimbursement, data support, informatics, and office administration.
- **Shared Services:** Includes contract/grant management, finance, communications, and performance management, community health assessment/community health improvement plans and national accreditation.

A management team supporting the Division is comprised of leaders from these four areas and the public health administrator. An Advisory Board of Health studies issues affecting the health of residents and makes recommendations to City Council as they perform their duties as a Community Health Board.



Authorized Full-Time Position	2025 Budget
Public Health Administrator	1
Assistant Public Health Administrator	1
Public Health Program Manager	1
Public Health Nurse Supervisor	1
Disease Prevention & Control Supervisor	1
Community Health Supervisor	1
Public Health Program Supervisor	2
Operations Manager	1
WIC Supervisor	1
Accountant	1
Public Health Nurse	7
Public Health Specialist	10
Dietitian	1
Contracts Coordinator	1
Communications Specialist	1
Public Health Billing Specialist	1
Public Health Data Technician	1
Community Health Worker	2
WIC Clerk/Interpreter	1
Office Assistant	1
Grand Total	37

2025 Goals and Objectives

- By third quarter of 2025, complete a pilot for collection of Foundational Public Health Responsibilities data around Division's budget so that we are ready to go live with data collection before January 1, 2026.
- By December 2025, pilot a revised intake process to improve workflow.

Performance Measures

Strategic Priority	Performance Measure	2022 Actual	2023 Actual	2024 Actual	2025 Goal
Healthy community (Human)	Percent of birth parents who are screened for maternal depression on a quarterly basis as part of prenatal home visits	92%	85%	95%	90%
(Tuman)	Percent of authorized WIC caseload met by the City's WIC program on a quarterly basis	100%	100%	97%	95%

Public Health Div. - Gen. Fund Financial Summary

	2023		2024		2025	
	Actual		Projected		Budget	
Revenues						
Program Income	\$	1,087,893	\$	962,759	\$	1,077,193
Intergovernmental		4,779,695		5,056,377		5,185,117
Other Revenues		1,156		949		1,000
Transfers from Other Funds		84,032		180,276		-
Total Revenues		5,952,776		6,200,361		6,263,310
Expenditures						
Salaries and Benefits		4,208,917		4,329,242		5,510,736
Materials, Supplies, & Services		3,210,728		3,666,685		2,915,724
Transfer to Other Funds						
Total Expenditures	\$	7,419,645	\$	7,995,927	\$	8,426,460
Less Expenses Charged to Other Funds		-		-		
Net Total Expenditures	\$	7,419,645	\$	7,995,927	\$	8,426,460

Public Health - Opioid Settlement Funds

The Opioid Settlement Funds Special Revenue Fund is designated for the receipt and expenditure of the National Opioid Settlement Funds. Communities across the United States are receiving opioid recovery funds from multibillion dollar settlements with drug distributors and manufacturers, resolving investigations into the companies' roles in distributing and marketing opioids. In Minnesota, 75% of the funds received from these settlements were allocated to counties and cities to be spent on opioid abatement. Bloomington will receive approximately \$1.9 million over 18 years.



2025 Goals and Objectives

- To support staff in developing a substance prevention program.
- To provide resources as directed by our stakeholders to meet needs in the community around opioid prevention and treatment

Performance Measures

- By the end of 2025, there have been three stakeholder meetings.
- By the end of 2025, two request for proposals have resulted in new and innovative work in Bloomington.

Opioid Settlement Fund Financial Summary

	 2023 Actual	2024 Projected	2025 Budget
Revenues			
Interest Income	3,726	11,725	-
Other Revenues	264,998	335,464	490,133
Transfers from Other Funds	-	-	-
Total Revenues	268,724	347,190	490,133
Expenses			
Salaries and Benefits	-	29,039	139,224
Materials, Supplies, & Services	10,625	20,516	350,909
Capital Outlay			
Transfer to Other Funds			
Total Expenses	10,625	49,555	490,133
Working Capital			
Net Change	258,099	297,635	-
Working Capital at Beginning of Year	70,168	328,267	625,902
Working Capital at End of Year	\$ 328,267	\$ 625,902	\$ 625,902

Public Works

The Public Works Department is responsible for well-maintained streets and infrastructure in the City of Bloomington. It is responsible for infrastructure, an efficient transportation network, maintenance to parks and buildings, and provides utility services to residents and businesses. Along with activities in the General Fund, Public Works has four Utility Enterprise Funds (Water, Wastewater, Storm Water, and Solid Waste) as well as two Internal Service Funds – the Facilities and Park Maintenance Fund and the Fleet Equipment Fund.









Public Works - General Fund Financial Summary

	2023 Actual	2024 Projected		2025 Budget
Revenues				
Program Income	\$ 2,400	\$	1,962	\$ -
Permits and Licenses	25,324		261,655	505,700
Intergovernmental	104,599		7,575	-
Other Revenues	80,004		122,023	54,000
Transfers from Other Funds	1,587,430		1,989,769	1,647,229
Total Revenues	1,799,757		2,382,984	2,206,929
Expenditures				
Salaries and Benefits	8,196,356		8,670,359	9,383,117
Materials, Supplies, & Services	8,513,423		8,413,350	10,001,658
Capital Outlay	112,634		89,158	83,000
Transfer to Other Funds	73,972		326,096	-
Total Expenditures	 16,896,385		17,498,963	19,467,775
Less Expenses Charged to Other Funds	 (3,416,525)		(3,770,803)	(3,877,356)
Net Total Expenditures	\$ 13,479,860	\$	13,728,160	\$ 15,590,419

Public Works - Administration

Authorized Full-Time Position	2025 Budget
Deputy Director of Public Works	1
Public Works Accountant	1
Sustainability Coordinator	1
Sustainability Specialist	1
Office Coordinator	1
Grand Total	5

2025 Goals and Objectives

- Develop an annual workplan for City staff-led sustainability initiatives.
- Work with staff across the City to maintain GreenSteps Cities Level 5 designation.
- Continue implementation of Time of Sale Energy Disclosure.
- Implement a pilot program to provide energy efficiency rebates to small and medium-sized commercial and industrial properties.
- Implement a pilot program to provide discounted commercial and industrial energy audits.
- Connect residents to resources to increase energy efficiency, renewable energy, home electrification, and lower energy bills.



Performance Measures

Strategic	Performance	2022	2023	2024	2025
Priority	Measure	Actual	Actual	Actual	Goal
	Develop and administer an annual work plan for sustainability initiatives	2022 Work Plan developed and completed	2023 Work Plan developed and completed	2024 Work Plan developed and completed	Develop a 2025 work plan for sustainability initiatives
	Earn GreenStep Cities designation	Maintained Level 5 designation	Maintained Level 5 designation	Maintained Level 5 designation	Maintain Level 5 designation
Haalthy	Implement Time of Sale Energy Disclosure Program	Implementation of ordinance underway. ~800 households have completed the TOS Inspection with efficiency metrics.	Approximately 1,000 households tracked efficiency metrics at time of sale through inspection with efficiency metrics.	Approximately 1,000 households tracked efficiency metrics at time of sale through inspection with efficiency metrics.	Approximately 1,000 households track efficiency metrics at time of sale through inspection with efficiency metrics.
Healthy Community (Environment)	Implement a pilot energy efficiency rebate program for commercial and industrial properties and provide discounted energy audits for qualifying buildings				Process ~40 energy efficiency rebates and provide ~50 discounted energy audits to Bloomington commercial and industrial buildings.
	Community engagement around energy efficiency, electrification, affordability, and renewable energy programs.				Have ~900 inperson, one-on-one touch points with residents about energy programs and resources.

- Sustainability initiatives resulted in:
 - o increased energy metric collection through the Time of Sale and Large Business Benchmarking programs.
 - o promotion of the Energy Assistance Program, Weatherization Assistance Program, Home Energy Squad Program®, Renewable*Connect® Flex Program, and business energy efficiency programs.
 - o volunteer activities such as the annual garlic mustard pull and buckthorn bust events.
 - o the maintenance of GreenSteps Cities Level 5 designation.
 - o a discounted rain barrel sale.
 - o ninety-nine residential water efficiency rebates.



Public Works Admin. Division - General Fund Financial Summary

	2023 Actual	2024 Projected		2025 Budget
Revenues				
Program Income	\$ 2,400	\$	1,962	\$ -
Permits and Licenses	5,713		5,590	5,700
Intergovernmental	22,379		7,575	-
Transfers from Other Funds			300,000	-
Total Revenues	30,492		315,127	5,700
Expenditures				
Salaries and Benefits	917,769		898,884	750,487
Materials, Supplies, & Services	252,532		276,776	338,033
Capital Outlay				
Transfer to Other Funds			57,096	
Total Expenditures	1,170,301		1,232,756	1,088,520
Less Expenses Charged to Other Funds	 (494,024)		(508,845)	(594,455)
Net Total Expenditures	\$ 676,277	\$	723,911	\$ 494,065

Public Works – Engineering

The Engineering Division provides design and construction inspection for the City's streets, bridges, water supply, sanitary and storm sewer drainage systems, sidewalks/bikeways, trails, water resource projects and traffic signal systems. It manages more than 15,000 signs, 144 traffic signal systems (including those of the county and others that City doesn't own), the construction of approximately 12-13 miles of reconstructed or overlaid streets per year and other local and regional projects.

Authorized Full-Time Position	2025 Budget
City Engineer	1
Senior Civil Engineer	1
Traffic & Transportation Engineer	1
Assistant Traffic Engineer	1
Civil Engineer	3
Development Coordinator	1
Professional Land Surveyor	1
Senior Engineering Technician	5
Engineering Technician	12
Utility Service Specialist	3
Office Support Specialist	2
Grand Total	31

2025 Goals and Objectives

- Renew the City's transportation and utility infrastructure throughout 2025 in a cost-effective manner to accommodate forecasted growth and to keep costs affordable
- Continue to pursue infrastructure improvements that support the Complete Streets Policy of the City by constructing appropriate facilities throughout 2025.
- Continue to engage the public by using Let's Talk Bloomington and other methods like the Briefing.
- Continue to address ADA needs in the community by updating the ADA Transition Plan along with the installation and upgrading of existing right-of-way facilities with construction plans throughout 2025.
- Complete the transition of the Utility Service Specialists from Utilities to Engineering to manage ROW Utility Permits.

Performance Measures

Strategic Priority	Performance Measure	2022 Actual	2023 Actual	2024 Actual	2025 Goal
Core service	Average street pavement condition rating on the Pavement Condition Index (PCI)	77.8	78.2	78	78
Connected, welcoming community	Number of ADA Accessible Pedestrian Ramps Replaced	211	93	200	150
Connected, welcoming community	Number of Public Meetings/Attendees	17/248	33/603	19/689	14/600







- Under the Pavement Management Program (PMP) reconstructed 3.14 miles of pavement (at \$1.7 million per mile) and overlaid 8.61 miles of pavement (at \$600,000 per mile).
- Installed 48 accessible pedestrian ramps, upgraded 152 accessible pedestrian ramps.
- Installed 4,365 linear feet of sidewalk, replaced 9,796 linear feet of existing sidewalk. Installed 2,323 linear feet of trail, replaced 528 linear feet of existing trail.

- Bike/Ped Enhancements: Constructed a new on street bike facility on Lyndale Ave from the Russell A. Sorenson Parking lot that connects to the 35W Minnesota River bridge facility. Built an on-road pedestrian facility along West Bloomington Freeway along with multiple improved crossings at parks and schools.
- Implemented new speed limits throughout the community and three school zone speed limit areas in conjunction with PW Maintenance and PD.
- Held neighborhood project meetings including a series of proactive PMP meetings, participated at Park & Recreation engagement meetings. Staff continues to utilize Let's Talk Bloomington with three new pages created along with continued use of two that have been previously developed.





Public Works Engineering Division - Gen. Fund Financial Summary

	2023 Actual	2024 Projected		2025 Budget
Revenues				
Program Income	\$ -	\$	-	\$ -
Permits and Licenses	19,611		256,065	500,000
Intergovernmental	82,220		-	-
Other Revenues	32,237		1,510	-
Transfers from Other Funds	25,000		26,500	-
Total Revenues	159,068		284,075	500,000
Expenditures				
Salaries and Benefits	3,408,093		3,809,854	4,462,074
Materials, Supplies, & Services	1,180,093		890,013	1,274,760
Capital Outlay	4,791		9,969	54,000
Transfer to Other Funds	73,972		269,000	-
Total Expenditures	4,666,949		4,978,836	5,790,834
Less Expenses Charged to Other Funds	 (2,457,334)		(2,822,190)	 (3,042,788)
Net Total Expenditures	\$ 2,209,615	\$	2,156,646	\$ 2,748,046

Public Works - Maintenance Admin.

Maintenance administration plans, schedules, and coordinates all maintenance programs and activities with other City departments, along with maintaining and managing traffic signals, signs, pavement markings and streetlights.

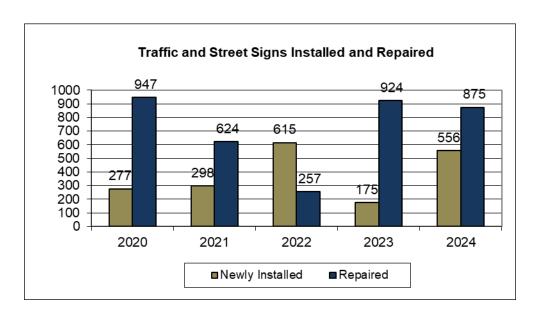
Authorized Full-Time Position	2025 Budget
Maintenance Superintendent	1
Office Support Specialist	1
Signal/Instrumentation Technician	3
Grand Total	6

2025 Goals and Objectives

- Repaint traffic markings on City roadways on an annual basis to meet MUTCD reflectivity standards.
- Replace traffic signage on City roadways to conform to retro reflectivity standards.
- Provide maintenance on traffic signal systems for the safety of the public.
- Yearly preventative sign and signal maintenance programs and responding to trouble calls.
- Provide streetlight services for the safety of the public by maintaining and responding to outages within three days.

2024 Performance Measures

- Repaired 875 traffic and street signs
- Installed 556 new traffic and street signs (Includes speed limit reduction and school zone signs)



Public Works Maint. Admin. Div. - Gen. Fund Financial Summary

	2023 Actual	2024 Projected		2025 Budget
Revenues				
Other Revenues	\$ 47,464	\$	120,513	\$ 54,000
Transfers from Other Funds				
Total Revenues	47,464		120,513	54,000
Expenditures				
Salaries and Benefits	1,070,102		1,150,596	853,300
Materials, Supplies, & Services	1,671,849		1,551,599	1,803,321
Capital Outlay	22,305		79,189	29,000
Transfer to Other Funds				
Total Expenditures	\$ 2,764,256	\$	2,781,384	\$ 2,685,621
Less Expenses Charged to Other Funds				
Net Total Expenditures	2,764,256		2,781,384	2,685,621

Public Works – Street Maintenance

Street Maintenance provides street sweeping, snow plowing and street repair. This includes the Pavement Management Program which maximizes the life of streets by replacing and repairing pavement at the most beneficial time.

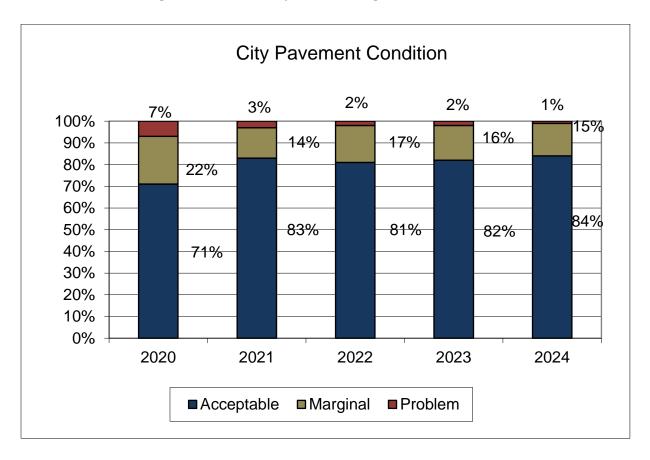
Authorized Full-Time Position	2025 Budget
Assistant Maintenance Superintendent	1
Street Maintenance Supervisor	2
Equipment Operator	26
Grand Total	29

2025 Goals and Objectives

 Maintain roadways such that at least 90 percent are rated above problem condition status, per the City's Pavement Management Program condition rating system.

2024 Results of Performance Measures

• For 2024, 99 percent of roadways are above problem condition.



Public Works Street Maint. Div. - Gen. Fund Financial Summary

	2023 Actual	2024 Projected		2025 Budget
Revenues				
Intergovernmental	\$ -	\$	-	\$ -
Other Revenues	303		-	-
Transfers from Other Funds	1,562,430		1,560,500	1,647,229
Total Revenues	1,562,733		1,560,500	1,647,229
Expenditures				
Salaries and Benefits	2,800,392		2,811,025	3,317,256
Materials, Supplies, & Services	5,408,949		5,694,962	6,585,544
Capital Outlay	85,538		-	-
Transfer to Other Funds				
Total Expenditures	8,294,879		8,505,987	9,902,800
Less Expenses Charged to Other Funds	(465,167)		(439,768)	(240,113)
Net Total Expenditures	\$ 7,829,712	\$	8,066,219	\$ 9,662,687

Public Works – Water Utility

The Water Utility Fund is an Enterprise Fund that accounts for the revenues and costs related to the operation, maintenance, and renewal of the City-owned water system. The City strives to provide an uninterrupted supply of water that meets or exceeds all federal and state quality standards, at a rate that ensures long-term sustainability of the water system. Revenues and expenditure activities within the fund include the following: administration, customer service, supply and treatment, and distribution and storage.

Authorized Full-Time Position	2025 Budget
Utilities Superintendent	1
Assistant Utilities Superintendent	1
Civil Engineer	2
Customer Service Supervisor	1
Infrastructure Systems Analyst	1
Utilities Supervisor	2
Water Quality Supervisor	1
Utility Controls & Instrumentation Technician	1
Laboratory Analyst	2
Utility Services Specialist	1
Senior Utility Operator	6
Utility Operator	16
Office Support Specialist	3
Grand Total	38

2025 Goals and Objectives

- Provide an uninterrupted supply of softened potable water that meets or exceeds all state and federal standards at a rate that is affordable.
- Provide sustainable renewal of water system infrastructure, maximizing asset life and minimizing risk while maintaining established levels of service.
- Provide timely, state-certified analytical laboratory water testing services to the public and neighboring communities.

Performance Measures

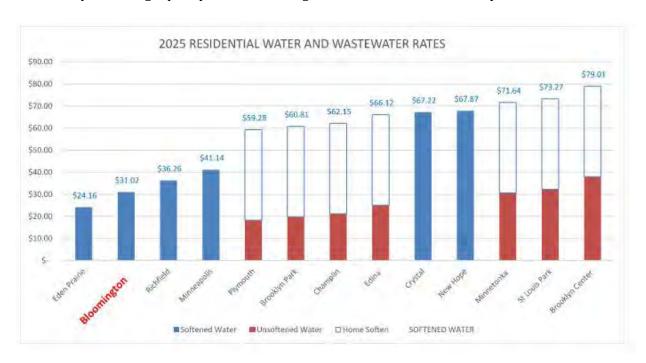
Strategic Priority	Performance Measure	2022 Actual	2023 Actual	2024 Actual	2025 Goal
Healthy community (Safety)	Fire Hydrants Inspected ensuring operation and availability	100%	100%	100%	100%
Healthy community	Operating cost per 1 million gallons of water produced	\$1,702	\$1,700	\$1,929	\$1,987
(Environment)	Water quality analyses performed	20,569	19,730	20,544	21,000

Healthy					
community	Watermain break repairs	34	20	15	15
(Environment)					

- Performed 9,457 hydrant inspections ensuring proper operation and emergency availability.
- Repaired 15 watermain breaks.
- Produced 2.37 billion gallons of water and delivered a total of 3.46 billion gallons of high-quality softened water to customers meeting all federal and state regulations.
- Performed 20,544 laboratory tests to ensure water quality standards.

Water Rate Comparisons

Bloomington's costs to provide softened water to customers continues to be one of the lowest in the area. The comparison below is calculated based on usage of 6,000 gallons per month. Bloomington continues to provide high quality, award-winning, softened water at a relatively low cost.



Water Utility - Enterprise Fund Financial Summary

	 2023 Actual	2024 Projected	2025 Budget
Revenues			_
Utility Fees	\$ 20,972,407	\$ 19,530,925	\$ 21,885,178
Other Revenue	940,508	948,669	485,000
Intergovernmental	-	5,895	-
Interest Income	366,448	607,878	100,000
Transfers from Other Funds	35,263	1,266,443	-
Total Revenues	22,314,626	22,359,810	22,470,178
Expenses			
Salaries and Benefits	4,342,345	4,662,609	4,812,291
Materials, Supplies, & Services	11,269,614	11,465,308	13,680,160
Capital Outlay	1,620,046	3,256,992	4,775,000
Debt Service	129,548	128,569	136,769
Transfer to Other Funds	200,000	-	-
Total Expenses	17,561,553	19,513,478	23,404,220
Working Capital			
Net Change	4,753,073	2,846,332	(934,042)
Working Capital at Beginning of Year	13,331,417	18,084,490	20,930,822
Working Capital at End of Year	\$ 18,084,490	\$ 20,930,822	\$ 19,996,780

Public Works – Wastewater Utility

The Wastewater Utility Fund is an Enterprise Fund that accounts for the City-owned wastewater collection system and the sewer interceptor and treatment charges from the Metropolitan Council Environmental Services (MCES). The objective of the Wastewater Utility is to provide sanitary service capacity and sufficient maintenance to minimize system blockages and infiltration/inflow. The sanitary sewer infrastructure spans 359 miles of pipes, with 28 lift stations, thousands of manholes and serves over 25,000 connections.

Authorized Full-Time Position	2025 Budget
Utility Services Specialist	1
Senior Utility Operator	7
Utility Operator	2
Maintenance Worker	3
Grand Total	13

2025 Goals and Objectives

Provide needed sanitary sewer conveyance while minimizing system blockages and infiltration/inflow.

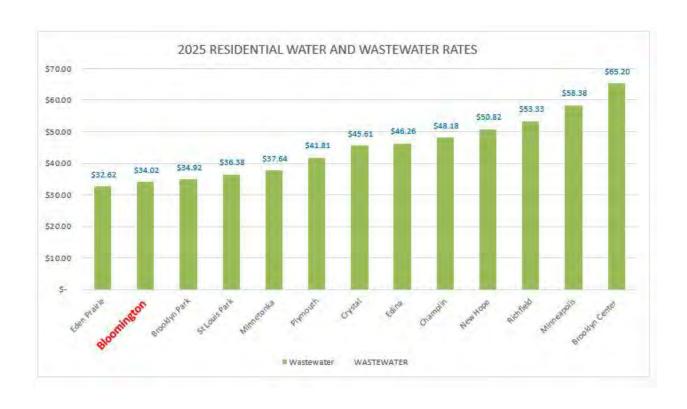
Provide sustainable renewal of wastewater system infrastructure, maximizing asset life and minimizing risk while maintaining established levels of service.

Performance Measures

Strategic Priority	Performance Measure	2022 Actual	2023 Actual	2024 Actual	2025 Goal
Healthy community (Environment)	Sanitary Sewer Inspection (miles)	29	29.7	37	30
Healthy community (Environment)	Sanitary Sewer Cleaning (miles)	212	185	203	200
Healthy community (Environment)	Number of public sewer system blockages per 10,000 connections	6.8	8.0	3.6	0

2024 Accomplishments

- Inspected over 37 miles of sanitary sewer main.
- Cleaned over 203 miles of sanitary sewer main.
- Responded to nine mainline system blockages.



Wastewater Utility - Enterprise Fund Financial Summary

	2023 Actual	2024 Projected	2025 Budget
Revenues			
Utility Fees	\$ 14,020,893	\$ 14,294,143	\$ 15,505,596
Other Revenue	414,037	584,524	52,000
Intergovernmental	27,567	-	-
Interest Income	435,350	468,752	147,000
Transfers from Other Funds	-	-	-
Total Revenues	14,897,847	15,347,419	15,704,596
Expenses			
Salaries and Benefits	1,892,844	1,820,514	2,250,831
Materials, Supplies, & Services	10,163,518	11,302,920	11,858,026
Capital Outlay	264,900	318,984	5,221,561
Transfer to Other Funds	350,000	-	-
Total Expenses	12,671,262	13,442,418	19,330,418
Working Capital			
Net Change	2,226,585	1,905,001	(3,625,822)
Working Capital at Beginning of Year	12,691,926	14,918,511	16,823,512
Working Capital at End of Year	\$ 14,918,511	\$ 16,823,512	\$ 13,197,690

Public Works - Storm Water Utility

The Storm Water Utility Fund is Enterprise Fund that provides for the operations, maintenance, and improvements to the City-owned storm sewer system through a storm utility fee charged to property owners. Objectives of the storm water utility include protecting structures and the public from storm water damage caused by surface water runoff, providing wetland protection, and compliance with the Minnesota Pollution Control Agency's municipal storm water permitting program. The fee is intended to recover costs associated with meeting permit requirements and providing storm water utility service to residents and commercial establishments in a fair and equitable manner. The storm sewer infrastructure spans nearly 300 miles of mainline pipes and catch basin leads, with 5 lift stations, over 300 ponds, and thousands of maintenance holes and catch basins.

Authorized Full-Time Position	2025 Budget
Water Resources Manager	1
Civil Engineer	1
Street Maintenance Supervisor	1
Water Resources Specialist	1
Senior Engineering Technician	2
Equipment Operator	6
Grand Total	12

2025 Goals and Objectives

- Respond and consult with city property and business owners as needed to provide guidance on drainage, erosion control, and pond aesthetics within 48 hours.
- Engage with the Penn Lake Community Group, and the Nine Mile Creek Watershed District to implement management strategies for Penn Lake detailed in the first Pathway outlining 5-years of management and activities.
- Continue to engage with the public using Let's Talk Bloomington, videos, printed materials, website, and social media outlets to provide surface water quality information and promote storm water best management practices.
- Provide sustainable renewal of water system infrastructure, maximizing asset life and minimizing risk while maintaining or improving levels of service.



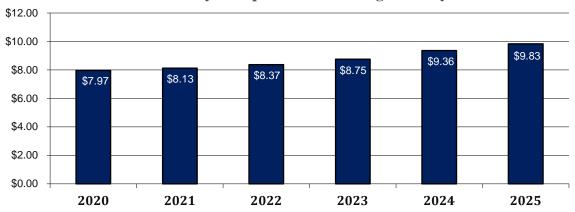
Performance Measures

Strategic Priority	Performance Measure	2022 Actual	2023 Actual	2024 Actual	2025 Goal
Healthy community (Environment)	Storm sewer junctions (Catch basins and Maintenance holes) inspected ensuring operation and identifying maintenance needs	494	612	488	500
Healthy community (Environment)	Inspection, maintenance, and cleaning of structural storm water best management practices	171	123	157	150
Healthy community (Environment) & Connected, welcoming community	New Adopt-a-Drain participants from the city	32	52	42	50
Healthy community (Environment)	Surface water bodies sampled for water quality parameters	36	29	30	30
Healthy community (Environment)	Miles of storm sewer mainline pipe inspected	8.7	10.5	9.2	8

- Completed construction of the 2024-901 Storm Sewer Maintenance
- Continued cooperation with Nine Mile Creek Watershed District on management strategies for Normandale Lake and Bush Lake
- Completed Winter Intendance and Salt Elimination (WISE) plan as part of a Low Salt Design Pilot City project with Bolton and Menk
- Bloomington Adopt-a-Drain program: 22 new users adopted 74 new drains in 2024; 800 total drains adopted by 471 participants across the city who reported 3,495lbs. of debris removed during 2024 (Adopt-a-Drain data provided by Hamline University).



Storm Water Utility Cost per Month for Single-Family Home



Storm Water Utility - Enterprise Fund Financial Summary

	2023 Actual	2024 Projected	2025 Budget
Revenues			
Utility Fees	\$ 7,630,015	\$ 8,085,751	\$ 8,409,997
Other Revenue	58,354	286,929	40,000
Intergovernmental	25,000	18,000	-
Interest Income	518,588	515,483	92,000
Bond Proceeds	52,507	52,507	-
Transfers from Other Funds	-	-	-
Total Revenues	8,284,464	8,958,670	8,541,997
Expenses			
Salaries and Benefits	1,753,141	1,792,509	1,862,317
Materials, Supplies, & Services	1,723,688	1,757,170	2,180,276
Capital Outlay	2,263,757	3,138,999	4,450,000
Debt Service	975,854	999,208	979,938
Transfer to Other Funds	-	-	
Total Expenses	6,716,440	7,687,886	9,472,531
Working Capital			
Net Change	1,568,024	1,270,784	(930,534)
Working Capital at Beginning of Year	11,904,862	13,472,886	14,743,670
Working Capital at End of Year	\$ 13,472,886	\$ 14,743,670	\$ 13,813,136

Public Works – Solid Waste Utility

The Solid Waste Utility is an Enterprise Fund that accounts for the operations and improvements to the citywide residential solid waste collection program. The residential solid waste program meets the City's strategic objective of improving the indices measuring the community's environmental and individual health by 2030. The City contracts for curbside collection of garbage (weekly), recycling (every-other-week), organics recycling (weekly), yard waste (weekly during yard waste season) and bulky items for single-family residential properties, which includes duplex housing and certain townhomes that have opted into the program. The fund also accounts for clean-ups after major storm events, and private property Environmental Health abatements.

Authorized Full-Time Position	2025 Budget
Solid Waste Program Coordinator	1
Solid Waste Sustainability Specialist	1
Grand Total	2

2025 Goals and Objectives

- Administer the residential solid waste collection program and continue to ensure residents receive excellent customer service.
- Provide robust outreach and education to residents regarding the City's solid waste program services.
- Continue to divert more waste from incineration and landfilling through recycling and composting and encouraging waste reduction and reuse.

Performance Measures

Strategic Priority	Performance Measure	2022 Actual	2023 Actual	2024 Actual	2025 Goal
Healthy community (Environment)	Number of households with City-contracted solid waste services signed up for organics recycling	25.87%	28.16%	30.26%	35%
Healthy community (Environment)	Tons residential source separated organics diverted from garbage	1,160 tons	1,418 tons	1,835 tons	2,000 tons
Healthy community (Environment)	Tons of residential recycling (single-sort recycling and bulky items) diverted from garbage	4,923 tons	4,751.65 tons	4,621.60 tons	5,000 tons
Healthy community (Environment)	Tons of residential items collected for reuse diverted from garbage	1.34 tons	10.07 tons	12.83 tons	15 tons

Bulky Item Management - Reuse and Recycling Programs

• The Solid Waste Program was honored for its public engagement and conservation efforts by the Bush Lake Izaak Walton League in September 2024. The award recognized City of Bloomington solid waste staff for the changes made to the City's Curbside Cleanup program

- that prioritized waste diversion and the robust community engagement that resulted in a program that reflected the feedback from Bloomington residents.
- Held the third annual citywide recycling drop-off event with 1,009 vehicles attending. In total, 56 tons of material was collected for recycling, including paper for shredding, mattresses, electronics, bikes (reuse and recycling), tires, scrap metal and large appliances.
- Held community swap event for baby gear; 578 pounds of items were swapped with over 90 residents in attendance.
- Rolled out a regular monthly collection of bulky items for reuse and recycling citywide in June 2023. In 2024, the program collected 1,856 bulks items for reuse and recycling with 853 homes utilizing the new service.

Education and Outreach

- Sponsored and participated in the Hennepin County Stop Food-Waste Challenge and Hennepin County Plastic-Free Challenge. Held a Pickling Workshop in the summer of 2024 to build skills for preserving food, in partnership with the Stop Food-Waste Challenge.
- Provided waste diversion education at 31 community-based events.
- Created a new residential solid waste services guide, available in English, Spanish, Somali and Vietnamese, which is mailed to new residents and upon request.
- Mailed a recycling guide to all multi-family dwellings in Bloomington.
- Hosted a Bloom in Bloomington Intern who assisted staff with education and outreach throughout the summer.

Organics Recycling

- Signed up an additional 111 households to use the organics recycling drop-offs, bringing total registered users to 2,187 households.
- Signed up an additional 500 households to participate in the curbside organics recycling program, bringing total participants to 6,566 households.
- Distributed supplies to residents to assist with overcoming barriers to using the organics recycling program. Distributed:
 - 1,378 boxes of 3-gallon certified compostable bags picked up by residents at distribution partner's hardware store, Frattalone's Hardware & Garden in Normandale Village.
 - Welcome Packets are provided to all households who sign up for curbside organics recycling, as well as the organics recycling drop-offs. Packets include a starter kit of compostable bags, resource magnet and home setup tip guide.
- Added organics recycling to Creekside Community Center and provided in person outreach and education to staff and residents during and after the roll-out.
- Hosted a Compost Giveaway with 842 residents in attendance. At the event, residents who
 participate in organics recycling picked up three free bags of finished compost as a thank you
 for participating in the organics recycling program.

Monthly Solid Waste and Recycling Rates

Service	2024	2025
City Garbage and Recycling, including taxes and fees		
for a resident with a medium garbage cart	\$24.77	\$25.70
City Organics Recycling	\$5.67	\$5.67
Curbside Cleanup Fee	\$3.82	\$3.82



Solid Waste staff posing with a bag of finished compost at the Compost Giveaway Event in May 2024. Over 840 residents (vehicle) attended the event to pick up free compost.



Residents participating in a seed starting activity at a city-hosted Organics
Recycling Pop-Up Event at Smith Park.



Solid waste program coordinator, Laura Horner, accepting the Izaak Walton Public Good Award on behalf of the Solid Waste Program.



Residents proudly displaying their pickling skills at the City hosted "Pickling Workshop" held in partnership with Hennepin County's Stop Food Waste Challenge.



Solid Waste staff, Claire Pardubsky, and Bloom in Bloomington Intern, Kayla McMayer, sharing information about the organics recycling program at a Bloomington Farmer's Market.



City-contracted vendor, Better Futures, collecting a couch for reuse as part of the City Bulky Reuse and Recycling Residential Pickup Program.

Solid Waste Utility - Enterprise Fund Financial Summary

	2023 Actual	2024 Projected		2025 Budget
Revenues				
Property Taxes	\$ 185,000	\$	-	\$ -
Utility Fees	9,519,292		9,905,878	10,086,580
Other Revenue	202,767		23,943	40,500
Intergovernmental	328,483		352,084	373,482
Interest Income	28,824		63,263	20,000
Transfers from Other Funds	-		-	-
Total Revenues	10,264,366		10,345,168	10,520,562
Expenses				
Salaries and Benefits	375,658		264,708	282,895
Materials, Supplies, & Services	9,212,281		10,356,227	9,582,502
Transfer to Other Funds	-		-	-
Total Expenses	9,587,939		10,620,935	9,865,397
Working Capital				
Net Change	676,427		(275,767)	655,165
Working Capital at Beginning of Year	1,501,485		2,177,912	1,902,145
Working Capital at End of Year	\$ 2,177,912	\$	1,902,145	\$ 2,557,310

Public Works – Facilities Maintenance

The Facilities Fund is an Internal Service fund that pays for the costs related to capital repair and maintenance of the main City buildings, fire stations and cemetery property. Revenues are from internal department charges.

Authorized Full-Time Position	2025 Budget
Capital Project Manager	1
Assistant Capital Project Manager	1
Facilities Manager	1
Facilities Maintenance Supervisor	1
Service Technician	12
Facilities Attendant	1
Grand Total	17

2025 Goals and Objectives

- To support a connected, welcoming community through efficient and sustainable operation and planned maintenance of the City's buildings by:
 - o Improve utilization and automation of work order management system.
 - o Implement asset tracking for building improvements.
 - o Update preventative maintenance work order organization and delivery.
- Guide capital improvement process to prioritize and cost out improvements to City facilities. Prepare the Capital Improvement Plan to go to the City Council in March.
 - o Deliver capital improvements on time and on budget.
 - Assist other areas of the City in the delivery of their capital improvement projects.
- Explore improved maintenance options that are environmentally sustainable and
 - o use a sustainability lens when planning maintenance projects.
 - o advocate for sustainable equipment replacement and repairs.
- Improve Key Performance Indicators for Work Orders such as % of closed work orders that were preventative maintenance in one month.

Performance Measures

Strategic Priority	Performance Measure	2022 Actual	2023 Actual	2024 Actual	2025 Goal
Connected, Welcoming Community	Work orders are entered and completed on time per their service level	n/a	78% of all WOs on-time. Goal was 80%	Non-PM 97% On Time. Goal was 80%	85% of all WO's on- time.
Health Community (Env.)	Preventative Maintenance work orders are completed and on time	n/a	n/a	PM 75% On-Time. Goal was 65%	PM 75% On- Time

Health Community (Human)	Adjust building systems and procedures to maintain healthy buildings	n/a	Fire Station #4	In depth evaluation of one building per year	In depth evaluation of one building per year
Health Community (Environme nt)	Review generator efficiency	n/a	Civic Plaza Generator in need of replacement	Civic Plaza Generator Replacement Planning Underway	1 per year
Connected, Welcoming Community	Complete CIP projects	n/a	80%	80%	
Core service	Onboard new Service Technicians	Fac. Mgr. Onboar ded	Civic Plaza Facilities Attendant Onboarded	New Service Technician Position Approved	Fully Staffed, no changes needed

Facilities - Internal Service Fund Financial Summary

	2023 Actual		2024 Projected		2025 Budget
Revenues					
Departmental Charges	\$	6,486,527	\$	6,859,591	\$ 7,166,773
Intergovernmental		1,200		900	-
Interest Income		580,727		510,888	150,000
Other Revenues		364,300		1,557	-
Bond Proceeds		-		-	-
Transfers from Other Funds		1,994,363		773,019	3,068,554
Total Revenues		9,427,117		8,145,955	10,385,327
Expenses					
Salaries and Benefits		1,504,292		1,537,067	2,157,102
Materials, Supplies, & Services		3,384,852		3,265,990	4,008,820
Capital Outlay		3,504,094		1,296,045	3,572,956
Debt Service					
Transfer to Other Funds		-		-	-
Total Expenses		8,393,238		6,099,102	9,738,878
Working Capital					
Net Change		1,033,879		2,046,853	646,449
Working Capital at Beginning of Year		10,662,654		11,696,533	13,743,386
Working Capital at End of Year	\$	11,696,533	\$	13,743,386	\$ 14,389,835

Public Works – Fleet Maintenance Fund

The Fleet Maintenance Fund is an Internal Service Fund that pays for the costs related to the operations, maintenance, repair, and replacement of City vehicles and equipment. Departments are charged for vehicles used by their department. Part of the internal fee is to pay for operations; the other part is allocated for the replacement of the equipment. Any new equipment or additions to the Fleet are funded by the requesting department.

Authorized Full-Time Position	2025 Budget
Fleet Manager	1
Fleet Maintenance Supervisor	1
Fleet Technician	9
Office Support Specialist	1
Grand Total	12

2025 Goals and Objectives

- Identify areas where we can downsize the Fleet.
- Identify areas where Fleet vehicles can be shared by different Departments.
- Complete design for new Repair Facility.

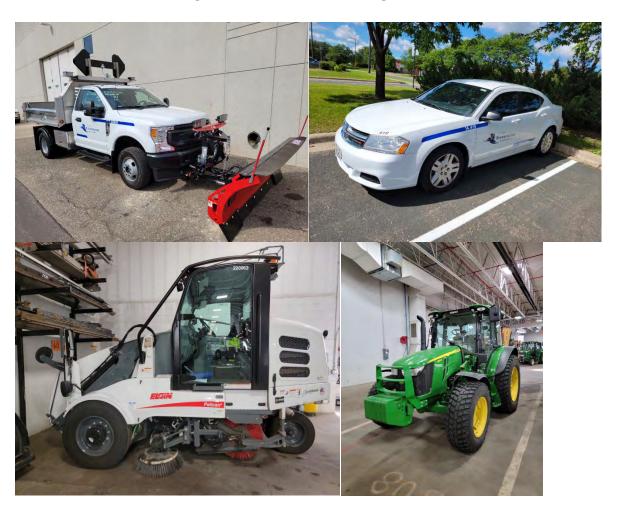
Performance Measures

Strategic Priority	Performance Measure	2022 Actual	2023 Actual	2024 Actual	2025 Goal
Department	Turnaround Time - % of repairs completed in < 24hrs <i>Industry standard is 70%</i>	69%	66%	67%	70%
specific	Percentage of work orders that are proactive, not reactive	51%	42%	77%	80%
Health Community (Environment)	Number of diesel units on last tier emissions	31	52	69	74

2024 Accomplishments

- Researched, and started changing over to new Telematics on entire Fleet including
 mowers and trailers for real time data. Phase 2 will take place in 2026 to install on
 the remainder of the vehicles, when every piece of equipment will have telematics
 installed. This will assist us in right sizing our fleet, identifying equipment that can
 be electric powered, and improving our service to Departments.
- Design for new Repair Facility is near completion.
- We had all our technicians trained by a Ford Asset instructor from Hennepin Technical College in working on electric vehicles.

- "By the numbers"
 - o We have a combined 247 years of repair experience in our Fleet Department
 - o 608 Vehicles serviced and maintained.
 - o 2,382,153 million miles traveled 2024.
 - o Fuel Used:
 - 85,011 gallons of Diesel fuel used.
 - 195,915 gallons of Unleaded gas used.
 - o 120 different classes of vehicles
 - o 3,101 services and repairs performed.
 - o \$1,039,640: parts needed for service, repairs, and stockroom.



Fleet Maintenance - Internal Service Fund Financial Summary

	2023 Actual	2024 Projected		2025 Budget
Revenues				
Departmental Charges	\$ 7,486,108	\$	8,364,435	\$ 8,942,783
Intergovernmental	-		-	-
Interest Income	334,823		183,128	50,000
Other Revenues	341,213		575,513	220,000
Transfers from Other Funds	608,689		350,000	-
Total Revenues	8,770,833		9,473,076	9,212,783
Expenses				
Salaries and Benefits	1,378,178		1,387,632	1,538,057
Materials, Supplies, & Services	4,148,808		4,087,853	4,267,828
Capital Outlay	5,216,629		4,678,531	4,017,919
Transfer to Other Funds	-		-	-
Total Expenses	10,743,615		10,154,016	9,823,804
Working Capital				
Net Change	(1,972,782)		(680,940)	(611,021)
Working Capital at Beginning of Year	5,714,242		3,741,460	3,060,520
Working Capital at End of Year	\$ 3,741,460	\$	3,060,520	\$ 2,449,499

Housing and Redevelopment Authority

The Housing and Redevelopment Authority in and for the City of Bloomington (HRA) mission is to create a stable and inclusive community through safe and dignified housing choices. The HRA accomplishes its mission through various policies, programs and services along the housing continuum to help those unstably housed, renters, homeowners, and homebuyers in Bloomington. Funding comes from federal, state, regional and local sources.



The HRA is governed by a seven-member board appointed by the Mayor, with approval of the City Council. The HRA has authority to levy, is a designated Public Housing Authority, and administers several City funds. The HRA staff team is one of six divisions within the Community Development Department.

Authorized Full-Time Position	2025 Budget
HRA Administrator	1
Assistant HRA Administrator	2
Program Specialist II	7
Program Specialist I	2
Grand Total	12

2025 Goals and Objectives

The HRA Board approves an annual workplan that aligns with the below goals and objectives.

Priority Goals

- Launch the pilot of the Bloomington Affordable Homeownership Program, which is designed to develop 27 single-family or missing middle homes in partnership with emerging developers and is supported through a \$3.1M grant from Minnesota Housing.
- Assess housing and staffing needs in order to apply for and administer the State's new Bring It Home Rental Assistance Program.
- Conduct a capital improvement planning process and comprehensive maintenance strategy for HRA-owned properties.

- Successfully implement the down payment assistance program with Habitat for Humanity.
- Improve access and service delivery of HRA programming to community members through review of major HRA program guidelines and policies, including Home Improvement and Housing and Environmental Loan Programs, Housing Choice Voucher Administrative Plan, and the Housing Improvement Area Policy.
- Develop and implement a strategy and framework for use of the State's Local Affordable Housing Aid (LAHA) funds.
- Enhance existing partnerships with community-based organizations through outreach and communication.

Ongoing Objectives

- Effectively administer federally funded Housing Choice Vouchers (HCV)/Section 8 program.
- Implement and expand programs and initiatives related to housing stabilization in coordination with Hennepin County.
- Acquire real property for affordable homeownership redevelopment opportunities.
- Support residential energy efficient policy and programs through coordination and implementation.
- Support mixed income housing redevelopment with a focus on at or below 30% -50% AMI unit creation.
- Maintain unified housing improvement programs, services, and resources prioritizing underserved populations.
- Support and encourage creation of missing middle type housing.
- Support implementation and administration of the Opportunity Housing Ordinance.
- Maintain highest possible utilization of rental assistance programs and offerings.
- Implement technological updates and software for program delivery.
- Expand education offerings related to renting, homeownership, and finances.
- Strengthen authentic engagement and service delivery in and with underserved and culturally specific communities.
- Ensure adequate staffing and professional development/training to best deliver on program goals.
- Manage and maintain HRA-owned properties.

Performance Measures

Strategic Priority	Performance Measure	2022 Actual	2023 Actual	2024 Actual	2025 Goal
Connected, welcoming community	Maintain highest possible utilization of Housing Choice Voucher Programs and offerings	559 vouchers	684 vouchers ¹	787 vouchers ²	800 vouchers
Connected, welcoming community	Issue Home Improvement and Housing and Environmental loans across the community to support housing stability	\$631,329.98 loans; \$27,860.00 HELP loans	\$1,025,663.79 loans; \$63,051.78 HELP loans	CDBG \$890,024.96; NBHD/HELP \$529,429.32	\$850,000 loans; \$50,000 HELP loans
Connected, welcoming community	Collect and expand on data for program and service delivery; improve customer service experience ³	70%	83%	89%	92%
Equitable economic growth	Affordable housing units (affordable at 60% AMI or less) permitted for development pursuant to the City Comp Plan Goal	64	75	156	80-166
Equitable economic growth	Implement and expand homeownership opportunities	25%4	50%5	65% ⁶	70%

¹ 542 Bloomington vouchers and 142 administered vouchers

² 516 Bloomington vouchers and 167 administered vouchers

³ Measured by percent of respondents who responded as "happy" or "very happy" on the HRA Customer Experience Survey questions 1, 9, 11, 13 and 30

⁴ DPA program and partnership with NeighborWorks Home Partners; Partnership with PPL for homebuyer-education; additional funding for Homes Within Reach to rehab a third affordable ownership home

⁵ Increased use of down payment assistance program; completion of 3 homes in partnership with Homes Within Reach; HRA purchase of 7 parcels for redevelopment, and approval of almost \$3.2M grant from MN Housing ⁶ Launched DPA partnership with Habitat for Humanity; approved 6 affordable homeownership projects;

offered HCV Homeownership with Habitat for Humanity; approved 6 affordable homeownership projections of the HCV Homeownership

Component Unit - Housing & Redev. Authority Financial Summary

	2023 2024 Actual Projected		2025 Budget			
Revenues						
Property Taxes	\$	2,776,344	\$	1,650,298	\$	1,965,356
Delinquent Taxes & Abatements		(89,331)		46,235		-
Intergovernmental		7,774,177		7,513,684		7,192,058
Interest Income		1,370,430		980,880		20,000
Other Revenues		1,270,863		2,437,074		1,161,927
Bond Proceeds		-		-		-
Transfers from Other Funds		5,803,419		1,951,150		-
Total Revenues	1	8,905,902	1	14,579,321		10,339,341
Expenses						
Salaries and Benefits		1,110,932		1,523,786		1,975,207
Materials, Supplies, & Services		10,853,786		9,288,532		7,438,769
Internal Service Fund Charges		260,958		272,443		372,112
Capital Outlay		540,525		1,078,112		53,253
Debt		273,029		323,652		-
Transfer to Other Funds		3,589,221		1,913,209		500,000
Total Expenses	1	6,628,451	1	14,399,734		10,339,341
Working Capital						
Net Change		2,277,451		179,587		-
Working Capital at Beginning of Year		14,081,269		16,358,720		16,538,307
Working Capital at End of Year	\$ 1	6,358,720	\$ 1	16,538,307	\$	16,538,307

Port Authority

The Port Authority is a component unit of the City of Bloomington, charged with providing orderly economic development services for the City. The Port Authority coordinates development and redevelopment citywide, implements resources and programs to assist small and large businesses, and offers Creative Placemaking work as an important component of the City's economic development.

The Port has limited taxing powers, including a levy, and has extensive authority to issue bonds or notes for public improvements and redevelopment, which are subject to approval by the City Council prior to issuance. The City guarantees some Port Authority debt.

The Port Authority is governed by a seven-member board appointed by the Mayor and confirmed by the City Council. The Port Authority staff team is one of six divisions within the Community Development Department.

Authorized Full-Time Position	2025 Budget
Port Authority Administrator	1
Assistant Port Authority Administrator	2
Economic Development Analyst	2
Housing Development Specialist	.5
Business Assistance Specialist	1
Office Support Specialist	1
Grand Total	9

2025 Key Projects:

Implementation of the 5-Year Strategic Economic Development Plan, support of the Creative Placemaking Citywide Plan, Mall of America (MOA) expansion, development of former Ramada/Thunderbird site, development of former Interstate Diesel and Alpha V parcels to new phases of SICK USA, redevelopment of Commercial Nodes, various multifamily apartment projects, further development at Bloomington Central Station, grant assistance and regional collaboration for initiatives such as the Minnesota CHIPS Coalition and Medtech 3.0, expanded collaboration with the Minnesota Small Business Development Center, small business permitting navigation and process improvements, expansion of small business financial assistance programs.

2025 Goals and Objectives

- Streamline internal processes, including maximizing use of MS Teams for collaborative work and updating file storage protocols.
- Complete 2025 TIF Management Plan, in collaboration with HRA, Finance, and the City's municipal advisor.
- Assess need for additional small business financing programs and implementation.
- Expand reach of Bloomington's partnership with Minnesota Small Business Development Center and find one additional external partner site.
- Grow understanding of entrepreneurial ecosystem in Bloomington and the region.
- Refine Hatch Bloomington program to include additional education and services throughout the competition to support ongoing success of more applicants.
- Increase the number of external employers and internship spots available in the Bloom in Bloomington youth internship program.
- Promote awareness of Port Authority services and business successes through collaboration with City Communications.

Ongoing Goals and Objectives

- Facilitate equitable development and redevelopment, especially where it can be served by transit, encourage short trip lengths, promote biking and walking, and reduce vehicle miles traveled.
- Attract and retain large and small businesses in Bloomington. Connect new and existing businesses to appropriate resources to support growth.
- Oversee debt in a conservative manner to ensure repayment and adequate resources.
- Drive community investments that in turn encourage private investments consistent with the City's sustainability objectives.
- Manage the implementation, administration, and monitoring of the Opportunity Housing Ordinance.
- Assist developers, as well as large and small businesses, in finding appropriate sites and resources to develop in Bloomington. Proactively develop relationships with underserved developers not yet in Bloomington.
- Build relationships with regional economic development organizations as well as organizations affiliated with underserved groups.
- Proactively visit and assist businesses in our community, both small and large.

Performance Measures

Strategic Priority	Performance Measure	2022 Actual	2023 Actual	2024 Actual	2025 Goal
Equitable economic growth	Affordable housing units (affordable at 60% AMI or less) permitted for development pursuant to the City Comp Plan Goal	64	75	156	80-166
Equitable Economic Growth	Number of businesses and hours of consulting provided by Elevate Hennepin technical assistance partnership	43 business contacts, 329 hours	71 business contacts, 1,048 hours	92 business contacts, 1,228hours	85 business contacts, 850 hours
Equitable Economic Growth	Non-City funds secured for development or business expansion projects		\$4,000,000 (POLAR MIF)	Direct Applications: \$595,692; \$550,692 - DEED Contamination Cleanup (Enclave), \$45,000 - MetCouncil (OHO), Indirect Support: \$75,000,000 - DEED MFF (CHIPS act)	\$750,000
Equitable Economic Growth	Grant funds awarded through the City's Façade Improvement program/total project investment	N/A	N/A	\$222,992 / \$5,458,460	\$200,000 / \$4,000,000
Equitable Economic Growth	Number of participating external employers / total number of internship spots for Bloom in Bloomington	N/A	2/8	2/15	10/35
Equitable Economic Growth	Number of applicants to Hatch Bloomington / number of applicants that utilized additional programming	N/A	N/A	64/17	80/25

	1				
Equitable economic growth	Creative Placemaking - Percentage of BIPOC Artists/Artist Teams commissioned for public art projects reflects and celebrates Bloomington BIPOC population.	48%	84%	64%	40%
Connected, welcoming community	Total number of Creative Placemaking projects and events to date.	55	75	117	137
Connected, welcoming community	Creative Placemaking - Art Tour App – total location views to date.	5,083	6,518	8,668	9,600
Connected, welcoming community	Creative Placemaking – Old Cedar Avenue Bridge AR Tour total views to date.	38,290	42,885	47,269	50,000







Luro Boots Ribbon Cutting



Small Business Saturday Proclamation

Component Unit - Port Authority Financial Summary

	2023 Actual	2024 Projected		2025 Budget	
Revenues			-		
Property Taxes	\$ -	\$	1,488,697	\$	2,500,000
Intergovernmental Income	-		-		-
Program Income					
Interest Income			188,585		
Other Revenues	2,102,800		9,045,000		894,000
Transfers from Other Funds					
Total Revenues	2,102,800		10,722,282		3,394,000
Expenses					
Salaries and Benefits	886,855		1,100,313		1,073,997
Materials, Supplies, & Services	580,083		991,978		1,421,401
Internal Service Fund Charges	179,736		185,046		217,941
Capital Outlay			8,239,820		
Transfer to Other Funds	-		19,000		-
Total Expenses	1,646,674		10,536,157		2,713,339
Working Capital					
Net Change	456,126		186,125		680,661
Working Capital at Beginning of Year	73,167		529,293		715,418
Working Capital at End of Year	\$ 529,293	\$	715,418	\$	1,396,079

INTENTIONALLY LEFT BLANK

GLOSSARY



Glossary

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

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

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

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

Audit – An official inspection of an individual's or organization's accounts, typically by an independent body.

Balanced Budget - When expenditures are exactly offset by an equal amount of revenue.

BIPOC (Black, Indigenous, and people of color) - a term specific to the United States, intended to center the experiences of Black and Indigenous groups and demonstrate solidarity between communities of color. It acknowledges that people of color face varying types of discrimination and prejudice. Additionally, it emphasizes that systemic racism continues to oppress, invalidate, and deeply affect the lives of Black and Indigenous people in ways other people of color may not necessarily experience. Lastly and significantly, Black and Indigenous individuals and communities still bear the impact of slavery and genocide.

BIPOC aims to bring to center stage the specific violence, cultural erasure, and discrimination experienced by Black and Indigenous people. It reinforces the fact that not all people of color have the same experience, particularly when it comes to legislation and systemic oppression.

Bond – A written promise to pay a sum of money on a specific date at a specified interest rate as detailed in a bond resolution.

Budget – Line-item revenue estimates and appropriations adopted by City Council for the following year.

Budget Adjustment – A revision to the adopted budget occurring during the affected fiscal year as approved by the City Council by an amendment or a transfer.

Budget Calendar – The schedule of key dates involved in the process of adopting and executing an adopted budget.

Capital Assets – Purchases of fixed assets that have a value of \$10,000 or more, and a useful life of more than four years.

Carryover – Re-appropriation of budget authority for an expenditure to the following year to allow completion of a project. Carryovers require City Council approval.

Certified Levy – Total tax levy of a jurisdiction which is certified to the County Auditor.

Capital Improvement Plan (CIP) – A planning tool based on long-range physical planning and financial projections that forecast the City, the Bloomington Port Authority (Port), and Housing and Redevelopment Authority for the City of Bloomington (HRA) capital needs over a ten-year period as building blocks to help achieve the City's strategic vision and mission. The CIP includes a detailed description of every Capital Project anticipated to be initiated during the ten-year period. Find more at blm.mn/cip

City Council – The elected body of members making up the legislative arm of local government in Bloomington.

Contingency (or Undesignated Appropriations) – Budget for expenditures which cannot be placed in departmental budgets, primarily due to uncertainty about the level or timing of expenditures when the budget is adopted. The contingency fund also serves as a hedge against shortfalls in revenue.

COVID – "COVID-19" or "Coronavirus Disease 2019" is the disease caused by the coronavirus SARS-CoV-2. It is extremely contagious and caused a worldwide pandemic that began in March 2020. While the disease only causes mild to moderate illness in some people, in others it has caused life-threatening pneumonia and death.

Deficit – The excess of expenditures over revenues.

Department – Basic organizational unit of City government responsible for carrying out related functions. Larger departments are subdivided into divisions.

Department of Justice (DOJ) – Federal executive department of the United States government responsible for the enforcement of the law and administration of justice.

Depreciation - A reduction in the value of an asset with the passage of time, due in particular to wear and tear.

Division – Basic organizational unit of City government that is functionally unique in its service delivery. Larger departments are subdivided into divisions.

Driving While Intoxicated (DWI) – Driving, operating, or being in physical control of a motor vehicle while: under the influence of alcohol or drugs; knowingly under the influence of a hazardous substance that affects the body and substantially impairs driving abilities; having a blood alcohol concentration of .08% or greater; or having any amount of a Schedule I or II drug, except marijuana, in the body.

Electronic Benefit Transfer (EBT) - An electronic system that allows a Supplemental Nutrition Assistance Program (SNAP) participant to pay for food using SNAP benefits.

Encumbrance – An account used to record the estimated amount of purchase orders or contracts chargeable to an appropriation. The account is credited when goods or services are received, and the actual expenditure of the appropriation is known and recorded.

Enterprise Fund – A fund in which the services provided are financed and operating similarly to those of a private business enterprise, i.e., through user fees.

Estimated Market Value - Represents the selling price of a property if it were on the market. Estimated market value is converted to tax capacity before property taxes are levied.

Expenditure (Expense) – Decreases in financial resources other than through interfund transfers.

Fiscal Disparities – The program created by the Metropolitan Fiscal Disparities Act which shares growth in the commercial-industrial tax base in the seven-county metropolitan area. Forty percent of the value of new commercial-industrial development since 1971 is pooled and redistributed among 300 taxing districts to address uneven business development throughout the region.

Five-Year Model – A planning tool used to assess the opportunities and challenges of future budget years based on scenarios of the current budget year.

Full-Time Equivalent (FTE) – Equivalent of one employee working fulltime, or 2,080 hours per year. An FTE can be filled by any number of employees whose combined hours total 2,080 per year.

Fund – An independent fiscal and accounting entity which is segregated for the purpose of performing specific activities or achieving certain objectives.

Fund Balance – Difference between fund assets and fund liabilities (the equity) in governmental funds. Fund balances will be classified as reserved or unreserved.

<u>Reserved Fund Balance</u> - Legally segregated for a specific use. They are not available for discretionary appropriation.

<u>Unreserved Fund Balance</u> - The portion of fund balance that is not reserved. Represents resources that can be used for any purpose of the fund they are reported in.

<u>Designated Funds</u> - Establish tentative plans for, or restrictions on, the future use of financial resources.

<u>Undesignated Fund Balance</u> - The funds remaining after reduction for reserved and designated balances.

In addition, many of the special funds have restricted use, depending on the legal restrictions governing the levy of the funds they contain. Examples are the Debt Service Fund and the Capital Projects Fund.

General Fund – The governmental accounting fund supported by ad valorem (property) taxes, licenses and permits, service charges and other general revenues to provide citywide operating services.

Geographic Information Services (GIS) – A computer system for capturing, storing, checking, and displaying data related to positions on Earth's surface.

Government Financial Officers' Association (GFOA) – The professional association of state and local finance officers in the United States who are dedicated to the sound management of government financial resources. The association sets program standards for the GFOA's Certificate of Achievement for Excellence in Financial Reporting.

Governmental Accounting Standards Board (GASB) – It is the highest source of accounting and financial reporting guidance for state and local governments.

Governmental Fund – A grouping used in accounting for tax-supported activities completed by the government.

Indirectly Funded Amount – The portion of appropriations not funded by program revenues such as fees and grants. This portion is funded from shared revenues such as property tax, intergovernmental revenues or a City-wide fee not directly attributable to any one program.

Levy – To impose taxes, special assessments, or service charges or the amount of those taxes, assessments or charges.

Local Performance Aid – A state program for cities and counties that is intended to provide an incentive for local governments to develop and maintain performance measurement systems.

Let's Talk Bloomington - The City of Bloomington's interactive website for community conversations.

League of Minnesota Cities Insurance Trust (LMCIT) - A self-insured membership cooperative formed by Minnesota cities.

Light Rail Transit (LRT) – Passenger transportation on rails with a current terminus at the Mall of America.

Major Account Series – Three classifications of expenditures made by the City include:

<u>Salaries</u>, <u>wages</u> and <u>benefits</u> - Costs relating to employees or temporary help, including fringe benefits.

<u>Materials, supplies and services</u> - Costs relating to articles of a non-durable nature such as office supplies, professional and technical services, utilities and maintenance, operations and City support services.

<u>Capital Outlay</u> - Costs of durable goods such as furniture and equipment.

Major Program – The eight departments in the City of Bloomington government: Legal, Human Resources, Finance, Police, Fire, Community Development, Community Services and Public Works and one Technical Services Group.

Major Fund – A fund whose revenues, expenditures/expenses, assets, or liabilities (excluding extraordinary items) are at least 10 percent of corresponding totals for all governmental or enterprise funds and at least 5 percent of the aggregate amount for all governmental and enterprise funds.

Mall of America (MOA) – Nation's largest retail and entertainment complex located in Bloomington.

Metropolitan Council Environmental Services (MCES) - The joint waste treatment facility for the metro area.

Modified Accrual Basis – Under the modified accrual basis of accounting, revenues are recognized in the period in which they become available and measurable, and expenditures are recognized at the time a liability is incurred pursuant to appropriation authority.

National Community Survey™ - A benchmarking survey that provides a comprehensive picture of resident perspectives on community livability, performed by the National Research Center of Boulder, Colorado.

Net Assets – The equity associated with general government less liabilities.

Operating Budget – Financial plan for the fiscal year which authorizes proposed personnel complements, expenditures and the revenues to finance them.

Pavement Management Program (PMP) – This is an 80-year street overlay and construction plan that provides for the systematic maintenance and replacement of streets based on schedules that indicate the most cost-effective timeframe. The Council has adopted the first 20 years of the plan.

Program – Within each Department are several divisions or programs in the City, each charged with carrying out a specific function.

Proprietary Fund – A business-like fund of a state or local government. For example, enterprise fund and internal service fund.

Proposed Budget – Budget as submitted by the City Manager to the City Council.

Public, Educational, and Governmental Fees (PEG) –Public, Educational, and Governmental Access programming is supported by the PEG fee that is assessed to each cable subscriber. Funds can only be used to finance the production of PEG Access programming.

Racial Equity Action Team (REAT) - Staff-driven teams that advance racial equity work from the unique perspectives of individual departments and divisions.

Ranked Choice Voting (RCV) - An electoral system in which voters rank candidates by preference on their ballots.

Request for Proposals (RFP) – A request for proposal is a document that solicits proposal, often made through a bidding process, by an agency or company interested in procurement of a commodity, service, or valuable asset, to potential suppliers to submit business proposals.

Retained Earnings – The profits that a company has earned to date, less any dividends or other distributions to investors.

Special Revenue Fund – An account established by a government to collect money that must be used for a specific project. These funds provide an extra level of accountability and transparency to taxpayers that their tax dollars will go toward an intended purpose.

Strategic Priorities – Refers to the funds available for allocation to one-time or capital projects not funded through the budget process. These funds can be allocated from a direct levy or from any surplus that may result at the end of the budget year.

Tax Capacity – City tax base for the purpose of levying property taxes. Properties are multiplied by a Statutory rate which converts into the tax base (see also Tax Classification Rate).

Tax Capacity Rate –Tax rate applied to tax capacity in order to generate property tax revenue. The rate is obtained by dividing the property tax levy by the available tax capacity.

Tax Classification Rate – Rates at which estimated market values are converted into the property tax base. The classification rates are assigned to properties depending on their type (residential, commercial, farm, etc.) In some cases there are two tiers of classification rates with the rate increasing as the estimated market value increases.

Tax Increment Financing (TIF) – Financing tool originally intended to combat severe blight in areas which would not be redeveloped "but for" the availability of government subsidies derived from locally generated property tax revenues.

Third Party Administrator (TPA) - Claims processor for certain employee benefits.

Truth-In-Taxation (TNT) – Procedures adopted by the 1989 Minnesota Legislature intended to improve accountability in the adoption of the budget and property tax levy of local governments. These procedures are revised annually.

Workers' Compensation Reinsurance Association (WCRA) – Insurance coverage that protects the City from catastrophic workers' compensation losses.

WIC - The Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) provides federal grants to states for supplemental foods, health care referrals, and nutrition education for low-income pregnant, breastfeeding, and non-breastfeeding postpartum women, and to infants and children up to age 5 who are found to be at nutritional risk.

Working Capital – Current assets minus current liabilities. This measure is used as a gauge in determining appropriate fund balances.

INTENTIONALLY LEFT BLANK