

BLOOMINGTON

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED DECEMBER 31, 2024



Annual Comprehensive Financial Report

of the City of Bloomington, Minnesota

For the Year Ended December 31, 2024

Prepared by the Finance Department

Annual Comprehensive Financial Report For the Year Ended December 31, 2024

SECTION I

INTRODUCTORY SECTION

ANNUAL COMPREHENSIVE FINANCIAL REPORT YEAR ENDED DECEMBER 31, 2024

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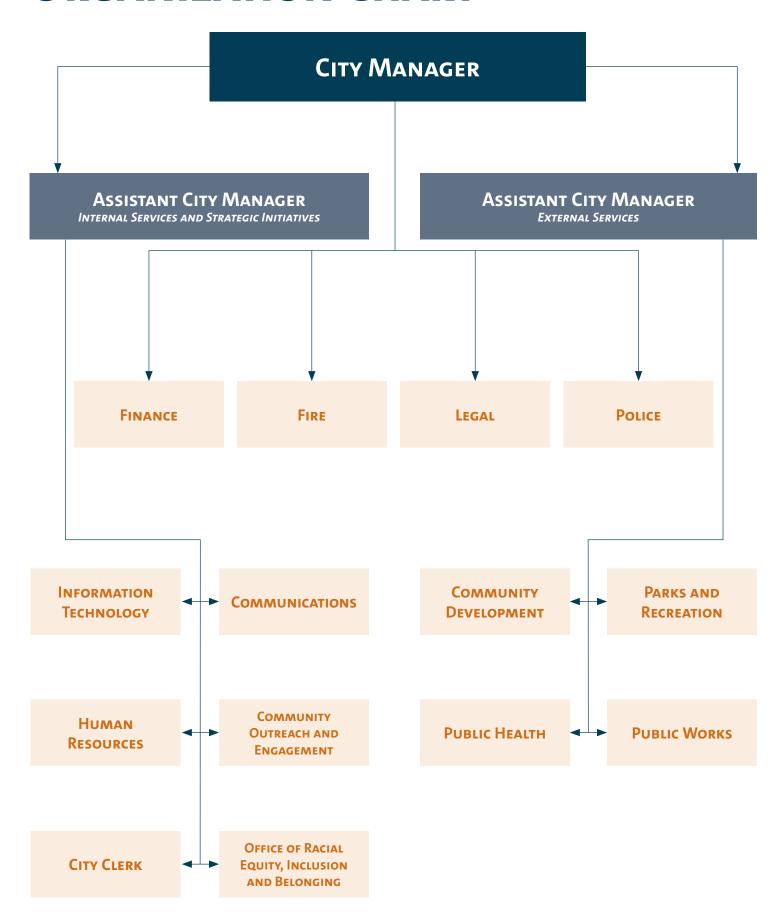
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ORGANIZATION CHART



DECEMBER 31, 2024

PRINCIPAL OFFICIALS

TIM BUSSE, MAYOR

JENNA CARTER	COUNCILMEMBER
LONA DALLESANDRO	COUNCILMEMBER
DWAYNE LOWMAN	COUNCILMEMBER
CHAO MOUA	COUNCILMEMBER
SHAWN NELSON	COUNCILMEMBER
VICTOR RIVAS	COUNCILMEMBER

JAMIE VERBRUGGE, CITY MANAGER



June 12, 2025

To the Citizens of the City of Bloomington, Mayor, Council Members, and City Management

The Annual Comprehensive Financial Report of the City of Bloomington, Minnesota (the City) for the fiscal year ended December 31, 2024 is hereby submitted. The purpose of this report is to provide the Mayor, City Council, City staff, citizens, bondholders, and other interested parties with useful information concerning the City's operations and financial position.

This report was prepared by the City's Finance Department. Management assumes full responsibility for the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, supporting schedules, and statistical tables contained in this report, based upon a comprehensive framework of internal controls that has been established for that purpose. Because the cost of internal control should not exceed the anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of material misstatement. We believe the data, as presented, is accurate in all material respects; that it fairly sets forth the financial position and results of City operations as measured by the financial activity of its various funds; and that all disclosures necessary to enable the reader to gain the maximum understanding of the City's financial affairs have been included.

Generally accepted accounting principles (GAAP) require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City of Bloomington's MD&A can be found immediately following the Independent Auditors' Report.

The organization, form and contents of this report were prepared in accordance with the standards prescribed by the Governmental Accounting Standards Board (GASB), the Government Finance Officers Association of the United States and Canada (GFOA), the American Institute of Certified Public Accountants, the Minnesota Office of the State Auditor, and the City Charter.

The City and the City's Housing and Redevelopment Authority (HRA), a discrete component unit of the City, are required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1996 and U.S. Office of Management and Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Information related to this single audit, including the schedule of expenditures of federal awards, findings and questioned costs, independent auditor's report on compliance and on internal control over financial reporting based upon the audit of the basic financial statements performed in accordance with Government Auditing Standards, and independent auditor's report on compliance and internal control over compliance applicable to each major federal award program, are included in a separate single audit report.

Other Reporting Entity Components

In accordance with GASB pronouncements, the City's financial statements include all funds and departments of the City (the primary government) and its component units. Component units are included in the City's reporting entity because of the significance of their operational or financial relationship with the City. As a result of applying the entity definition criteria of GASB, the following organizations have been included in the City's financial statements:

- 1. The Port Authority of the City of Bloomington (Port Authority)
- 2. Housing and Redevelopment Authority in and for the City of Bloomington (HRA)

Note 1 to the financial statements gives further information about the component units included in the financial statements. Note 14 to the financial statements presents disclosure information for each of the discretely presented component units. The financial schedules of the Port Authority and the HRA are included within the City's Annual Comprehensive Financial Report in the Other Supplementary Information section under the Component Units tab.

Economic Condition and Outlook

Bloomington covers an area of 38.3 square miles and is situated completely within Hennepin County. Bloomington was incorporated as a township on May 11, 1858, the same day Minnesota became a state. Over the past seven decades Bloomington has grown from a rural village beyond the developing edge of Minneapolis to one of Minnesota's largest cities and the region's hospitality and retail hub. This growth was spurred by freeways reaching out from the metropolitan downtowns and further enhanced by its proximity to the Minneapolis/St. Paul International Airport. The Minnesota River meanders along as a southern border to the city. Residents enjoy miles of scenic hiking and biking paths while exploring nature areas overlooking the Minnesota Valley National Wildlife Refuge.

Bloomington is also the terminus for the 12-mile METRO Blue Line (Hiawatha) which opened in 2004. This light rail transit (LRT) line connects four Bloomington stations with several popular Twin Cities destinations along the Blue and Green light rail lines including the Minneapolis/St. Paul International Airport, Minneapolis Veteran's Administration Health Care System, University of Minnesota, Downtown Minneapolis, the State Capitol, and Downtown St. Paul. Bloomington is also served by multiple Bus Rapid Transit (BRT) routes, including the Orange Line, Red Line, and D-Line, along with numerous high service bus routes.

The city has many well-known national and international corporations within its boundaries, including HealthPartners, Seagate Technology, Toro Company, Donaldson Company, Express Scripts, Thermo King, Skywater Technology, Ceridian Corporation, Polar Semiconductors, Hewlett Packard, SICK Inc, International Dairy Queen and Ziegler, Inc. Bloomington is home to the largest retail and entertainment destination in the United States, Mall of America[®]. More than 11,000 people work at Mall of America and it attracts over 32 million visitors each year. As the state's number one tourist attraction, Mall of America draws more visitors than all other Minnesota tourist destinations combined.

In addition, with many entertainment facilities and 9,525 hotel/motel rooms, Bloomington is a major regional and national business and meeting center, employing thousands of workers in the hospitality industry.

Housing is well-maintained throughout the city and Bloomington is fortunate to have a diversified tax base, which for payable 2024 is composed of approximately 43.6% commercial/industrial, 44.1% residential, and 11.5% apartments. Shopping areas are efficiently distributed, and Bloomington businesses provide two jobs for every Bloomington resident in the workforce. Bloomington also has plenty of room for new development and is experiencing additional growth, especially in the multi-family sector.

Current City Development

Total project valuation for all building permits issued in 2024 was \$500,044,779. The majority of new development continues to focus on the South Loop District and I-494 corridor, where excellent access to employment, improving transit service, and focused land use plans position the City well for future growth. The following development projects in Bloomington were under construction or were completed in 2024:

- Seagate Expansion, 80,000 square foot, two-story manufacturing addition.
- Noble Apartments, 149 units with 14 units affordable at 50% Area Median Income (AMI).
- Walser Toyota dealership and corporate offices, 122,000 square feet.
- Ardor on the Bluff apartments, 235 market rate units.
- Oxboro Heights Senior Apartments, 125 units, all affordable between 30% and 70% AMI.
- Tommy's Car Wash, 5,300 square foot new car wash.
- Luther Hyundai, 9,200 square foot dealership expansion.
- Schneiderman's Furniture, office building conversion plus 4,000 square foot addition.
- Rosalyn senior living apartments, 128 units.
- The Knox apartments, 99 units.
- Ever apartments, 208 units and 1,400 square feet of commercial space.
- SICK Technology Campus Phase II office building and parking structure.
- Gyropolis restaurant addition.

Mall of America® Development

Mall of America (MOA)[®], the largest retail and entertainment destination in the country, opened its doors in August 1992 and has become one of the most visited tourist destinations in the world.

Mall of America has two anchor department stores: Macy's and Nordstrom, as well as up to 500 world-class retail stores, restaurants and attractions. In 2024, Mall of America welcomed 20 new tenants including Edikted, FP Movement, SITKA Gear, Sweet Paris Creperie, Great Big Game Show, Activate and Cocomelon Playdate.

Two connected luxury hotels, the 500-room Radisson Blu on the south side and the 342-room JW Marriott hotel on the north side, offer outstanding amenities such as meeting rooms, onsite dining, fitness centers, and more.

Mall of America also features an extensive entertainment complex that includes Nickelodeon Universe®, a 7-acre indoor theme park. Attractions in the park include the longest indoor zipline in North America, flying thrill-seeking guests 405 feet across Nickelodeon Universe, and Shredders Mutant Masher, a giant pendulum ride that spins and swings riders more than 50 feet in the air.

Other attractions at the Mall include a nightly lightshow called "Universe of Light" that takes place in Nickelodeon Universe every evening, LEGO Imagination Center featuring a LEGO Robot towering over 34 feet tall, several destination restaurants, as well as SEA LIFE, a 1.2 million-gallon walk-through aquarium featuring four different lake and sea environments. Free parking is provided in two, 6,000-space, seven-level public parking facilities.

Mall of America is a regional asset, attracting more than 32 million visitors a year and generating significant income and more than \$2 billion in economic impact for the State of Minnesota. The Port Authority of the City of Bloomington financed the initial land acquisition and public infrastructure improvements. The total Phase I project was \$744 million, of which the Port Authority provided approximately \$108 million in public improvements for site work, parking facilities, structural roadway and bridge work, and land acquisition.

The mall is expanding in phases. Both the south side (Radisson Blu) and north side (Phase 1C) have seen expansions. The 500-room Radisson Blu opened in 2013 with a total project cost of \$137 million. In 2015, the \$292 million Phase 1C expansion opened on the north side, increasing total project area of Mall of America to 5.6 million square feet. The Phase 1C expansion added 735,000 square feet including a 342-room JW Marriott hotel, a ten-story office building anchored by the supercomputing company Hewlett Packard, and 161,000 square feet of additional retail, restaurants, and a large gathering space.

Mall of America anticipates several additional expansion phases on both the north and east sides of MOA. The City has completed significant infrastructure improvements, such as the lowering of Lindau Lane, to facilitate further expansion of the mall. The most likely next phase is a \$300 million waterpark. The Port Authority and City Council approved key development documents on March 9, 2022 to facilitate this development; however, the project was stalled by the market adjustments in 2022, with the increase in interest rates and construction costs. Staff continues to work with the developer on a revised financial model for a future consideration by the boards.

Major Initiative

Bloomington Community Brain Health Services Program

Each year, the City of Bloomington invites residents to share their opinions and feedback on the community's livability and quality of life through The National Community SurveyTM. This survey provides a statistically valid representation of how well the City of Bloomington meets the needs of its residents. Results from the 2020 to 2022 surveys revealed a 17% decline in community ratings concerning the availability of affordable, quality mental health services in the city. This local concern reflects national trends in mental health service availability, where a growing gap between the supply of services and the rising demand for care continues to widen and is projected to get much worse.



Pilot Program Launched

In response to this growing concern the Bloomington Police Department, in partnership with Bloomington Public Health, launched the Bloomington Community Brain Health Services (BCBHS) pilot program in October 2023. The purpose of this groundbreaking initiative was to increase access to affordable mental health treatment to the community and reduce emergency mental health crisis calls within the city. This initiative aligns closely with priorities shared by both City departments, including mental health and substance use prevention, which also align with the City's strategic plan goals.

Funds received from recent opioid settlements were used to help launch the pilot program, in acknowledgement that treatment and prevention strategies are key to mitigating continued harm to affected individuals and the community.

Collaborative Services

Bloomington residents in mental health crisis are referred to the program by Bloomington police officers, Hennepin County social workers, and counselors with Bloomington Public Schools. Once referred, an individual can begin mental health treatment in their home, in a private location at the Bloomington Civic Center, or via a HIPAA compliant online telehealth platform in as little as 48 hours following the crisis. The program is structured to provide participants with up to 15 one-hour psychotherapy treatment sessions at no cost for individuals, couples, or families. Once a participant is no longer in crisis, BCBHS mental health providers work to connect and establish appropriate long-term mental health care for each participant as needed.

In addition to providing services to the public, the BCBHS also serves as a clinical mental health internship and training site for local graduate school mental health programs such as marriage and family therapy, counseling psychology, and clinical social work. Each year, up to 4 graduate students enrolled in these programs receive a one-year placement with the BCBHS program. During this time, graduate students receive training, guidance, and supervision in their development as mental health clinicians. The BCBHS program is managed by 2 full-time licensed mental health providers who serve as administrative and clinical supervisors. Psychotherapy treatment services for the program are provided by the 4 graduate clinical mental health interns.

Bloomington Police and Public Health staff work as a team to support the program, providing the electronic health record system to document and evaluate brain health-related efforts. Together, they are actively exploring innovative strategies to sustain and expand the program, addressing critical gaps in the City's mental health service delivery. The program's early success suggests it is making a meaningful difference in the lives of those it serves, while reducing calls for service and conserving healthcare resources.

Outcomes, Recognition, and Growth

In its first year, the BCBHS program has achieved significant outcomes, earning recognition for its impact. Since its launch, 74 individuals, couples, and families have been referred for services, with 41 of those referrals utilizing the available support. As of December 31, 2024, 430 mental health treatment sessions were completed, and the program conducted 10 school-based group therapy sessions discussing topics such as self-care, stress, anxiety, depression, self-esteem, and substance use.

Since its launch, the unique program has gained widespread recognition from law enforcement and municipal government leaders both statewide and nationally. In October 2024, the Bloomington Police Department and the BCBHS program were honored with the 2024 Regional Leaders and Innovators Award in the Public Safety category by the Minneapolis Chamber of Commerce. The program also caught the attention of local news, and it was also featured in articles by St. Mary's University of Minnesota and the *Minneapolis Star Tribune*, further showcasing its impact and reach.

The program's success was further highlighted when the Bloomington Police Department, Public Health, and BCBHS leaders were invited to present at the Police Assisted Addiction & Recovery Initiative (PAARI) national conference.



Looking ahead, the next steps for the program will focus on expanding services by enhancing partnerships with local schools, community organizations, and neighboring cities like Richfield and Edina. In line with the Bloomington Police Department's core values of "respect through compassionate and honest service," the program will work to ensure that these new partnerships continue to prioritize the needs of the community with integrity and care. Additionally, plans are in place to explore additional funding sources to ensure long-term sustainability and growth.

Relevant Financial Policies

In accordance with the City's Budgetary and Financial Control Policy, the City strives to maintain a fund balance in the General Fund for working capital purposes of 35-40% of the following year's General Fund total budgeted revenues or expenditures. The City also reviews and updates the schedule of fund balances, reserves, and working capital in all other operating funds and determines adequacy of those money balances, using specified guidelines and criteria in conjunction with the budgets set annually.

The City's Debt Policy confines long-term borrowing to capital improvements, equipment or projects that have a life of more than four years and cannot be financed from current revenues. The City endeavors to keep the total maturity length of general obligation bonds below twenty years and to have at least 50% of the principal retired within ten years. Total net general obligation debt (after deducting sinking funds and reserves net of any portion supported by utilities or others such as the State) shall not exceed 75% of the dollar per capita debt limit per year.

Budget Process

The City Council is required to adopt a final budget no later than December 31 for the next year. Formal budgetary integration is employed as a management control device during the year for the general fund, special revenue funds, enterprise funds, and internal service funds. The general fund, special revenue funds, enterprise funds, and internal service funds have legally adopted annual budgets. All appropriation changes that occur during the year are approved by the City Council. Capital projects are approved on a project-by-project basis.

Liquidity

The following table shows previous year-end fund balances for the General Fund, as compared to original budget appropriations for the following year.

	General Fund		Fund Balance				
	Budget	_	Beginning of Year				
	Appropriations Amount		Amount	% of Budget			
2021	\$ 79,453,928		\$ 39,064,038	49.2%			
2022	85,301,172		42,565,870	49.9			
2023	94,161,711		44,898,089	47.7			
2024	100,098,114		51,157,572	51.1			
2025	109,813,406		55,569,726	50.6			

The City's General Fund working capital balance of \$55,569,726 at December 31, 2024 ties to the total fund balance to \$55,569,726 as noncurrent assets are offset by deferred inflows. The City anticipates that the 2025 year-end General Fund balance will remain constant based upon budgeted 2025 revenues and expenditures and one-time transfers of fund balance to other funds for specific projects.

Debt Administration

General obligation bond debt statistics for the City of Bloomington at December 31, 2024 are as follows (primary government only):

			Bonded Deb	t per Capita
		% Market	Current	Prior
	Amount	Value	Year	Year
General Obligation Bonded Debt	\$ 26,877,619			
Improvement Bonds	39,111,662			
General Obligation Tax Increment	14,740,569			
Net Total	80,729,850			
Less Debt Service Funds	(24,135,999)			
Total Net Bonded Debt	56,594,151	.32%	\$ 617	\$ 646
Overlapping Debt (1)	285,893,371	1.62	3115	2,770
Total – 2024 Year-End	\$ 342,487,522	1.94%	\$ 3,732	
Total - Prior Year-End	\$ 312,701,276	1.83%		\$ 3,416

⁽¹⁾ School, County, and other local taxing entities - see Table 11 in the Statistical Section.

In 2024, the City retired \$1,005,000 of general obligation, \$5,945,000 of improvement, \$319,431 of tax increment, and \$910,000 of business-type G.O. bonds. The City issued \$9,110,000 of general obligation and \$34,780,000 of sales tax revenue bonds.

The following table presents general obligation bonds issued during the recent fiscal years:

Date of Issue	Amount	Туре	Average Life	Net Interest Rate	Interest Cost Per Borrowed Dollar
12/10/20	\$5,385,000	Improvement	5.94 years	.94%	\$.12
12/10/20	1,975,000	Tax Increment Refunding	6.64	1.41	.09
12/16/20	1,573,540	Taxable Tax Increment	12.39	2.45	.30
06/29/21	975,000	Taxable Tax Increment	10.04	2.45	.25
09/09/21	2,005,000	Charter Bonds	6.36	.98	.25
11/23/21	4,540,000	Improvement	6.07	1.31	.21
04/27/22	11,975,000	Capital Improvement	12.48	3.05	.43
09/08/22	11,875,000	Improvement	6.89	2.51	.33
12/20/22	5,551,460	Taxable Tax Increment	8.65	2.45	.26
09/05/24	9,110,000	Improvement	6.40	2.94	.31
11/26/24	34,780,000	Sales Tax Revenue	12.40	5.05	.62

The City's bonds are rated Aaa by Moody's Investors Service (Moody's highest rating, upgraded from Aa1 in November 1998), AAA by Standard and Poor's (S&P's highest rating, upgraded in October 2000), and AAA by Fitch Ratings (Fitch's highest rating, awarded in October 2004). These "Triple A" bond ratings were reaffirmed at the most recent bond issuance. The

City believes that its 2024 financial results will result in continued excellent bond ratings. These excellent ratings have had a positive effect on the sale of the City's bonds, by broadening the City's market and lowering the interest rates for borrowing.

10-Year Capital Improvement Plan

The proceeds of general obligation bond issues; federal, state and local grants; and other local funding sources for capital projects are accounted for in capital projects funds until the particular projects are completed.

The City utilizes a ten-year Capital Improvement Plan, outlining projected costs and sources of funding for proposed capital improvement projects. Any unrestricted fund balances of the Park Development Fund and the Facilities Fund are identified for use as proposed in the Capital Improvement Plan, when and if such projects are ordered by the City Council.

The City's latest ten-year Capital Improvement Plan indicated the following financing or spending totals for the ten-year period of 2025-2034:

Project Category	Estimated Amount (in millions)	Approximate Sources of Funding	
City Facilities, Parks and Park Development	\$ 364.2	Bonds Local Sales Tax Grants, Other Cash on Hand	42% 33 18 7
Alternative/Surface Transportation	247.7	PIR Bonds Franchise Fees Municipal State Aid Cash on Hand Grants, Other Tax Abatement Other Governments	44% 17 16 10 7 4 2
Water, Sewer, and Stormwater Facilities	191.8	Cash on Hand Utility Bonds Grants/Other Other Governments Tax Abatement	69% 13 9 7 2
Economic Development and Redevelopment	22.3	Liquor/Lodging Tax Cash on Hand	96% 4
Total	\$ 826.0		

Certificate of Achievement

Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Bloomington, Minnesota for its annual comprehensive financial report for the fiscal year ended December 31, 2023. This was the 53rd consecutive year that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to GFOA to determine its eligibility for another certificate.

Independent Audit

State law provides that the City may arrange for examination of its books, records, accounts and affairs, or any part thereof, by the state auditor, or by certified public accountants. It has been a long-standing policy of the City to provide for a complete annual audit of City records by certified public accountants. The Independent Auditors' Report is included in the Financial Section of this report.

Acknowledgments

We wish to express our appreciation to the Finance Department staff, in particular Rose Ackerman, James Colclasure, Mary Kay Heinen, Erica Lee, Mary Lee, and Amy Sevig for their diligent work in preparing this report. We appreciate the cooperation and support from other City departments both in the preparation of this report and in budget management throughout the year. We also wish to thank the Mayor, members of the City Council, and the City Manager for their continued interest and support in planning and conducting the financial operations of the City in a responsible and progressive manner.

Respectfully submitted,

Lori Economy-Scholler, Chief Financial Officer

Finance Department

Amy Sevig, Deputy Finance Officer

amy Sevig

Finance Department



Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Bloomington Minnesota

For its Annual Comprehensive Financial Report For the Fiscal Year Ended

December 31, 2023

Christopher P. Morrill

Executive Director/CEO

Annual Comprehensive Financial Report For The Year Ended December 31, 2024

SECTION II

FINANCIAL SECTION





INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and Members of the City Council City of Bloomington, Minnesota

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Bloomington, Minnesota, as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the City of Bloomington, Minnesota's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Bloomington, Minnesota, as of December 31, 2024, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City of Bloomington, Minnesota and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Bloomington, Minnesota's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Governmental Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether
 due to fraud or error, and design and perform audit procedures responsive to those risks.
 Such procedures include examining, on a test basis, evidence regarding the amounts and
 disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City of Bloomington, Minnesota's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Bloomington, Minnesota's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the budgetary comparison schedules, and the schedules of OPEB and pension information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Bloomington, Minnesota's basic financial statements. The accompanying supplementary information and other supplementary information – component units, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information and other supplementary information – component units are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 12, 2025 on our consideration of the City of Bloomington, Minnesota's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of Bloomington, Minnesota's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Bloomington, Minnesota's internal control over financial reporting and compliance.

Redpath and Company, LLC

REDPATH AND COMPANY, LLC St. Paul, Minnesota

June 12, 2025

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

As management of the City of Bloomington (the City), we offer readers of the City's financial statements a discussion and analysis of the City's financial performance during the fiscal year ended December 31, 2024. This discussion and analysis should be read in conjunction with the transmittal letter, which can be found on pages 9 - 19 of this report, and the City's basic financial statements following this section.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of the City exceeded liabilities and deferred inflows at the close of the 2024 fiscal year by \$788.7 million (*net position*). Of this amount, \$152.5 million (*unrestricted net position*) may be used to meet ongoing obligations to citizens and creditors, \$37.6 million is restricted for fire pension, \$32.7 million is restricted for debt service, \$37.5 million is restricted for tax increment and abatement, \$6.5 million is restricted for local sales tax, \$4.1 million is restricted for public safety, \$1.7 million is restricted for street reconstruction, \$567,400 is restricted for local affordable housing, \$391,500 is restricted for cemetery, \$95,500 is restricted for community services and \$515.1 million is the City's net investment in capital assets.
- The City's net position increased by \$33.5 million. The general revenues overall increase of \$16.9 million included several factors. Property taxes increased \$5.4 million mainly due to the levy increase along with a slight growth in market values. The Bloomington local sales taxes were initiated in 2024 after a voter referendum approval and provided revenue of \$10.0 million this year. Grants and contributions not restricted increased \$2.2 million due to PERA Pension intergovernmental revenue. Interest and investment earnings decreased \$1.6 million compared to prior year due to the smaller increase in fair market value of investments.
- As of December 31, 2024, the City's governmental funds had combined fund balances of \$233.0 million, an increase of \$49.5 million in comparison with the prior year. Including committed, assigned, and unassigned fund balances, approximately 51% of the total fund balances are available to meet the City's current and future needs. The remaining 49% is restricted mostly for grants, debt service, and capital projects.
- At the end of the current fiscal year, total fund balance in the General Fund was \$55.6 million, or 53.7% of actual total General Fund expenditures. This compares to \$51.2 million from the prior year, an increase of \$4.4 million. The General Fund working capital goal policy states the City will strive to maintain a fund balance in the General Fund for working capital purposes of 35-40% of the following year's General Fund total budgeted revenues and/or expenditures. As of December 31, 2024, the fund balance of the General Fund was within or above this range. \$6.7 million of this positive performance has been committed for budgeted carryover amounts unspent in 2024 and future projects open purchase order contracts at the end of 2024 that were carried over to the 2025 budget.

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

- In 2024 the Net Pension liability decreased \$15,186,311 due to changes in actuarial assumptions with the General Employee Retirement Fund and Public Employees Police and Fire Fund in addition to overall good investment returns. The pension related net deferred inflows increased and net deferred outflows decreased in the General Employee Retirement Fund. The net deferred inflows increased and net deferred outflows decreased as well in the Public Employees Police and Fire Fund as a result of changes in actuarial assumptions.
- The estimated market value for all taxable property is at \$17.6 billion for assessment year 2023 (payable in 2024). After fifteen years of steadily increasing market values peaking in 2008 at \$11.8 billion, values declined as a result of the worldwide "Great Recession" before bottoming in assessment years 2012 and 2013 at \$9.9 billion. Total market value has been growing since and has now surpassed the 2008 peak by 49.2%. Growth was especially strong between 2021 (payable 2022) and 2022 (payable 2023), posting an approximate 14% increase. Growth continued for 2023 (payable 2024) and 2024 (payable 2025), although at a much lower rate.
- Entity-wide, the City recorded \$24.6 million in depreciation expense on its capital assets.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements comprise three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the basic financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide Financial Statements. The government-wide financial statements are designed to provide readers with a broad overview of the City's finances in a manner similar to that of a private-sector business.

The *Statement of Net Position* presents information on all of the City's assets, deferred outflows, liabilities, and deferred inflows with the difference between them reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The *Statement of Activities* presents information showing how net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned, but unused, vacation leave).

Both of these government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City include general services, development services, public works, public safety, and community services. The business-type activities of the City include water/wastewater utility, storm water utility, recreational facilities, solid waste management, and contractual police.

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

The government-wide financial statements include not only the City (*known as the primary government*), but also two legally separate entities for which the City is financially accountable. The *component units* are the Housing and Redevelopment Authority in and for the City of Bloomington (HRA) and the Bloomington Port Authority. Financial information for these component units is reported separately from the financial information presented for the primary government.

The government-wide financial statements can be found on Exhibits 1 and 2 of this report.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate finance-related legal compliance. All of the funds of the City can be divided into two categories: governmental funds and proprietary funds.

Governmental Funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financial decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City externally reports five major and thirteen nonmajor governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General, Community Development Block Grant, Debt Service, Capital Projects, and Improvement Construction funds, all of which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The basic governmental fund financial statements can be found on Exhibits 3 through 6 of this report.

Proprietary Funds. The City maintains two different types of proprietary funds: enterprise and internal service.

Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

water/wastewater utility, storm water utility, recreational facilities, solid waste management and contractual police.

Internal service funds are used to allocate costs internally among the City's various functions. The City uses internal service funds to account for its information technology, fleet, support services, public safety equipment, self-insurance, benefit accrual, insured benefits, facilities maintenance, and PERA pension. Because these services predominately benefit governmental rather than business-type activities, they have been included within governmental activities in the government-wide financial statements; however, some allocations have been made to business-type activities. All internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements.

The proprietary fund financial statements provide separate information for water/wastewater, storm water, recreational facilities, solid waste, and contractual police (which are considered to be major funds of the City). The City's enterprise funds are the same as the business-type activities reported in the government-wide statements (except for internal service fund amounts which are allocated to both the governmental and business-type activities) but provide more detail and additional information, such as cash flows, for proprietary funds.

The basic proprietary fund financial statements can be found on Exhibits 7 through 9 of this report.

Notes to the basic financial statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found on pages 66-122 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information*. Required supplementary information can be found on Exhibits A-1 through A-9 of this report.

The combining statements referred to earlier in connection with nonmajor funds and internal service funds are presented in the *supplementary information* section. Combining and individual fund statements and schedules can be found on Exhibits B-1 through D-3 of this report.

The *other supplementary information* section includes additional information on the two component units.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

An analysis of the City's financial position begins with a review of the *Statement of Net Position* and the *Statement of Activities*. These two statements report the City's net position and changes therein. It should be noted that the financial position can also be affected by non-financial factors, including economic conditions, population growth, and new regulations.

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets and deferred outflows exceeded liabilities and deferred inflows by \$788,725,754 at December 31, 2024, as compared to \$755,253,283 at the end of 2023.

CITY OF BLOOMINGTON'S NET POSITION

						lotal Percentage	
	Government	Governmental activities		siness-type activities		Total	
	2024	2023	2024	2023	2024	2023	Change
Assets:							
Current and other assets	\$ 377,602,754	\$ 329,362,778	\$ 61,839,207	\$ 55,467,565	\$ 439,441,961	\$ 384,830,343	14.2%
Capital assets	478,199,702	462,797,981	110,194,651	108,432,694	588,394,353	571,230,675	3.0%
Total assets	855,802,456	792,160,759	172,033,858	163,900,259	1,027,836,314	956,061,018	7.5%
Deferred outflows:							
Deferred outflows of resources	44,525,167	54,783,934			44,525,167	54,783,934	(18.7)%
Total assets and deferred outflows	900,327,623	846,944,693	172,033,858	163,900,259	1,072,361,481	1,010,844,952	6.1%
Liabilities:							
Current and other liabilities	24,051,705	25,904,814	4,007,458	3,140,217	28,059,163	29,045,031	(3.4)%
Noncurrent liabilities	177,910,248	154,450,625	8,921,945	9,934,452	186.832.193	164,385,077	13.7%
Total liabilities	201,961,953	180,355,439	12,929,403	13,074,669	214,891,356	193,430,108	11.1%
Deferred inflows:							
Deferred inflows of resources	64,842,703	58,220,591	3,901,668	3,940,970	68,744,371	62,161,561	10.6%
Total liabilities and deferred inflows	266,804,656	238,576,030	16,831,071	17,015,639	283,635,727	255,591,669	11.0%
Net position:							
Net investment in capital assets	414,866,332	402,785,079	100,215,410	97,582,690	515,081,742	500,367,769	2.9%
Restricted	121,178,823	110,905,209	-	-	121,178,823	110,905,209	9.3%
Unrestricted	97,477,812	94,678,375	54,987,377	49,301,930	152,465,189	143,980,305	5.9%
Total net position	\$ 633,522,967	\$ 608,368,663	\$ 155,202,787	\$ 146,884,620	\$ 788,725,754	\$ 755,253,283	4.4%

As of December 31, 2024 the City had a positive net position balance for the government as a whole. The increase in current and other assets is mostly related to an increase in cash of \$46.1 million which is primarily due to the unspent bond proceeds of \$30.0 million for the Ice Garden renovation project. The deferred outflows decreased \$10.3 million due to changes in actuarial assumptions. Noncurrent liabilities increased roughly \$22.4 million mainly due to a issuance of bonds.

By far, the largest portion of the City's net position, \$515,081,742 (approximately 65%), reflects the City's net investment in capital assets (e.g., land, buildings and structures, machinery and equipment, distribution system, improvements, infrastructure, and subscription assets) less any related debt used to acquire those assets. The City uses these capital assets as an integral part of providing services to citizens; consequently, these are not "liquid" assets and are *not* available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

An additional portion of the City's net position, \$121,178,823 (approximately 15%), represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position, \$152,465,189 (approximately 20%), may be used to meet the government's ongoing obligation to citizens and creditors.

The following schedule provides a summary of the City's operations for the year ended December 31, 2024:

CITY OF BLOOMINGTON'S CHANGES IN NET POSITION

			Duningan Time Antivities		_	Total Percent	
		ntal Activities				Total	
DEVENUE O	2024	2023	2024	2023	2024	2023	Change
REVENUES:							
Program revenues:	ф 40 000 000	ф 47 004 FC0	Ф F0 C00 0FF	¢ 00 000 007	ф 7E 470.070	Ф 77 C4F 400	(0.0)0/
Charges for services	\$ 16,863,823	\$ 17,231,562	\$ 58,609,855	\$ 60,383,927	\$ 75,473,678	\$ 77,615,489	(2.8)%
Operating grants and contributions	14,631,745	16,150,344	438,282	448,187	15,070,027	16,598,531	(9.2)%
Capital grants and contributions	16,252,917	18,227,339	34,397	-	16,287,314	18,227,339	(10.6)%
General revenues:	77 407 405	74 045 000	4 000 405	0.407.470	70 407 000	70 750 004	7.0.0/
Property taxes	77,197,125	71,615,086	1,930,195	2,137,178	79,127,320	73,752,264	7.3 %
Local sales tax	9,982,343	· - · - ·	-	-	9,982,343	<u>-</u>	100.0 %
Business taxes	18,287,823	17,579,451	-	-	18,287,823	17,579,451	4.0 %
Grants and contributions not restricted	5,409,264	3,224,762	-	-	5,409,264	3,224,762	67.7 %
Gain on sale of capital assets	557,228	247,596	12,500	12,500	569,728	260,096	119.0 %
Interest and investment earnings (losses)	8,192,760	10,109,652	1,796,137	1,496,434	9,988,897	11,606,086	(13.9)%
Total revenues	167,375,028	154,385,792	62,821,366	64,478,226	230,196,394	218,864,018	5.2 %
EXPENSES:							
General services	9,268,111	9,530,267	-	-	9,268,111	9,530,267	(2.8)%
Development services	28,073,687	22,542,016	-	-	28,073,687	22,542,016	24.5 %
Public works	24,753,904	34,650,081	-	-	24,753,904	34,650,081	(28.6)%
Public safety	50,762,948	42,500,077	-	-	50,762,948	42,500,077	19.4 %
Community services	26,043,746	16,927,111	-	-	26,043,746	16,927,111	53.9 %
Interest on long-term debt	2,136,497	1,655,522	-	-	2,136,497	1,655,522	29.1 %
Water/wastewater utility	-	-	31,168,323	29,780,702	31,168,323	29,780,702	4.7 %
Storm water utility	-	-	5,385,483	5,464,651	5,385,483	5,464,651	(1.4)%
Recreational facilities	-	-	6,999,460	7,172,458	6,999,460	7,172,458	(2.4)%
Solid waste management	-	-	10,622,238	9,610,207	10,622,238	9,610,207	10.5 %
Contractual police	-	-	1,509,526	1,722,575	1,509,526	1,722,575	(12.4)%
Total expenses	141,038,893	127,805,074	55,685,030	53,750,593	196,723,923	181,555,667	8.4 %
Change in net position before transfers	26,336,135	26,580,718	7,136,336	10,727,633	33,472,471	37,308,351	(10.3)%
Transfers	(1,181,831)	328,076	1,181,831	(328,076)			- %
Change in net position	25,154,304	26,908,794	8,318,167	10,399,557	33,472,471	37,308,351	(10.3)%
Net position - January 1	608,368,663	581,459,869	146,884,620	136,485,063	755,253,283	717,944,932	5.2 %
Net position - December 31	\$ 633,522,967	\$ 608,368,663	\$ 155,202,787	\$ 146,884,620	\$ 788,725,754	\$ 755,253,283	4.4 %

Expenses above include \$19,858,864 of depreciation expense for governmental activities and \$4,741,035 for business type activities under the full accrual basis of accounting.

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

Governmental activities

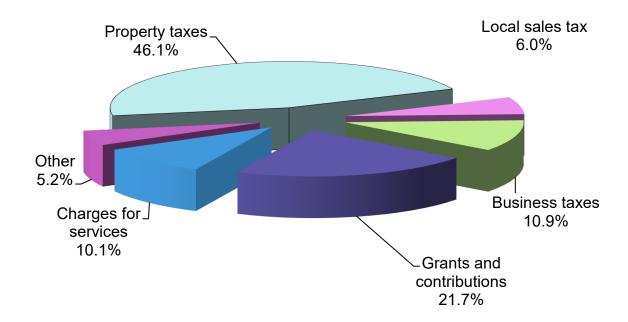
Internal service fund charges for services (program revenues of \$50,515,845) and expenses (\$50,863,506) were allocated to all the governmental and business-type activities. A comparison of revenue and expense changes from 2023 to 2024 follows:

Overall, governmental activities net position increased by \$25.2 million. Within this increase, general revenues increased overall by \$16.9 million in 2024 due to a combination of the following factors. Property taxes increased by \$5.6 million as a result of the levy increase and slight market value increases and local sales taxes of \$10.0 million was initially collected in 2024. Grants and contributions increased by \$2.2 million due to the PERA Pension intergovernmental revenue.

Program revenues decreased by \$3.9 million in 2024. Operating grants and contributions decreased by \$1.5 million due to the Public Safety State Aid received in 2023 and not in 2024. Capital grants and contributions decreased by \$2.0 million mainly due to a decrease in State Aid revenue.

Governmental activities expenses increased by \$13.2 million in 2024. Public Works expenses decreased \$9.9 million but this was offset by Community Services expenses increasing \$9.1 million. This is attributable to the Parks Maintenance division moving from Public Works to Community Services at the beginning of 2024. Public Safety expenses increased \$8.3 million mainly due to Police utilizing the Public Safety State Aid funding received at the end of 2023 in 2024 and Fire utilizing the Staffing for Adequate Fire and Emergency Response (SAFER) grant.

City of Bloomington 2024 Revenue Sources - Governmental Activities



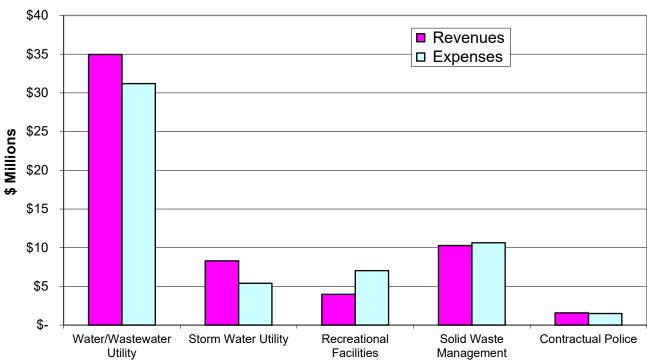
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

Business-type activities

Business-type charges for services revenue decreased \$1.8 million in 2024. The majority of this decrease is due to decreased revenue in water/wastewater utility revenue of \$1.4 million. The water revenue varies based on demand impacted by weather. In addition, the recreational facilities fund decreased charges for services revenue by just under \$1.0 million primarily due to loss on disposal of golf course capital assets.

Business-type expenses increased in 2024 by about \$1.9 million. The majority of this increase was due to the increase of \$1.4 million in the water/wastewater utility related to the amount the City pays Met Council for wastewater services. The \$1.0 million increase in expenses in the solid waste management area is due to curbside cleanup activities the City now offers biannually.

City of Bloomington
2024 Expenses and Program Revenues - Business-Type Activities



MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds. The general government functions are contained in the General, Special Revenue, Debt Service, and Capital Projects funds. The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financial requirements. In particular, unrestricted fund balance may serve as a useful measure of a government's net resources available at the end of the fiscal year.

At December 31, 2024, the City's governmental funds reported combined ending fund balances of \$233,034,876 an increase of \$49.5 million in comparison with the prior year. Fund balance of \$113.2 million is *restricted* due to externally enforceable legal restrictions (creditors, grantors, contributors, and by law through constitutional provisions or enabling regulations).

Approximately, \$119.8 million or 51% of total fund balance constitutes unrestricted fund balance which is the total of committed fund balance (amounts that can be used only for the specific purposes by a formal action of the City Council), assigned fund balance (amounts that are to be used for a specific purpose as expressed by an official that has been delegated authority from the City Council), and unassigned fund balance (amounts that are available for any purpose in the General Fund and Non-Major Funds). The following presents the amounts of unrestricted fund balance by various fund types:

	Unrestricted
Fund Type	Fund Balance
General Fund	\$ 53,109,104
Capital Projects Funds	8,663,895
Improvement Construction Fund	49,739,723
Nonmajor funds:	
Special revenue funds	8,294,872
Total	\$ 119,807,594

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

The following tables provide an overview of revenues by source and expenditures by function for all governmental funds:

Revenues by Source Governmental Funds

	 2024			2023	Increase	
		Percent			Percent	(Decrease)
	 Amount	of Total		Amount	of Total	Amount
Revenues by source:						
Property taxes	\$ 78,878,167	47.5%	\$	69,706,468	46.3%	\$ 9,171,699
Special assessments	3,214,739	1.9		3,010,737	2.0	204,002
Local sales tax	9,982,343	6.0		-	-	9,982,343
Lodging and admissions tax	18,287,822	11.0		17,579,452	11.7	708,370
Business licenses and permits	7,919,278	4.8		6,675,071	4.4	1,244,207
Fines	761,897	0.5		584,986	0.4	176,911
Intergovernmental	22,749,675	13.7		26,731,889	17.8	(3,982,214)
Program income	3,548,496	2.1		2,903,922	1.9	644,574
Interest and investment income	6,247,095	3.8		7,622,090	5.1	(1,374,995)
Franchise fees	9,075,269	5.5		7,467,747	5.0	1,607,522
Contractual component unit	323,652	0.2		273,029	0.2	50,623
Other	 5,076,905	3.0	_	7,793,106	5.2	(2,716,201)
Total	\$ 166,065,338	100.0%	\$	150,348,497	100.0%	\$15,716,841

Property taxes increased by \$9.2 million from 2023 due to the property tax levy increasing along with collections of delinquent taxes from prior years. A local sales tax was implemented in 2024 and collections for the year totaled \$10.0 million. Intergovernmental revenue decreased \$4.0 million from 2023 mainly due to the receipt of Public Safety state aid funding received at the end of 2023 as a one time payment.

Expenditures by Function Governmental Funds

	2024		202	Increase		
		Amount	Percent of Total	Amount	Percent of Total	(Decrease) Amount
Expenditures by Function	_					
General services	\$	9,450,963	5.9%	\$ 8,200,208	6.0%	\$ 1,250,755
Development services		24,979,611	15.6	14,836,733	11.0	10,142,878
Public works		13,373,268	8.4	23,466,629	17.3	(10,093,361)
Public safety		51,101,806	32.0	43,200,138	31.9	7,901,668
Parks and recreation		14,302,982	8.9	4,149,743	3.1	10,153,239
Community services		11,687,744	7.3	10,748,831	7.9	938,913
Debt service		9,676,218	6.1	9,484,404	7.0	191,814
Capital outlay		25,357,329	15.9	21,373,641	15.8	3,983,688
Total	\$	159,929,921	100.0%	\$135,460,327	100.0%	\$24,469,594

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

Please note that the governmental fund information shown above is presented on the modified accrual basis of accounting. The information on the government-wide statements is presented on the full accrual basis. The two formats are prepared differently as required by generally accepted accounting principles (GAAP). See the reconciliations of these statements on Exhibits 4 and 6.

Following is a discussion of the major governmental funds that had large increases or decreases of fund balances:

The General Fund is the chief operating fund of the City. At the end of the current fiscal year, the fund balance of the General Fund was \$55,569,726 which was comprised of \$2,460,622 of restricted fund balance, \$6,701,472 of committed fund balance and \$46,407,632 of unassigned fund balance. As a measure of the General Fund's liquidity, it is useful to compare unassigned fund balance to total General Fund expenditures. Unassigned fund balance represents 44.8% of total General Fund expenditures. It is important to note that the full amount of the General Fund unassigned fund balance of \$46,407,632 is deemed necessary for a working capital goal of \$50,626,835. The committed amount of \$6,701,472 consists of a budget carryover amount of \$5,529,393 and future projects rollover amount of \$1,172,079. The budget carryover represents 2024 budgeted amounts that were unspent in 2024 and were carried over to the 2025 budget. The future projects rollover amount represents open purchase order contracts at the end of 2024 that were carried over to the 2025 budget for future projects.

Overall, General Fund revenues increased from \$96.6 million in 2023 to \$104.4 million in 2024, an increase of \$7.8 million. This was mainly due to an increase in property taxes. General Fund expenditures increased from \$94.0 million in 2023 to \$103.5 million in 2024. The public safety spending increased which was funded by the Public Safety State Aid received at the end of 2023.

The Community Development Block Grant had a fund balance of \$0 and increased intergovernmental revenue by \$166,867 mainly due to increased federally funded rehabilitation loan repayments.

The Debt Service fund balance had a net increase of \$4,737,653. The increase was mainly due to the issuance of debt for the Bloomington Ice Garden renovation.

The Capital Projects fund balance had a net increase of \$37,130,525. The increase was due to the first year of receiving local sales tax revenue and the issuance of debt.

The Improvement Construction fund balance had a net increase of \$2,798,823. The increase was due to an increase in franchise fees and revenue from land held for resale sold.

The \$4.0 million increase in capital outlay in the governmental funds is primarily due to expenditures for the Bloomington Ice Garden renovation.

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

Proprietary Funds. The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

As discussed earlier, the City reports two types of proprietary funds: enterprise funds and internal service funds. The following sections describe the key balances and transactions for the different fund types.

The net position of the enterprise funds increased by \$8.4 million during the current fiscal year. Key factors in this change include:

- The Water/Wastewater Utility Fund had an increase in net position of \$6.2 million, or 7.4%, mainly due to operating revenues and expenses resulting in net income of \$3.8 million and transfers in of \$1.3 million for watermain projects.
- The Storm Water Utility Fund had an increase in net position of \$3.4 million, or 6.4%, due to an increase in service charges.

The net position of the internal service funds increased by \$4,457,606 during the current fiscal year. Key factors in this change include:

- The Fleet Fund had an increase of \$1.6 million due to additional charges for services
- The Facilities Fund had an increase of \$1.5 million mainly due to a transfer in of American Rescue Plan grant funds.
- The PERA Pension Fund had an increase of \$3.0 million due to changes in actuarial valuations of pension liabilities.

GENERAL FUND BUDGETARY HIGHLIGHTS

Differences between the original and final amended 2024 budgets resulted in a \$10.4 million increase in appropriations. The main causes of this increase include:

- \$1.1 million transfer to the Strategic Priorities Fund After meeting the General Fund's required working capital threshold (40% of the following year's revenues), the City Council approved a transfer of \$1.1 million to the Strategic Priorities Fund. This amount included positive budget variances from 2023. The funds will help offset future tax levy pressures and support Council-directed initiatives.
- \$2.3 million SAFER Grant The City was awarded a 3-year SAFER (Staffing for Adequate Fire and Emergency Response) grant beginning in April 2023 to support the hiring of 18 full-time firefighters. The 2024 budget increased by \$2.3 million to reflect this, fully offset by SAFER grant revenues.
- \$2.5 million in one-time Public Safety State Aid The City received one-time state aid for Police, Fire, and Legal services at the end of 2023. These funds were carried over into 2024 and appropriated for use in the current budget year.
- \$3.4 million in transfers to Capital Project Funds Transfers from the General Fund to the Facilities Fund and Park Development Fund supported planned capital projects.
- \$2.3 million in Public Health grant-funded expenditures The amended budget includes additional expenditures supported by Public Health grant revenues.

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

The City ended 2024 with a \$4.4 million surplus in the General Fund. While the amended budget anticipated a shortfall of approximately \$3.9 million, actual year-end results showed that revenues exceeded expenditures by \$4.4 million.

- This positive variance was primarily driven by stronger-than-expected revenue performance. Total General Fund revenues came in at \$111.3 million, which was \$4.7 million over the amended budget.
- Key contributors to this surplus included higher-than-projected intergovernmental revenue due to additional State and Federal funding,
- Interest and investment earnings were more than \$1.5 million above budget because of higher investment returns.
- Admissions and lodging tax collections reflected continued recovery in tourism and entertainment activity.
- Miscellaneous revenue and fines also exceeded expectations.

On the expenditure side, actual spending was \$3.6 million below the amended budget. While there were moderate underspends across several departments, the overall reduction contributed to the positive bottom line.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The City's capital assets for its governmental and business-type activities as of December 31, 2024 amount to \$588,394,353 (net of accumulated depreciation). This investment in capital assets includes land, infrastructure, buildings and structures, machinery and equipment, construction in progress, improvements, and distribution systems. Major capital asset additions during the fiscal year include the following:

- The City's Utilities Division improved the water, wastewater, and storm water distribution systems at a cost of \$5.4 million.
- The 2024 Pavement Management Program (PMP) expended \$12,372,981. These improvements included 2.63 miles of reconstructed streets and 8.61 miles of overlaid streets.
- The City's Improvement Construction Fund spent nearly \$13.8 million on street improvement projects in 2024 for PMP Reconstruction, PMP Overlay, Trails and State Aid funded street projects.

The City's infrastructure assets are recorded at historical cost in the government-wide financial statements. Additional information on the City's capital assets can be found in Note 4.

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

Long-term Debt

At the end of the current fiscal year, the City had total bonded debt outstanding (excluding unamortized premiums) of \$119,530,569 as compared to \$83,820,000 in the prior year. This amount is comprised of \$110,125,569 related to governmental activities and \$9,405,000 in debt related to business-type activities. In 2024, the City issued \$9,110,000 of charter bonds and \$34,780,000 of sales tax revenue bonds. The City retired a total of \$8,179,431 in debt in 2024 resulting in bonds payable of \$119,530,569 at December 31, 2024.

The City maintains an "Aaa" rating from Moody's, an "AAA" rating from Standard & Poor's, and an "AAA" rating from Fitch Ratings. The City is one of only 33 cities nationwide to hold this "Triple A" bond ratings combination. Additional information on the City's long-term debt can be found in Note 7.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

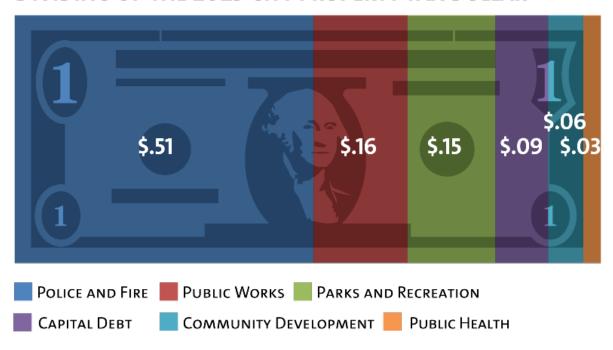
The following key indicators provide highlights of the City's economic outlook and future budget impact:

- At December 2024, the unemployment rate in Bloomington was 2.4%, down from a rate of 2.5% from a year ago. This is less than the state's December unemployment rate of 2.6% and compares favorably to the national rate of 4.1%.
- For 2024, residential property saw nominal growth and apartment property saw a slight decline in value. However, the overall total value of all apartments in the city increased slightly due to the addition of newly constructed buildings on the tax roll. There are still multifamily developments in the pipeline, but interest rates have made projects more difficult to pencil out. Industrial saw more modest growth for 2024 than 2023, posting a 7.3% increase over the previous year's values. Commercial values also posted modest growth of 2.2% from the previous year. The decline in office values offset some of the gains in other areas of the commercial sector.
- Bloomington has a diverse tax base with approximately half commercial and half residential and multi-family. As of January 2024, the assessor's estimated market value for the city of Bloomington was \$17.85 billion. The total city market value is now 51.3% above the previous peak in 2008.
- The City maintains a ten-year General Fund financial model to guide service levels and respond to short-term economic fluctuations, supporting sound long-term fiscal decisions. Similar ten-year models are used for other funds to help prevent steep increases and to plan for pay-as-you-go capital improvements.
- On December 16, 2024, the City Council adopted the 2025 budget and approved a property tax levy of \$87.9 million which is a 9.18% increase from the previous year. The 2025 budget was shaped by *Bloomington. Tomorrow. Together.* strategic plan, investing in the City's core priorities to build a strong, connected, and enduring community focused on being welcoming, healthy, and economically equitable.
- A major focus of the 2025 budget was Public Safety. Within the broader goal of a healthy community, which includes human and environmental health, the budget supported the objective of enhanced safety and security. This included continued investment in transitioning the Fire Department from a primarily paid-on-call model to a hybrid staffing model with both part-time and full-time firefighters.

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

• Each dollar of City property tax in 2025 is allocated as follows: 51 cents to Police and Fire, 16 cents to Public Works, 15 cents to Parks and Recreation, 9 cents to debt payments for capital projects like road and facility improvements, 6 cents to Community Development, and 3 cents to Public Health.

DIVIDING UP THE 2025 CITY PROPERTY TAX DOLLAR



REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or the requests for additional financial information should be addressed to the Chief Financial Officer, Bloomington Civic Plaza, 1800 West Old Shakopee Road, Bloomington, Minnesota, 55431.



BASIC FINANCIAL STATEMENTS

Statement of Net Position December 31, 2024 EXHIBIT 1

		Primary Government		Compon	ent Units
	Governmental Activities	Business-type Activities	Total	Port Authority	Housing and Redevelopment Authority
ASSETS					
Cash, cash equivalents, and investments	\$ 262,929,224	\$ 47,203,121	\$ 310,132,345	\$ 138,757,212	\$ 20,646,514
Receivables, net	54,925,442	17,904,502	72,829,944	91,224	25,999,795
Prepaid items	1,457,325	761,838	2,219,163		
Due from primary government	-	-	-	5,142	154,647
Due from component units	15,148,736	-	15,148,736	-	-
Due from other governments		-		<u>-</u>	147,175
Inventory and land held for resale	1,491,090	-	1,491,090	17,150,000	871,141
Internal balances	4,030,254	(4,030,254)		-	-
Net fire pension asset	37,620,683	-	37,620,683	-	-
Capital assets:		. ====			
Capital assets - nondepreciable	115,453,038	4,728,648	120,181,686	14,287,589	1,719,385
Capital assets - net of accumulated depr	362,746,664	105,466,003	468,212,667		1,601,729
Net capital assets	478,199,702	110,194,651	588,394,353	14,287,589	3,321,114
Total assets	855,802,456	172,033,858	1,027,836,314	170,291,167	51,140,386
DEFERRED OUTFLOWS OF RESOURCES					
Deferred outflows of resources - pensions/OPEB	44,525,167		44,525,167	<u></u>	
Total assets and deferred outflows of resources	900,327,623	172,033,858	1,072,361,481	170,291,167	51,140,386
LIABILITIES					
Accounts payable and other current liabilities	8,611,631	2,841,454	11,453,085	2,309,833	794,968
Accrued interest payable	1,241,876	154,107	1,395,983	69,885	-
Due to other governments	-	-	-	-	47,983
Unearned revenue	3,247,783	51,897	3,299,680	-	175,066
Due to component units	159.789	-	159,789	-	-
Due to primary government	-	_	-	186,894	194,375
Due to primary government - bonds	-	-	-	· -	195,000
Noncurrent liabilities:					,
Due to primary government -					
Loans payable due in more than one year	_	-	-	-	13,029,942
Bonds payable due in more than one year	_	-	-	-	1,400,000
Accrued interest payable	_	-	-	-	142,525
Due within one year	10,790,626	960,000	11,750,626	370,000	, <u>-</u>
Due in more than one year	128,099,752	8,921,945	137,021,697	4,445,000	-
Net pension/OPEB liability	49,810,496	, , ,	49,810,496	· · · -	-
Total liabilities	201,961,953	12,929,403	214,891,356	7,381,612	15,979,859
				<u> </u>	
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows of resources - leases	7,546,835	3,901,668	11,448,503	-	-
Deferred inflows of resources - pensions/OPEB	57,295,868	-	57,295,868		
Total deferred inflows of resources	64,842,703	3,901,668	68,744,371	7,004,040	45.070.050
Total liabilities and deferred inflows of resources	266,804,656	16,831,071	283,635,727	7,381,612	15,979,859
NET POSITION					
Net investment in capital assets	414,866,332	100,215,410	515,081,742	14,287,589	3,321,114
Restricted for:					
Fire pension	37,620,683	-	37,620,683	-	-
Debt service	32,667,446	-	32,667,446	513,582	-
Tax increment/abatement	37,525,739	-	37,525,739	147,220,627	5,512,887
Local sales tax	6,475,554	-	6,475,554	-	-
Public safety	4,123,060	-	4,123,060	-	-
Street reconstruction	1,711,895	-	1,711,895	-	-
Local affordable housing	567,427	-	567,427	-	-
Cemetery	391,498	-	391,498	-	-
Community services	95,521	-	95,521	-	-
Unrestricted	97,477,812	54,987,377	152,465,189	887,757	26,326,526
Total net position	\$ 633,522,967	\$ 155,202,787	\$ 788,725,754	\$ 162,909,555	\$ 35,160,527
					

Statement of Activities
Year Ended December 31, 2024

Net (Expense) Revenue and Changes in Net Position **Program Revenues** Primary Government Component Units Operating Capital Housing and Grants and Grants and Governmental Port Redevelopment Charges for Business-type Functions/Programs Expenses Services Contributions Contributions Activities Activities Total Authority Authority **Primary Government:** Governmental activities: **General Services** 9,268,111 (7,261,163)(7,261,163) \$ 1,615,088 391,860 **Development Services** 28.073.687 10.438.434 3,190,730 1.297.411 (13,147,112)(13,147,112)Public Works 485,893 (9,409,727)24,753,904 7,575 14,850,709 (9,409,727)Public Safety 50.762.948 881.624 4.541.661 (45,339,663)(45,339,663)Community Services 26,043,746 3,442,784 6,499,919 104,797 (15,996,246)(15,996,246)2,136,497 (2,136,497)(2,136,497) Interest on long-term debt (93,290,408) Total governmental activities 141,038,893 16,863,823 14.631.745 16.252.917 (93,290,408)Business-type activities: Water/Wastewater Utility 31.168.323 34.955.336 5.895 3.792.908 3.792.908 Storm Water Utility 5,385,483 8,272,831 18,000 2,905,348 2,905,348 Recreational Facilities 6,999,460 3,867,786 62,303 34,397 (3.034.974)(3.034.974)Solid Waste Management 10,622,238 9,919,764 352,084 (350,390)(350,390)Contractual Police 1,509,526 1,594,138 84,612 84,612 438,282 34,397 3,397,504 Total business-type activities 55,685,030 58,609,855 3,397,504 45 Total primary government 196,723,923 \$ 75,473,678 15,070,027 \$ 16,287,314 (93,290,408)3,397,504 (89,892,904) Component units: Port Authority 8,973,637 805,180 8,820,835 652,378 Housing and Redevelopment Authority 15,998,699 4,887,741 7,638,980 (3,471,978)Total component units 24,972,336 \$ 4,887,741 8,444,160 \$ 8,820,835 652,378 (3,471,978)General revenues: Property taxes 77,197,125 1,930,195 79,127,320 14,555,421 3,884,059 Local sales tax 9,982,343 9,982,343 **Business taxes** 18,287,823 18,287,823 5,409,264 Grants and contributions not restricted 5,409,264 Gain on sale of capital assets 557.228 12.500 569.728 Interest and investment earnings 8,192,760 9,988,897 1,056,262 1,796,137 6,513,860 Transfers (1,181,831)1,181,831 Total general revenues and transfers 118,444,712 4,920,663 123,365,375 21,069,281 4,940,321 Change in net position 25,154,304 8,318,167 33,472,471 21,721,659 1,468,343 Net position - January 1 608,368,663 146,884,620 755,253,283 33,692,184 141,187,896 Net position - December 31 633,522,967 155,202,787 \$ 788,725,754 \$ 162,909,555 35,160,527



MAJOR GOVERNMENTAL FUNDS

GENERAL FUND

This fund accounts for all unrestricted resources except those required to be accounted for in another fund.

SPECIAL REVENUE FUND

Special revenue funds are established to account for taxes and other revenues set aside for a particular purpose.

<u>Community Development Block Grant Fund</u> - This fund was established to account for funds received under Title I of the Housing and Community Development Act of 1974.

DEBT SERVICE FUND

Debt service funds account for the accumulation of resources for and payment of general long-term debt principal and interest.

<u>Debt Service Fund</u> – This fund is used to account for the accumulation of resources for payment of principal and interest on debt service.

CAPITAL PROJECTS FUNDS

Capital projects funds are used to account for the construction and financing of large capital projects.

<u>Capital Projects Fund</u> – This fund accounts for funds and monies required for financing land acquisitions, park development, housing, and construction and equipment related to public facilities.

<u>Improvement Construction Fund</u> – This fund accounts for the proceeds of bonds sold for the purpose of street, trails, sewer, water, and state aid construction.

Balance Sheet Governmental Funds December 31, 2024

400570		General Fund	De	community evelopment lock Grant		Debt Service
ASSETS	•	54 000 550	•	00.700	•	00 704 000
Cash, cash equivalents and investments	\$	54,298,552	\$	32,789	\$	23,731,923
Accrued interest receivable		592,785		-		118,027
Taxes receivable		1,371,574		-		90,092
Accounts receivable		2,501,486		-		-
Lease receivable		7,546,835		-		-
Mortgages and notes receivable		-		11,732,789		-
Prepaid items		-		-		-
Land held for resale		-		-		-
Due from other funds		435,000		-		-
Due from component units		381,269		-		-
Due from other governments		1,494,271		182,592		-
Special assessments receivable		833,140				9,450,336
Total assets	\$	69,454,912	\$	11,948,170	\$	33,390,378
LIABILITIES						
Accounts payable	\$	3,992,377	\$	130,962	\$	3,100
Retainage payable		_		-		-
Due to other funds		-		-		-
Due to component units		75,370		84,419		-
Unearned revenue		584,229		-		_
Deposits payable		23,331		_		_
Total liabilities		4,675,307		215,381		3,100
DEFERRED INFLOWS OF RESOURCES						
Deferred inflows - mortgages		_		11,732,789		_
Deferred inflows - taxes		829,904		-		_
Deferred inflows - state aid		-		_		_
Deferred inflows - special assessments		833,140		_		9,450,336
Deferred inflows - leases		7,546,835		_		-
Deferred inflows - land held for resale		-		_		_
Total deferred inflows of resources		9,209,879		11,732,789		9,450,336
FUND BALANCES						
Nonspendable		-		-		-
Restricted		2,460,622		_		23,936,942
Committed		6,701,472		_		
Assigned		-,,		_		_
Unassigned		46,407,632		_		_
Total fund balances		55,569,726				23,936,942
		20,000,120				_0,000,012
Total liabilities, deferred inflows	•	00.454.040	•	44.040.470	•	00 000 075
of resources, and fund balances	\$	69,454,912	\$	11,948,170	\$	33,390,378

				Nonmajor		Total
	Capital	Improvement	G	overnmental	C	Governmental
	Projects	Construction		Funds		Funds
\$	70,430,200	\$ 57,151,083	\$	13,761,425	\$	219,405,972
	181,952	333,381		58,389		1,284,534
	2,465,361	, -		455		3,927,482
	273	2,022,969		298,137		4,822,865
		_,,,,,,,,				7,546,835
	_	_		_		11,732,789
	12,925	_		_		12,925
	1,489,863	_		_		1,489,863
	1,409,003	-		-		435,000
	12 020 042	-		-		
	13,029,942	-		-		13,411,211
	427,018	11,767,392		354,832		14,226,105
	821,667	146,464		27,631		11,279,238
\$	88,859,201	\$ 71,421,289	\$	14,500,869	\$	289,574,819
•						
•	070.000	.		070.000		5 000 5 to
\$	676,080	\$ 254,058	\$	279,966	\$	5,336,543
	46,565	366,989		-		413,554
	2,625,746	-		135,000		2,760,746
	-	-		-		159,789
	-	-		2,588,554		3,172,783
				835,178		858,509
	3,348,391	621,047		3,838,698		12,701,924
						44 700 700
	-	-		-		11,732,789
	-	-		-		829,904
	-	10,959,390		-		10,959,390
	821,667	146,464		27,631		11,279,238
	-	-		-		7,546,835
	1,489,863			-		1,489,863
	2,311,530	11,105,854		27,631		43,838,019
	12,925	_		_		12,925
	74,522,460	9,954,665		2,339,668		113,214,357
	8,663,895	3,334,003				23,726,474
	0,003,093	- 40 720 722		8,361,107		
	-	49,739,723		- (66.005)		49,739,723
	92 400 200	- - -		(66,235)		46,341,397
	83,199,280	59,694,388	_	10,634,540		233,034,876
\$	88,859,201	\$ 71,421,289	\$	14,500,869	\$	289,574,819
<u>Ψ</u>	50,000,201	Ψ 71,121,200	Ψ	. 1,000,000	<u>Ψ</u>	200,017,010



EXHIBIT 4

233,034,876

633,522,967

CITY OF BLOOMINGTON, MINNESOTA

Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position December 31, 2024

DALANCE - TOTAL GOVERNMENTAL FORDS	Ψ	200,004,070
nounts reported for governmental activities in the Statement of Net Position e different because:		
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported as assets in governmental funds:		
Cost of capital assets Less accumulated depreciation	\$ 663,431,471 (247,356,207)	416,075,264
Governmental funds do not report a liability for accrued interest until due and payable.		(1,241,876)
Internal service funds are used by management to charge the costs of various services provided to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the Statement of Net Position.		
Internal service fund net position per statements Add allocation to business-type activities	35,516,746 3,730,254	39,247,000
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.		(110,125,569)
A portion of other post employment benefits (OPEB) was not paid in the current period and, therefore, not reported in the governmental funds.		
Total OPEB liability Deferred outflows of resources - OPEB plan deferments Deferred inflows of resources - OPEB plan deferments	(10,633,636) 1,204,167 (3,038,967)	(12,468,436)
Bond premiums are reported as other financing sources in the governmental funds at the time of issuance. In the Statement of Net Position, these costs are amortized over the life of the debt issue.		(5,722,780)
Amounts due from component units-bonds payable are not reflected in the governmental funds and, therefore, must be added to reconcile to the total net position of governmental activities.		1,734,416
Amounts pertaining to the Bloomington Fire Relief Association pension plan are not current financial resources and, therefore, are not reported in governmental funds:		
Net pension asset Deferred outflows of resources Deferred inflows of resources	37,620,683 1,351,228 (2,073,023)	36,898,888
Other long-term assets related to delinquent property taxes, land held for resale, and special assessments are not available to pay for current period expenditures and, therefore, are unavailable in the governmental funds		36 <u>001 194</u>
	_	36,091,18

See notes to the basic financial statements.

NET POSITION OF GOVERNMENTAL ACTIVITIES

FUND BALANCE - TOTAL GOVERNMENTAL FUNDS

Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
Year Ended December 31, 2024

	General Fund	Community Development Block Grant	Debt Service
REVENUES			
Property taxes	\$ 65,348,243	\$ -	\$ 6,800,198
Fiscal disparities	4,275,201	-	419,525
Special assessments	55,504	-	3,017,820
Local sales tax	-	-	-
Lodging and admissions tax	10,845,746	-	-
Business licenses and permits	7,919,278	-	-
Fines	595,834	-	-
Intergovernmental	9,643,903	1,346,462	-
Program income	2,117,203	-	-
Interest	1,189,942	-	461,811
Net change in fair value of investments	463,141	-	163,780
Other	1,915,866	-	216,195
Franchise fees	-	-	-
Contractual payments from component unit	-	-	-
Total revenues	104,369,861	1,346,462	11,079,329
EXPENDITURES			
Current:			
General services	9,216,645	-	18,329
Development services	10,801,087	1,307,245	-
Public works	13,354,457	-	-
Public safety	48,375,705	-	-
Parks and recreation	12,079,446	-	157,509
Community services	9,530,977	-	-
Debt service:			
Interest	-	-	2,062,193
Principal retirement	-	-	6,950,000
Capital outlay:			
Development services	-	-	-
Public works	51,199	-	-
Public safety	28,425	-	-
Parks and recreation	63,341		
Total expenditures	103,501,282	1,307,245	9,188,031
Excess (deficiency) of			
revenues over (under) expenditures	868,579	39,217	1,891,298
OTHER FINANCING SOURCES (USES)			
Transfers from other funds	6,959,671	-	-
Transfers to other funds	(3,416,096)	(39,217)	(135,147)
Issuance of debt	-	-	2,981,502
Premium on bonds issued	-	-	-
Total other financing			
sources (uses)	3,543,575	(39,217)	2,846,355
Net change in fund balance	4,412,154	-	4,737,653
Fund balance - January 1	51,157,572		19,199,289
Fund balance - December 31	\$ 55,569,726	\$ -	\$ 23,936,942

Capital	Improvement	Nonmajor Governmental	Total Governmental
Projects	Construction	Funds	Funds
\$ -	\$ 400,000	\$ 1,635,000	\$ 74,183,441 4,694,726
132,402	<u>-</u>	9,013	3,214,739
9,982,343		9,013	9,982,343
7,442,076	_	_	18,287,822
-	_	_	7,919,278
_	-	166,063	761,897
1,044,863	5,784,569	4,929,878	22,749,675
810,856	-	620,437	3,548,496
883,180	1,914,166	325,263	4,774,362
300,353	454,599	90,860	1,472,733
833,112	1,228,371	883,361	5,076,905
-	8,031,788	1,043,481	9,075,269
323,652	-	-	323,652
21,752,837	17,813,493	9,703,356	166,065,338
		215,989	9,450,963
- 11,579,532	<u>-</u>	1,291,747	24,979,611
11,079,002	18,811	1,231,747	13,373,268
1,377	10,011	2,724,724	51,101,806
944,949	_	1,121,078	14,302,982
-	_	2,156,767	11,687,744
		2,100,707	11,007,711
323,652	-	20,942	2,406,787
129,431	-	190,000	7,269,431
1,099,950	-	35,948	1,135,898
553,611	13,800,506	-	14,405,316
294,598	-	104,937	427,960
9,324,814	12 040 247	7 060 120	9,388,155
24,251,914	13,819,317	7,862,132	159,929,921
(2,499,077)	3,994,176	1,841,224	6,135,417
3,323,591	365,147	1,555,532	12,203,941
(6,062,414)	(1,560,500)	(3,022,208)	(14,235,582)
40,908,498	(1,000,000)	(0,022,200)	43,890,000
1,459,927	-		1,459,927
39,629,602	(1,195,353)	(1,466,676)	43,318,286
37,130,525	2,798,823	374,548	49,453,703
46,068,755	56,895,565	10,259,992	183,581,173
\$ 83,199,280	\$ 59,694,388	\$ 10,634,540	\$ 233,034,876



Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities Year Ended December 31, 2024 **EXHIBIT 6**

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS

49,453,703

Amounts reported for governmental activities in the Statement of Activities are different because:

Governmental funds report capital outlay as expenditures. However, in the Statement of Activities, the cost of these assets is capitalized (subject to the City's capitalization policy) and depreciated over their estimated useful lives and reported as depreciation expense.

Capital outlays	\$ 25,357,329
Capital outlay not capitalized	(23,962)
Depreciation expense	(14,893,122)
Loss on disposal of capital assets	(97.791)

The issuance of long-term debt (e.g., bonds payable) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.

Debt issued	(43,890,000)
Principal paid	7,269,431 (36,620,569

Governmental funds report the effect of premiums and discounts when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities.

(728,924)

10,342,454

Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds. This includes the change in accrued interest payable, the total other post employment benefits (OPEB) obligation, and related deferred items.

(669,794)

Internal service funds are used by management to charge the costs of various services provided to individual funds. The net revenues of certain activities of internal service funds are reported with governmental activities.

Change in internal service fund net position per statements	4,457,606	
Add allocation to business-type activities	52,149	4,509,755

Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.

(2,999,373)

Interest revenue on Due from Component Units is not recorded in the governmental funds until received but reported in the Statement of Activities when earned.

(8,106)

Governmental Funds report Fire Department pension contribution as expenditures, however pension expense is reported in the statement of activities. This is the amount by which pension expense differed from pension contributions.

2,065,158

Repayments of Due from Component Units are treated as revenues in the governmental funds but reported as a reduction of the receivable in the Statement of Net Position. Bond proceeds loaned to the component unit are treated as expenditures in the governmental funds but reported as an increase in the receivable in the Statement of Net Position.

(190,000)

CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES

25,154,304



MAJOR PROPRIETARY FUNDS

ENTERPRISE FUNDS

Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent is that the costs are to be recovered primarily through user charges.

<u>Water/Wastewater Utility Fund</u> - This fund accounts for the operations of the City-owned water and sewer systems.

<u>Storm Water Utility Fund</u> - This fund accounts for the operations and improvements of the storm water drainage system.

<u>Recreational Facilities Fund</u> - This fund accounts for the operations of the City's ice garden, golf courses, aquatic recreation facilities and art center operations.

<u>Solid Waste Management Fund</u> - This fund accounts for the operations of the City's garbage and recycling program.

<u>Contractual Police Fund</u> - This fund accounts for the operations of police contractual services acquired by various establishments.

Statement of Fund Net Position Proprietary Funds December 31, 2024

Business-type Activities - Enterprise Funds

	Water/Wastewater Utility	Storm Water Utility	Recreational Facilities
ASSETS	Othity	Othity	racilities
Current assets:			
Cash and cash equivalents	\$ 29,595,088	\$ 12,617,223	\$ 4,232,132
Accrued interest receivable	319,841	69,717	
	,	,	22,955
Taxes receivable	702,569	793,692	-
Accounts receivable	6,955,512	2,182,977	105,196
Prepaid items	761,838	-	-
Due from other funds	-	=	-
Due from other governments	-	-	30,000
Inventory	<u> </u>		<u>-</u>
Total current assets	38,334,848	15,663,609	4,390,283
Noncurrent assets:			
Lease receivable	3,901,668	-	-
Land	2,280,001	511,358	1,015,893
Buildings and structures	18,973,707	791,498	18,791,246
Machinery and equipment	1,763,995	179,571	2,524,843
Improvements	5,182,549	1,844,511	2,569,773
•			2,309,773
Distribution system and infrastructure	110,990,964	77,725,566	404.000
Construction in progress	-	500,168	421,228
Subscription asset	=	=	-
Accumulated depreciation/amortization	(86,837,768)	(31,558,135)	(17,476,317)
Total noncurrent assets	56,255,116	49,994,537	7,846,666
Total assets	94,589,964	65,658,146	12,236,949
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows - related to pensions	-	-	-
Total deferred inflows of resources			
Total doloned illione of recodings	· 		-
LIABILITIES			
Current liabilities:			
	975,465	135,958	218,248
Accounts payable	973,403	153,936	210,246
Estimated claims payable	-	-	-
Benefits payable	=	=	-
Due to other funds	-	=	-
Retainage payable	-	97,296	-
Unearned revenue	25,869	-	26,028
Subscription payable	=	=	-
Bonds payable	130,000	665,000	165,000
Accrued interest payable	3,362	138,151	12,594
Deposits payable	19,679	-	7,843
Total current liabilities	1,154,375	1,036,405	429,713
Noncurrent liabilities:	1,104,575	1,000,400	425,115
Benefits payable	-	-	-
Subscription payable	-	-	-
Bonds payable	265,000	7,766,945	890,000
Estimated claims payable	-	-	-
Net pension liability	<u> </u>	<u> </u>	
Total noncurrent liabilities	265,000	7,766,945	890,000
Total liabilities	1,419,375	8,803,350	1,319,713
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows - related to leases	3,901,668	_	_
Deferred inflows - related to pensions	0,001,000		
•	3 001 668		
Total deferred inflows of resources	3,901,668		
NET POSITION			
NET POSITION	54.050.440	44 407 000	0 70 / 00 7
Net investment in capital assets	51,958,448	41,465,296	6,791,666
Restricted - public safety state aid	-	-	=
Unrestricted	37,310,473	15,389,500	4,125,570
Total net position	\$ 89,268,921	\$ 56,854,796	\$ 10,917,236

			Governmenta Activities -
			Internal
Solid Waste	Contractual		Service
Management	Police	Total	Funds
\$ 733,282	\$ 25,396	\$ 47,203,121	\$ 43,523,25
1,666	,	414,179	259,76
18,078	-	1,514,339	,.
2,472,536	328,095	12,044,316	9,51
-,,	,	761,838	1,444,40
-	-	-	2,625,74
-	-	30,000	40,00
=	-	-	1,22
3,225,562	353,491	61,967,793	47,903,9
-	-	3,901,668	
-	-	3,807,252	14,504,24
-	-	38,556,451	47,294,31
-	-	4,468,409	53,424,72
-	-	9,596,833	7,578,58
-	-	188,716,530	139,7
-	-	921,396	747,48
-	-	-	1,257,79
-	-	(135,872,220)	(62,822,43
=		114,096,319	62,124,43
3,225,562	353,491	176,064,112	110,028,34
<u>-</u>	-		41,969,77
-			41,969,77
1,332,020	53,491	2,715,182	2,003,52
-	-	-	1,462,47
=	-	-	1,006,54
-	300,000	300,000	
-	-	97,296	
-	-	51,897	75,00
-	-	-	419,26
-	-	960,000	
-	-	154,107	
1,454	<u> </u>	28,976	8
1,333,474	353,491	4,307,458	4,966,89
-	-	-	19,124,28
-	-	<u>-</u>	419,26
-	-	8,921,945	
-	-	-	610,19
-	-		39,176,86
-	-	8,921,945	59,330,60
1,333,474	353,491	13,229,403	64,297,49
_	_	3,901,668	
-	- -	-	52,183,87
<u> </u>	<u> </u>	3,901,668	52,183,87
	-	100,215,410	60,746,71
-		-	119,16
	-		
1,892,088	<u>-</u>	58,717,631	
	\$ -	58,717,631 158,933,041	
5 1,892,088	\$ -		
1,892,088 Adjustment to reflect the	e consolidation of internal elated to enterprise funds.		(25,349,13 \$ 35,516,74

Statement of Revenues, Expenses, and Changes in Fund Net Position Proprietary Funds Year Ended December 31, 2024

	Business-type Activities - Enterprise Funds		
	Water/Wastewater Utility	Storm Water Utility	Recreational Facilities
Operating revenues: Charges for services Other Total operating revenues	\$ 34,927,867 27,464 34,955,331	\$ 8,272,715 116 8,272,831	\$ 5,193,875 3,541 5,197,416
Total operating revenues	34,900,001	0,272,001	3,197,410
Operating expenses: Salaries and benefits Materials, supplies and service Depreciation/Amortization Water purchased Wastewater disposal cost	6,479,220 9,201,109 1,771,591 4,677,753 9,005,889	1,792,509 1,046,047 2,261,420	3,029,269 3,208,571 708,024 -
Total operating expenses	31,135,562	5,099,976	6,945,864
Operating income (loss)	3,819,769	3,172,855	(1,748,448)
Nonoperating revenues (expenses): Taxes Donations Intergovernmental Interest income (charges) Net change in fair value of investments Gain (loss) on disposal of capital assets Insurance Proceeds Interest expense Total nonoperating revenues (expenses) Income (loss) before capital contributions and transfers	5,895 915,004 161,626 - (8,569) 1,073,956	18,000 398,314 117,169 - (281,701) 251,782	1,930,195 10,550 51,753 110,685 30,076 (1,317,130) 34,397 (30,743) 819,783
Transfers: Transfers from other funds Transfers to other funds	1,266,443	- -	<u> </u>
Change in net position	6,160,168	3,424,637	(928,665)
Total net position - January 1	83,108,753	53,430,159	11,845,901
Total net position - December 31	\$ 89,268,921	\$ 56,854,796	\$ 10,917,236

Governmental

_				Activities -
_				Internal
	Solid Waste	Contractual		Service
_	Management	Police	Total	Funds
	\$ 9,919,659	\$ 1,594,138	\$ 59,908,254	\$ 50,295,936
	105	Ψ 1,004,100	31,226	219,909
_	9,919,764	1,594,138	59,939,480	50,515,845
_	0,010,701	1,001,100		
	264,708	1,493,280	13,058,986	28,665,204
	10,356,227	16,246	23,828,200	17,232,560
	-	10,240	4,741,035	4,965,742
	_	_	4,677,753	4,505,742
	_	_	9,005,889	_
-	10,620,935	1,509,526	55,311,863	50,863,506
_	10,020,933	1,309,320	33,311,003	30,003,300
_	(701,171)	84,612	4,627,617	(347,661)
	-	-	1,930,195	-
	-	-	10,550	3,256
	352,084	-	427,732	1,446,571
	37,701	-	1,461,704	1,526,936
	25,562	-	334,433	421,465
	-	-	(1,317,130)	557,228
	-	-	34,397	-
	-	-	(321,013)	-
	415,347		2,560,868	3,955,456
	(285,824)	84,612	7,188,485	3,607,795
	-	-	1,266,443	1,605,343
_	<u> </u>	(84,612)	(84,612)	(755,532)
	(285,824)	-	8,370,316	4,457,606
_	2,177,912	_	150,562,725	31,059,140
=	\$ 1,892,088	\$ -	\$ 158,933,041	\$ 35,516,746
Change in net position	reported above		\$ 8,370,316	
Adjustment to reflect th		rnal	•	
	s related to enterprise		(52,149)	
Change in net position			\$ 8,318,167	

Statement of Cash Flows Proprietary Funds Year Ended December 31, 2024

	Business-type Activities - Enterprise Funds		
	Water/Wastewater Utility	Stormwater Utility	Recreational Facilities
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash from interfund services provided	\$ -	\$ -	\$ -
Cash receipts from customers	34,668,433	8,161,503	5,267,823
Cash payments to other funds	(3,796,474)	(1,546,910)	(1,346,450)
Payments to employees	(6,441,772)	(1,790,491)	(3,009,666)
Payments to suppliers	(19,041,458)	561,830	(1,804,334)
Net cash provided by (used in) operating activities	5,388,729	5,385,932	(892,627)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		24 727	24.752
Grants Transfers from other funds	5,895 1,266,443	24,737	21,753
Transfers to other funds	1,200,443	<u>-</u>	-
Donations	- -	- -	10,550
Taxes	_	_	1,930,195
Net cash provided by noncapital financing activities	1,272,338	24,737	1,962,498
CARL EL ONO EDOM CADITAL AND DEL ATED ENIANONIO	A O.T.N. (ITIE O		
CASH FLOWS FROM CAPITAL AND RELATED FINANCING Bond payments	(120,000)	(635,000)	(155,000)
Insurance proceeds	(120,000)	(635,000)	34,397
Interest and other payments	(11,069)	(347,438)	(33,326)
Proceeds from sale of capital assets	-	-	12,500
Purchase of capital assets	(3,504,286)	(3,909,143)	(419,189)
Net cash provided by (used in) capital			
and related financing activities	(3,635,355)	(4,891,581)	(560,618)
CASH FLOWS FROM INVESTING ACTIVITIES			
	1.076.630	515 102	140 761
Investment income (charges) Net cash provided by investing activities	1,076,630 1,076,630	515,483 515,483	140,761 140,761
Net cash provided by investing activities	1,070,000	313,403	140,701
Net increase (decrease) in			
cash and cash equivalents	4,102,342	1,034,571	650,014
Cash and cash equivalents - January 1	25,492,746	11,582,652	3,582,118
Cash and cash equivalents - December 31	\$ 29,595,088	\$ 12,617,223	\$ 4,232,132
'			
Reconciliation of operating income (loss) to net cash provi	ded by (used in) operating	n activities:	
Operating income (loss)	\$ 3,819,769	\$ 3,172,855	\$ (1,748,448)
Adjustment to reconcile operating income (loss) to net cash provided by (used in) operating activities -	· -,,	, , , , , , , , ,	, (, -, -,
Depreciation	1,771,591	2,261,420	708,024
Changes in assets and liabilities:			
Receivables	(215,163)	(109,526)	72,841
Other current assets	2,829	(1,803)	(2,433)
Inventory	-	-	-
Accounts payable	(20,216)	60,968	61,246
Unearned revenue	25,869	-	(4,433)
Interfund payables	-	-	-
Net pension liabilty Benefits payable	43,352	- 2,018	20,576
Deferred outflows of resources		2,010	20,370
Deferred inflows of resources	(39,302)	-	- -
Net cash provided by (used in) operating activities	\$ 5,388,729	\$ 5,385,932	\$ (892,627)
Noncash transfer of capital asets	<u> </u>	\$ -	\$ -

EXHIBIT 9

Solid Waste Management	Contractual Police	Total	Governmental Activities - Internal Service Funds
\$ - 9,835,047 (650,932) (263,074) (9,074,659) (153,618)	\$ - 1,629,771 (66,246) (1,478,777) (574) 84,174	\$ - 59,562,577 (7,407,012) (12,983,780) (29,359,195) 9,812,590	\$ 50,156,248 670,840 (5,708,628) (30,832,030) (14,251,172) 35,258
352,084 - - - - - 352,084	(84,612) - - (84,612)	404,469 1,266,443 (84,612) 10,550 1,930,195 3,527,045	1,407,471 1,605,343 (755,532) 3,256
- - - - -	- - - - -	(910,000) 34,397 (391,833) 12,500 (7,832,618)	696,515 (9,325,764)
63,263 63,263	<u> </u>	(9,087,554) 1,796,137 1,796,137	1,948,402 1,948,402
261,729 471,553 \$ 733,282	(438) 25,834 \$ 25,396	6,048,218 41,154,903 \$ 47,203,121	(4,385,051) 47,908,303 \$ 43,523,252
\$ (701,171)	\$ 84,612	\$ 4,627,617	\$ (347,661)
- (89,597) 4,880 - 631,589 - - - - 681	- 35,633 - - (575) - (50,000) - 14,504	4,741,035 (305,812) 3,473 - 733,012 21,436 (50,000) - 81,131	4,965,742 321,229 (2,635,733)
\$ (153,618) \$ -	\$ 84,174 \$ -	(39,302) \$ 9,812,590 \$ -	5,929,205 6,297,831 \$ 35,258



NOTES TO THE BASIC FINANCIAL STATEMENTS

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Bloomington, Minnesota (the City) operates pursuant to applicable Minnesota laws and statutes. The governing body (the City Council) consists of six council members and the Mayor. Four of the council members are elected by district and two of the council members and the Mayor are elected at large. All serve four-year staggered terms, subject to redistricting every ten years, which results in two 2-year terms through that transition. The City Manager, the chief administrative officer, is selected by the City Council to serve an indefinite term. The City Manager controls and directs the administration of the City's affairs and supervises all departments and divisions.

The financial statements of the City have been prepared in conformity with accounting principles generally accepted in the United States of America (generally accepted accounting principles), as applied to governmental units by the Governmental Accounting Standards Board (GASB). The more significant of the City's accounting policies are described below.

A. REPORTING ENTITY

In accordance with GASB pronouncements and generally accepted accounting principles, the City's financial statements include all funds, organizations, and departments of the City and the City's component units. The component units discussed below are included in the City's reporting entity because of the significance of their operational or financial relationship with the City.

The City is considered financially accountable for a component unit if it appoints a voting majority of the organization's governing body, and it is able to impose its will on the organization by significantly influencing the programs, projects, activities, or level of services performed or provided by the organization, or there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the City.

As a result of applying the entity definition criteria established by GASB, certain organizations have been included with the City's financial statements, as follows:

<u>Discretely Presented Component Units</u> - Entails reporting the component unit financial data in columns separate from the financial data of the City:

Port Authority of the City of Bloomington (Port Authority)

The Port Authority was created by the City in 1981 to provide a coordinated, cost-effective approach for private and public development within various development districts that may be established throughout the City. This goal is accomplished in many cases through the use of Tax Increment Financing, to be issued as needed to effect orderly development. The Port Authority is governed by commissioners appointed by the Mayor and confirmed by the City Council, and its boundaries encompass the entire City of Bloomington. The Port Authority has limited taxing powers, but extensive authority to issue bonds or notes for public improvements and land development. These are subject to approval by the City Council prior to issuance. The City Council appoints the Port Authority board, guarantees certain Port Authority debt, and contractually provides staff to manage the Port Authority's day-to-day operations; it is, therefore, considered a discretely presented component unit of the City.

Housing and Redevelopment Authority in and for the City of Bloomington (HRA)

The HRA is a statutory organization established in 1971 to provide housing and redevelopment assistance to Bloomington citizens. Assistance is provided through the administration of various programs. The HRA's boundaries encompass the entire City of Bloomington. The City Council appoints the members of the HRA board and contractually provides City employees to manage the HRA's day-to-day operations; it is, therefore, considered a discretely presented component unit of the City.

Financial information for the Port Authority and HRA is provided in the Other Supplementary Information section of the City's annual comprehensive financial report. Separate financial statements are not issued for the component units.

B. GOVERNMENT-WIDE AND FUND ACCOUNTING

The basic financial statements include both government-wide (based on the City as a whole) and fund financial statements. Both the government-wide and fund financial statements (within the basic financial statements) categorize primary activities as either governmental or business-type.

The government-wide statement of net position is designed to display the financial position of the primary government in the two categories of governmental and business-type activities. In this statement, both the governmental and business-type activities columns are reflected on a full accrual, economic resources measurement focus, which incorporates long-term assets and receivables as well as long-term debt and obligations. Governments report all capital assets, including infrastructure, in the government-wide statement of net position and report depreciation expense - the cost of "using up" capital assets - in the statement of activities. The net position of the government is broken down into three categories: (1) net investment in capital assets, (2) restricted, and (3) unrestricted. The City generally first uses restricted assets for expenses incurred for which both restricted and unrestricted assets are available. The City may defer the use of restricted assets based on a review of the specific transaction.

The government-wide statement of activities reports expenses and revenues in a format that focuses on the cost of each of the government's activities. This statement demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include (1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment, and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not included among program revenues are reported as general revenues.

The operating grants and contributions column includes operating-specific and discretionary (either operating or capital) grants while the capital grants and contributions column includes capital-specific grants.

The governmental funds' major fund statements in the fund financial statements are presented using the current financial resources measurement focus and the modified accrual basis of accounting. This is the manner in which these funds are normally budgeted. Since the governmental fund statements are presented using a different measurement focus and basis of accounting than the government-wide statements' governmental column, reconciliations are presented which briefly explain the adjustments necessary to reconcile both the ending net position and the change in net position.

The focus of the government-wide and fund accounting reporting model is on the City as a whole and the City's major funds, including both governmental funds and proprietary funds. Each presentation provides valuable information that can be analyzed and compared to enhance the usefulness of the information.

In the fund financial statements, financial transactions and accounts of the City are organized on the basis of funds. The operation of each fund is considered to be an independent fiscal and separate accounting entity, with a self-balancing set of accounts recording cash and/or other financial resources together with all related liabilities, deferred inflows of resources, and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the City's enterprise funds and various other functions of government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Major governmental funds - The City reports the following major governmental funds:

- General Fund The General Fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund. This fund records revenues such as property tax revenues, licenses and permits, fines and penalties, intergovernmental revenues, and interest earnings. Most of the current day-to-day operations of the governmental units are financed from this fund.
- Community Development Block Grant Fund This fund was established to account for funds received under Title I of the Housing and Community Development Act of 1974. Revenues of the fund are restricted for housing and development purposes.
- Debt Service Fund This fund is used to account for the accumulation of resources for payment of principal and interest on general obligation bonds, general obligation improvement bonds, general obligation tax increment bonds and sales tax revenue bonds.
- Capital Projects Fund This fund accounts for funds and monies required for financing land acquisitions, construction, park development, and equipment related to public facilities. This fund also accounts for the state allotment of gasoline tax collections for road construction, transitional costs for capital construction and collections of local sales tax.
- Improvement Construction Fund This fund accounts for the proceeds of bonds sold for the purpose of street, sewer, water, and state aid construction.

Major proprietary funds - The City reports the following major proprietary funds:

- Water/Wastewater Utility Fund This fund accounts for the operations of the City-owned water and sewer systems.
- Storm Water Utility Fund This fund accounts for the operations and improvements of the storm water drainage system.
- Recreational Facilities Fund This fund accounts for the operations of the City's ice garden, golf course, aquatic recreation facilities, and art center operations.
- *Solid Waste Management* This fund accounts for the operations of the City's garbage and recycling program.
- *Contractual Police Fund* This fund accounts for the operations of police contractual services acquired by various establishments.

Other funds - The City reports the following other funds:

Internal Service Funds - The Internal Service Funds are used to account for information technology, fleet, support services, public safety equipment, self-insurance, benefit accruals, insured benefits, facilities maintenance, and PERA pension, all provided by one department to other departments of the City on a cost-reimbursement basis. The City has allocated the statement of fund net position and the statement of revenues, expenses, and changes in fund net position between various governmental and business-type activities in the government-wide statements.

C. BASIS OF ACCOUNTING

The accounting and reporting treatment applied to a fund is determined by its measurement focus.

Governmental Funds:

Measurement Focus - Governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets, current liabilities, and deferred inflows of resources are generally included on the balance sheet. Reported fund balance is considered a measure of "available spendable resources." Governmental fund operating statements represent increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in fund balance.

Basis of Accounting - Governmental funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when susceptible to accrual (i.e., when they become measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the government considers all revenues, except reimbursement grants, to be available if they are collected within 60 days of the end of the current fiscal period. Reimbursement grants are considered available if they are collected within one year of the end of the current fiscal period. Expenditures are generally recorded when a liability is incurred, as under accrual accounting.

Revenues - 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. Major revenues that are not susceptible to accrual include fees and miscellaneous revenues; such revenues are recorded only as received because they are not measurable until collected.

Unavailable Revenues – Unavailable revenues arise when potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Such amounts are classified as deferred inflows of resources within governmental funds.

Unearned Revenues – Unearned revenues arise when resources are received by the City before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when all revenue recognition criteria are met, the liability for unearned revenue is removed and revenue is recognized.

Expenditures - 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 and other long-term liabilities which are recognized when due.

Proprietary Funds:

Measurement Focus - Proprietary funds are accounted for on a flow of economic resources measurement focus. This means that all assets, including capital assets, and all liabilities, including long-term liabilities, associated with fund activity are included on the statement of net position. The net position of the fund is broken down into three categories: (1) net investment in capital assets, (2) restricted, and (3) unrestricted. Proprietary fund type operating statements present increases (i.e., revenues) and decreases (i.e., expenses) in total net position.

Basis of Accounting - All proprietary funds are accounted for using the accrual basis of accounting. Revenues are recognized when earned, and expenses are recorded at the time liabilities are incurred. Unbilled utility service receivables are recorded at year-end.

Operating versus Non-operating Items - Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenue of the City's enterprise funds and internal service funds are charges to customers for sales and services. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

D. BUDGETS

Budgets are adopted on a basis consistent with generally accepted accounting principles. Annual appropriated budgets are legally adopted for the General and the following special revenue funds: Community Development Block Grant, Opioid Settlement, Public Safety, Communications, Park Grants, South Loop Revolving Development Services, Creative Placemaking, Federal Relief, Cemetery and Veterans Memorial.

Budgeted amounts are reported as originally adopted and, if such action was taken, amended by the City Council. In the case of the Community Development Block Grant budget, it is a Housing and Urban Development (HUD) fiscal year program. The budget for this program is not yet available from HUD when original budgets are adopted by the City. Therefore, no amounts are in the original budget and only a final budget is presented. Budgeted expenditure appropriations lapse at year-end. During the year, several supplementary appropriations are approved by the City Council.

Future projects represent purchase commitments. Future projects outstanding at year-end are reported as committed fund balances for future projects.

Carryovers of prior-year budget appropriations are allowed when projects have been approved, but not completed, and funding has not been provided in the following year's budget. Budget carryovers at year-end are reported as committed fund balances.

<u>Legal Compliance - Budgets</u>

The City follows the procedures below in establishing the budget reflected in the accompanying financial statements:

- 1. The City Manager submits to the City Council a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them. The General and special revenue funds are legally adopted through the budgetary process as documented herein.
- 2. Public hearings are conducted to obtain taxpayer comments.
- Both the General Fund and special revenue fund budgets are legally enacted through passage of resolutions.

- 4. Monitoring of budgets is maintained at the expenditure category level within each activity. Budgetary monitoring, by department, division, and by category is required by the City Charter. Management may alter the budget within a department but cannot exceed the total budgeted expenditures for that department unless approved by the City Council. The City Council may authorize transfers of budgeted amounts between departments or funds. These budget amendments must be approved by the City Council.
- 5. Formal budgetary integration is employed as a management control device during the year for the general and special revenue funds. Formal budgetary integration is not employed for debt service funds because effective budgetary control is alternatively achieved through general obligation bond indenture provisions. Budgetary control for capital projects funds is accomplished through the use of project controls.
- 6. General Fund expenditures may not legally exceed budgeted appropriations at the departmental level. Special revenue fund expenditures may not legally exceed budgeted appropriations at the fund level.

E. CASH, CASH EQUIVALENTS, AND INVESTMENTS

Cash balances from all funds are combined and invested to the extent available in authorized investments (see Note 2). Earnings from such investments are allocated to the respective funds on the basis of applicable cash balance participation by each fund. Investments are stated at fair value, based upon quoted market prices at the reporting date, except for investments in money market investments and external investment pools that meet GASB Statement No. 79 requirements, which are stated at amortized cost. Cash and cash equivalents consist of available cash, cash deposits, and highly liquid investments with an original maturity date at the time of purchase of three months or less. The City accounts for its investments in an entity-wide cash management pool, which is used essentially as a demand deposit account.

Certain resources set aside for future use are classified as restricted on the Statement of Net Position because their use is limited by outside agreements. Interest on these investments is allocated to the respective fund.

F. SHORT-TERM INTERFUND RECEIVABLES/PAYABLES

During the course of operations, numerous transactions occur between individual funds and between the primary government and component units for goods provided or services rendered. These receivables and payables are classified as "due from other funds" or "due from primary government/component unit," respectively, on the balance sheet (see Note 9). Any interfund balances are eliminated on the entity-wide financial statements.

G. INVENTORIES AND PREPAID ITEMS

Inventory is valued at average cost based on physical counts for all fund types. In the General Fund, inventory is not significant and is recorded as an expenditure at the time of purchase. In the proprietary funds, inventory is recorded as an expense when consumed.

Assets held for resale represent various property purchases made by the City with the intent to sell in order to increase tax base or to attract new businesses. These assets are stated at the lower of cost or acquisition value. During the year ended December 31, 2024 management has reviewed the cost value reported for these assets and has indicated the properties are fairly presented for financial reporting purposes.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. Prepaid items are reported using the consumption method and recorded as expenditures/expenses at the time of consumption.

H. LEASE RECEIVABLE

The City's lease receivable is measured at the present value of lease payments expected to be received during the lease term. Under the lease agreement, the City may receive variable lease payments that are dependent upon the lessee's revenue/the lessee's usage levels. These variable payments are excluded from the lease receivable.

A deferred inflow of resources is reported relating to the lease receivable. The deferred inflow of resources is recorded at an amount equal to the lease receivable and is recognized as revenue over the lease term.

I. SUBSCRIPTION BASED INFORMATION TECHNOLOGY AGREEMENTS

The City's Subscription-Based Information Technology Agreements (SBITA) are initially measured at the present value of payments expected to be made during the subscription term. The aggregate amount of SBITAs which are immaterial to the City's financial statements have not been reported.

The subscription asset is included in all capital asset schedules along with the corresponding amortization. The related subscription payables are appropriately recorded as short-term and long-term liabilities.

J. CAPITAL ASSETS

Capital outlays are recorded as expenditures in the City's governmental fund financial statements, which use the modified accrual basis of accounting. Capital outlays are capitalized in the City's government-wide and proprietary funds statements of net position, which use the full accrual basis of accounting. Infrastructure has been capitalized retroactively to 1980. The carrying value of prior infrastructure assets is considered to be insignificant to the overall value of capital assets of the City. Depreciation on the City's capital assets (including infrastructure) is recorded on a government-wide basis and in the proprietary funds. All capital assets are recorded at historical cost or estimated historical cost if actual cost was not available. Donated capital assets are valued at the acquisition value as of the date received. The City's policy is to only capitalize capital assets exceeding \$10,000.

Depreciation has been provided over the estimated useful lives using the straight-line method. Land and construction in progress are not depreciated. The estimated useful lives are as follows:

	Years
Land improvements	20-50
Buildings, structures, and improvements	15-95
Distribution system	36
Machinery and equipment	3-15
Infrastructure	5-48

K. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

In addition to assets and liabilities, statements of financial position or balance sheets will sometimes report separate sections for deferred outflows and deferred inflows of resources. These separate financial statement elements represent a consumption or acquisition of net assets that applies to future periods and so will not be recognized as an outflow of resources (expense/expenditure) or an inflow of financial resources until then.

The City reports deferred outflows and inflows of resources related to pensions and OPEB in the government-wide and internal service funds Statement of Net Position. These deferred outflows and inflows result from differences between expected and actual experience, changes in proportion, changes of assumptions, difference between projected and actual earnings on pension plan investments, and from contributions to the plan subsequent to the measurement date and before the end of the reporting period. These amounts are deferred and amortized as required under pension and OPEB standards.

The City also reports deferred inflows of resources relating to leases in the government-wide Statement of Net Position, the proprietary funds Statement of Fund Net Position and the governmental funds Balance Sheet. Deferred inflows of resources relating to leases are recognized as revenue over the lease term.

Unavailable revenue arises only under a modified accrual basis of accounting and, therefore, is only reported in the governmental funds Balance Sheet. The governmental funds report unavailable revenue from five sources: mortgages, taxes, state aid, special assessments and land held for resale. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

L. COMPENSATED ABSENCES

The City compensates all employees upon termination for unused vacation up to a maximum range of 432 to 480 hours based upon length of service. The City also compensates employees for unused personal time up to a maximum of 1,000 hours. Personal leave balances in excess of 600 hours upon termination are converted to a tax deferred health care retirement account with the State Board of Investments. In addition, police officers' compensatory time balances and vacation balances in excess of 300 hours along with police supervisors' vacation balances in excess of 350 hours are also converted to the tax deferred health care retirement account with the State Board of Investments. A liability for all vacation, personal time and compensatory time which is attributable to services already rendered, accumulates and is more likely than not to be used for time off or otherwise paid is accrued when incurred in the Benefit Accrual internal service fund.

M. LONG-TERM OBLIGATIONS

Long-term obligations are recorded in the City's government-wide statement of net position when they become a liability of the City. Long-term obligations are recognized as a liability of a governmental fund only when due, or when resources have been accumulated in a debt service fund for payment early in the following year. Long-term obligations expected to be financed from proprietary funds are accounted for in those funds.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

N. CONDUIT DEBT OBLIGATIONS

From time to time, the City has issued Industrial and Housing Revenue Bonds to provide financial assistance to private-sector entities for the acquisition and construction of industrial, housing, and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. A bank or financing institution finances this transaction, and the terms and conditions are contracted between the lender and the borrower. Neither the City, nor the State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. As of December 31, 2024, there were two series of Housing Revenue Bonds outstanding, with an aggregate principal amount payable of approximately \$35.1 million.

O. NET POSITION

In the government-wide and proprietary fund financial statements, net position represents the difference between assets, deferred outflows of resources, liabilities, and deferred inflows of resources. Net position is displayed in three components.

Net Investment in Capital Assets - consists of capital assets, net of accumulated depreciation, reduced by any outstanding debt attributable to acquire capital assets.

Restricted Net Position- consists of net position restricted when there are limitations imposed on their use through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.

Unrestricted Net Position- all other elements of net position that do not meet the definition of "restricted" or "net investment in capital assets."

The City applies restricted resources first when an expense is incurred for which both restricted and unrestricted resources are available.

P. FUND BALANCE CLASSIFICATIONS

In the fund financial statements, governmental funds report fund balance in classifications that disclose constraints for which amounts in those funds can be spent. These classifications are as follows:

Nonspendable - consists of amounts that are not in spendable form, such as prepaid items.

Restricted - consists of amounts related to externally imposed constraints established by creditors, grantors or contributors; or constraints imposed by state statutory provisions.

Committed - consists of internally imposed constraints for a specific purpose. In accordance with City Charter the City Council is the City's highest level of decision making authority and can, by legal resolution prior to the end of a fiscal year, approve to establish, modify or rescind a fund balance commitment.

Assigned – consists of internally imposed constraints for the specific purpose of the City's intended use. Pursuant to the City's Fund Balance Classification Policy, intent can be expressed by the government body or by an official or body to which the governing body delegates the authority. At this time the City Council has not delegated the authority to assign fund balance.

Unassigned – is the residual classification for the general fund and also reflects negative residual amounts in other funds.

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 committed, assigned or unassigned 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.

O. INTERFUND TRANSACTIONS

Transactions that constitute reimbursements to a fund for expenditures initially made from it that are properly applicable to another fund are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed. All other interfund transactions are reported as transfers.

Interfund transactions within the respective categories of governmental activities and business-type activities in the government-wide statement of activities are eliminated. The internal balances caption on the government-wide statement of net position represents interfund receivables or payables between the two types of activities: governmental and business-type.

R. PROPERTY TAXES

Property tax levies are set by the City Council in December of each year and are certified to Hennepin County (the County) for collection in the following year. In the state of Minnesota, counties act as collection agents for all property taxes.

The County spreads all levies over taxable property. Such taxes become a lien on January 1 and are recorded as receivables by the City at that date. Property taxes are accrued and recognized as revenue in the fund financial statements for collections within 60 days after year-end, net of delinquencies.

Real property taxes are required by state statute to be paid by taxpayers in two equal installments on May 15 and October 15. Personal property taxes are required to be paid on February 28 and June 30. The County provides tax settlements to cities and other taxing districts in July, December, and January.

Taxes levied which remain unpaid at December 31 are classified as taxes receivable and are fully offset by deferred inflows in the governmental fund financial statements because they are not known to be available to finance current expenditures. Delinquent property taxes are recorded as earned in the government-wide statements, less a \$200,000 allowance for uncollectible accounts.

S. DEFICIT NET POSITION AND FUND BALANCE

The PERA Pension internal service fund had a negative net position balance of \$(49,390,966) on December 31, 2024 as a result of following accounting required by GASB Statement No. 68. Future pension contributions and investment earnings will reduce the negative net position in the PERA Pension internal service fund. The Benefit Accrual internal service fund had a negative net position balance of \$(5,943,859) on December 31, 2024. This fund accounts for the compensated personal and vacation leave balances. Over the next few years, the City plans to increase internal charges and transfer funds to eliminate the deficit in this fund. The Park Grants fund had a negative fund balance of \$(66,235) on December 31, 2024. The forestry activity has increased significantly with the need to remove trees impacted by emerald ash borer throughout the City. This activity will continue to be supported by taxes, special assessment revenue and grants that will reduce the negative fund balance in this fund.

T. USE OF ESTIMATES

The preparation of financial statements in accordance with generally accepted accounting principles (GAAP) requires management to make estimates that affect amounts reported on the financial statements during the reporting period. Actual results could differ from such estimates.

U. PUBLIC EMPLOYEES RETIREMENT ASSOCIATION (PERA)

Pensions. For purposes of measuring the net pension liability, deferred outflows/inflows of resources, and pension expense, information about the fiduciary net position of the Public Employees Retirement Association (PERA) and additions to/deductions from PERA's fiduciary net position have been determined on the same basis as they are reported by PERA. For this purpose, plan contributions are recognized as of employer payroll paid dates and benefit payments, and refunds are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

2. CASH, CASH EQUIVALENTS, AND INVESTMENTS

A. DEPOSITS

In accordance with Minnesota Statutes, the City maintains deposits at national or state banks within the state, as authorized by the City Council.

At December 31, 2024, the carrying amount of the City's deposits with financial institutions was \$(1,140,922) and the bank balances totaled \$345,141.

Custodial Credit Risk-Deposits – Custodial credit risk is the risk that in event of a bank failure, the City's deposits may not be returned to it. Minnesota Statutes require that all City deposits be protected by insurance, surety bond, or collateral. The fair value of collateral pledged must equal 110% of the deposits not covered by insurance or bonds. Minnesota Statutes require that securities pledged as collateral be held in safekeeping by the City treasury or in a financial institution other than that furnishing the collateral. City policy does not further add any restrictions to address custodial credit risk. As of December 31, 2024, the bank balance of the City's deposits was covered by federal depository insurance or covered by collateral pledged and held in the City's name.

B. INVESTMENTS

The City may also invest funds as authorized by Minnesota Statute 118A and its investment policy. This guidance allows the City to invest in money market funds, time deposits, banker's acceptances, commercial paper, U.S. Treasury obligations, U.S. Agency Securities Government Sponsored Enterprises (GSE's), municipal securities, repurchase agreements, and guaranteed investment contracts.

As of December 31, 2024, the City had the following investments and maturities:

Investment Type		Fair Value		Less than One Year		One Year to Five Years	Five Years to Ten Years		
Money Market	\$	77,891,473	\$	77,891,473	\$		\$		
	Ф		Ф		Ф	-	Φ	=	
Commercial Paper Sweep		4,813,479		4,813,479		-		-	
Treasury Notes		4,975,400		4,975,400		=		-	
Federal Farm Credit Bank		51,049,071		16,693,960		29,490,411		4,864,700	
Federal Home Loan Bank		79,748,208		20,044,554		47,770,774		11,932,880	
Federal Agriculture Mortgage									
Corporation		22,585,260		-		22,585,260		-	
Federal Home Loan Mortgage									
Corporation		19,199,550		9,724,950		9,474,600		=	
Federal National Mortgage									
Association		17,024,533		12,298,753		4,725,780		-	
Municipal Bonds		33,986,293		4,302,025		25,971,493		3,712,775	
Total investments		311,273,267	\$	150,744,594	\$1	40,018,318	\$	20,510,355	
Total deposits		(1,140,922)					-		
Total investments and deposits	\$	310,132,345							

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. The hierarchy has three levels. Level 1 investments are valued using inputs that are based on quoted prices in active markets for identical assets. Level 2 investments are valued using inputs that are based on quoted prices for similar assets or inputs that are observable, either directly or indirectly. Level 3 investments are valued using inputs that are unobservable.

The City has the following recurring fair value measurements as of December 31, 2024:

		Fair	Valu	e Measurement	ıg		
12/31/24		Level 1		Level 2		Level 3	
\$	4,813,479	\$ -	\$	4,813,479	\$	-	
	4,975,400	4,975,400		=		-	
5	1,049,071	-		51,049,071		-	
7	79,748,208	-		79,748,208		-	
1	9,199,550	-		19,199,550		-	
2	22,585,260	-		22,585,260		-	
1	7,024,533	-		17,024,533		-	
4	10,400,297	40,400,297		-		-	
3	33,986,293	_		33,986,293		-	
27	73,782,091	\$ 45,375,697	\$:	228,406,394	\$	-	
3	37,491,176						
	\$ 57 1 2 1 4 3 27	\$ 4,813,479	12/31/24 Level 1 \$ 4,813,479	12/31/24 Level 1 \$ 4,813,479 \$ - \$ 4,975,400 4,975,400 51,049,071 - 79,748,208 - 19,199,550 - 22,585,260 - 17,024,533 - 40,400,297 40,400,297 33,986,293 - 273,782,091 \$ 45,375,697 \$ 37,491,176 (1,140,922)	12/31/24 Level 1 Level 2 \$ 4,813,479 \$ - \$ 4,813,479 4,975,400 4,975,400 - 51,049,071 - 51,049,071 79,748,208 - 79,748,208 19,199,550 - 19,199,550 22,585,260 - 22,585,260 17,024,533 - 17,024,533 40,400,297 - - 33,986,293 - 33,986,293 273,782,091 \$ 45,375,697 \$ 228,406,394	\$ 4,813,479 \$ - \$ 4,813,479 \$ 4,975,400 - 51,049,071 - 51,049,071 79,748,208 - 79,748,208 19,199,550 - 19,199,550 22,585,260 - 22,585,260 17,024,533 - 17,024,533 40,400,297 40,400,297 - 33,986,293 273,782,091	

Custodial Credit Risk-Investments – For investments in securities, custodial credit risk is the risk that in the event of a failure of the counterparty, the City will not be able to recover the value of its investments that are in possession of an outside party. As of December 31, 2024, all investments of the City were insured, registered, and held by the City or its agent in the City's name. Investments in money market accounts are not evidenced by securities that exist in physical or book entry form, and therefore are not subject to custodial credit risk. The City has no policy for credit risk beyond what is provided by Minnesota state law.

Interest Rate Risk – The City's investment policy requires the City to diversify its investment portfolio to eliminate the risk of loss resulting from over concentration of assets in a specific maturity. The policy also states the City's investment portfolio will remain sufficiently liquid to enable the City to meet all operating requirements which might be reasonably anticipated.

As a means of limiting its exposure to fair value losses arising from rising interest rates, the City will attempt to match its investment maturities with anticipated cash flow liquidity demands (static liquidity). The portfolio will be structured so that the liquid component, a minimum of 5% of total investments, will be invested in short term securities maturing in less than thirty days. The City investment policy states that no less than 85% of the portfolio will be invested in investments with maturities of five years or less and no more than 15% of the portfolio will be placed in investments with maturities greater than five years. In no event does the City invest in securities with maturities exceeding 10 years. Total weighted average maturity of total funds will not exceed four years for the portfolio. Maturities will be diversified to avoid undue concentration of assets in a specific sector. An exception to this policy is made for maturities that may be placed in a reserve fund (per bond indentures), whereby maturities dates will coincide with expected use of funds. Another exception is allowed if the City purchases Component Unit bonds with a long duration, up to 20 years, with City Council approval.

Credit Risk – State law limits investments in commercial paper to the top rating issued by at least two of the nationally recognized statistical rating organizations. The City's investments in money market funds, Federal Farm Credit, Federal Home Loan Banks, Federal Home Loan Mortgage Corporation, Federal Agricultural Mortgage Corporation, Federal National Mortgage Association Notes and municipal investments were all rated A+ or better by Standard & Poor's and Fitch's ratings and A1 or better by Moody's Investors Service ratings. The City does not have a policy on credit risk beyond State law.

The City's external investment pool is with the 4M Fund which is regulated by Minnesota Statutes and the Board of Directors of the League of Minnesota Cities. The 4M Fund is rated AAAm by Standard & Poor's and the fair value of the position in the pool is the same as the value of pool shares. The pool is managed to maintain a portfolio weighted average maturity of no greater than 60 days and seeks to maintain a constant net asset value (NAV) per share of \$1. The pool measures their investments in accordance with Government Accounting Standards Board Statement No. 79, at amortized cost.

The 4M Liquid Asset Fund has no redemption requirements. The 4M Plus Fund requires funds to be deposited for a minimum of 14 calendar days. Withdrawals prior to the 14-day restriction period are subject to a penalty equal to 7 days interest on the amount withdrawn. The 4M Term Series has a specific maturity date which allows us to lock in current interest rates. 4M Term Series Portfolios are intended to be held until maturity; a participant's withdrawal prior to maturity will require seven days' notice of redemption and will likely carry a penalty which could be substantial in that it would be intended to allow the Term Series Portfolio to recoup any associated penalties, charges, losses or other costs associated with the early redemption of the investments therein.

Concentration of Credit Risk – The City's investment policy allows for diversification with the following thresholds: 100% in Money Market funds, 20% in Time deposits, 10% in Bankers Acceptances, 20% in Commercial Paper, 100% in US Treasury obligations, 100% in GSE-Agency securities, 50% in Municipal securities, 10% in Repurchase Agreements, and Guaranteed Investment Contracts varying by project. The City diversifies its investments to substantially reduce the risk of loss resulting from the over-concentration of assets in a specific maturity, issuer, institution, or class of securities, with the exception of U.S. Treasury securities, and authorized pools. 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. Securities need not be liquidated to realign the portfolio but consideration will be given for future purchases. More than 5% of the City's investments are in the following governmental agencies: Federal Farm Credit Bank (17%), Federal Home Loan Bank (26%), Federal Home Loan Mortgage Corporation (6%), Federal Agricultural Mortgage Corporation (7%), and Federal National Mortgage Association (6%).

Given the smaller portfolios of the Port Authority and the HRA, the above restrictions may be waived for specific project needs.

The following table reconciles cash, cash equivalents, and investments to the basic financial statements at December 31, 2024:

Governmental funds	\$ 219,405,972
Proprietary funds:	
Enterprise	47,203,121
Internal service	43,523,252
Total cash, cash equivalents, and investment	\$ 310,132,345

3. LEASE RECEIVABLE

The City leases a portion of its water towers, sirens and light poles for cellular tower antenna sites. The leases have initial terms of five years with the option to renew five or six additional five year periods. The City considers the likelihood of these options being exercised to be greater than 50%. The annual payments on these leases range from \$9,428 - \$83,822 in 2024 with increases ranging from 4% - 7%. The lease receivable is measured at the present value of the future minimum lease payments expected to be received during the lease term at a discount rate of 4%. At December 31, 2024, the City recorded \$11,448,505 in lease receivables and deferred inflows of resources for these arrangements. Total revenue recognized in relation to these leases for the year ended December 31, 2024 is as follows:

	For the year ended 12/31/2		
Amortization of lease-related deferred inflows			
Cell tower leases	\$	234,889	
Variable lease revenue		-	
Interest revenue		458,723	
Total revenue recognized in relation to			
leased assets	\$	693,612	

4. <u>CAPITAL ASSETS</u>

During 2024 the City's capitalization threshold was \$10,000. Capital asset activity for the year ended December.

	Primary Government							
		Balance at		-			В	alance at
		1/1/24		Additions	Retirements			12/31/24
Consequence and all a additional								
Governmental activities:								
Capital assets not being depreciated:	\$	102 020 470	φ	204 500	Φ		Φ.	102 224 077
Land	Ф	103,029,479	\$	294,598	\$	(2.042.202)	Ф	103,324,077
Construction in progress Total capital assets not being depreciated	_	4,745,349 107,774,828		10,396,915 10,691,513		(3,013,303)		12,128,961 115,453,038
		107,774,020		10,091,513		(3,013,303)		115,455,056
Capital assets being depreciated:		100 170 257		61.072		(42 621)		100 106 709
Buildings and structures		100,178,357		61,972		(43,621)		100,196,708
Machinery and equipment		57,346,466		6,761,612		(2,422,731)		61,685,347
Improvements		27,380,425		5,526,534		(1,061,981)		31,844,978
Infrastructure		463,728,930		14,211,538		-		177,940,468
Subscription asset		 _		1,257,798		-		1,257,798
Total capital assets being depreciated/amortized		648,634,178		27,819,454		(3,528,333)		572,925,299
Less accumulated depreciation for:								
Buildings and structures		(50,112,952)		(2,766,532)		43,621		(52,835,863)
Machinery and equipment		(40,977,663)		(3,670,059)		2,283,443		(42,364,279)
Improvements		(12,313,578)		(1,321,770)		964,190		(12,671,158)
Infrastructure		(190,206,832)		(12,065,564)		-	(2	202,272,396)
Subscription asset				(34,939)				(34,939)
Total accumulated depreciation		(293,611,025)		(19,858,864)		3,291,254	(3	310,178,635)
Total capital assets being depreciated/amortized, net		355,023,153		7,960,590		(237,079)	3	862,746,664
Governmental capital assets, net	\$	462,797,981	\$	18,652,103	\$	(3,250,382)	\$ 4	178,199,702
Business-type activities:								
Capital assets not being depreciated:								
Land	\$	4,747,116	\$	-	\$	(939,864)	\$	3,807,252
Construction in progress		236,424		684,972		-		921,396
Total capital assets not being depreciated		4,983,540		684,972		(939,864)		4,728,648
Capital assets being depreciated/amortized:		, ,		,-		(,,		, ,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,
Buildings and structures		39,235,535		11,860		(690,944)		38,556,451
Machinery and equipment		4,308,961		205,232		(45,784)		4,468,409
Distribution system		183,284,527		5,432,003		-	,	188,716,530
Improvements		8,492,827		1,498,553		(394,547)		9,596,833
Total capital assets being depreciated/amortized		235,321,850		7,147,648		(1,131,275)		241,338,223
Less accumulated depreciation/amortization for:						(1,101,010)		.,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,
Buildings and structures		(21,310,599)		(691,633)		465,011		(21,537,221)
Machinery and equipment		(2,953,189)		(274,097)		45,784		(3,181,502)
Distribution system		(102,671,508)		(3,554,429)		-	ľ	106,225,937)
Improvements		(4,937,400)		(220,876)		230,716	((4,927,560)
Total accumulated depreciation/amortization		(131,872,696)	-	(4,741,035)		741,511	- (*	135,872,220)
Total capital assets being depreciated/amorized, net		103,449,154		2,406,613		(389,764)	$\overline{}$	105,466,003
Business-type activities capital assets, net	\$	108,432,694	\$	3,091,585	\$	(1,329,628)	_	110,194,651
Buomico typo dottatico capital acceto, net	Ψ	100,402,004	Ψ	0,001,000	Ψ	(1,020,020)	Ψ	1.0,107,001

Depreciation expense was charged to governmental functions and proprietary funds at December 31, 2024 as follows:

Function	Governmental	Fund	P	roprietary
General services	\$ 48,449	Water/Wastewater	\$	1,771,591
Development services	2,839,775	Storm Water		2,261,420
Public works	9,503,412	Recreational Facilities		708,024
Public safety	1,261,575			
Community services	1,239,911			
Internal service funds	4,965,742			
Total depreciation expense	\$ 19,858,864		\$	4,741,035

5. COMMITMENTS

At December 31, 2024, future projects totaled \$1,172,079 and are reported as a committed fund balance within the General Fund. At December 31, 2024, the City had commitments for fourteen uncompleted construction contracts with a remaining balance of \$3,407,060. In addition, the City had commitments for the Bloomington Ice Garden Renovation of \$23,852,044.

6. RISK MANAGEMENT

The City acts as a self-insurer for workers' compensation claims. Property, casualty, and automobile insurance coverage are provided through a pooled insurance program through the League of Minnesota Cities Insurance Trust (LMCIT). The City pays an annual premium to the LMCIT. The City is subject to supplemental assessments if deemed necessary by the LMCIT. The LMCIT reinsures through commercial companies for claims in excess of various amounts. The City retains risk for the deductible portions. The risk management activities of the City are accounted for by the Self-Insurance Fund, an internal service fund that charges its costs to user departments. There were no significant reductions in insurance coverages from coverage in the prior year. No settlement amounts exceeded insurance coverage for the past three fiscal years.

The liability recorded in the Self-Insurance Fund includes estimated settlements for claims reported but not settled as of year-end, as well as an estimate of claims incurred but not reported. When a new claim is filed with the City, the League of Minnesota Cities Insurance Trust establishes an estimated loss reserve. This reserve is expensed at year end and then increased or decreased annually.

	2024	2023
Unpaid claims at beginning of year	\$2,129,567	\$3,484,335
Claims paid	(1,333,509)	(1,591,447)
New claims	1,276,611	236,679
Unpaid claims at end of year	\$ 2,072,669	\$2,129,567

7. LONG-TERM LIABILITIES

The long-term debt obligations outstanding at year-end are summarized as follows:

Type of Bonds	Maturities	Rates	Balance at 12/31/24
Governmental activities:			
Governmental funds:			
General obligation (G.O.) bonds	2025-2043	2.00 - 5.00%	\$ 24,825,000
G.O. improvement bonds	2025-2037	1.00 - 5.00	35,780,000
G.O. tax increment bonds	2025-2038	1.00 - 2.45	14,740,569
Sales tax revenue bonds	2025-2045	4.55 - 6.00	34,780,000
Total governmental bonds			110,125,569
Business-type activities			
General Obligation (G.O.) bonds	2025-2034	2.00 - 5.00	9,405,000
Total bonds			\$119,530,569

Changes in long-term liabilities during 2024 are summarized as follows:

	Balance at 01/01/24	Additions	Retirements	Balance at 12/31/24	Due Within One Year	
Governmental activities:						
G.O. bonds	\$ 16,720,000	\$ 9,110,000	\$ 1,005,000	\$ 24,825,000	\$ 1,055,000	
G.O. improvement bonds	41,725,000	-	5,945,000	35,780,000	6,320,000	
G.O. tax increment bonds	15,060,000	-	319,431	14,740,569	527,340	
Sales tax revenue bonds	-	34,780,000	-	34,780,000	-	
Unamortized bond prems.	4,993,856	1,459,927	731,003	5,722,780	=	
Subscription payable	-	1,257,798	419,266	838,532	419,266	
Benefits payable	19,384,996	12,117,679	11,371,847	20,130,828	1,006,542	
Estimated claims payable	2,129,567	1,276,611	1,333,509	2,072,669	1,462,478	
Total governmental	100,013,419	60,002,015	21,125,056	138,890,378	10,790,626	
Business-type activities -						
G.O. bonds	10,315,000	-	910,000	9,405,000	960,000	
Unamortized bond						
premiums	529,452		52,507	476,945	<u> </u>	
Total business-type	10,844,452	-	962,507	9,881,945	960,000	
Total	\$ 110,857,871	\$ 60,002,015	\$ 22,087,563	\$ 148,772,323	\$ 11,750,625	

The benefits payable are generally liquidated by the Benefit Accrual Internal Service Fund. It is not practicable to determine the specific year for payment of benefits payable.

Under state finance law, Minnesota Statute 475.53, the City's outstanding general obligation debt should not exceed 3% of total assessed market value. The general obligation debt subject to the limitation is offset by amounts set aside for repaying general obligation bonds. See statistical Table 12 for more detail.

In 2024 the debt limit was \$530,539,842, the total net debt applicable to the limit was \$22,979,444, and the City could issue up to an additional \$507,560,398 of general obligation debt and still be in compliance with the above statute.

The City has entered into a three year right-to-use subscription based information technology agreement. The agreement expires November 30, 2027 with the final payment due in 2026. The liability will be liquidated by the Information Technology Internal Service Fund.

Long-term debt maturities (including interest of \$38,432,843) are as follows:

Annual debt service requirements for maturity for **General Obligation (G.O.) bonds** are as follows:

Annual debt service requirements for maturity for **G.O. Improvement bonds** are as follows:

	Goverme	ntal Activities			Goverment		
Year Ending				Year Ending			
December 31	Principal	Interest	Total	December 31	Principal	Interest	Total
2025	\$ 1,055,000	\$ 966,462	\$ 2,021,462	2025	\$ 6,320,000	\$ 1,219,931	\$ 7,539,931
2026	1,665,000	947,075	2,612,075	2026	5,260,000	993,739	6,253,739
2027	1,920,000	863,675	2,783,675	2027	4,915,000	801,099	5,716,099
2028	1,850,000	773,425	2,623,425	2028	4,535,000	632,070	5,167,070
2029	1,935,000	683,600	2,618,600	2029	3,985,000	478,341	4,463,341
2030-2034	8,785,000	2,169,000	10,954,000	2030-2034	10,510,000	870,163	11,380,163
2035-2039	4,525,000	777,244	5,302,244	2035-2039	255,000	10,275	265,275
2040-2044	3,090,000	202,537	3,292,537				
Totals	\$ 24,825,000	\$ 7,383,018	\$ 32,208,018	Totals	\$35,780,000	\$ 5,005,618	\$ 40,785,618

Annual debt service requirements for maturity for **G.O. Tax increment Bonds** are as follows:

Annual debt service requirements for maturity for **Sales Tax Revenue Bonds** are as follows:

Govermental Activities Govermental Activities								ies				
Year Ending							Year Ending	_				
December 31		Principal		Interest		Total	December 3	1 _	Principal	Inte	erest	 Total
2025	\$	527,340	\$	337,013	\$	864,353	2025		\$ -	\$ 1,1	95,462	\$ 1,195,462
2026		730,903		324,463		1,055,366	2026		735,000	1,7	34,547	2,469,547
2027		793,705		308,687		1,102,392	2027		1,095,000	1,6	79,648	2,774,648
2028		812,855		291,943		1,104,798	2028		1,160,000	1,6	11,997	2,771,997
2029		832,232		274,484		1,106,716	2029		1,230,000	1,5	46,447	2,776,447
2030-2034		3,955,184		1,092,122		5,047,306	2030-2034		7,175,000	6,6	91,394	13,866,394
2035-2039		7,088,350		242,768		7,331,118	2035-2039		9,130,000	4,7	03,493	13,833,493
							2040-2044		11,580,000	2,1	73,000	13,753,000
							2045	-	2,675,000		66,875	 2,741,875
Totals	\$	14,740,569	\$	2,871,480	\$	17,612,049	Totals		\$34,780,000	\$ 21,4	02,863	\$ 56,182,863

Annual debt service requirements for maturity for **Subscription Assets** are as follows:

Annual debt service requirements for maturity for **General Obligation (G.O.) bonds** are as follows:

	 Govermenta	al Activit	ies			 Business-ty	ре Ас	ctivities		
Year Ending December 31	 Principal		erest	 Total	Year Ending December 31	 Principal		Interest		Total
2025 2026	\$ 419,266 419,266	\$	-	\$ 419,266 419,266	2025 2026 2027	\$ 960,000 990,000 1,035,000	\$	348,632 306,707 264,189	\$	1,308,632 1,296,707 1,299,189
					2028 2029 2030-2034	935,000 970,000 4,515,000		221,113 185,573 443,646		1,156,113 1,155,573 4,958,646
Totals	\$ 838,532	\$		\$ 838,532	Totals	\$ 9,405,000	\$	1,769,860	<u>\$</u>	11,174,860

On September 5, 2024, the City issued \$9,110,000 of General Obligation Charter Bonds, Series 2024A with an effective interest rate of 2.94%, the proceeds of which were used to finance certain capital improvements of parks. On November 26, 2024, the City issued \$34,780,000 of Taxable Sales Tax Revenue Bonds, Series 2024B, with an effective interest rate of 5.05%, which will be used for financing the construction and rehabilitation of the Bloomington Ice Garden.

The following is a schedule of bonds payable at December 31, 2024:

Type of Bonds	Original Amount	Maturities	Rates	Balance at 12/31/24
Governmental Activities:				
General Obligation (G.O.) Bonds:				
2017A Charter Bonds	\$ 1,420,000	2025-2027	2.00 - 2.13%	\$ 465,000
2018A Charter Bonds	1,020,000	2025-2029	3.00 - 4.00	550,000
2019B Charter Bonds	2,105,000	2025-2030	3.00 - 5.00	1,410,000
2021A Charter Bonds	2,005,000	2025-2032	2.00 - 5.00	1,705,000
2022 Capital Improvement Plan Bonds	11,975,000	2025-2043	2.75 - 5.00	11,585,000
2024A Charter Bonds	9,110,000	2026-2035	4.00 - 5.00	9,110,000
Total G.O. Bonds	27,635,000	2020 2000	4.00 0.00	24,825,000
Total C.C. Bollas	27,000,000			24,020,000
General Obligation (G.O.) Improvement Bonds:				
2011 PIR, Forty-Five Series	7,545,000	2025-2031	3.00 - 3.375	410,000
2012 PIR Refunding, Thirty-Nine Series	5,900,000	2025-2025	3.00	510,000
2013 PIR Refunding, Forty-Three Series	5,135,000	2025-2030	2.50 - 3.25	890,000
2014 PIR, Forty-Eight Series	7,465,000	2025-2025	2.50	700,000
2015 PIR, Forty-Nine Series	5,355,000	2025-2036	2.00 - 3.00	1,470,000
2016 PIR, Fifty Series	6,115,000	2025-2037	2.00 - 3.00	2,405,000
2016 PIR, Refunding, Forty-One and				
Forty-Two Series	3,730,000	2025-2029	2.00 - 3.00	1,450,000
2017 PIR, Fifty-One Series	4,970,000	2025-2028	2.00 - 3.00	2,230,000
2018 PIR, Fifty-Two Series	5,270,000	2025-2029	3.00 - 5.00	2,950,000
2018B Housing Imporovement Bonds	920,000	2025-2034	3.50 - 4.00	660,000
2019 PIR, Fifty-Three Series	4,095,000	2025-2030	3.00 - 5.00	2,690,000
2020 PIR, Fifty-Four Series	5,385,000	2025-2031	1.00 - 5.00	4,015,000
2021 PIR, Fifty-Five Series	4,540,000	2025-2032	1.38 - 5.00	3,810,000
2022 PIR, Fifty-Six Series	11,875,000	2025-2034	4.00 - 5.00	11,590,000
Total G.O. Improvement Bonds	78,300,000			35,780,000
One and Obligation (O.O.) Too become and David				
General Obligation (G.O.) Tax Increment Bonds		0005 0000	0.45	40 445 500
2019C Taxable Revenue Bonds	15,200,000	2025-2036	2.45	13,145,569
2020B Serial Refunding Bonds	1,975,000	2025-2032	1.00 - 1.75	1,595,000
Total G.O. Tax Increment Bonds	17,175,000			14,740,569
Revenue Bonds:				
2024B Sales Tax Revenue	34,780,000	2026-2045	4.55 - 6.00	34,780,000
Total Revenue Bonds	34,780,000			34,780,000
Total governmental activities	\$ 157,890,000			\$ 110,125,569
Business-type activities:				
General Obligation (G.O.) Bonds:				
2017B Water Utility Bonds	\$ 1,170,000	2025-2027	2.00 - 2.13	\$ 395,000
2018D Storm Water Utility Green Bonds	10,805,000	2025-2034	3.00 - 5.00	7,955,000
2019A Taxable Charter Bonds	1,645,000	2025-2030	2.53 - 4.00	1,055,000
Total G.O. Bonds	13,620,000			9,405,000
				_
Total bonds payable	\$ 171,510,000			\$ 119,530,569

PIR = Permanent Improvement Revolving

The City issues general obligation bonds to provide funds for the acquisition and construction of major capital projects and facilities. General obligation bonds have been issued for both general government and business-type activities. Bonds issued for business-type activities are reported in the proprietary funds if they are expected to be repaid from proprietary fund revenues. General obligation bonds are direct obligations and pledge the full faith and credit of the City. The City also issues sales tax revenue bonds for approved projects. These revenue bonds are reported in government activities.

Revenues pledged are as follows:

		Rever	ue Pledged		
	Use of		Percent of total	Term of	Remaining Principal
Bond Issue	Proceeds	Туре	debt service	Pledge	and Interest
		,,		<u>J</u>	
Governmental Activities:					
General Obligation (G.O.) Bonds: 2017A G.O. Charter Bonds May-17	Park Improvements	Debt Service Tax Levy	100%	2018 - 2027	\$479,650
2018A G.O. Charter Bonds Jun-18	Park Improvements	Debt Service Tax Levy	100%	2020 - 2029	\$594,900
2019B G.O. Charter Bonds Nov-19	Park Improvements	Debt Service Tax Levy	100%	2021 - 2030	\$1,579,150
2021A G.O. Charter Bonds Nov-19	Park Improvements	Debt Service Tax Levy	100%	2023 - 2032	\$1,964,700
2022A G.O. Capital Improvement Plan Apr-22	Fire Station	Debt Service Tax Levy	100%	2024 - 2043	\$15,684,281
2024A G.O. Charter Bonds Sep-24	Park Improvements	Debt Service Tax Levy	100%	2024 - 2045	\$11,905,337
General Obligation (G.O.) Improveme 2011 PIR Bonds, Forty-Five Series Nov-11	ent Bonds: Infrastructure Improvements	Special Assessments Debt Service Tax Levy	28% 72%	2013 - 2031	\$456,453
2012 PIR Refunding, Thirty-Nine Srs Jun-12	Refunding 2004 PIR Bonds Infrastructure Improvements	Special Assessments Debt Service Tax Levy	57% 43%	2015 - 2025	\$517,650
2013 PIR Refunding, Forty-Three Srs Nov-13	Refunding 2009 PIR Bonds Current Refunding	Special Assessments Debt Service Tax Levy	90% 10%	2015 - 2030	\$967,709
2014 PIR Bonds, Forty-Eight Srs Dec-14	Infrastructure Improvements & Refunding 2006 PIR Bonds	Special Assessments Debt Service Tax Levy	32% 68%	2016-2025	\$708,750
2015 PIR Bonds, Forty-Nine Srs Oct-15	Infrastructure Improvements	Special Assessments Debt Service Tax Levy	43% 57%	2017 - 2036	\$1,569,638
2016 PIR Bonds, Fifty Srs Dec-16	Infrastructure Improvements	Special Assessments Debt Service Tax Levy	41% 59%	2018 - 2037	\$2,625,975
2016 PIR Refunding Bonds, Forty-One and Forty-Tw o Srs Dec-16	Refunding 2007 PIR and 2008 PIR Bonds Advanced Refunding	Special Assessments	100%	2019 - 2029	\$1,550,800
2017 PIR Bonds, Fifty-One Srs Dec-17	Infrastructure Improvements	Special Assessments Debt Service Tax Levy	19% 81%	2018 - 2028	\$2,336,381
2018B G.O. Taxable Housing Improvmt Jun-18	Housing Improvements	Special Assessments	100%	2020 - 2034	\$795,383
2018 PIR Bonds, Fifty-Tw o Srs Dec-18	Infrastructure Improvements	Special Assessments Debt Service Tax Levy	18% 82%	2019 - 2029	\$3,244,738
2019 PIR Bonds, Fifty-Three Srs Nov-19	Infrastructure Improvements	Special Assessments Debt Service Tax Levy	19% 81%	2020 - 2030	\$3,012,650
2020 PIR Bonds, Fifty-Four Srs Nov-20	Infrastructure Improvements	Special Assessments Debt Service Tax Levy	22% 78%	2021 - 2031	\$4,202,125
2021 PIR Bonds, Fifty-Five Srs Nov-21	Infrastructure Improvements	Special Assessments Debt Service Tax Levy	18% 82%	2023 - 2032	\$4,314,116
2022 PIR Bonds, Fifty-Six Srs Sep-22	Infrastructure Improvements	Special Assessments Debt Service Tax Levy	18% 82%	2024 - 2034	\$14,483,250

Revenues pledged (continued):

General Obligation (G.O.) Tax Increm	ent Bonds:				
2019C Serial G.O. TIF Bonds Dec-19	Housing Developments	TIF Revenue/Tax Levy	16% / 3% 81%	2020 - 2036	\$15,928,900
Dec-19		Developer Loan Revenue	0170		
2020B Serial G.O. TIF Refunding Bds	Refund 2011B TIF Bds	TIF Revenue	100%	2021 - 2032	\$1,683,149
Dec-20	Crossover Refunding				
Revenue Bonds:					
2024B Sales Tax Revenue Bonds	lce Garden	Sales Tax Revenue	100%	2024-2045	\$56,182,863
Nov-24					
Business-type activities:					
Enterprise Bonds:					
2017B Water Utility	Water System Improvements	Utility revenues	100%	2018-2027	\$407,372
May-17					
2018D Storm Water Utility	Storm Water Utility	Special Assessments	10%	2020-2034	\$9,624,394
Dec-18		Utility revenues	90%		
2019A Charter Bonds	Ice Garden Improvements	Debt Service Tax Levy	100%	2021-2030	\$1,143,094
May-19					. ,,

General Obligation (G.O.) Bonds:

- 2017A Charter Bonds. The City has pledged future tax ad valorem revenue to repay the \$1,420,000 bonds issued in May 2017. Proceeds from the bonds were used to replace playground equipment in parks around the City. Tax levies were projected to produce 100% of the debt service requirements over the life of the bonds. Total principal and interest remaining on the bonds is \$479,650, payable through February 2027. For the current year, principal and interest paid and total tax levy revenues were \$158,125 and \$168,306, respectively.
- 2018A Charter Bonds. The City has pledged future tax ad valorem revenue to repay the \$1,020,000 bonds issued in June 2018. Proceeds from the bonds were used for various improvement to parks around the City. Tax levies were projected to produce 100% of the debt service requirements over the life of the bonds. Total principal and interest remaining on the bonds is \$594,900, payable through February 2029. For the current year, principal and interest paid and total tax levy revenues were \$119,100 and \$129,291, respectively.
- 2019B Charter Bonds. The City has pledged future tax ad valorem revenue to repay the \$2,105,000 bonds issued in November 2019. Proceeds from the bonds were used for various improvement to parks around the City. Tax levies were projected to produce 100% of the debt service requirements over the life of the bonds. Total principal and interest remaining on the bonds is \$1,579,150, payable through February 2030. For the current year, principal and interest paid and total tax levy revenues were \$265,300 and \$285,155, respectively.
- 2021A Charter Bonds. The City has pledged future tax ad valorem revenue to repay the \$2,005,000 bonds issued in September 2021. Proceeds from the bonds were used for various improvement to parks around the City. Tax levies were projected to produce 100% of the debt service requirements over the life of the bonds. Total principal and interest remaining on the bonds is \$1,964,700, payable through February 2032. For the current year, principal and interest paid and total tax levy revenues were \$244,950 and \$264,700, respectively.
- 2022A Capital Improvement Plan. The City has pledged future tax ad valorem revenue to repay the \$11,975,000 bonds issued in April 2022. Proceeds from the bonds were used for certain capital improvements, including but not limited to construction of improvements to fire stations in the City, and construction of a new equipment maintenance garage. Tax levies are projected to produce 100% of the debt service requirements over the life of the bonds. Total principal and interest remaining on the bonds is \$15,684,281, payable through February 2043. For the current year, principal and interest paid and total tax levy revenues were \$829,075 and \$887,752, respectively.

• 2024A Charter Bonds. The City has pledged future tax ad valorem revenue to repay the \$9,110,000 bonds issued in September 2024. Proceeds from the bonds were used for various improvement to parks around the City. Tax levies were projected to produce 100% of the debt service requirements over the life of the bonds. Total principal and interest remaining on the bonds is \$11,905,337, payable through February 2045. No principal or interest payments were paid in the current year and there were no tax levy revenues.

General Obligation (G.O.) Improvement Bonds:

- 2011 PIR, Forty-Five Series. The City has pledged future ad valorem tax levies and special assessments to repay the \$7,545,000 bonds issued in November 2011. Proceeds from the bonds provided financing for various infrastructure improvements. Tax levies were projected to produce 72% and special assessments were projected to produce 28% of the debt service requirements over the life of the bonds. Total principal and interest remaining on the bonds is \$456,453, payable through February 2031. For the current year, principal and interest paid and total tax levy and special assessment revenues were \$79,344 and \$92,568, respectively.
- 2012 PIR Refunding, Thirty-Nine Series. The City has pledged future tax ad valorem levies and special assessments to repay the \$5,900,000 bonds issued in June 2012. Proceeds from the bonds refunded the 2004 PIR, 39 Series Bonds on February 1, 2014. Tax levies were projected to produce 43% and special assessments were projected to produce 57% of the debt service requirements over the life of the bonds. Total principal and interest remaining on the bonds is \$517,650 payable through February 2025. For the current year, principal and interest paid and total tax levy and special assessment revenues were \$532,950 and \$552,374, respectively.
- 2013 PIR Refunding, Forty-Three Series. The City has pledged future tax ad valorem levies and special assessments to repay the \$5,135,000 bonds issued in November 2013. Proceeds from the bonds refunded the 2009 PIR, 43 Series Bonds on February 1, 2014. Tax levies were projected to produce 10% and special assessments were projected to produce 90% of the debt service requirements over the life of the bonds. Total principal and interest remaining on the bonds is \$967,709, payable through February 2030. For the current year, principal and interest paid and total tax levy and special assessment revenues were \$213,339 and \$621,510, respectively.
- 2014 PIR, Forty-Eight Series. The City has pledged future ad valorem tax levies and special assessments to repay the \$7,465,000 bonds issued in December 2014. Proceeds from the bonds partially refunded the 2006 PIR, 40 Series Bonds on February 1, 2015 and provided financing for various infrastructure improvements. Tax levies were projected to produce 68% and special assessments were projected to produce 32% of the debt service requirements over the life of the bonds. Total principal and interest remaining on the bonds is \$708,750 payable through February 2025. For the current year, principal and interest paid and total tax levy and special assessment revenues were \$715,263 and \$605,550 respectively.
- <u>2015 PIR, Forty-Nine Series</u>. The City has pledged future ad valorem tax levies and special assessments to repay the \$5,355,000 bonds issued in October 2015. Proceeds from the bonds provided financing for various infrastructure improvements. Tax levies were projected to produce 57% and special assessments were projected to produce 43% of the debt service requirements over the life of the bonds. Total principal and interest remaining on the bonds is \$1,569,638 payable through February 2036. For the current year, principal and interest paid and total tax levy and special assessment revenues were \$570,650 and \$511,534, respectively.
- 2016 PIR, Fifty Series. The City has pledged future ad valorem tax levies and special assessments to repay the \$6,115,000 bonds issued in December 2016. Proceeds from the bonds provided financing for various infrastructure improvements. Tax levies were projected to produce 59% and special assessments were projected to produce 41% of the debt service requirements over the life of the bonds. Total principal and interest remaining on the bonds is \$2,625,975, payable through February 2037. For the current year, principal and interest paid and total tax levy and special assessment revenues were \$629,575 and \$611,294, respectively.
- 2016 PIR Refunding, Forty-One Series and Forty-Two Series. The City has pledged future special assessments to repay the \$3,730,000 bonds issued in December 2016. Available cash and proceeds from the bonds refunded the 2007 PIR, 41 Series Bonds and the 2008 PIR, 42 Series Bonds on February 1, 2018. Special assessments were projected to produce 100% of the debt service requirements over the life of the

bonds. Total principal and interest remaining on the bonds is \$1,550,800, payable through February 2029. For the current year, principal and interest paid and total special assessment revenues were \$343,500 and \$476,518, respectively.

- 2017 PIR, Fifty-One Series. The City has pledged future ad valorem tax levies and special assessments to repay the \$4,970,000 bonds issued in December 2017. Proceeds from the bonds provided financing for various infrastructure improvements. Tax levies were projected to produce 81% and special assessments were projected to produce 19% of the debt service requirements over the life of the bonds. Total principal and interest remaining on the bonds is \$2,336,381, payable through February 2028. For the current year, principal and interest paid and total tax levy and special assessment revenues were \$584,813 and \$564,490, respectively.
- 2018B Taxable Housing Improvement Bonds. The City has pledged special assessment revenue to repay the \$920,000 bonds issued in June 2018. Proceeds from the bonds were used to finance various improvements within the Housing Improvement Area. Special assessments were projected to produce 100% of the debt service requirements over the life of the bonds. Total principal and interest remaining on the bonds is \$795,383, payable through February 2034. For the current year, principal and interest paid and total special assessment revenues were \$81,110 and \$88,278, respectively.
- 2018 PIR, Fifty-Two Series. The City has pledged future ad valorem tax levies and special assessments to repay the \$5,270,000 bonds issued in December 2018. Proceeds from the bonds provided financing for various infrastructure improvements. Tax levies were projected to produce 82% and special assessments were projected to produce 18% of the debt service requirements over the life of the bonds. Total principal and interest remaining on the bonds is \$3,244,738 payable through February 2029. For the current year, principal and interest paid and total tax levy and special assessment revenues were \$653,450 and \$657,577, respectively.
- 2019 PIR, Fifty-Three Series. The City has pledged future ad valorem tax levies and special assessments to repay the \$4,095,000 bonds issued in November 2019. Proceeds from the bonds provided financing for various infrastructure improvements. Tax levies were projected to produce 81% and special assessments were projected to produce 19% of the debt service requirements over the life of the bonds. Total principal and interest remaining on the bonds is \$3,012,650 payable through February 2030. For the current year, principal and interest paid and total tax levy and special assessment revenues were \$509,725 and \$530,723, respectively.
- 2020 PIR, Fifty-Four Series. The City has pledged future ad valorem tax levies and special assessments to repay the \$5,385,000 bonds issued in December 2020. Proceeds from the bonds provided financing for various infrastructure improvements. Tax levies were projected to produce 78% and special assessments were projected to produce 22% of the debt service requirements over the life of the bonds. Total principal and interest remaining on the bonds is \$4,202,125 payable through February 2031. For the current year, principal and interest paid and total tax levy and special assessment revenues were \$601,175 and \$648,512, respectively.
- 2021 PIR, Fifty-Five Series. The City has pledged future ad valorem tax levies and special assessments to repay the \$4,540,000 bonds issued in November 2021. Proceeds from the bonds provided financing for various infrastructure improvements. Tax levies were projected to produce 82% and special assessments were projected to produce 18% of the debt service requirements over the life of the bonds. Total principal and interest remaining on the bonds is \$4,314,116 payable through February 2032. For the current year, principal and interest paid and total tax levy and special assessment revenues were \$546,544 and \$575,118, respectively.
- 2022 PIR, Fifty-Six Series. The City has pledged future ad valorem tax levies and special assessments to repay the \$11,875,000 bonds issued in September 2022. Proceeds from the bonds provide financing for various infrastructure improvements. Tax levies were projected to produce 82% and special assessments were projected to produce 18% of the debt service requirements over the life of the bonds. Total principal and interest remaining on the bonds is \$14,483,250 payable through February 2034. For the current year, principal and interest paid and total tax levy and special assessment revenues were \$863,625 and \$2,011,266, respectively.

General Obligation (G.O.) Tax Increment Bonds:

- 2019C Serial Bonds. The City has pledged tax increment revenue to repay the \$15,200,000 bonds issued in December 2019. Proceeds from the bonds provided funding for housing developments. Incremental property taxes were projected to produce 16%, tax levies were projected to produce 3%, and developer loan revenues of 81% of the debt service requirements over the life of the bond issue. Total principal and interest remaining on the bonds is \$15,928,900 payable through February 2036. For the current year, principal and interest paid and total tax increment, tax levy and developer loan revenues were \$453,083 and \$453,083, respectively.
- 2020B Serial Refunding Bonds. The City has pledged tax increment revenue to repay the \$1,975,000 bonds issued in December 2020. Proceeds from the bonds refunded the 2011B Serial Refunding Bonds on February 1, 2022. Incremental property taxes were projected to produce 100% of the debt service requirements over the life of the bond issue. Total principal and interest remaining on the bonds is \$1,683,149 payable through February 2032. For the current year, principal and interest paid and total tax increment revenues were \$210,942 and \$210,942, respectively.

Sales Tax Revenue Bonds:

• 2024B Sales Tax Bonds. The City has pledged future sales tax revenue to repay the \$34,780,000 bonds issued in November 2024. Proceeds from the bonds will be used for the construction and rehabilitation of the Bloomington Ice Garden. Sales tax revenues were projected to produce 100% of the debt service requirements over the life of the bonds. Total principal and interest remaining on the bonds is \$56,182,863, payable through February 2045. No principal or interest payments were paid in the current year and there were no sales tax revenues.

Enterprise Bonds:

- <u>2017B Water Utility</u>. The City has pledged future water utility revenues to repay the \$1,170,000 bonds issued in May 2017. Utility revenues were projected to produce 100% of the debt service requirements over the life of the bond issue. Proceeds from the bonds provided financing for various water system improvements. Total principal and interest remaining on the bonds is \$407,372, payable through February 2027. For the current year, principal and interest paid and total water utility revenues were \$131,069 and \$131,069, respectively.
- 2018D Storm Water Utility. The City has pledged future storm water utility revenues and special assessments to repay the \$10,805,000 bonds issued in December 2018. Utility revenues were projected to produce 90% and special assessments were projected to produce 10% of the debt service requirements over the life of the bond issue. Proceeds from the bonds provided financing for storm water system improvements. Total principal and interest remaining on the bonds is \$9,624,394, payable through February 2034. For the current year, principal and interest paid and total water utility and special assessment revenues were \$982,438 and \$982,438, respectively.
- 2019A Charter Bonds. The City has pledged future tax ad valorem revenue to repay the \$1,645,000 bonds issued in May 2019. Proceeds from the bonds were used for improvement to the Bloomington Ice Garden. Tax levies were projected to produce 100% of the debt service requirements over the life of the bonds. The City expects to use money available in the Bloomington Ice Garden enterprise fund to make the debt service payments due on the bonds; however, these funds are not pledged to the repayment of the bonds. Total principal and interest remaining on the bonds is \$1,143,094, payable through February 2030. For the current year, principal and interest paid and total tax levy revenues were \$188,326 and \$188,326, respectively.

8. NET POSITION/FUND BALANCES

A. NET INVESTMENT IN CAPITAL ASSETS

The government-wide statement of net position at December 31, 2024 includes the City's net investment in capital assets, calculated as follows:

	Governmental Activities	Business-Type Activities	Total
Net investment in capital assets:			
Capital assets			
Nondepreciable	\$ 115,453,038	\$ 4,728,648	\$ 120,181,686
Depreciable, net of accumulated			
depreciation	362,746,664	105,466,003	468,212,667
Less capital related long-term debt			
outstanding	(101,107,780)	(9,881,945)	(101,989,725)
Retainage payable	(413,554)	(97,296)	(510,850)
Unspent bond proceeds	38,187,964		38,187,964
Total net investment in capital assets	\$ 414,866,332	\$ 100,215,410	\$ 515,081,742

B. GOVERNMENTAL CLASSIFICATIONS

At December 31, 2024, a summary of the governmental fund balance classifications is as follows:

	General Fund	Community Development Block Grant	Improvement Bonds	Capital Projects	Improvement Construction	Nonmajor Governmental Funds	Total Governmental Funds
Nonspendable:							
Prepaid items	\$ -	\$ -	\$ -	\$ 12,925	\$ -	\$ -	\$ 12,925
Restricted for:							
Debt service	-	-	23,936,942	4,010,193	-	198,757	28,145,892
Abatement purposes	-	-	-	-	7,724,355	-	7,724,355
Tax increment purposes	-	-	-	14,682,802	518,415	-	15,201,217
Capital purposes	-	-	-	40,653,325	-	9,714	40,663,039
Public safety	2,460,622	-	-	-	-	1,111,007	3,571,629
Housing development	-	-	-	15,172,682	-	-	15,172,682
Public health	-	-	-	-	-	551,431	551,431
Art center	-	-	-	3,458	-	-	3,458
Cemetery	-	-	-	-	-	391,498	391,498
Communication	-	-	-	-	-	77,261	77,261
Street reconstruction					1,711,895		1,711,895
Total restricted	2,460,622		23,936,942	74,522,460	9,954,665	2,339,668	113,214,357
Committed:							
Budget carryovers	5,529,393	_	_	_	_	_	5,529,393
Capital purposes	_	_	_	29,783	_	745,967	775,750
Creative placemaking	_	_	_	-	_	915,226	915,226
Park development	_	_	_	3,616,122	_	, -	3,616,122
Public safety	-	-	_	-	_	6,483,414	6,483,414
Future projects	1,172,079	_	_	5,017,990	_	-	6,190,069
Veterans memorial	_	_	_		_	216,500	216,500
Total committed	6,701,472			8,663,895		8,361,107	23,726,474
Assigned for:							
Street reconstruction					49,739,723		49,739,723
Suget reconstruction					49,/39,/23		49,/39,/23
Unassigned	46,407,632					(66,235)	46,341,397
Total fund balances	\$ 55,569,726	\$ -	\$ 23,936,942	\$ 83,199,280	\$ 59,694,388	\$ 10,634,540	\$ 233,034,876

C. WORKING CAPITAL FUND BALANCE POLICY

The City Council has formally adopted a policy regarding the working capital fund balance for the General Fund. The most significant revenue source of the General Fund is property taxes, the second largest is typically lodging and admission taxes.

The policy states the City will strive to maintain a fund balance in the General Fund for working capital purposes of 35-40% of the following year's General Fund total budgeted revenues or expenditures.

At December 31, 2024, the fund balance of the General Fund was \$55,569,726 which sufficiently meets the working capital goal described above.

9. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

The following is a schedule of interfund receivables and payables as of December 31, 2024:

Fund/Component Unit		Receivable	Payable
General Fund	(1)	\$ 300,000	\$ _
Contractual Police	(1)	-	300,000
Water		135,000	-
Nonmajor Government		_	135,000
Total		\$ 435,000	\$ 435,000
Primary Government:			
General Fund		\$ 381,269	\$ 75,370
Capital Projects Fund		13,029,942	_
CDBG Fund		_	84,419
Bonds receivable – due:		195,000	-
Within one year		1,400,000	-
In more than one year		142,525	-
Accrued interest receivable		 	
Total		\$ 15,148,736	\$ 159,789
Component Units:			
Port Authority		\$ 5,142	\$ 186,894
Housing and Redevelopment Authority:			
Primary government		\$ 154,647	\$ 13,224,317
Bonds payable – due:			
Within one year		-	195,000
In more than one year		-	1,400,993
Accrued interest payable		 	 142,525
Total		\$ 159,789	\$ 15,148,736
Total primary and component units	(2,3)	\$ 15,308,525	\$ 15,308,525

Interfund receivables and payables represent (1) lending/borrowing arrangements to cover deficit cash balances at the end of the fiscal year, (2) lag between the date that good or services are provided or reimbursable expenditures, (3) payments between the primary government and component units are made.

The following is a schedule of interfund transfers for the year ended December 31, 2024:

Fund Transferred To		Fund Transferred From	Amount
General	*	Community Dev. Block Grant	\$ 39,217
	(1)	Capital Projects	4,277,418
	(2)	Improvement Construction	1,560,500
	*	Contractual Police	84,612
	*	Nonmajor Governmental	462,927
	*	Employee Benefits	534,996
Total General		• •	6,959,670
Capital Projects	(3)	General Fund	2,780,000
	(4)	Nonmajor Government	773,591
	*	Special Revenue	135,147
Total Capital Projects			3,688,738
Nonmajor Governmental	*	Capital Projects	1,334,996
•	*	Internal Service	220,536
Total Nonmajor Governmental			1,555,532
Enterprise			
Water/Wastewater Utility	(5)	Nonmajor Governmental	1,266,443
Total Enterprise			1,266,443
Internal Service	*	General Fund	636,096
	*	Nonmajor Governmental	519,247
	(6)	Capital Projects	450,000
Total Internal Service			1,605,343
Total			\$ 15,075,726

Generally, transfers are used to move revenues from the fund that collects them to the fund that the budget requires to expend them. In the year ended December 31, 2024, transfers include (1) a one-time transfer of \$2,119,506 to the General Fund from the Capital Projects Fund for tax levy stabilization, annual transfers of \$2,157,912 to help support the cost of police services at the Mall of America, (2) an annual transfer of \$1,560,500 for franchise fees from the improvement Construction Fund to the General Fund for the pavement management program, (3) a one-time transfer of \$1,100,000 to the Strategic Priorities Capital Projects Fund due to a positive budget variance in the General Fund, a one-time transfer of \$230,000 in Excess Eng OH, and \$1,450,000 for ADA Park Project, (4) a one-time transfer of \$773,591 to Capital Projects from the Nonmajor Government Fund for the Small Business Center, Fire Station Land Acquisition, and Natural Resource Project, (5) a one-time transfer of \$1,266,443 from Nonmajor Government to Water/Wastewater Utility for the 82nd Street and Morris Road Water Main, (6) a one-time transfer from Capital Projects to Internal Service Fund for new equipment, and other items denoted with an asterisk (*) were approved by City Council as annually budgeted transfers.

10. CONTINGENCIES

A. LEGAL CONTINGENCIES

There are several lawsuits pending in which the City is involved. The City Attorney estimates that the potential claims against the City not covered by insurance resulting from such litigation would not materially affect the financial statements of the City.

B. FEDERAL AND STATE FUNDS

The City receives financial assistance from federal and state governmental agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with the terms and conditions specified in the grant agreements and it is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the applicable fund. However, in the opinion of management, any such disallowed claims would not have a material effect on any of the financial statements of the individual fund types included herein or on the overall financial position of the City at December 31, 2024.

C. TAX INCREMENT DISTRICTS

The City's tax increment districts are subject to review by the Minnesota Office of the State Auditor (OSA). Any disallowed claims or misuse of tax increments could become a liability of the applicable fund. Based on external legal advice management has indicated that they are not aware of any instances of noncompliance which would have a material effect on the financial statements.

11. DEFINED PENSION BENEFIT PLANS

A. PUBLIC EMPLOYEES RETIREMENT ASSOCIATION (PERA)

PLAN DESCRIPTIONS

The City participates in the following cost-sharing multiple-employer defined benefit pension plans administered by the Public Employees Retirement Association of Minnesota (PERA). Plan provisions are established and administered according to Minnesota Statutes, Chapters 353, 353D, 353E, 353G and 356. Minnesota Statutes Chapter 356 defines each plan's financial reporting requirements. PERA's defined benefit pension plans are tax qualified plans under Section 401 (a) of the Internal Revenue Code.

1. General Employees Retirement Fund (General Plan)

Membership in the General Plan includes employees of counties, cities, townships, schools in non-certified positions, and other governmental entities whose revenues are derived from taxation, fees, or assessments. Plan membership is required for any employee who is expected to earn more than \$425 in a month, unless the employee meets exclusion criteria.

2. Public Employees Police and Fire Retirement Fund (Police and Fire Plan)

Membership in the Police and Fire Plan includes full-time, licensed police officers and firefighters who meet the membership criteria defined in Minnesota Statutes section 353.64 and who are not earning service credit in any other PERA retirement plan or local relief association for the same service. Employers can provide Police and Fire Plan coverage for part-time positions and certain other public safety positions by submitting a resolution adopted by the entity's governing body. The resolution must state that the position meets plan requirements.

BENEFITS PROVIDED

PERA provides retirement, disability, and death benefits. Benefit provisions are established by state statute and can only be modified by the State Legislature. Vested, terminated employees who are entitled to benefits but are not receiving them yet are bound by the provisions in effect at the time they last terminated their public service. When a member is "vested," they have earned enough service credit to receive a lifetime monthly benefit after leaving public service and reaching an eligible retirement age. Members who retire at or over their Social Security full retirement age with at least one year of service qualify for a retirement benefit.

1. General Employees Plan Benefits

The General Employees Plan requires three years of service to vest. Benefits are based on a member's highest average salary for any five successive years of allowable service, age, and years of credit at termination of service. Two methods are used to compute benefits for General Plan members. Members hired prior to July 1, 1989 receive the higher of the Step or Level formulas. Only the Level formula is used for members hired after June 30, 1989. Under the Step formula, General Plan members receive 1.2% of the highest average salary for each of the first ten years of service and 1.7% for each additional year. Under the Level formula, General Plan members receive 1.7% of the highest average salary for all years of service. For members hired prior to July 1, 1989, a full retirement benefit is available when age plus years of service equal 90 and normal retirement age is 65. Members can receive a reduced requirement benefit as early as age 55 if they have three or more years of service. Early retirement benefits are reduced by 0.25% for each month under age 65. Members with 30 or more years of service can retire at any age with a reduction of 0.25% for each month the member is younger than age 62. The Level formula allows General Plan members to receive a full retirement benefit at age 65 if they were first hired before July 1, 1989 or at age 66 if they were hired on or after July 1, 1989. Early retirement begins at age 55 with an actuarial reduction applied to the benefit.

Benefit increases are provided to benefit recipients each January. The post-retirement increase is equal to 50.0% of the cost of living adjustment (COLA) announced by the Social Security Administration, with a minimum increase of at least 1.0% and a maximum of 1.5%. The 2024 annual increase was 1.5%. Recipients that have been receiving the annuity or benefit for at least a full year as of June 30 before the effective date of the increase, will receive the full increase. For recipients receiving the annuity or benefit for at least one month, but less than a full year as of the June 30 before the effective date of the increase, will receive a prorated increase.

2. Police and Fire Plan Benefits

Benefits for Police and Fire Plan members hired before July 1, 2010, are vested after three years of service. Members hired on or after July 1, 2012, are 50% vested after five years and 100% vested after ten years. After five years, vesting increased by 10% each full year of service until members are at 100% vested after ten years. Police and Fire Plan members receive a full retirement benefit when they are age 55 and vested, or when their age plus their years of service equals 90 or greater if they were first hired before July 1, 1989. Early retirement starts at age 50, and early retirement benefits are reduced by 0.417% each month members are younger than age 55.

Benefit increases are provided to benefit recipients each January. The post-retirement increase is fixed at 1.0%. Recipients that have been receiving the annuity or benefit for at least 36 months as of the June 30 before the effective date of the increase, will receive the full increase. For recipients receiving the annuity or benefit for at least 25 months, but less than 36 months as of the June 30 before the effective date of the increase, will receive a prorated increase.

CONTRIBUTIONS

Minnesota Statutes Chapters 353, 353E, 353G, and 356 set the rates for employer and employee contributions. Contribution rates can only be modified by the state legislature.

1. General Employees Fund Contributions

Coordinated plan members were required to contribute 6.50% of their annual covered salary in fiscal year 2024. The City was required to contribute 7.50% for General Plan members. The City's contributions to the General Employees Fund for the year ended December 31, 2024 were \$3,466,096. The City's contributions were equal to the required contributions as set by state statute.

2. Police and Fire Fund Contributions

Police and Fire Plan members were required to contribute 11.80% of their annual covered salary in fiscal year 2024, and the City was required to contribute 17.70% for Police and Fire Plan members. The City's contributions to the PEPFF for the year ended December 31, 2024 were \$3,898,692. The City's contributions were equal to the required contributions as set by state statute.

PENSION COSTS

1. General Employees Fund Pension Costs

At December 31, 2024, the City reported a liability of \$19,375,667 for its proportionate share of the General Employee's Fund net pension liability. The City's net pension liability reflected a reduction due to the State of Minnesota's (State) contribution of \$16 million. The State is considered a nonemployer contributing entity and the State's contribution meets the definition of a special funding situation. The State of Minnesota's proportionate share of the net pension liability associated with the City totaled \$501,015.

The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportion of the net pension liability was based on the City's contributions received by PERA during the measurement period for employer payroll paid dates from July 1, 2023 through June 30, 2024, relative to the total employer contributions received from all of PERA's participating employers. The City's proportionate share was .5241% at the end of the measurement period and .5449% for the beginning of the period.

City's proportionate share of net pension liability	\$ 19,375,667
State's proportionate share of the net pension liability associated with the City	 501,015
Total	\$ 19,876,682

For the year ended December 31, 2024, the City recognized pension expense of \$1,635,510 for its proportionate share of the General Plan's pension expense. In addition, the City recognized an additional \$13,432 as pension expense (and grant revenue) for its proportionate share of the State of Minnesota's contribution of \$16 million to the General Employees Fund.

During the plan year ended June 30, 2024, the State of Minnesota contributed \$170.1 million to the General Employees Fund. The State of Minnesota is not included as a non-employer contributing entity in the General Employees Plan pension allocation schedules for the \$170.1 million in direct state aid because this contribution was not considered to meet the definition of a special funding situation. The City recognized \$891,494 for the year ended December 31, 2024 as revenue and an offsetting reduction of net pension liability for its proportionate share of the State of Minnesota's on-behalf contributions to the General Employees Fund.

At December 31, 2024, the City reported its proportionate share of the General Employees Fund deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources		Deferred Inflow of Resources	
Differences between expected and		_	' <u>-</u>	_
actual economic experience	\$	1,819,520	\$	-
Changes in actuarial assumptions		92,721		7,333,347
Net difference between projected and				
actual earnings on pension plan				
investments		-		5,612,519
Changes in proportion		1,122,096		1,220,369
Contributions paid to PERA				
subsequent to the measurement date		1,750,003		
Т. 4.1	¢.	4 704 240	¢.	14 166 225
Total		4,784,340	3	14,166,235

Deferred outflows of resources reported \$1,750,003 related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2025. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

	Pension
Year Ended	Expense
December 31,	Amount
2025	\$ (5,953,501)
2026	(930,981)
2027	(2,762,392)
2028	(1,485,024)
2029	-
Thereafter	
Total	\$ (11,131,898)

2. PEPFF Pension Costs

At December 31, 2024, the City reported a liability of \$19,801,193 for its proportionate share of the Police and Fire Fund's net pension liability. The net pension liability was measured as of June 30, 2024 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportionate share of the net pension liability was based on the City's contributions received by PERA during the measurement period for employer payroll paid dates from July 1, 2023 through June 30, 2024, relative to the total employer contributions received from all of PERA's participating employers. The City's proportion was 1.5051% at the end of the measurement period and 1.3836% for the beginning of the period.

The State of Minnesota also contributed \$37.4 million to the Police and Fire Fund in the plan fiscal year ended June 30, 2024. The contribution consisted of \$9.0 million in direct state aid that meets the definition of a special funding situation, additional one-time direct state aid contribution of \$19.4 million, and \$9.0 million in supplemental state aid that does not meet the definition of a special funding situation.

Additionally, \$9.0 million supplemental state aid was paid on October 1, 2024. Thereafter, by October 1 of each year, the State will pay \$9.0 million to the Police and Fire Fund until full funding is reached or July 1, 2048, whichever is earlier. The \$9.0 million in supplemental state aid will continue until the fund is 90.0% funded, or until the State Patrol Plan (administered by the Minnesota State Retirement System) is 90.0% funded, whichever occurs later. The State of Minnesota's proportionate share of the net pension

liability associated with the City totaled \$754,814.

City's proportionate share of net pension liability	\$ 19,801,193
State's proportionate share of the net pension liability associated with the City	 754,814
Total	\$ 20,556,007

For the year ended December 31, 2024, the City recognized pension expense of \$4,088,942 for its proportionate share of the Police and Fire Plan's pension expense. In addition, the City recognized an additional \$73,297 as pension expense (and grant revenue) for its proportionate share of the state of Minnesota's contribution of \$9.0 million to the Police and Fire Fund special funding situation.

The State of Minnesota is not included as a non-employer contributing entity in the Police and Fire Pension Plan pension allocation schedules for the \$28.4 million in supplemental state aid because this contribution was not considered to meet the definition of a special funding situation. The City also recognized \$427,448 for the year ended December 31, 2024, as revenue and an offsetting reduction of net pension liability for its proportionate share of the State of Minnesota's on-behalf contributions to the Police and Fire Fund.

At December 31, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual		
economic experience	\$ 7,813,593	\$ -
Changes in actuarial assumptions	22,633,438	29,170,012
Net difference between projected and		
actual earnings on pension plan investments	-	6,927,974
Changes in proportion	4,752,663	1,919,657
Contributions paid to PERA subsequent		
to the measurement date	1,985,738	
Total	\$ 37,185,432	\$ 38,017,643

The \$1,985,738 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date that will be recognized as a reduction of the net pension liability in the year ending December 31, 2025. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

	Pension
Year Ended	Expense
December 31,	Amount
2025	\$ (842,328)
2026	6,076,942
2027	(2,148,797)
2028	(7,183,233)
2029	1,279,467
Thereafter	-
Total	\$ (2,817,949)

ACTUARIAL ASSUMPTIONS

The total pension liability in the June 30, 2024 actuarial valuation was determined using the entry-age normal actuarial cost method and the following actuarial assumptions:

Inflation 2.25% per year

Investment Rate of Return 7.00%

The long-term investment rate of return is based on a review of inflation and investment return assumptions from a number of national investment consulting firms. The review provided a range of investment return rates considered reasonable by the actuary. An investment return of 7.00% is within that range.

Benefit increases after retirement are assumed to be 1.25% for the General Plan and 1.00% for the Police and Fire Plan

Salary growth assumptions in the General Plan range in annual increments from 10.25% after one year of service to 3.0% after 27 years of service. In the Police and Fire Plan, salary growth assumptions range in annual increments from 11.75% after one year of service to 3.0% after 24 years of service.

Mortality rates for General Plan were based on the Pub-2010 General Employee Mortality Table. Mortality rates for Police and Fire Plan were based on the Pub-2010 Public Safety Employee Mortality tables. The tables are adjusted slightly to fit PERA's experience.

Actuarial assumptions for General Plan are reviewed every four years. The General Plan was last reviewed in 2022. The assumption changes were adopted by the board and became effective with the July 1, 2023 actuarial valuation. The Police and Fire Plan was reviewed in 2024. PERA anticipates the experience study will be approved by the Legislative Commission on Pensions and Retirement and become effective with the July 1, 2025 actuarial valuation.

The following changes in actuarial assumptions and plan provisions occurred in 2024:

1. General Employees Fund

Changes in Actuarial Assumptions:

- Rates of merit and seniority were adjusted, resulting in slightly higher rates.
- Assumed rates of retirement were adjusted as follows: increase the rate of assumed unreduced retirements, slight adjustments to Rule of 90 retirement rates, and slight adjustments to early retirement rates for Tier 1 and Tier 2 members.
- Minor increase in assumed withdrawals for males and females.
- Lower rates of disability.
- Continued use of Pub-2010 general mortality table with slight rate adjustments as recommended in the most recent experience study.
- Minor changes to form of payment assumptions for male and female retirees.
- Minor changes to assumptions made with respect to missing participant data.

Changes in Plan Provisions:

• The workers' compensation offset for disability benefits was eliminated. The actuarial equivalent factors updated to reflect the changes in assumptions.

2. Police and Fire Fund

Changes in Plan Provisions:

- The State contribution of \$9.0 million per year will continue until the earlier of 1) both the Police & Fire Plan and the State Patrol Retirement Fund attain 90 percent funded status for three consecutive years (on an actuarial value of assets basis) or 2) July 1, 2048. The contribution was previously due to expire after attaining a 90 percent funded status for one year.
- The additional \$9.0 million contribution will continue until the Police & Fire Plan is fully funded for a minimum of three consecutive years on an actuarial value of assets basis, or July 1, 2048, whichever is earlier. This contribution was previously due to expire upon attainment of fully funded status on an actuarial value of assets basis for one year (or July 1, 2048 if earlier).

LONG-TERM EXPECTED RETURN ON INVESTMENTS

The State Board of Investment, which manages the investments of PERA, prepares an analysis of the reasonableness on a regular basis of the long-term expected rate of return using a building-block method in which best-estimate ranges of expected future rates of return are developed for each major asset class. These ranges are combined to produce an expected long-term rate of return by weighting the expected future rates of return by the target asset allocation percentages. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

		Long-Term
	Target	Expected Real
Asset Class	Allocation	Rate of Return
Domestic equity	33.5%	5.10%
International equity	16.5	5.30
Fixed income	25.0	0.75
Private markets	25.0	5.90
Total	100%	

DISCOUNT RATE

The discount rate used to measure the total pension liability in 2024 was 7.00%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and employers will be made at rates set in Minnesota Statutes. Based on these assumptions, the fiduciary net position of the General Plan and Police and Fire Plan were projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

PENSION LIABILITY SENSITIVITY

The following presents the City's proportionate share of the net pension liability for all plans it participates in, calculated using the discount rate disclosed in the preceding paragraph, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate 1 percentage point lower or 1 percentage point higher than the current discount rate:

	1% Decrease in Discount Rate (6.0%)	1% Increase in Discount Rate (8.0%)		
Proportionate share of the General Plan net pension liability	\$ 42,319,576	\$ 19,375,667	\$ 502,210	
	1% Decrease in Discount Rate	Discount Rate	1% Increase in Discount Rate	
Proportionate share of the Police and	(6.0%)	(7.0%)	(8.0%)	
Fire net pension liability	\$ 46,794,085	\$ 19,801,193	\$ (2,365,621)	

PENSION PLAN FIDUCIARY NET POSITION

Detailed information about each pension plan's fiduciary net position is available in a separately-issued PERA financial report that includes financial statements and required supplementary information. That report may be obtained at www.mnpera.org.

B. SINGLE EMPLOYER PLAN – BLOOMINGTON FIRE DEPARTMENT RELIEF ASSOCIATION

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Pensions. For purposes of measuring the net pension liability (asset), deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Bloomington Fire Department Relief Association (Relief Association) and additions to deductions from the Relief Association's fiduciary net position have been determined on the same basis as they were reported by the Relief Association. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

PLAN DESCRIPTION

Paid on call firefighters of the Bloomington Fire Department are covered by a defined benefit plan administered by the Relief Association. The Plan is a single employer retirement plan and is established and administered in accordance with Minnesota Statute, Chapter 69.

BENEFITS PROVIDED

The Relief Association provides retirement benefits as well as disability benefits to members and benefits to survivors upon death of eligible members. Benefits are established in accordance with the State Statute. The defined retirement benefits are based on the most recent 3-year average salary rates of the highest paid non-officer police officer in the City. Benefit provisions can be amended by the Minnesota State Legislature.

Twenty Year Service Pension

Each member who is at least 50 years of age; has retained membership in the Relief Association for 10 years, and has served at least twenty (20) years of active service with the Bloomington Fire Department before retirement; shall be entitled to a full service monthly pension for the remainder of his or her life. Benefits are based on the most recent three-year average salary rates of the highest paid non-officer police officer in the City.

Disability Benefits

A member who becomes disabled will be eligible for a monthly disability benefit based on the most recent three year average salary rates of the highest paid non-officer police officer for the City. If the period of disability continues to the time when the member would qualify for a service pension, the member will be placed on the service pension rolls and disability benefits shall terminate. No benefits shall be paid for any disability of less than seven days duration.

Death Benefits

Upon the death of a member, the sum of \$500 shall be appropriated from the special account to the designated beneficiary or estate to defray funeral costs. The general account will pay the beneficiary \$2,000.

EMPLOYEES COVERED BY BENEFIT TERMS

At December 31, 2024, the following employees were covered by the benefit terms:

Retirees and beneficiaries currently	
receiving benefits	233
Retired members entitled to benefits,	
but who have not received them	8
Current members:	
Fully vested (20 years or more)	4
Nonvested (less than 20 years)	86
Total	331

CONTRIBUTIONS

Minnesota Statutes Chapter 69.772 sets the minimum contribution requirement for the City and State aid on an annual basis. These statutes are established and amended by the state legislature. The Relief Association is comprised of volunteers; therefore, members have no contribution requirements. The City receives the State aid contribution and is required by state statutes to pass this through as payment to the Relief Association. The City's contribution to the Relief Association for the year ended December 31, 2024, was \$1,279,208. The City's contributions was equal to the required contribution as set by state statute. State aid contributions for the year ended December 31, 2024, were \$884,039. The actuary also compares the actual statutory contribution rate to an actuarial required contribution rate. The actuarial required contribution rate consists of: (a) normal costs based on entry age normal cost methods, (b) a supplemental contribution for amortizing any unfunded actuarial accrued liability, and (c) an allowance for administrative expenses.

NET PENSION LIABILITY

The City's net pension liability (asset) was measured as of December 31, 2024, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of January 1, 2025.

ACTUARIAL ASSUMPTIONS

The total pension liability in the January 1, 2025 actuarial valuation was determined using the entry age normal actuarial cost method and the following actuarial assumptions, applied to all periods included in the measurement:

Measurement date	December 31, 2024
Investment rate of return	6.00%
Projected salary increases	4.00%
Inflation	2.75%
Cost-of-living adjustments	4.00% based on increase in index salary
Age of service retirement	50 with 20 years of service
Post-retirement benefit increase	None

The plan has not had a formal actuarial experience study performed.

The following mortality tables were used in 2024:

<u>Pre-retirement</u> – RP 2014 Employee Mortality table projected back to 2006 base year using Projection Scale MP 2014, and then projected forward using Projection Scale MP 2017.

<u>Post-retirement</u> – RP 2014 Annuitant Mortality table projected back to 2006 base year using Projection Scale MP 2014, and then projected forward using Projection Scale MP 2017. Male rates are adjusted by a factor of 0.96.

<u>Post-disabled</u> – RP 2014 Annuitant Mortality table projected back to 2006 base year using Projection Scale MP 2014, and then projected forward using Projection Scale MP 2017. Male rates are adjusted by a factor of 0.96.

The best estimate range for the long-term expected rate of return is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation. The capital market assumptions are per the actuary's investment consulting practice as of January 1, 2025.

	Long-Term
	Expected Geometric
Asset Class	Real Rate of Return
Cash	0.92%
Investment Grade Bonds	2.21
US Equity	3.70
Developed International Equity	5.12
Emerging Markets Equity	6.15
Real Estate	4.51
Private Equity	6.16

DISCOUNT RATE

The discount rate used to measure the total pension liability was 6.00%. The projection of cash flows used to determine the discount rate assumed that City contributions will be made at the actual statutory contribution rate. Based on those assumptions, the Relief Association's fiduciary net position was projected to be available to make all projected future benefit payments of the current plan members. Therefore, the plan's long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension (asset) liability.

CHANGES IN THE NET PENSION LIABILITY

		Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a) – (b)	
Balance at December 31, 2023	\$ 186,990,493	\$ 217,564,624	\$ (30,574,131)	
Charges for the year:				
Service cost	3,533,302	-	3,533,302	
Interest on total pension liability	11,192,231	-	11,192,231	
Effect of economic/demographic gains or losses	2,062,400	-	2,062,400	
Benefit payments	(7,973,234)	(7,973,234)	-	
Employer contributions – state aid and City	-	2,163,247	(2,163,247)	
Net investment income	-	21,812,066	(21,812,066)	
Administrative expense	-	(140,828)	140,828	
Net changes	8,814,699	15,861,251	(7,046,552)	
Balance at December 31, 2024	\$ 195,805,192	\$ 233,425,875	\$ (37,620,683)	

PENSION LIABILITY (ASSET) SENSITIVITY

The following presents the net pension liability (asset) of the City, calculated using the discount rate of 6.00%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.00%) or 1-percentage-point higher (7.00%) than the current rate:

	1% Decrease in	1% Increase in	
	Discount Rate	Discount Rate	Discount Rate
	(5.00%)	(6.00%)	(7.00%)
Net pension liability (asset)	\$ (4,617,147)	\$ (37,620,683)	\$ (63,531,709)

PENSION PLAN FIDUCIARY NET POSITION

Detailed information about the pension plan's fiduciary net position is available in the separately issued Relief Association financial report. That report may be obtained by writing to Bloomington Fire Department Relief Association, 1800 West Old Shakopee Road, Bloomington, Minnesota, 55431, or by calling (952) 563-8700.

PENSION EXPENSE AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS

For the year ended December 31, 2024, the City recognized pension expense of \$(785,950). The City also recognized \$884,039 for the year ended December 31, 2024, as pension expense (and grant revenue) for the State of Minnesota's on-behalf contribution to the plan. At December 31, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources		Deferred Inflows of Resources	
Differences between expected and actual economic experience	\$ 1,351,228	\$	289,677	
Changes in actuarial assumptions Difference between projected and actual investment earnings	 - 		1,783,346	
Total	\$ 1,351,228	\$	2,073,023	

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended	Pension
December 31,	Expense
2025	\$ 1,894,642
2026	4,175,735
2027	(5,005,987)
2028	(1,786,185)
2029	-
Thereafter	-
Total	\$ (721,795)

C. PENSION AND OPEB AMOUNTS

Pension expense recognized by the City for the fiscal year ended December 31, 2024 is as follows:

	Pension Expense	As	Pension sset (Liability)	Deferred Inflow	Deferred Outflow
General Plan	\$ 1,648,942	\$	(19,375,667)	\$ 14,166,235	\$ 4,784,340
Police and Fire Plan	4,162,239		(19,801,193)	38,017,643	37,185,432
Fire Relief	98,089		37,620,683	2,073,023	1,351,228
OPEB	 724,704		(10,633,636)	3,038,967	 1,204,167
Total	\$ 6,633,974	\$	(12,189,813)	\$ 57,295,868	\$ 44,525,167

12. POST-EMPLOYMENT BENEFITS

A. PLAN DESCRIPTION

The City provides post-employment insurance benefits to certain eligible employees through its OPEB Plan, a single-employer defined benefit plan administered by the City. All post-employment benefits are based on contractual agreements with employee groups. Eligibility for these benefits is based on years of service and/or minimum age requirements. These contractual agreements do not include any specific contribution or funding requirements. The plan does not issue a publicly available financial report. No plan assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

B. BENEFITS PROVIDED

RETIREES

All retirees of the City upon retirement have the option under state law to continue their medical insurance coverage through the City with retirees paying the full city premium rate for their coverage.

The City is legally required to include any retirees for whom it provides health insurance coverage in the same insurance pool as its active employees until the retiree reaches Medicare eligibility. Consequently, participating retirees are considered to receive a secondary benefit known as an "implicit rate subsidy." This benefit relates to the assumption that the retiree is receiving a more favorable premium rate than they would otherwise be able to obtain if purchasing insurance on their own, due to being included in the same pool with the City's younger and statistically healthier active employees.

ACTIVE DEATH BENEFITS

In the case of death of an employee whose dependents who were enrolled under the City's plan, the City will pay 100% of the group health insurance premium for the employee's dependents for two years after the employee's death.

C. CONTRIBUTIONS

The required contribution is based on projected pay-as-you-go financing requirements, with additional amounts to prefund benefits as determined periodically by the City. The City's current year required pay-as-you-go contributions to finance the benefits described in the previous section totaled \$513,511.

D. MEMBERSHIP

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Membership in the plan consisted of the following as of the latest actuarial valuation:

Retirees and beneficiaries receiving benefits	66
Active plan members	535
Total	601

E. TOTAL OPEB LIABILITY OF THE CITY

The City's total OPEB liability of \$10,633,636 as of year-end was measured as of December 31, 2024 and was determined by an actuarial valuation as of January 1, 2023.

F. ACTUARIAL METHODS AND ASSUMPTIONS

The total OPEB liability was determined by an actuarial valuation as of January 1, 2023, using the entry-age normal cost method and following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Discount rate	4.28%	
20-year municipal bond yield	4.28%	
Inflation rate	3.75%	
Salary increases	3.75%	
3.6.10 1	7.200/	4.

Medical trend rate 7.20% grading to 4.60% over 27 years

4 2007

The actuarial assumptions used in the latest valuation were based on those used to value pension liabilities for Minnesota city employees. The state pension plans base their assumptions on periodic experience studies. Economic assumptions are based on input from a variety of published sources of historical and projected future financial data. Each assumption was reviewed for reasonableness with the source information as well as for consistency with the other economic assumptions.

Since the plan is not funded by an irrevocable trust, the discount rate is equal to the 20-year municipal bond yield rate of 4.28%, which was set by considering published rate information for 20-year high quality, tax-exempt, general obligation municipal bonds as of the measurement date.

Mortality rates were based on the SOA Scale MP-2021 Mortality Tables.

Future retirees electing coverage is assumed to be 75%.

G. CHANGES IN THE TOTAL OPEB LIABILITY

	 Total OPEB Liability
Beginning balance – January 1, 2024	\$ 10,290,480
Changes for the year	
Service cost	651,804
Interest	427,521
Differences between expected and actual experience	-
Changes in assumptions	(222,658)
Contributions - employer	(513,511)
Total net changes	343,156
Ending balance – December 31, 2024	\$ 10,633,636

H. TOTAL OPEB LIABILITY SENSITIVITY TO DISCOUNT AND HEALTHCARE COST TREND RATE CHANGES

The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current discount rate:

	1% Decrease in Discount Rate	1% Increase in Discount Rate		
OPEB discount rate	3.28%	4.28%		5.28%
Total OPEB liability	\$ 11,458,437	\$ 10,633,636	\$	9,885,908

The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using medical trend rates that are 1 percentage point lower or 1 percentage point higher than the current medical trend rates:

	1% Decrease in Medical Trend Rate	Medical Trend Rate	1% Increase in Medical Trend Rate		
Medical trend rate	6.20% decreasing to 4.20% over 7 years	7.20% decreasing to 5.20% over 7 years	8.20% decreasing to 6.20% over 7 years		
Total OPEB liability	\$ 9,281,993	\$ 10,633,636	\$ 12,229,529		

I. OPEB EXPENSE AND RELATED DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES

For the current year ended, the City recognized OPEB expense of \$724,704. As of year-end, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	De	eferred Outflows of Resources	De	ferred Inflows of Resources
Differences between expected and actual economic experience Changes in actuarial assumptions	\$	859,904 344,263	\$	1,197,300 1,841,667
Total	\$	1,204,167	\$	3,038,967

Amounts reported as deferred outflows and inflows of resources related to the plan will be recognized in OPEB expense as follows:

Year Ended December 31,		OPEB Expense
	-	<u>t</u>
2025	\$	(354,621)
2026		(354,621)
2027		(354,621)
2028		(352,669)
2029		(257,110)
Thereafter		(161,158)
Total	\$	(1,834,800)

13. RECEIVABLES AND DEFERRED INFLOWS

Governmental funds report deferred inflows of resources in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. At the end of the current fiscal year the various components of deferred inflows reported in the governmental funds were as follows:

	Property Taxes		•		Special Assessments		Mortgages	Leases		Land Held For Resale		Total
Major Funds:												
General Fund	\$	829,904	\$	-	\$	833,140	\$ -	\$ 7,546,835	\$	-	\$	9,209,879
Community Development												
Block Grant		-		-		-	11,732,789	-		_		11,732,789
Improvement Bonds		-		-		9,450,336	-	-		_		9,450,336
Capital Projects		-		-		821,667	-	-		1,489,863		2,311,530
Improvement Construction		-		10,959,390		146,464				-		11,105,854
Total Major Funds		829,904	`	10,959,390		11,251,607	11,732,789	7,546,835		1,489,863		43,810,388
Nonmajor Funds		-	_	-	_	27,631			_		_	27,631
Total Deferred Inflows	\$	829,904	\$	10,959,390	\$	11,279,238	\$ 11,732,789	\$ 7,546,835	\$	1,489,863	\$	43,838,019
Receivables not expected to be collected within one year	\$	\$82,990	\$	10,055,019	\$	9,023,390	\$ 10,559,510	\$ 7,319,817	\$	n/a	\$	37,040,726

14. <u>INDIVIDUAL COMPONENT UNIT DISCLOSURES</u>

Discretely Presented Component Units - Notes 1 through 13 to the basic financial statements apply to the City and generally to its component units. The City's two component units are reported in a separate column, or discretely presented, in the financial statements to emphasize that they are legally separate from the City. The following notes provide disclosures that are specific to each of the component units. Further detail regarding component units is provided under the Component Unit tab within the "Other Supplementary Information" section of the financial statements.

Fund Reorganization

When first established, the Port Authority's activity was limited to South Loop development. In 2023, the Port Authority's activity was expanded to City-wide development and a new Port Development Special Revenue Fund was created to account for the City-wide development activities. As previously used, the Port Authority's General Fund accounted for development activities in South Loop. During 2024, it was determined that as the Port Authority's City-wide activities have grown, it would be most appropriate for the City-wide activities to be reported in the General Fund, and the South Loop specific activities to be reported in a special revenue fund. As a result, activities previously reported in the Port Development Special Revenue Fund are now reported in the General Fund, and activities previously reported in the General Fund are now reported in the South Loop Special Revenue Fund.

Cash, Cash Equivalents, and Investments

A. DEPOSITS

In accordance with Minnesota Statutes, the Port Authority maintains deposits at national or state banks within the state, all of which are members of the Federal Reserve System, as authorized by its Commissioners.

Custodial Credit Risk-Deposits – Custodial credit risk is the risk that in event of a bank failure, the Port Authority's deposits may not be returned to it. Minnesota Statutes require that all Port Authority deposits be protected by insurance, surety bond, or collateral. The fair value of collateral pledged must equal 110% of the deposits not covered by insurance or bonds. Minnesota Statutes require that securities pledged as collateral be held in safekeeping by the City treasury or in a financial institution other than that furnishing the collateral.

At December 31, 2024, the carrying amount of the Port Authority's deposits with financial institutions and the bank balances totaled \$(30,322). As of December 31, 2024, the bank balance of the Port Authority's deposits was covered by federal depository insurance or covered by collateral pledged and held in the Port Authority's name.

B. INVESTMENTS

The Port Authority invests funds, as authorized by Minnesota Statutes and its investment policy is as follows:

See Note 2 of the City for a description of qualifying depositories, collateralization, qualifying investments, and investment categorization.

At December 31, 2024, the Port Authority had the following investments and maturities:

Investment Type		Fair Value	Less than One Year			One Year to Five Years	Five Years to Ten Years	
Money Market	\$	102,998,056	\$	102,998,056	\$	-	\$	-
Commercial Paper Sweep		294,335		294,335		-		-
Federal Agricultural Mortgage								
Corporation		4,803,500		-		4,803,500		-
Federal Farm Credit Bank		4,638,600		-		4,638,600		-
Federal Home Loan Bank		9,731,800		4,931,400		4,800,400		-
Federal Home Loan Mortgage								
Corporation		7,086,776		7,086,776		-		-
Federal National Mortgage								-
Association		4,883,150		4,883,150		_		-
Municipal Bonds		4,351,317		3,602,985		748,332		-
Total investments		138,787,534	\$	123,796,702	\$	14,990,832	\$	-
Total deposits	_	(30,322)	_		_			
Total investments and deposits	\$	138,757,212						

The Port Authority categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. The hierarchy has three levels. Level 1 investments are valued using inputs that are based on quoted prices in active markets for identical assets. Level 2 investments are valued using inputs that are based on quoted prices for similar assets or inputs that are observable, either directly or indirectly. Level 3 investments are valued using inputs that are unobservable.

The Port Authority has the following recurring fair value measurements as of December 31, 2024:

				Fair V	Value Measurements Using				
Investments by fair value level	12/31/24		Level 1		Level 2		Level 3		
Commercial Paper Sweep Federal Agricultural Mortgage	\$	294,335	\$	-	\$	294,335	\$	-	
Corporation		4,803,500		_		4,803500		_	
Federal Farm Credit Bank		4,638,600		_		4,638,600		-	
Federal Home Loan Bank		9,731,800		-		9,731,800		-	
Federal Home Loan Mortgage									
Corporation		7,086,776		-		7,086,776		-	
Federal National Mortgage									
Association		4,883,150		-		4,883,150		-	
Municipal Bonds		4,351,317		-		4,351,317			
Subtotal		35,789,478	\$		\$	35,789,478	\$		
Investments not categorized									
External investment pools:									
4M Fund Money Market		102,998,056							
Bank Deposits		(30,322)							
Total	\$	138,757,212							

Custodial Credit Risk-Investments – For investments, custodial credit risk is the risk that in the event of a failure of the counterparty, the Port Authority will not be able to recover the value of its investments that are in possession of an outside party. As of December 31, 2024, all investments of the Port Authority were insured, registered, and held by the Port Authority or its agent in the Port Authority's name.

Interest Rate Risk - The Port Authority's investment policy does not have limits on investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk - State law limits investments in commercial paper to the top rating issued by at least two of the nationally recognized statistical rating organizations. The Port Authority's investments in government securities, and the municipal investments are all rated AA or better by Standard & Poor's and Moody's Investors Service, and the 4M Fund is rated AAAm by Standard & Poor's.

Concentration of Credit Risk - The Port Authority places no limit on the amount the Port Authority may invest in any one issuer. More than 5% of the Port Authority's investments are in the following governmental agencies: Federal Home Loan Bank (7%) and Federal Home Loan Mortgage Corporation (5%).

Capital Assets

Changes in capital assets during 2024 are summarized as follows (capitalization thresholds are the same as the City):

	Balance 01/01/24			Additions		Retirements		ance 31/24
Governmental activities:								
Capital assets not being depreciated	Ф	1 070 700	Ф		Ф		Ф	1 070 700
Land	\$	1,870,700	\$	-	\$	-	\$	1,870,700
Construction in progress		373,370		12,043,519		-		12,416,889
Total capital assets not being								
depreciated		2,244,070		12,043,519		-		14,287,589
-								·
Governmental activities capital assets	\$	2,244,070		\$ 12,043,519	\$	-	\$	14,287,589

Long-term Debt

The long-term debt obligations outstanding at year-end are summarized as follows:

Type of Bonds	Original <u>Issue</u>	Maturities	Rates	Balance 12/31/24
Governmental activities - Taxable G.O. Tax Increment Bonds	\$ 7,150,000	2025-2035	2.75 – 3.60%	\$ 4,815,000

On October 13, 2015, the Port Authority issued \$7,150,000 of Taxable General Obligation Tax Increment Bonds; the effective interest is 3.32%. The proceeds of the bonds were used to finance the construction of a 662-space parking ramp located in the IndiGO Development. A private party independently financed the apartment complex that was built in conjunction with the construction of the parking ramp.

Changes in long-term liabilities during 2024 are summarized as follows:

	Balance					Balance	Γ	ue Within
	01/01/24	Ado	ditions	Re	tirements	12/31/24	(One Year
Governmental Activities:								
G.O. Tax Increment Bonds	\$ 5,175,000	\$		\$	360,000	\$ 4,815,000	\$	370,000

Long-term debt maturities (including interest of \$1,007,493) are as follows:

		Governme	ental A	ctivities	_				
Year Ending December 31	Principal			Interest			Total		
2025	\$	370,000	\$	162,638		\$	532,638		
2026		380,000		151,945			531,945		
2027		390,000		139,320			529,320		
2028		405,000		125,010			530,010		
2029		420,000		110,160			530,160		
2030-2034		2,330,000		309,060			2,639,060		
2035		520,000		9,360			529,360		
Total	\$	4,815,000	\$	1,007,493	_	\$	5,822,493		

Due to/from City

At December 31, 2024, the City owed the Port Authority \$5,142 for reimbursement of expenses. At December 31, 2024, the Port Authority owed the City \$186,894 for services, facilities provided and payments made by the City that are Port Authority related.

Due to/Due from Other Funds

Interfund balances are a result of temporary interfund financing at year-end to cover deficit cash balances within the various funds. On December 31, 2024, the balance was \$2,000.

Tax Abatements-Pay-As-You-Go Tax Increment

The Port Authority provides tax abatements pursuant to Minnesota Statutes 469.174 to 469.1794 (Tax Increment Financing) through a pay-as-you-go note program. Tax increment financing (TIF) can be used to encourage private development, redevelopment, renovation and renewal, growth in low-to-moderate-income housing, and economic development within the City. TIF captures the increase in tax capacity and property taxes from development or redevelopment to provide funding for the related project.

The Port Authority has a tax increment pay-as-you-go agreement relating to Bloomington Central Station District 1-I. Under the terms of the agreement, the developer was assessed \$8,853,505 (\$13,792,570 with interest). As the developer makes assessment payments to the City, the Port Authority reimburses the developer via the counted value formula.

The Port Authority has a tax increment pay-as-you-go note for the Fenley project in the Bloomington Central Station District 1-I. Under the terms of the agreement, the developer has paid for public improvements that are TIF eligible costs. The developer may be reimbursed up to \$10,664,100 plus interest at a rate of 5.50% as tax increment payments are received by the Port Authority.

The Port Authority has a tax increment pay-as-you-go note for the Carbon 31 project in the Bloomington Central Station District 1-I. Under the terms of the agreement, the developer has paid for public improvements that are TIF eligible costs. The developer may be reimbursed up to \$22,900,000 plus interest at a rate of 5.25% as tax increment payments are received by the Port Authority.

The agreements are not general obligations of the Port Authority and are payable solely from available tax increment derived from the redevelopment property during the prior six months, less a 10% administrative fee. The Port Authority shall have no obligation to pay any unpaid balance that may remain after decertification of the district on December 31, 2031. Accordingly, the obligations are not reflected in the financial statements of the Port Authority.

Current year abatement (TIF payments) totaled \$3,279,009. At December 31, 2024, the total amount outstanding on the contracts, including interest, was \$36,273,342.

Governmental Classifications

At December 31, 2024, a summary of the governmental fund balance classifications is as follows:

	General Fund	Special Revenue	Debt Service	Capital Projects	•	Total Governmental Funds
Restricted for:	 	 		 _		_
Debt service	\$ -	\$ _	\$ 583,467	\$ _	\$	583,467
Tax increment purposes	-	-	-	134,885,627		134,885,627
Committed	-	291,435	-	172,338		463,773
Unassigned	423,984	_	-	_		423,984
Total fund balances	\$ 423,984	\$ 291,435	\$ 583,467	\$ 135,057,965	\$	136,356,851

Cash, Cash Equivalents, and Investments

See Note 2 for a description of qualifying depositories, collateralization, qualifying investments, and investment categorization.

Minnesota Statutes require that all HRA deposits be protected by insurance, surety bond, or collateral. The fair value of collateral pledged must equal 110% of the deposits not covered by insurance or bonds. Minnesota Statutes require that securities pledged as collateral be held in safekeeping by the City treasury or in a financial institution other than that furnishing the collateral.

Authorized collateral includes the legal investments described as follows, as well as certain first mortgage notes, and certain other state or local government obligations.

Cash balances at December 31, 2024 were:

Net cash, cash equivalents, and investments

	Bank	Carrying	
Credit Risk Category	Balances	Amount	
Insured or collateralized by securities held by			
the HRA or its agent in the HRA's name	\$ 30,348	\$ 4,290	
Investment balances at December 31, 2024 were:			
- , .		Fair	Percentage
Investment	Maturity	Value	of Total
4M Money Market	N/A	\$ 10,499,549	50%
4M Fund Term Series	04/04/25	3,000,000	15%
4M Fund Term Series	07/31/25	5,000,000	24%
4M Fund Term Series	12/12/25	2,000,000	10%
Commercial Paper Sweep	N/A	142,675	1%
Total investments		20,642,224	
Total deposits		4,290	
-			

Interest Rate Risk - The HRA does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk - State law limits investments in commercial paper to the top rating issued by at least two of the nationally recognized statistical rating organizations. The HRA's investments in commercial paper are rated at least two of the following: A1 by Standard & Poor's, F-1 by Fitch Ratings, or P-1 by Moody's Investors Service. The 4M Money Market Fund is rated AAAm by Standard & Poor's.

\$ 20,646,514

Concentration of Credit Risk - The HRA places no limit on the amount the HRA may invest in any one issuer.

Capital Assets and Land Held for Resale

Changes in capital assets during 2024 are summarized as follows (capitalization thresholds are the same as the
City):

	Balance 01/01/24	Additions	Retirements	Balance 12/31/24
Governmental activities:				
Capital assets not being depreciated - Land	\$ 130,300	\$ -	\$ -	\$ 130,300
Governmental activities capital assets, net	\$ 130,300	\$ -	\$ -	\$ 130,300
Business-type activities:				
Capital assets not being depreciated -				
Land	\$ 1,589,085	\$ -	\$ -	\$ 1,589,085
Capital assets being depreciated -				
Buildings and structures	3,399,032	-	-	3,399,032
Capital assets being depreciated –				
Improvements	-	1,076,869	-	1,076,869
Less accumulated depreciation for -				
Depreciable Assets	(2,770,969)	(103,203)		(2,874,172)
Total capital assets being depreciated, net	628,063	973,666		1,601,729
Business-type activities capital assets, net	\$ 2,217,148	\$ 973,666	\$ -	\$ 3,190,814
Land held for resale activity for the year ended I	December 31, 202	24, was as follow	vs:	
	Balance			Balance

	Balance			Balance
	01/01/24	Additions	Retirements	12/31/24
Land Held for Resale (Inventory)	\$ 1,972,941	\$ 282,000	\$1,383,800	\$ 871,141

Long-Term Debt and Obligations Due to Primary Government

The long-term debt obligations outstanding at year-end are summarized as follows:

	Original			Balance
	Issue	Maturities	Rates	12/31/24
Due to primary government:				
2020B Crossover Refunding Bonds	\$ 3,095,000	2023-2032	1.00-1.75%	\$ 1,595,000

Changes in long-term debt during 2024 are summarized as follows:

	Balance 01/01/24	Ado	ditions	Re	tirements	Balance 12/31/24	Due Within One Year
Governmental Activities:							
Due to Primary Government-							
Bonds Payable	\$1,785,000	\$	-	\$	190,000	\$1,595,000	\$ 195,000
Unamortized Bond Premium	5,992		-		5,992	-	-
Total	\$1,790,992	\$	-	\$	195,992	\$1,595,000	\$ 195,000

Debt Service Payments

The following is a schedule of the total future debt service and tax increment payment requirements for the HRA:

Years ending		Government	_				
December 31]	Principal		Interest		Total	
2025	\$	195,000	\$	19,018	\$	214,018	-
2026		200,000		17,043		217,043	
2027		200,000		15,043		215,043	
2028		205,000		13,017		218,017	
2029		210,000		10,628		220,628	
2030-2032		585,000		13,401		598,401	
Total	\$	1,595,000	\$	88,150	\$	1,683,150	

Fund Balance Classifications

At December 31, 2024 a summary of the governmental fund balance classifications is as follows:

						TIF		
	General	Housing	Section 8	Housing	Opportunity	Special	Capital	
	Fund	Develop.	Vouchers	Rehab.	Housing	Revenue	Projects	Totals
Nonspendable:								
Long term receivables	\$ -	\$ 469,093	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 469,093
Restricted for:								
Tax increment purposes	-	-	-	-	-	5,512,887	-	5,512,887
Committed to:								
Development activities	-	9,845,541	-	-		-	-	9,845,541
Rehabilitation loans	-	-	-	1,483,438	-	-	-	1,483,438
Opportunity housing	-	-	-	-	2,393,347	-	-	2,393,347
Assigned for:								
Section 8 Vouchers	-	-	488,231	-	-	-	-	488,231
Capital projects	-	-	-	-	-	-	406,666	406,666
Unassigned	1,673,318			(409,306)		(2,264,542)		(1,000,530)
Total fund balances	\$ 1,673,318	\$ 10,314,634	\$ 488,231	\$ 1,074,132	\$ 2,393,347	\$ 3,248,345	\$ 406,666	\$ 19,598,673

Due to the City

At December 31, 2024, the HRA owed the City \$194,375 for services provided to the HRA, \$142,525 for accrued interest, \$195,000 for the current portion, and \$1,400,000 for the long-term portion of the debt obligation. In addition, the HRA owes the City \$13,029,942 of Taxable General Obligation Tax Increment Revenue Bonds that were loaned to the HRA to fund affordable housing within the City. The loan matures in 2036 with an interest rate of 2.45%.

Due to HRA

At December 31, 2024, the City owed \$154,647. These amounts consist of \$21,499 for housing choice voucher activities, \$133,149 for rehabilitation loan activities.

Due to/Due from Other Funds

Interfund balances are a result of temporary interfund financing at year-end to cover deficit cash balances within the various funds. At December 31, 2024, the balance was \$2,060,000.

Conduit Debt Obligations

From time to time, the HRA has issued Housing Revenue Bonds to provide financial assistance to private sector entities for the acquisition and construction of housing facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. The HRA, the State, or any other political subdivision thereof is not obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. As of December 31, 2024, there is one series of Housing Revenue Bonds outstanding, with an aggregate principal amount payable of approximately \$200,000.

The following table shows the balance of the conduit debt obligations as of December 31, 2024:

		Beginning		Less	Ending
	Original	Balance		Payments/	Balance
	Balance	01/01/24	Additions	Refinance	12/31/24
Masonic Homes	\$ 4,000,000	\$ 400,000	\$ -	\$ 200,000	\$ 200,000

Mortgages Receivable

The Neighborhood Home Improvement Loan (Neighborhood) program is funded primarily by the HRA tax levy, loan repayments and occasionally from Strategic Initiative funds granted to the HRA by the City. The Neighborhood loans are to be repaid at such time as the related properties are transferred or sold. A lien is placed against the property by the HRA to ensure principal and interest is repaid. Proceeds for the Neighborhood loan principal and interest repayments will be recognized as revenue by the HRA when received. The Neighborhood loan balances outstanding, including interest, total \$9,423,127 as of December 31, 2024. The Neighborhood loans have been recognized on the balance sheet as mortgage receivable and deferred inflow.

The HRA entered into an agreement with Hennepin County to match funds for a rehabilitation program specifically focusing on foreclosed single-family homes in 2009. Each entity provided \$200,000 in funds for a program total of \$400,000 with a maximum of \$20,000 per property. The HRA reapplied in 2010 and entered into another agreement with Hennepin County for an additional \$200,000 to continue this successful program. Half of the amount provided to the homeowner from Hennepin County will become a grant if the homeowner remains in the home for a minimum of five years. The other half of the amount provided to the homeowner from the HRA is a five percent interest rate loan with the accrual of interest ceasing after ten years. Therefore, the proceeds from repayments for the amount loaned from the HRA are recognized as revenue when received. The foreclosure home (FHIP) loan balances outstanding, including interest, total \$236,909 as of December 31, 2024. The outstanding balances are recognized on the balance sheet as mortgage receivable and deferred inflow.

In 2012, the HRA entered into another agreement with Hennepin County to match funds for the Community Enhancement Program II (CEPII). This program also provides funding for rehabilitation loans. The first round of funding in early 2012 provided \$250,000 each from the HRA and the County for loans. In late 2012, another agreement was entered into with \$200,000 being pledged from each entity. The third round of funding was committed in 2013 providing an additional \$233,934 from the HRA and the County. The HRA and County alternated the loans which were committed in terms of who is the mortgage holder. The CEPII loan balances outstanding, including interest, total \$626,599 as of December 31, 2024. The HRA loans are recognized as mortgage receivable and deferred inflow on the balance sheet.

In 2016, a new Curb Appeal Loan Program (CALP) was initiated by the HRA. This program provides up to a \$10,000 loan for income eligible homeowners to use towards exterior home improvements. These loans are 0% deferred loans that are required to be repaid when the properties are transferred or sold. The CALP loan balances outstanding, including interest, total \$387,584 as of December 31, 2024. These loans are recognized as mortgage receivable and deferred inflow on the balance sheet.

In 2005, the HRA entered into four mortgage note agreements for the Essex Knoll property. The funds were loaned to low-income families to allow them the ability to purchase a home at an affordable price. Each mortgage note receivable was \$80,000, for a total of \$320,000. The interest rate on each loan is 0% and the term is 30 years. The mortgage note has been recognized on the balance sheet as mortgage receivable and deferred inflow.

The HRA has a \$406,000 mortgage note receivable dated December 17, 1990, from the sale of land to a developer, Bloomington Family Townhomes LP. The funds were loaned to the developer for the purpose of constructing townhouse projects. The note accrues interest at 3% simple interest per year until the adjustment date, as defined in the note. The accumulated interest and principal was amended in 2008 to be due in the year 2025, or upon sale of the property. In 2024, the mortgage notes and interest totaling \$820,587 was recognized on the balance sheet as a mortgage note receivable and deferred inflow. Proceeds will be recognized as revenue by the HRA when received. If the townhomes are no longer used as affordable units, the note will bear an interest rate of 9% on the adjusted balance from the adjustment date to the year 2025, or upon sale of the property.

In 2002, the HRA entered into two loan agreements with Bloomington Southview Limited Partnership (BSLP). The funds were used to facilitate the development of affordable housing, site demolition, and abatement of environmental hazards. Under the terms of the loan agreements, the HRA provided BSLP with \$165,000 and \$150,000 loans, recognized on the balance sheet as notes receivable. There are no interim payments due; the compounded interest on the \$165,000 loan is calculated at 3% and is recognized as revenue by the HRA as it accrues. The \$165,000 loan has a term of 30 years. The balance of the loan is \$319,093 as of December 31, 2024. The \$150,000 loan has no interim payments due, the interest rate is 0%, and the term is 30 years. The HRA has not imputed interest on this loan.

In 2008, the HRA entered into a loan agreement with Crossings at Valley View Limited Partnership (Crossings). Crossings received a \$600,000 loan from the HRA to assist with the cost of acquiring property located in the northeast quadrant of Portland Avenue and 88th Street in Bloomington. This land was used to construct fifty low-income housing units. The interest rate on the \$600,000 loan is 0% and the term is 30 years.

Value in Excess of Purchase Price (VEPP) Agreements

The HRA owns one VEPP agreement with face value totaling \$5,000. The agreements defer payment for portions of property values that were underwritten by the HRA under various homeownership programs. Each agreement is secured by a promissory note and a second mortgage against the individual property. The notes are repaid when a property is sold, leased, or upon maturity of the note (31 years), whichever comes first. There are no interim installment payments required by the note. Proceeds will be recognized as revenue by the HRA when received.

The following table shows the balance of the mortgage loans receivable as of December 31, 2024:

	Balance				Balance
	01/01/24	Additions	Interest	Payoffs	12/31/24
Neighborhood Loans	\$ 9,053,333	\$ 527,126	\$ 117,493	\$ 274,825	\$ 9,423,127
Foreclosure Loans	251,290	-	619	15,000	236,909
CEP II Loans	644,688	-	10,142	28,231	626,599
CALP Loans	387,584	-	-	-	387,584
Essex Knoll	320,000	-	-	-	320,000
Bloomington Family					
Townhomes	808,407	-	12,180	-	820,587
Bloomington Southview LP	150,000	-	_	-	150,000
Bloomington Southview LP	309,799	-	9,294	-	319,093
Crossings at Valley View	600,000	-	-	-	600,000
VEPP	1	-	-	-	1
Total	\$12,525,102	\$ 527,126	\$ 149,728	\$ 318,056	\$ 12,833,900

Loans Receivable

In 2019, the HRA entered into a loan agreement with Aeon VP Bloomington LLC. Aeon received a \$7,000,000 loan from the HRA to assist in the rehabilitation of Village Club Bloomington Apartments. The apartment contains 306 dwelling units recognized as naturally occurring affordable family housing. The interest rate on the \$7,000,000 loan is 3.375% and the term is 20 years. The principal amount outstanding on the loan is \$4,858,067 as of December 31, 2024. In 2021, the HRA made loans to Lyndale Flats for \$1,457,913 and to 8012 Old Cedar for \$975,000, and in 2022 to Oxboro Heights for \$2,125,000 for development of affordable housing. The loans will be repaid through Tax Increment Financing. In 2024, HRA made loans to 700 American, LLLP for \$3,426,460 to assist with the senior housing redevelopment program. The interest rate of the loan is 4.50%, and the term is 27 years. The principal amount outstanding on the loan is \$3,426,460 as of December 31, 2024.

Equity Participation/Contingent Repayment Agreements

The HRA has ten equity participation agreements with various developers of development sites in Bloomington. The developers are L.W. Fraser Independent Living Project II, Henry Court Inc., AHEPA/Penelope, NHHI/ASI Bloomington Inc. (Garfield Commons and the Meadows), NHHI/Catalpa, non-profit entities of the Presbyterian Homes of Bloomington Inc. (Newton Manor, Ridgeview Terrace, and Summer House), and Cornerstone Advocacy Services. The agreements contain equity-share provisions giving the HRA portions of certain proceeds upon subsequent sales of the development sites. Such proceeds, if any, will be recognized as revenue by the HRA when received. In 2008, the City increased its equity participation agreement with AHEPA/Penelope by contributing an additional \$50,000 to assist with the construction of additional units of low-income senior housing.

On April 11, 2001, the HRA entered into a contingent repayment agreement with Lyndale Avenue Townhomes, Limited Partnership for the purpose of constructing townhomes for low-income tenants. The townhomes are operated by a management company on behalf of the HRA.

Tax Abatements-Pay-As-You-Go Tax Increment

The HRA provides tax abatements pursuant to Minnesota Statutes 469.174 to 469.1794 (Tax Increment Financing) through a pay-as-you-go note program. Tax increment financing (TIF) can be used to encourage private development, redevelopment, renovation and renewal, growth in low-to-moderate-income housing, and economic development within the City. TIF captures the increase in tax capacity and property taxes from development or redevelopment to provide funding for the related project.

The HRA has five tax increment pay-as-you-go agreements. The agreements are not a general obligation of the HRA and is payable solely from available tax increment. Accordingly, these agreements are not reflected in the financial statements of the HRA.

Oxboro O-4 TIF District issued a pay-as-you-go note in 2008 in the principal sum of \$231,000 with an interest rate of 6% per annum. Principal and interest shall be paid on each February 1 and August 1, commencing February 1, 2009 and paid through August 1, 2035. The HRA shall have no obligation to pay any unpaid balance of principal or accrued interest that may remain after the final payment on August 1, 2035. The current year abatement (TIF note payments) totaled \$47,378. At December 31, 2024, the principal amount outstanding on the note was \$93,223. The pay-as-you-go note provides for payment to the developer equal to 100% of tax increment received in the prior six months less the administrative fees charged by Hennepin County.

Portland Commons issued a pay-as-you-go note in 2021 in the principal sum of \$5,687,839 with an interest rate of 5%. Principal and interest shall be paid on each February 1 and August 1, commencing August 1, 2021, and paid through August 1, 2043. The current year's abatement (TIF note payments) totaled \$316,558, all of which was applied to outstanding interest. At December 31, 2024, the principal amount outstanding on the note was \$5,687,839. The pay-as-you-go note provides for payment to the developer equal to 85% of tax increment received in the prior six months, less the administrative fees charged by Hennepin County.

Knox & American issued a pay-as-you-go note in 2020 in the principal sum of \$6,849,531 with an interest rate of 5.5%. Principal and interest shall be paid on each February 1 and August 1, commencing August 1, 2021 and paid through February 1, 2039. The current year abatement (TIF note payments) totaled \$446,236, all of which was applied to outstanding interest. At December 31, 2024, the principal amount outstanding on the note was \$6,849,531. Payments are payable solely from available tax increment derived from the redeveloped property and paid to the HRA. The pay-as-you-go note provides for payment to the developer equal to 99.64% of the tax increment received in the prior six months less the administrative fees charged by Hennepin County.

Aeon VP Bloomington Limited Partnership issued a pay-as-you-go note in 2020 in the principal sum of \$3,625,000 with an interest rate of 4.00%. Principal and interest shall be paid on each February 1 and August 1, commencing February 1, 2024, and paid through February 1, 2049. The current year abatement (TIF note payments) totaled \$212,851, all of which was applied to outstanding interest. At December 31, 2024, the principal amount outstanding on the note was \$3,625,000. The note provides for payment to the developer equal to 82% of the tax increment received in the prior six months, less than the administrative fees charged by Hennepin County.

8012 Old Cedar issued a pay-as you-go note in 2023 in the principal sum of \$1,353,000 with an interest rate of 3.5%. Principal and interest shall be paid on each February 1 and August 1, commencing August 1, 2024 and paid through February 1, 2049. The current year abatement (TIF note payments) totaled \$58,475, all of which was applied to outstanding interest. At December 31, 2024, the principal amount outstanding on the note was \$1,353,000 to the HRA. The pay-as-you-go note provides for payment to the developer equal to 95% of the tax increment received in the prior six months less the administrative fees charged by Hennepin County.



REQUIRED SUPPLEMENTARY INFORMATION



EXHIBIT A-1

CITY OF BLOOMINGTON, MINNESOTA

REQUIRED SUPPLEMENTARY INFORMATION

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual General Fund

Year Ended December 31, 2024

	Budget							Variance
		Original		Final		Actual	F	With inal Budget
REVENUES		Original		T III GI		7 totaai	<u> </u>	mai Baaget
Property taxes	\$	68,420,369	\$	68,420,369	\$	65,348,243	\$	(3,072,126)
Fiscal disparities	•	, , -	·	-	•	4,275,201	·	4,275,201
Special assessments		-		_		55,504		55,504
Lodging and admissions tax		10,257,248		10,257,248		10,845,746		588,498
Business licenses and permits		6,195,054		6,229,054		7,919,278		1,690,224
Fines		350,000		561,389		595,834		34,445
Intergovernmental		5,489,054		10,206,293		9,643,903		(562,390)
Program income		2,173,972		2,173,972		2,117,203		(56,769)
Interest		150,000		150,000		1,189,942		1,039,942
Net change in fair value of investments		-		-		463,141		463,141
Other		1,134,648		1,660,040		1,915,866		255,826
Total revenues		94,170,345		99,658,365		104,369,861		4,711,496
EVDENDITUDES		_		_				_
EXPENDITURES Conoral Covernment		E74 000		E74 020		EGO 12E		0.705
General Government		571,920		571,920		562,135		9,785
Administration		3,836,666		4,136,141		4,103,582		32,559
Legal		2,758,425		3,259,438		2,806,675		452,763
Finance		1,671,481		1,757,751		1,744,253		13,498
Community Development		10,829,579		10,959,705		10,801,087		158,618
Parks and Recreation		12,143,460		12,169,131		12,142,787		26,344
Public Works		14,923,458		14,009,861		13,405,656		604,205
Public Safety		43,527,518		48,643,593		48,404,130		239,463
Community Services		8,899,289		11,222,150		9,530,977		1,691,173
Contingency/estimated unspent		936,318		329,778		-		329,778
Total expenditures		100,098,114		107,059,468		103,501,282		3,558,186
Excess (deficiency) of revenues								
over (under) expenditures		(5,927,769)		(7,401,103)		868,579		8,269,682
OTHER FINANCING SOURCES (HSES)								
OTHER FINANCING SOURCES (USES) Transfers from other funds		5 027 760		6,947,271		6,959,671		12,400
		5,927,769		, ,				12,400
Transfers to other funds		<u> </u>		(3,416,096)		(3,416,096)		<u>-</u> _
Total other financing sources (uses)		5,927,769		3,531,175		3,543,575		12,400
Net change in fund balance		-		(3,869,928)		4,412,154		8,282,082
Fund balance - January 1		51,157,572		51,157,572		51,157,572		
Fund balance - December 31	\$	51,157,572	\$	47,287,644	\$	55,569,726	\$	8,282,082

EXHIBIT A-2

CITY OF BLOOMINGTON, MINNESOTA

REQUIRED SUPPLEMENTARY INFORMATION

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual Community Development Block Grant Fund
Year Ended December 31, 2024

		Bud	lget				'	Variance
	Original			Final		Actual	With Final Budget	
REVENUES Intergovernmental	\$	-	\$	1,793,573	\$	1,346,462	\$	(447,111)
EXPENDITURES Current -								
Development services				1,753,573	-	1,307,245		446,328
Excess (deficiency) of revenues over (under) expenditures		-		40,000		39,217		(783)
OTHER FINANCING SOURCES (USES) Transfers to other funds				(40,000)		(39,217)		783
Net change in fund balance		-		-		-		-
Fund balance - January 1		<u>-</u>						
Fund balance - December 31	\$	<u>-</u>	\$	<u>-</u>	\$	<u>-</u>	\$	<u>-</u>



REQUIRED SUPPLEMENTARY INFORMATION

Other Post-Employment Benefits Plan Schedule of Changes in the City's Total OPEB Liability and Related Ratios Year Ended December 31, 2024

Fiscal Year Ending and Measurement Date	Dec	c. 31, 2024	D	ec. 31, 2023
Total OPEB liability				
Service cost	\$	651,804	\$	768,719
Interest		427,521		486,792
Contributions - employer		(513,511)		(612,601)
Differences between expected and actual experience		_		(185,606)
Changes in assumptions		(222,658)		(995,639)
Net change in total OPEB liability		343,156		(538,335)
Total OPEB liability - beginning of year		10,290,480		10,828,815
Total OPEB liability - end of year	\$	10,633,636	\$	10,290,480
Covered employee payroll	\$ (64,792,532	\$	52,558,542
Total OPEB liability as a percentage of covered employee payroll		16%		20%

See accompanying notes to the required supplementary information.

The City implemented GASB Statement No. 75 in fiscal 2018. This schedule is intended to present 10-year trend information. Additional years will be added as they become available.

Note: There are no assets in a trust to pay related benefits.

De	ec. 31, 2022	De	c. 31, 2021	D	ec. 31, 2020	Dec. 31, 2019		D	ec. 31, 2018	
\$	1,009,165	\$	972,689	\$	721,033	\$	723,813	\$	591,300	
•	235,465	•	221,012	·	281,393	·	295,896	•	335,249	
	(522,703)		(440,287)		(341,581)		(344,129)		(299,661)	
			702,073		_		(1,157,501)		745,047	
	(1,344,299)		506,579		_				_	
	(622,372)		1,962,066		660,845		(481,921)		1,371,935	
	11,451,187		9,489,121		8,828,276		9,310,197		7,938,262	
\$	10,828,815	\$	11,451,187	\$	9,489,121	\$	8,828,276	\$	9,310,197	
\$	51,088,121	\$	47,593,887	\$	45,713,920	\$	45,095,129	\$	43,914,741	
	21%		24%		21%		20%		21%	

CITY OF BLOOMINGTON, MINNESOTA
REQUIRED SUPPLEMENTARY INFORMATION
Schedule of Proportionate Share of Net Pension Liability General Employees Retirement Fund
Year Ended December 31, 2024

Proportionate

Measurement Date	Fiscal Year Ending	Proportion (Percentage) of the Net Pension Liability	Sh	Proportionate nare (Amount) of the Net Pension Liability (a)		City's oportionate Share of elinnesota's oportionate Share of Net Pension Liability	Share of the Net Pension Liability and the City's Share of the State of Minnesota's Share of the Net Pension Liability		Covered Payroll (b)		Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll (a/b)	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	
Jun. 30, 2015	Dec. 31, 2015	0.5389%	\$	27,928,595	\$	-	\$	27,928,595	\$	31,663,355	88.2%	78.2%	
Jun. 30, 2016	Dec. 31, 2016	0.5236%	\$	42,513,723	\$	555,205	\$	43,068,928	\$	32,489,268	130.9%	68.9%	
Jun. 30, 2017	Dec. 31, 2017	0.5297%	\$	33,815,698	\$	425,166	\$	34,240,864	\$	34,121,425	99.1%	75.9%	
Jun. 30, 2018	Dec. 31, 2018	0.5087%	\$	28,220,590	\$	925,710	\$	29,146,300	\$	34,192,349	82.5%	79.5%	
Jun. 30, 2019	Dec. 31, 2019	0.5023%	\$	27,771,041	\$	863,129	\$	28,634,170	\$	35,546,391	78.1%	80.2%	
Jun. 30, 2020	Dec. 31, 2020	0.5213%	\$	31,254,316	\$	963,817	\$	32,218,133	\$	37,171,953	84.1%	79.1%	
Jun. 30, 2021	Dec. 31, 2021	0.5191%	\$	22,167,896	\$	676,896	\$	22,844,792	\$	37,368,926	59.3%	87.0%	
Jun. 30, 2022	Dec. 31, 2022	0.5162%	\$	40,883,210	\$	1,198,724	\$	42,081,934	\$	38,667,520	105.7%	76.7%	
Jun. 30, 2023	Dec. 31, 2023	0.5449%	\$	30,470,198	\$	840,076	\$	31,310,274	\$	43,334,663	70.3%	83.1%	
Jun. 30, 2024	Dec. 31, 2024	0.5241%	\$	19,375,667	\$	501,015	\$	19,876,682	\$	44,357,495	43.7%	89.1%	

REQUIRED SUPPLEMENTARY INFORMATION Schedule of Pension Contributions General Employees Retirement Fund

Year Ended December 31, 2024

Fiscal Year Ending	Statutorily Required contribution (a)	Contributions in Relation to the Statutorily Required Contribution (b)		Contribution Deficiency (Excess) (a-b)			Covered Payroll (c)	Contributions as a Percentage of Covered Payroll (b/c)
Dec. 31, 2015	\$ 2,414,889	\$	2,414,889	\$	-	\$	32,198,520	7.5%
Dec. 31, 2016	\$ 2,499,700	\$	2,499,700	\$	-	\$	33,329,333	7.5%
Dec. 31, 2017	\$ 2,553,026	\$	2,553,026	\$	-	\$	34,040,335	7.5%
Dec. 31, 2018	\$ 2,606,658	\$	2,606,658	\$	-	\$	34,755,384	7.5%
Dec. 31, 2019	\$ 2,736,989	\$	2,736,989	\$	-	\$	36,493,224	7.5%
Dec. 31, 2020	\$ 2,934,865	\$	2,934,865	\$	-	\$	39,131,542	7.5%
Dec. 31, 2021	\$ 2,795,857	\$	2,795,857	\$	-	\$	37,278,093	7.5%
Dec. 31, 2022	\$ 3,021,407	\$	3,021,407	\$	-	\$	40,285,382	7.5%
Dec. 31, 2023	\$ 3,223,330	\$	3,223,330	\$	-	\$	42,977,673	7.5%
Dec. 31, 2024	\$ 3,466,096	\$	3,466,096	\$	-	\$	46,214,581	7.5%

CITY OF BLOOMINGTON, MINNESOTA
REQUIRED SUPPLEMENTARY INFORMATION
Schedule of Proportionate Share of Net Pension Liability -Public Employees Police and Fire Fund Year Ended December 31, 2024

Proportionate

Measurement Date	Fiscal Year Ending	Proportion (Percentage) of the Net Pension Liability	Sh	roportionate are (Amount) of the Net Pension Liability (a)	S M Pr S	City's oportionate hare of the State of tinnesota's oportionate hare of the et Pension Liability	N L S	Share of the Net Pension Liability and the City's Share of the State of Minnesota's Share of the Net Pension Liability	Covered Payroll (b)	Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll (a/b)	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
Jun. 30, 2015	Dec. 31, 2015	1.2890%	\$	14,646,056	\$	-	\$	14,646,056	\$ 11,806,022	124.1%	86.6%
Jun. 30, 2016	Dec. 31, 2016	1.3650%	\$	54,779,825	\$	-	\$	54,779,825	\$ 13,147,924	416.6%	63.9%
Jun. 30, 2017	Dec. 31, 2017	1.2770%	\$	17,241,020	\$	-	\$	17,241,020	\$ 13,109,393	131.5%	85.4%
Jun. 30, 2018	Dec. 31, 2018	1.2831%	\$	13,676,526	\$	-	\$	13,676,526	\$ 13,522,504	101.1%	88.8%
Jun. 30, 2019	Dec. 31, 2019	1.3504%	\$	14,376,373	\$	-	\$	14,376,373	\$ 14,241,875	100.9%	89.3%
Jun. 30, 2020	Dec. 31, 2020	1.2568%	\$	16,565,971	\$	390,262	\$	16,956,233	\$ 14,113,932	117.4%	87.2%
Jun. 30, 2021	Dec. 31, 2021	1.2231%	\$	9,441,036	\$	424,447	\$	9,865,483	\$ 14,455,278	65.3%	93.7%
Jun. 30, 2022	Dec. 31, 2022	1.2093%	\$	52,623,959	\$	2,298,854	\$	54,922,813	\$ 14,690,185	358.2%	70.5%
Jun. 30, 2023	Dec. 31, 2023	1.3836%	\$	23,892,973	\$	962,404	\$	24,855,377	\$ 18,169,471	131.5%	86.5%
Jun. 30, 2024	Dec. 31, 2024	1.5051%	\$	19,801,193	\$	754,814	\$	20,556,007	\$ 20,841,678	95.0%	90.1%

REQUIRED SUPPLEMENTARY INFORMATION Schedule of Pension Contributions -Public Employees Police and Fire Fund

Year Ended December 31, 2024

Contributions in Contributions as a Statutorily Contribution Relation to the Percentage of Required Statutorily Required Deficiency Covered Covered Fiscal Year Contribution Contribution Payroll Payroll (Excess) (b/c) **Ending** (a) (b) (a-b) (c) Dec. 31, 2015 \$ 1,995,234 \$ 1,995,234 \$ \$ 12,316,259 16.2% Dec. 31, 2016 \$ \$ 2,164,062 \$ 2,164,062 \$ 13,147,924 16.5% Dec. 31, 2017 2,131,306 \$ 2,131,306 \$ \$ 13,156,231 16.2% \$ Dec. 31, 2018 2,262,547 \$ 2,262,547 \$ \$ 13,966,353 16.2% \$ Dec. 31, 2019 2,435,417 \$ \$ \$ 14,368,236 17.0% \$ 2,435,417 Dec. 31, 2020 \$ 2,627,668 \$ 2,627,668 \$ \$ 14,845,588 17.7% Dec. 31, 2021 \$ 2,544,783 \$ 2,544,783 \$ \$ 14,377,311 17.7% Dec. 31, 2022 \$ 2,836,477 \$ 2,836,477 \$ \$ 16,025,299 17.7% Dec. 31, 2023 \$ 3,366,065 \$ 3,366,065 \$ \$ 19,017,319 17.7% 17.7%

\$

\$

22,026,500

See accompanying notes to the required supplementary information.

\$

3,898,692

3,898,692

Dec. 31, 2024

\$

REQUIRED SUPPLEMENTARY INFORMATION

Schedule of Changes in the Net Pension Liability (Asset) and Related Ratios Bloomington Fire Department Relief Association
Year Ended December 31, 2024

Fiscal Year Ending and Measurement Date	Dec. 31, 2024	Dec. 31, 2023	Dec. 31, 2022
Total pension liability:			
Service cost	\$ 3,533,302	\$ 3,397,404	\$ 3,400,875
Interest cost	11,192,231	10,821,661	10,581,920
Effect of economic/demographic gains or losses	2,062,400	(392,643)	(2,685,152)
Difference between expected and actual experience	-	-	-
Assumption changes	-	-	-
Benefit payments, including refunds of employee contributions	(7,973,234)	(7,489,990)	(7,112,465)
Net change in total pension liability	8,814,699	6,336,432	4,185,178
Total pension liability - beginning	186,990,493	180,654,061	176,468,883
Total pension liability - ending (a)	\$ 195,805,192	\$ 186,990,493	\$ 180,654,061
Plan fiduciary net position:			
Contributions - employer	\$ 1,279,208	\$ -	\$ -
Contributions - State of Minnesota	884,039	804,969	719,546
Net investment income	21,812,066	27,695,712	(28,973,296)
Benefit payments, including refunds of employee contributions	(7,973,234)	(7,489,990)	(7,112,465)
Administrative expense	(140,828)	(134,163)	(118,301)
Net change in plan fiduciary net position	15,861,251	20,876,528	(35,484,516)
Plan fiduciary net position - beginning	217,564,624	196,688,096	232,172,612
Plan fiduciary net position - beginning Plan fiduciary net position - ending (b)	\$ 233,425,875	\$ 217,564,624	\$ 196,688,096
rian naddary fiet position - chaing (b)	Ψ 200,420,010	Ψ 217,304,024	Ψ 130,000,030
Net pension liability / (asset) - ending (a) - (b)	\$ (37,620,683)	\$ (30,574,131)	\$ (16,034,035)
reception inability (access) criaing (a)	Ψ (01,020,000)	Ψ (00,07 1,101)	Ψ (10,001,000)
Plan fiduciary net position as a percentage of the total pension liability	119.21%	116.35%	108.88%
Covered payroll*	\$ 10,724,400	\$ 11,012,464	\$ 11,243,892
• •			
Net pension liability (asset) as a percentage of covered payroll	(350.80)%	(277.63)%	(142.60)%

^{*}Covered payroll is based on the assumption that each active plan member earns the most recent salary rate of the highest paid non-office police officer in the City of Bloomington.

Dec. 31, 2021	Dec. 31, 2020	Dec. 31, 2019	Dec. 31, 2018	Dec. 31, 2017	Dec. 31, 2016	Dec. 31, 2015
\$ 3,670,982	\$ 3,516,374	\$ 3,869,840	\$3,529,986	\$3,482,212	\$2,955,252	\$3,141,630
10,094,430	9,824,558	9,212,131	8,791,865	8,421,504	7,998,295	8,072,050
1,531,903	(2,505,138)	(3,358,770)	257,010	(152,691)	831,346	-
-	-	-	-	-	(5,046,951)	(7,292,468)
-	-	7,007,900	-	-	-	-
(6,698,326)	(6,292,678)	(6,051,864)	(5,780,618)	(5,476,046)		(4,883,583)
8,598,989	4,543,116	10,679,237	6,798,243	6,274,979	6,737,942	(962,371)
167,869,894	163,326,778	152,647,541	145,849,298	139,574,319	132,836,377	133,798,748
\$ 176,468,883	\$ 167,869,894	\$ 163,326,778	\$152,647,541	\$145,849,298	\$139,574,319	\$132,836,377
	-					
\$ 706,774	\$ 1,891,670	\$ -	\$1,535,985	\$1,057,759	\$905,855	\$1,175,095
672,339	649,689	609.799	594,361	576,114	563,627	540,186
23,024,351	28,386,105	30,774,778	(7,266,532)	24,503,859	11,133,373	(1,023,994)
(6,698,326)	(6,292,678)	(6,051,864)	(5,780,618)	(5,476,046)	(5,046,951)	(4,883,583)
(107,450)	(109,327)	(108,058)	(100,782)	(94,692)	(109,128)	(93,226)
17,597,688	24,525,459	25,224,655	(11,017,586)	20,566,994	7,446,776	(4,285,522)
17,007,000	24,020,400	20,224,000	(11,017,000)	20,000,004	7,770,770	(4,200,022)
214,574,924	190,049,465	164,824,810	175,842,396	155,275,402	147,828,626	152,114,148
\$ 232,172,612	\$ 214,574,924	\$ 190,049,465	\$ 164,824,810	\$ 175,842,396	\$ 155,275,402	\$ 147,828,626
Ψ 202,172,012	Ψ 214,014,024	Ψ 100,040,400	Ψ 104,024,010	Ψ 170,042,000	Ψ 100,210,402	Ψ 147,020,020
\$ (55,703,729)	\$ (46,705,030)	\$ (26,722,687)	(\$12,177,269)	(\$29,993,098)	(\$15,701,083)	(\$14,992,249)
Ψ (33,703,729)	Ψ (40,703,030)	Ψ (20,722,007)	(Ψ12,177,209)	(\$23,333,030)	(ψ13,701,003)	(ψ14,332,243)
404 F70/	407.000/	440.000/	407.000/	100 500/	444.050/	444.000/
131.57%	127.82%	116.36%	107.98%	120.56%	111.25%	111.29%
e 40 004 400	Ф 44 FOC 444	ф 40.040.04C	#44 400 000	¢40 542 204	¢44,000,500	¢40 770 07 <i>E</i>
\$ 12,201,192	\$ 11,526,144	\$ 12,348,216	\$11,486,832	\$10,513,294	\$11,003,580	\$10,773,375
(456.54)%	(405.21)%	(216.41)%	(106.01)%	(285.29)%	(142.69)%	(139.16)%
(430.34)%	(403.21)70	(Z10.41)70	(100.01)70	(200.29)%	(142.09)70	(138.10)70

REQUIRED SUPPLEMENTARY INFORMATION Schedule of Pension Contributions Bloomington Fire Department Relief Association Year Ended December 31, 2024

Fiscal Year Ending	Actuarial Determined Contribution (a)	Contributions in Relation to the Actuarial Determined Contribution (b)		_	Contribution Deficiency (Excess) (a-b)	Covered Payroll* (c)	Contributions as a Percentage of Covered Payroll* (b/c)
Dec. 31, 2015	\$ 1,360,173	\$	1,715,281	\$	(355,108)	\$ 10,773,375	15.9%
Dec. 31, 2016	\$ 1,396,485	\$	1,469,482	\$	(72,997)	\$ 11,003,580	13.4%
Dec. 31, 2017	\$ 1,552,692	\$	1,633,873	\$	(81,181)	\$ 10,513,294	15.5%
Dec. 31, 2018	\$ 2,024,948	\$	2,130,346	\$	(105,398)	\$ 11,486,832	18.5%
Dec. 31, 2019	\$ 446,855	\$	609,799	\$	(162,944)	\$ 12,348,216	4.9%
Dec. 31, 2020	\$ 2,416,691	\$	2,541,359	\$	(124,668)	\$ 11,526,144	22.0%
Dec. 31, 2021	\$ 1,309,527	\$	1,379,113	\$	(69,586)	\$ 12,201,192	11.3%
Dec. 31, 2022	\$ (1,040,867)	\$	719,546	\$	(1,760,413)	\$ 11,243,892	6.4%
Dec. 31, 2023	\$ (1,641,341)	\$	804,969	\$	(2,446,310)	\$ 11,012,464	7.3%
Dec. 31, 2024	\$ 2,055,950	\$	2,163,247	\$	(107,297)	\$ 10,724,400	20.2%

^{*}Covered payroll is based on the assumption that each active plan member earns the most recent salary rate of the highest paid non-office police officer in the City of Bloomington.

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2024

1. <u>BUDGETARY INFORMATION</u>

Budgetary comparisons for the City's General Fund and the annually budgeted Community Development Block Grant Fund are required supplementary information.

Budgetary information is derived from the annual operating budget and is presented using generally accepted accounting principles and the modified accrual basis of accounting.

The legal level of budgetary control for the General Fund is at the department level (such as General Government, Administration, Legal, and Finance) and at the fund level for the Community Development Block Grant Fund. Neither the General Fund nor the Community Development Block Grant Fund expenditures exceeded the legal level of budgetary control for fiscal year ended December 31, 2024.

2. PENSION INFORMATION

A. PERA – GENERAL EMPLOYEES RETIREMENT FUND

2024 CHANGES

Changes in Actuarial Assumptions:

The following changes in assumptions are effective with the July 1, 2024 valuation, as recommended in the most recent experience study (dated June 29, 2023):

- Rates of merit and seniority were adjusted, resulting in slightly higher rates.
- Assumed rates of retirement were adjusted as follows: increase the rate of assumed unreduced retirements, slight adjustments to Rule of 90 retirement rates, and slight adjustments to early retirement rates for Tier 1 and Tier 2 members.
- Minor increase in assumed withdrawals for males and females.
- Lower rates of disability.
- Continued use of Pub-2010 general mortality table with slight rate adjustments as recommended in the most recent experience study.
- Minor changes to form of payment assumptions for male and female retirees.
- Minor changes to assumptions made with respect to missing participant data.

Changes in Plan Provisions:

• The workers' compensation offset for disability benefits was eliminated. The actuarial equivalent factors updated to reflect the changes in assumptions.

2023 CHANGES

Changes in Actuarial Assumptions:

• The investment return assumption and single discount rate were changed from 6.50% to 7.00%.

Changes in Plan Provisions:

- An additional one-time direct state aid contribution of \$170.1 million was contributed to the Plan on October 1, 2023.
- The vesting period of those hired after June 30, 2010, was changed from five years of allowable service to three years of allowable service.
- The benefit increase delay for early retirements on or after January 1, 2024, was eliminated.
- A one-time, non-compounding benefit increase of 2.50% minus the actual 2024 adjustment will be payable in a lump sum for calendar year 2024 by March 31, 2024.

2022 CHANGES

Changes in Actuarial Assumptions:

• The mortality improvement scale was changed from Scale MP-2020 to Scale MP-2021.

2021 CHANGES

Changes in Actuarial Assumptions:

- The investment return and single discount rates were changed from 7.50% to 6.50%, for financial reporting purposes.
- The mortality improvement scale was changed from Scale MP-2019 to Scale MP-2020.

2020 CHANGES

Changes in Actuarial Assumptions:

- The price inflation assumption was decreased from 2.50% to 2.25%.
- The payroll growth assumption was decreased from 3.25% to 3.00%.
- Assumed salary increase rates were decreased 0.25% and assumed rates of retirement were changed resulting in more unreduced (normal) retirements and slightly fewer Rule of 90 and early retirements. Assumed rates of termination and disability were also changed.
- Base mortality tables were changed from RP-2014 tables to Pub-2010 tables, with adjustments.
- The mortality improvement scale was changed from Scale MP-2018 to Scale MP-2019.
- The spouse age difference was changed from two years older for females to one year older.
- The assumed number of married male new retirees electing the 100% Joint & Survivor option changed from 35% to 45%. The assumed number of married female new retirees electing the 100% Joint & Survivor option changed from 15% to 30%. The corresponding number of married new retirees electing the Life annuity option was adjusted accordingly.

Changes in Plan Provisions:

• Augmentation for current privatized members was reduced to 2.0% for the period July 1, 2020 through December 31, 2023, and zero percent thereafter. Augmentation was eliminated for privatizations occurring after June 30, 2020.

2019 CHANGES

Changes in Actuarial Assumptions:

• The mortality projection scale was changed from MP-2017 to MP-2018.

Changes in Plan Provisions:

• The employer supplemental contribution was changed prospectively, decreasing from \$31.0 million to \$21.0 million per year. The state's special funding contribution was changed prospectively, requiring \$16.0 million due per year through 2031.

2018 CHANGES

Changes in Actuarial Assumptions:

- The mortality projection scale was changed from MP-2015 to MP-2017.
- The assumed benefit increase was changed from 1.0% per year through 2044, and 2.5% per year thereafter, to 1.25% per year.

Changes in Plan Provisions:

- The augmentation adjustment in early retirement factors is eliminated over a five-year period starting July 1, 2019, resulting in actuarial equivalence after June 30, 2024.
- Interest credited on member contributions decreased from 4.00% to 3.00%, beginning July 1, 2018.
- Deferred augmentation was changed to 0.0% effective January 1, 2019. Augmentation that has already accrued for deferred members will still apply.
- Contribution stabilizer provisions were repealed.
- Post-retirement benefit increases were changed from 1.00% per year with a provision to increase to 2.5% upon attainment of 90.0% funding ratio to 50.0% of the Social Security Cost of Living Adjustment, not less than 1.0% and not more than 1.5%, beginning January 1, 2019.
- For retirements on or after January 1, 2024, the first benefit increase is delayed until the retiree reaches normal retirement age; does not apply to Rule of 90 retirees, disability benefit recipients, or survivors.
- Actuarial equivalent factors were updated to reflect revised mortality and interest assumptions.

2017 CHANGES

Changes in Actuarial Assumptions:

- The Combined Service Annuity (CSA) loads were changed from 0.8% for active members and 60.0% for vested and nonvested deferred members. The revised CSA loads are now 0.0% for active member liability, 15.0% for vested deferred member liability, and 3.0% for nonvested deferred member liability.
- The assumed post-retirement benefit increase rate was changed from 1.0% per year for all years to 1.0% per year through 2044, and 2.5% per year thereafter.

Changes in Plan Provisions:

- The state's contribution for the Minneapolis Employees Retirement Fund equals \$16.0 million in 2017 and 2018, and \$6.0 million thereafter.
- The Employer Supplemental Contribution for the Minneapolis Employees Retirement Fund changed from \$21.0 million to \$31.0 million in calendar years 2019 to 2031. The state's contribution changed from \$16.0 million to \$6.0 million in calendar years 2019 to 2031.

2016 CHANGES

Changes in Actuarial Assumptions:

- The assumed post-retirement benefit increase rate was changed from 1.0% per year through 2035 and 2.5% per year thereafter, to 1.0% per year for all future years.
- The assumed investment return was changed from 7.9% to 7.5%. The single discount rate was changed from 7.9% to 7.5%.
- Other assumptions were changed pursuant to the experience study dated June 30, 2015. The assumed future salary increases, payroll growth, and inflation were decreased by 0.25% to 3.25% for payroll growth and 2.50% for inflation.

B. PERA – PUBLIC EMPLOYEES POLICE AND FIRE FUND

2024 CHANGES

Changes in Plan Provisions:

- The State contribution of \$9.0 million per year will continue until the earlier of 1) both the Police & Fire Plan and the State Patrol Retirement Fund attain 90 percent funded status for three consecutive years (on an actuarial value of assets basis) or 2) July 1, 2048. The contribution was previously due to expire after attaining a 90 percent funded status for one year.
- The additional \$9.0 million contribution will continue until the Police & Fire Plan is fully funded for a minimum of three consecutive years on an actuarial value of assets basis, or July 1, 2048, whichever is earlier. This contribution was previously due to expire upon attainment of fully funded status on an actuarial value of assets basis for one year (or July 1, 2048 if earlier).

2023 CHANGES

Changes in Actuarial Assumptions:

- The investment return assumption was changed from 6.50% to 7.00%.
- The single discount rate changed from 5.40% to 7.00%.

Changes in Plan Provisions:

- An additional one-time direct state aid contribution of \$19.4 million was contributed to the Plan on October 1, 2023.
- Vesting requirement for new hires after June 30, 2014, was changed from a graded 20-year vesting schedule to a graded 10-year vesting schedule, with 50% vesting after five years, increasing incrementally to 100% after 10 years.
- A one-time, non-compounding benefit increase of 3.00% will be payable in a lump sum for calendar year 2024 by March 31, 2024.
- Psychological treatment is required effective July 1, 2023, prior to approval for a duty disability benefit for a psychological condition relating to the member's occupation.
- The total and permanent duty disability benefit was increased, effective July 1, 2023.

2022 CHANGES

Changes in Actuarial Assumptions:

- The single discount rate changed from 6.50% to 5.40%.
- The mortality projection scale was changed from MP-2020 to MP-2021.

2021 CHANGES

Changes in Actuarial Assumptions:

- The investment return and single discount rates were changed from 7.50% to 6.50%, for financial reporting purposes.
- The inflation assumption was changed from 2.50% to 2.25%.
- The payroll growth assumption was changed from 3.25% to 3.00%.
- The base mortality table for healthy annuitants and employees was changed from the RP-2014 Table to the Pub-2010 Public Safety Mortality Table. The mortality improvement scale was changed from MP-2019 to MP-2020.
- The base mortality table for disabled annuitants was changed from the RP-2014 Healthy Annuitant Mortality Table (with future mortality improvement according to Scale MP-2019) to the Pub-2010 Public Safety Disabled Annuitant Mortality Table (with future mortality improvement according to Scale MP-2020).
- Assumed rates of salary increase were modified as recommended in the July 14, 2020 experience study. The overall impact is a decrease in gross salary increase rates.
- Assumed rates of retirement were changed as recommended in the July 14, 2020 experience study. The changes result in slightly more unreduced retirements and fewer assumed early retirements.
- Assumed rates of withdrawal were changed from select and ultimate rates to service-based rates. The changes result in more assumed terminations.
- Assumed rates of disability were increased for ages 25–44 and decreased for ages over 49. Overall, proposed rates result in more projected disabilities.
- Assumed percent married for active female members was changed from 60% to 70%. Minor changes to form of payment assumptions were applied.

2020 CHANGES

Changes in Actuarial Assumptions:

• The mortality projection scale was changed from MP-2018 to MP-2019

2019 CHANGES

Changes in Actuarial Assumptions:

• The mortality projection scale was changed from MP-2017 to MP-2018.

2018 CHANGES

Changes in Actuarial Assumptions:

• The mortality projection scale was changed from MP-2016 to MP-2017.

Changes in Plan Provisions:

- Post-retirement benefit increases were changed to 1.0% for all years, with no trigger.
- An end date of July 1, 2048 was added to the existing \$9.0 million state contribution.
- New annual state aid will equal \$4.5 million in fiscal years 2019 and 2020, and \$9.0 million thereafter, until the plan reaches 100.0% funding, or July 1, 2048, if earlier.
- Member contributions were changed from 10.8% to 11.3% of pay, effective January 1, 2019, and 11.8% of pay, effective January 1, 2020.
- Employer contributions were changed from 16.2% to 16.95% of pay, effective January 1, 2019, and 17.7% of pay, effective January 1, 2020.
- Interest credited on member contributions decreased from 4.0% to 3.0%, beginning July 1, 2018.
- Deferred augmentation was changed to zero %, effective January 1, 2019. Augmentation that has already accrued for deferred members will still apply.
- Actuarial equivalent factors were updated to reflect revised mortality and interest assumptions.

2017 CHANGES

Changes in Actuarial Assumptions:

- Assumed salary increases were changed as recommended in the June 30, 2016 experience study. The net effect is proposed rates that average 0.34% lower than the previous rates.
- Assumed rates of retirement were changed, resulting in fewer retirements.
- The Combined Service Annuity (CSA) load was 30.0% for vested and nonvested deferred members. The CSA has been changed to 33.0% for vested members and 2% for nonvested members.
- The base mortality table for healthy annuitants was changed from the RP-2000 Fully Generational table to the RP-2014 Fully Generational Table (with a base year of 2006), with male rates adjusted by a factor of 0.96. The mortality improvement scale was changed from Scale AA to Scale MP-2016. The base mortality table for disabled annuitants was changed from the RP-2000 Disabled Mortality Table to the mortality tables assumed for healthy retirees.
- Assumed termination rates were decreased to 3.0% for the first three years of service. Rates beyond the select period of three years were adjusted, resulting in more expected terminations overall.
- Assumed percentage of married female members was decreased from 65.0% to 60.0%.
- Assumed age difference was changed from separate assumptions for male members (wives assumed to be three years younger) and female members (husbands assumed to be four years older) to the assumption that males are two years older than females.
- The assumed percentage of female members electing joint and survivor annuities was increased.
- The assumed post-retirement benefit increase rate was changed from 1.0% for all years to 1.0% per year through 2064, and 2.5% thereafter.
- The single discount rate changed from 5.6% to 7.5% per annum.

2016 CHANGES

Changes in Actuarial Assumptions:

- The assumed post-retirement benefit increase rate was changed from 1.0% per year through 2037, and 2.5% thereafter, to 1.0% per year for all future years.
- The assumed investment return was changed from 7.9% to 7.5%.
- The single discount rate changed from 7.9% to 5.6%.
- The assumed future salary increases, payroll growth, and inflation were decreased by 0.25% to 3.25% for payroll growth and 2.5% for inflation.

C. FIRE RELIEF PENSION

The fire relief pension has not had a formal actuarial experience study performed.

2019 CHANGES

Changes in Actuarial Assumptions:

 The mortality projection scale was changed from MP-2017 to MP-2018 for pre-retirement and postretirement.

3. OPEB INFORMATION

2024 CHANGES

Changes in Actuarial Assumptions:

• The discount rate of 4.00% was updated to 4.28%.

2023 CHANGES

Changes in Actuarial Assumptions:

- The discount rate of 4.31% was updated to 4.00%.
- Mortality tables have been updated to RP-2014 Total Dataset Mortality with Improvement Scale MP-2021 for all actives and retirees. And to RP-2014 Disabled Retiree Mortality with Improvement Scale MP-2021 for disabled retirees.
- The trend table has been updated to 2023 Getzen Model released by SOA.
- Husbands are assumed to be 3 years older than their wives.
- 70% of future retirees are assumed to elect spousal coverage in retirement.

2022 CHANGES

Changes in Actuarial Assumptions:

• The discount rate of 1.93% was updated to 4.31%.

2021 CHANGES

Changes in Actuarial Assumptions:

- The discount rate changed to 1.93%.
- The 20-year municipal bond yield changed to 1.93%.
- Updated mortality tables to SOA Scale MP-2019.
- Updated married rates to represent most recent census.

2019 CHANGES

Changes in Discount Rate:

• In 2019 the discount rate changed to 3.00%.

2018 CHANGES

Changes in Actuarial Assumptions:

• In 2018 the actuarial cost method was changed from entry age, level dollar to entry age, level percent of pay as prescribed by GASB 75.

SUPPLEMENTARY INFORMATION



NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special revenue funds are established to account for taxes and other revenues set aside for a particular purpose.

Opioid Fund – This fund is used to account for funds received from the national opioid settlement.

<u>Public Safety Fund</u> - This fund is used to account for the seized cash and/or forfeited property, enhanced 911 services, public safety and fire grant funds, the balance of police pension reimbursement proceeds, and designated fire pension obligation funds.

<u>Communications Fund</u> - This fund was established to account for funds received from the franchise fee of the local cable television service.

<u>Park Grants Fund</u> - This fund was established to account for grant funds received from the State's Natural Resources Fund to be used for operational and maintenance costs associated with the Hyland-Bush-Anderson Lakes Regional Park Reserve.

<u>South Loop Revolving Development Services Fund</u> - This fund was established to account for City funds for the Met Center Environmental Impact Statement (EIS) and Alternative Urban Areawide Review (AUAR) for South Loop development.

<u>Creative Placemaking Fund</u> – This fund was established to account for the use of funds designated for the purpose of building a vibrant, distinctive, and sustainable community through the use of art.

<u>Community Landscape Fund</u> - This fund was established to account for fees collected and designated for landscape planting on public land in lieu of planting on constrained, private development sites.

<u>Federal Relief Fund</u> - This fund accounts for the money received as part of the American Rescue Plan Act, an economic stimulus bill passed by the federal government in 2021 to speed up the country's recovery from the economic and health effects of the ongoing COVID-19 pandemic.

<u>Cemetery Fund</u> - This fund was established to provide for the perpetual care, maintenance, and improvement of the City cemetery. A portion of the monies received from the sale of lots are to be used for acquisition of additional cemetery lands with the balance placed in a perpetual care account.

<u>Sewer Availability Charge (SAC) Fund</u> – This fund accounts for funds received at the time a building permit is issued along with accounting for the SAC Small Business Deferral and Credit programs.

<u>Veterans Memorial Fund</u> – This fund was established to account for the donations and ongoing maintenance expenses of the Veterans Memorial.

DEBT SERVICE FUND

<u>G.O. Tax Increment Bonds Fund</u> – This fund is used to account for the accumulation of resources for payment of tax increment general obligation bonds and interest thereon.

CAPITAL PROJECTS FUND

<u>Developer Escrow Fund</u> - This fund is used to account for various deposits (mainly contractors' deposits for park development and to guarantee payment of special assessments for water, sewer, streets, and other improvements) required by the City.

Combining Balance Sheet Nonmajor Governmental Funds December 31, 2024

		Special Revenue										
		Opioid						Park	South Loop		(Creative
	S	ettlement	Pu	blic Safety	Com	munications		Grants	Rev	olving Dev	Pla	cemaking
ASSETS												
Cash, cash equivalents and investments	\$	545,403	\$	7,522,826	\$	19,706	\$	119,087	\$	741,707	\$	948,295
Accrued interest receivable		3,134		42,186		-		463		4,260		5,003
Taxes receivable		-		-		-		452		-		-
Accounts receivable		5,550		-		253,350		39,237		-		-
Due from other governments		-		289,344		-		45,488		-		-
Special assessments receivable		-		-		-		27,631		-		-
Total assets	\$	554,087	\$	7,854,356	\$	273,056	\$	232,358	\$	745,967	\$	953,298
LIABILITIES												
Accounts payable	\$	2,656	\$	50,446	\$	60,795	\$	86,409	\$	-	\$	38,072
Due to other funds		-		-		135,000		-		-		-
Unearned revenue		-		209,489		-		184,553		-		-
Deposits payable		-		<u>-</u>		=_		<u>-</u>		-		<u>-</u> _
Total liabilities		2,656		259,935		195,795		270,962				38,072
DEFERRED INFLOWS OF RESOURCES												
Deferred inflows - special assessments		<u>-</u>		<u> </u>		<u> </u>		27,631		<u> </u>		<u> </u>
FUND BALANCES												
Restricted		551,431		1,111,007		77,261		-		-		-
Committed		-		6,483,414		-		-		745,967		915,226
Unassigned		-		-		-		(66, 235)		-		-
Total fund balances		551,431		7,594,421		77,261		(66,235)		745,967		915,226
Total liabilities, deferred inflows												
of resources, and fund balances	\$	554,087	\$	7,854,356	\$	273,056	\$	232,358	\$	745,967	\$	953,298

EXHIBIT B-1

									Total	
							Debt Service	Capital Projects	Nonmajor	
Comm	,	Federal	0	0.4.0	Veterans	T-4-1	G.O. Tax	Developer	Governmental	
Landso	cape	Relief	Cemetery	SAC	Memorial	Total	Increment Bonds	Escrow	Funds	
\$	_	\$ 2,194,512	\$ 390,455	\$ 94,114	\$ 216,500	\$ 12,792,605	\$ 197,629	\$ 771,191	\$ 13,761,425	
•	_	-	2,218	-	-	57,264	1,125	-	58,389	
	_	=	, <u>-</u>	=	-	452	3	=	455	
	-	-	-	-	-	298,137	-	-	298,137	
	-	-	-	-	-	334,832	-	20,000	354,832	
						27,631			27,631	
\$		\$ 2,194,512	\$ 392,673	\$ 94,114	\$ 216,500	\$ 13,510,921	\$ 198,757	\$ 791,191	\$ 14,500,869	
\$	-	\$ -	\$ 1,175	\$ 13,836	\$ -	\$ 253,389	\$ -	\$ 26,577	\$ 279,966	
	-	=	=	=	=	135,000	=	=	135,000	
	-	2,194,512	-	-	-	2,588,554	-	-	2,588,554	
				80,278		80,278		754,900	835,178	
		2,194,512	1,175	94,114		3,057,221	-	781,477	3,838,698	
					<u> </u>	27,631	_		27,631	
	_	-	391,498	_	-	2,131,197	198,757	9,714	2,339,668	
	_	-	, -	-	216,500	8,361,107	-	, -	8,361,107	
	-	-	-	-	· -	(66,235)	-	-	(66,235)	
			391,498		216,500	10,426,069	198,757	9,714	10,634,540	
\$	-	\$ 2,194,512	\$ 392,673	\$ 94,114	\$ 216,500	\$ 13,510,921	\$ 198,757	\$ 791,191	\$ 14,500,869	

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances Nonmajor Governmental Funds Year Ended December 31, 2024

			:	Special Revenue			
	Opioid			Park	South Loop	Creative	
	Settlement	Public Safety	Communications	Grants	Revolving Dev	Placemaking	
REVENUES							
Property taxes	\$ -	\$ 1,050,000	\$ 400,000	\$ 185,000	\$ -	\$ -	
Special assessments	-	-	-	9,013	-	-	
Fines	-	166,063	-	-	-	-	
Intergovernmental	-	1,594,521	-	104,062	-	-	
Program income	-	-	855	259,309	158,748	-	
Interest	13,927	239,061	- (4 ===)	5,206	21,821	26,362	
Net change in fair value of investments	(2,201)	72,456	(1,506)	4,310	3,916	8,092	
Other	335,464	30,102	85,503	15,600	-	200,000	
Franchise fees		- 450 000	1,043,481	-	- 101 105		
Total revenues	347,190	3,152,203	1,528,333	582,500	184,485	234,454	
EXPENDITURES							
Current:							
General services	-	_	_	_	_	_	
Development services	_	_	_	_	25,922	464,715	
Public safety	-	2,724,724	_	_	,	-	
Parks and recreation	_	, , <u>-</u>	_	1,121,078	_	_	
Community services	49,555	_	2,048,712	-	_	_	
Interest	-	_	2,010,112	_	_	_	
Principal retirement	_	_	_	_	_	_	
Capital outlay:							
Development services	_	_	_	_	_	35,948	
Public safety	_	104,937	_	_	_	-	
Total expenditures	49,555	2,829,661	2,048,712	1,121,078	25,922	500,663	
Excess (deficiency) of	207.225	000 540	(500.070)	(500 570)	450 500	(000 000)	
revenues over (under) expenditures	297,635	322,542	(520,379)	(538,578)	158,563	(266,209)	
OTHER FINANCING SOURCES (USES)							
Transfers from other funds	_	_	375,536	388,163	_	529,996	
Transfers to other funds	_	(292,023)	-	-	_	(300,000)	
Total other financing					-	(000,000)	
sources (uses)	<u> </u>	(292,023)	375,536	388,163		229,996	
Net change in fund balance	297,635	30,519	(144,843)	(150,415)	158,563	(36,213)	
Fund balance - January 1	253,796	7,563,902	222,104	84,180	587,404	951,439	
Fund balance - December 31	\$ 551,431	\$ 7,594,421	\$ 77,261	\$ (66,235)	\$ 745,967	\$ 915,226	
	Ψ 001,101	→ .,001,121	Ψ 11,201	Ţ (00,200)	Ţ . 10,001	\$ 510,EE0	

EXHIBIT B-2

ommunity andscape	Federal Relief	Cemetery	SAC	Veterans Memorial	Total	Debt Service G.O. Tax Increment Bonds	Capital Projects Developer Escrow	Total Nonmajor Governmental Funds	
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,635,000	\$ -	\$ -	\$ 1,635,000	
-	-	-	-	-	9,013	-	-	9,013	
-	-	-	-	-	166,063	-	-	166,063	
-	2,603,319	-	-	-	4,301,902	-	627,976	4,929,878	
-	=	201,525	-	-	620,437	- 0.004	-	620,437	
-	-	12,595	-	-	318,972	6,291	-	325,263	
-	-	4,013	-	-	89,080	1,780	-	90,860	
-	-	6,000	-	-	672,669	210,692	-	883,361	
 	2,603,319	224,133			1,043,481 8,856,617	218,763	627,976	1,043,481 9,703,356	
	2,000,010	224,100			0,000,017	210,700	021,310	3,700,000	
-	-	215,589	-	-	215,589	400	-	215,989	
-	173,134	-	-	_	663,771	-	627,976	1,291,747	
-	-	-	-	-	2,724,724	-	, <u>-</u>	2,724,724	
-	-	-	-	_	1,121,078	-	-	1,121,078	
_	_	_	_	58,500	2,156,767	_	_	2,156,767	
_	_	_	_	-	,, . -	20,942	_	20,942	
-	-	-	-	-	-	190,000	-	190,000	
					05.040			05.040	
-	-	-	-	-	35,948	-	-	35,948	
 	173,134	215,589		58,500	7,022,814	211,342	627,976	104,937 7,862,132	
 	173,134	213,369			7,022,014	211,342	021,910	1,002,132	
 	2,430,185	8,544	<u> </u>	(58,500)	1,833,803	7,421	-	1,841,224	
-	-	-	-	275,000	1,568,695	-	-	1,555,532	
 (13,163)	(2,430,185)	<u> </u>			(3,035,371)			(3,022,208)	
 (13,163)	(2,430,185)	. <u>-</u>		275,000	(1,466,676)			(1,466,676)	
(13,163)	-	8,544	-	216,500	367,127	7,421	-	374,548	
 13,163		382,954			10,058,942	191,336	9,714	10,259,992	
\$ 	\$ -	\$ 391,498	\$ -	\$ 216,500	\$ 10,426,069	\$ 198,757	\$ 9,714	\$ 10,634,540	

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual Opioid Settlement Fund
Year Ended December 31, 2024

	 Bud	dget			V	ariance With
	 Original		Final	 Actual	Fin	al Budget
REVENUES	_			 _		
Interest	\$ -	\$	-	\$ 13,927	\$	13,927
Net change in fair value of investments	-		-	(2,201)		(2,201)
Other	<u>-</u>		321,468	 335,464		13,996
Total revenues			321,468	347,190		25,722
EXPENDITURES Current -						
Community services	 		49,555	 49,555		
Net change in fund balance	-		271,913	297,635		25,722
Fund balance - January 1	253,796		253,796	253,796		
Fund balance - December 31	\$ 253.796	\$	525.709	\$ 551.431	\$	25.722

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Public Safety Special Revenue Fund
Year Ended December 31, 2024

	Bud	lget				V	ariance
	Original		Final		Actual	Fin	With al Budget
REVENUES	 <u> </u>						<u> </u>
Property taxes	\$ 1,050,000	\$	1,050,000	\$	1,050,000	\$	-
Fines	70,000		70,000		166,063		96,063
Intergovernmental	1,038,084		1,468,511		1,594,521		126,010
Interest	69,033		69,033		239,061		170,028
Net change in fair value of investments	-		-		72,456		72,456
Other	 				30,102		30,102
Total revenues	 2,227,117		2,657,544		3,152,203		494,659
EXPENDITURES							
Current -							
Public safety	2,521,041		2,831,509		2,724,724		106,785
Capital outlay -	, ,				, ,		,
Public safety	203,000		363,625		104,937		258,688
Total expenditures	2,724,041		3,195,134		2,829,661		365,473
Excess (deficiency) of revenues							
over (under) expenditures	(496,924)		(537,590)		322,542		860,132
OTHER FINANCING SOURCES (USES)							
Transfers to other funds	-		(292,023)		(292,023)		-
	(400,004)		(000 040)	<u> </u>	00.540		000 400
Net change in fund balance	(496,924)		(829,613)		30,519		860,132
Fund balance - January 1	 7,563,902		7,563,902		7,563,902	_	
Fund balance - December 31	\$ 7,066,978	\$	6,734,289	\$	7,594,421	\$	860,132

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual Communications Special Revenue Fund
Year Ended December 31, 2024

	Budget						٧	/ariance
		Original		Final		Actual	Fin	With al Budget
REVENUES								
Property taxes	\$	400,000	\$	400,000	\$	400,000	\$	-
Program income		1,200		1,200		855		(345)
Interest		2,500		2,500		-		(2,500)
Net change in fair value of investments		-		-		(1,506)		(1,506)
Other		79,400		79,400		85,503		6,103
Franchise fees		1,273,000		1,273,000		1,043,481		(229,519)
Total revenues		1,756,100		1,756,100		1,528,333		(227,767)
EXPENDITURES Current -								
Community services		2,074,223		2,037,894		2,048,712		(10,818)
Capital outlay -								,
Community services		58,000		73,000		-		73,000
Total expenditures		2,132,223		2,110,894		2,048,712		62,182
Excess (deficiency) of								
revenues over (under) expenditures		(376,123)		(354,794)		(520,379)		(165,585)
OTHER FINANCING SOURCES								
Transfers from other funds		220,541		375,541		375,536		(5)
Net change in fund balance		(155,582)		20,747		(144,843)		(165,590)
Fund balance - January 1		222,104		222,104		222,104		
Fund balance - December 31	\$	66,522	\$	242,851	\$	77,261	\$	(165,590)

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Park Grants Special Revenue Fund
Year Ended December 31, 2024

	Budget						V	ariance With
		Original		Final		Actual	Fin	al Budget
REVENUES								
Property taxes	\$	185,000	\$	185,000	\$	185,000	\$	-
Special assessments		8,000		8,000		9,013		1,013
Intergovernmental		60,000		137,648		104,062		(33,586)
Program income		280,000		301,000		259,309		(41,691)
Interest		200		200		5,206		5,006
Net change in fair value of investments		-		-		4,310		4,310
Other		20,000		20,000		15,600		(4,400)
Total revenues		553,200		651,848		582,500		(69,348)
EXPENDITURES Current - Parks and recreation		615,975		1,148,776		1,121,078		27,698
Excess (deficiency) of revenues over (under) expenditures		(62,775)		(496,928)		(538,578)		(41,650)
OTHER FINANCING SOURCES Transfers from other funds				375,000		388,163		13,163
Net change in fund balance		(62,775)		(121,928)		(150,415)		(28,487)
Fund balance - January 1		84,180		84,180		84,180		
Fund balance - December 31	\$	21,405	\$	(37,748)	\$	(66,235)	\$	(28,487)

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual South Loop Revolving Development Services Special Revenue Fund Year Ended December 31, 2024

	 Bud	get			Variance With		
	 Original		Final	Actual	Final Budget		
REVENUES	 		_	 			
Program income	\$ 243,750	\$	243,750	\$ 158,748	\$	(85,002)	
Interest	2,105		2,105	21,821		19,716	
Net change in fair value of investments				3,916		3,916	
Total revenues	245,855		245,855	184,485		(61,370)	
EXPENDITURES Current -							
Development services	 429,000		429,869	 25,922		403,947	
Net change in fund balance	(183,145)		(184,014)	158,563		342,577	
Fund balance - January 1	 587,404		587,404	 587,404			
Fund balance - December 31	\$ 404,259	\$	403,390	\$ 745,967	\$	342,577	

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual Creative Placemaking Special Revenue Fund
Year Ended December 31, 2024

	-	Budg				V	ariance	
			-					With
DEVENUE 0	Origin	ıal		inal		Actual	Fina	al Budget
REVENUES	•		•		•		•	
Interest	\$	-	\$	-	\$	26,362	\$	26,362
Net change in fair value of investments		-		-		8,092		8,092
Other		0,000		200,000		200,000		
Total revenues	20	0,000		200,000		234,454		34,454
EXPENDITURES								
Current -								
Development services	47	2,650		476,586		464,715		11,871
Capital outlay -								
Development services		7,350		35,948		35,948		
Total expenditures	63	0,000		512,534		500,663		11,871
Excess (deficiency) of								
revenues over (under) expenditures	(43	0,000)		(312,534)		(266,209)		46,325
revenues over (under) experialitares	(+0	0,000)		(012,004)		(200,200)		40,020
OTHER FINANCING SOURCES (USES)								
Transfers from other funds	43	0,000		530,000		529,996		(4)
Transfers to other funds				(600,000)		(300,000)		300,000
Total other financing								
sources (uses)	43	0,000		(70,000)		229,996		299,996
Net change in fund balance		-		(382,534)		(36,213)		346,321
Fund balance - January 1	95	1,439		951,439		951,439		
Fund balance - December 31	\$ 95	1,439	\$	568,905	\$	915,226	\$	346,321

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual Federal Relief Special Revenue Fund
Year Ended December 31, 2024

		Bud	get				Variance With	
	Original			Final	Actual		Final Budget	
REVENUES Intergovernmental	\$	-	\$	2,603,319	\$	2,603,319	\$	-
EXPENDITURES Current -								
Development services				173,134		173,134		
Excess of revenues over expenditures		-		2,430,185		2,430,185		-
OTHER FINANCING SOURCES (USES) Transfers to other funds				(2,430,185)		(2,430,185)		
Net change in fund balance		-		-		-		-
Fund balance - January 1								
Fund balance - December 31	\$		\$		\$		\$	

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual Cemetery Special Revenue Fund
Year Ended December 31, 2024

	Budget						V	/ariance
		Original		Final	Actual		Fin	With al Budget
REVENUES Program income Interest Net change in fair value of investments Other Total revenues	\$	208,015 5,400 - - 213,415	\$	213,015 5,400 - - 218,415	\$	201,525 12,595 4,013 6,000 224,133	\$	(11,490) 7,195 4,013 6,000 5,718
EXPENDITURES Current - General services		210,656		215,656		215,589		67_
Net change in fund balance		2,759		2,759		8,544		5,785
Fund balance - January 1		382,954		382,954		382,954		
Fund balance - December 31	\$	385,713	\$	385,713	\$	391,498	\$	5,785

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual Veterans Memorial Fund
Year Ended December 31, 2024

	Budget						riance
	O	riginal		Final		Actual	Vith Budget
REVENUES Total revenues	\$		\$		\$	<u>-</u>	\$
EXPENDITURES Current -							
Community services				58,500		58,500	
Excess (deficiency) of revenues over (under) expenditures		-		(58,500)		(58,500)	-
OTHER FINANCING SOURCES (USES) Transfers from other funds				275,000		275,000	
Net change in fund balance		-		216,500		216,500	-
Fund balance - January 1							
Fund balance - December 31	\$	_	\$	216,500	\$	216,500	\$

INTERNAL SERVICE FUNDS

Internal service funds are used to account for the financing of goods or services provided by one department to other departments of the City on a cost-reimbursement basis.

<u>Information Technology Fund</u> - This fund accounts for the acquisition and maintenance of computer software and hardware.

<u>Fleet Fund</u> - This fund accounts for costs related to the operations, maintenance, repair, and replacement of City vehicles. Departments are charged for vehicles used by their staff.

<u>Support Services Fund</u> - This fund accounts for printing, mailroom, and phone system activities. User charges are billed to various City departments.

<u>Public Safety Equipment Fund</u> - This fund accounts for the purchase and maintenance of public safety equipment. User charges are billed to various City departments.

<u>Self-Insurance Fund</u> - This fund accounts for payments of insurance premiums and claims and allocation of such costs to user departments.

<u>Benefit Accrual Fund</u> - This fund accounts for payment of unused vacation, personal leave and compensatory time, and allocation of such costs to respective departments.

<u>Insured Benefits Fund</u> – This fund accounts for the administration of employee benefits for insurance programs.

<u>Facilities Maintenance Fund</u> - This fund accounts for costs related to replacement and maintenance of the main City buildings and park structures.

<u>PERA Pension</u> – This fund accounts for payment of pension related benefits and allocation of such costs to respective department

CITY OF BLOOMINGTON, MINNESOTACombining Statement of Fund Net Position Internal Service Funds December 31, 2024

	Information Technology	Fleet	Support Services	Public Safety Equipment
ASSETS	roomiology	1 1001	00171000	
Current assets:				
Cash and cash equivalents	\$ 948,857	\$ 3,854,321	\$ 328,666	\$ 2,882,826
Accrued interest receivable	8,624	23,207	2,079	17,461
Accounts receivable	-	7,974	1,542	, -
Prepaid items	1,112,563	-	-	_
Due from other funds	, , -	_	_	_
Due from other governments	_	_	_	40,000
Inventory	_	_	1,227	-
Total current assets	2,070,044	3,885,502	333,514	2,940,287
Noncurrent assets:				
Land	-	_	-	-
Buildings and structures	-	_	-	305,383
Machinery and equipment	1,927,334	34,705,413	30,539	11,561,619
Improvements	462,917	26,827	-	-
Distribution system and infrastructure	· <u>-</u>	· <u>-</u>	-	-
Construction in progress	-	_	-	688,176
Subscription asset	1,257,798	-	_	-
Accumulated depreciation/amortization	(1,721,603)	(21,169,784)	(30,539)	(7,506,475)
Total noncurrent assets	1,926,446	13,562,456		5,048,703
Total assets	3,996,490	17,447,958	333,514	7,988,990
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows - related to pensions				
LIADULTIC				
LIABILITIES				
Current liabilities:	244.000	700.044	7.000	FF 707
Accounts payable	311,920	720,214	7,632	55,797
Estimated claims payable	-	-	-	-
Benefits payable	-	-	-	-
Unearned revenue	-	-	-	-
Subscription payable	419,266	-	-	-
Deposits payable	704 406	700.044	7 622	55,797
Total current liabilities	731,186	720,214	7,632	55,797
Noncurrent liabilities:				
Benefits payable	440.266	-	-	-
Subscription payable	419,266	-	-	-
Estimated claims payable Net pension liability	-	-	-	-
Total noncurrent liabilities	410.266			
Total liabilities Total liabilities	419,266 1,150,452	720,214	7,632	55,797
Total nabilities	1,100,402	120,214	1,032	55,797
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows - related to pensions	_	_	_	_
25.5.100 illiono Tolator to policiolio				
NET POSITION				
Net investment in capital assets	1,087,914	13,562,456	-	5,048,703
Restricted - public safety state aid	·	· , , .	-	119,168
Unrestricted	1,758,124	3,165,288	325,882	2,765,322
Total net position	\$ 2,846,038	\$ 16,727,744	\$ 325,882	\$ 7,933,193
•			<u> </u>	

	elf- rance		Benefit Accrual		Insured Benefits	N	Facilities laintenance		PERA ension		Total
\$ 5,5	539,025	\$	11,515,541	\$	3,950,053	\$	14,503,963	\$	-	\$	43,523,252
	31,076		67,309		27,917		82,096		-		259,769
	-		-		-		-		-		9,516
(331,837		-		-		-		-		1,444,400
	-		2,625,746		-		-		-		2,625,746
	-		-		-		-		-		40,000
	-		- 44 000 500		- 0.077.070		44.500.050				1,227
5,9	901,938		14,208,596		3,977,970		14,586,059				47,903,910
	-		-		-		14,504,240		-		14,504,240
	-		-		-		46,988,933		-		47,294,316
	-		-		-		5,199,816		-		53,424,721
	-		-		-		7,088,841		-		7,578,585
	-		-		-		139,719		-		139,719
	-		-		-		59,313		-		747,489
	-		-		-		-		-		1,257,798
	-						(32,394,029)				(62,822,430)
	-		14 200 506		2 077 070		41,586,833				62,124,438
5,8	901,938		14,208,596	-	3,977,970		56,172,892		-		110,028,348
								4^	1,969,772		41,969,772
			04.00=								
4	30,982		21,627		87,677		767,673		-		2,003,522
1,4	462,478		1 000 540		-		-		-		1,462,478
	-		1,006,542		-		- 75,000		-		1,006,542 75,000
	-		-		<u>-</u>		75,000		<u>-</u>		419,266
	_		_		- 85		_		_		419,200 85
1,4	493,460		1,028,169	-	87,762		842,673				4,966,893
					· · · · · · · · · · · · · · · · · · ·		· · · · · · · · · · · · · · · · · · ·				
	-		19,124,286		-		-		-		19,124,286
	.		-		-		-		-		419,266
(610,191		-		-		-		-		610,191
	-		-						9,176,860		39,176,860
	610,191		19,124,286		97 762		842,673		9,176,860		59,330,603
<u>Z,</u>	103,651		20,152,455		87,762		042,073	38	9,176,860		64,297,496
								52	2,183,878		52,183,878
							41 047 642				60 7/6 7/6
	_		-		-		41,047,643		-		60,746,716 119,168
3	- 798,287		(5,943,859)		3,890,208		14,282,576	(40	9,390,966)		(25,349,138)
	798,287	\$	(5,943,859)	\$	3,890,208	\$	55,330,219		9,390,966)	\$	35,516,746
Ψ 0,	. 55,251	Ψ	(3,013,000)		3,000,200	Ψ	30,000,210	Ψ (10	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	<u> </u>	30,010,110

Combining Statement of Revenues, Expenses, and Changes in Fund Net Position Internal Service Funds Year Ended December 31, 2024

	Information Technology	Fleet	Support Services	Public Safety Equipment
Operating revenues:	reenneregy			
Charges for services	\$ 7,553,106	\$ 8,364,435	\$ 497,491	\$ 1,707,817
Other	2,868	39,510	2,411	8,940
Total operating revenues	7,555,974	8,403,945	499,902	1,716,757
Operating expenses:				
Salaries and benefits	2,974,861	1,387,632	190,704	124,173
Materials, supplies and service	4,281,487	4,222,460	293,145	2,025,665
Depreciation/Amortization	179,241	2,215,922	-	705,360
Total operating expenses	7,435,589	7,826,014	483,849	2,855,198
Operating income (loss)	120,385	577,931	16,053	(1,138,441)
Nonoperating revenues (expenses):				
Donations	-	-	-	3,256
Intergovernmental	-	-	-	40,000
Interest income	48,251	141,970	11,562	140,937
Net change in fair value of investments	927	41,160	1,965	70,391
Gain (loss) on disposal of capital assets	(775)	536,003		22,000
Total nonoperating revenues (expenses)	48,403	719,133	13,527	276,584
Income (loss) before				
transfers	168,788	1,297,064	29,580	(861,857)
Transfers:				
Transfers from other funds	482,324	350,000	-	-
Transfers to other funds	(220,536)			
Change in net position	430,576	1,647,064	29,580	(861,857)
Total net position - January 1	2,415,462	15,080,680	296,302	8,795,050
Total net position - December 31	\$ 2,846,038	\$ 16,727,744	\$ 325,882	\$ 7,933,193

	Self-	Benefit	Insured		Facilities	PERA	
I	nsurance	Accrual	Benefits	M	aintenance	Pension	 Total
\$	2,465,192	\$ 2,487,542	\$ 12,995,977 164,623	\$	6,859,591 1,557	\$ 7,364,785	\$ 50,295,936 219,909
	2,465,192	2,487,542	13,160,600		6,861,148	7,364,785	 50,515,845
	· · · · · ·				· · · ·		
	-	3,539,307	13,100,279		1,537,067	5,811,181	28,665,204
	2,745,924	-	379,540		3,284,339	-	17,232,560
			 		1,865,219	-	 4,965,742
	2,745,924	3,539,307	13,479,819		6,686,625	5,811,181	50,863,506
	(280,732)	(1,051,765)	(319,219)		174,523	 1,553,604	 (347,661)
	-	-	-		-	-	3,256
	-	-	-		900	1,405,671	1,446,571
	178,408	399,708	142,956		463,144	-	1,526,936
	56,026	165,233	38,021		47,742	-	421,465
		 	 			 _	 557,228
	234,434	 564,941	 180,977		511,786	 1,405,671	 3,955,456
	(46,298)	(486,824)	(138,242)		686,309	2,959,275	3,607,795
	_	_	_		773,019	_	1,605,343
	_	_	(534,996)		-	_	(755,532)
-		 _	 (001,000)			 _	 (100,002)
	(46,298)	(486,824)	(673,238)		1,459,328	2,959,275	4,457,606
	3,844,585	 (5,457,035)	 4,563,446		53,870,891	 (52,350,241)	 31,059,140
\$	3,798,287	\$ (5,943,859)	\$ 3,890,208	\$	55,330,219	\$ (49,390,966)	\$ 35,516,746

CITY OF BLOOMINGTON, MINNESOTA Combining Statement of Cash Flows Internal Service Funds Year Ended December 31, 2024

	Information Technology	Fleet	Support Services	Public Safety Equipment
CASH FLOWS FROM OPERATING ACTIVITIES Cash from interfund services provided Cash receipts from customers Cash payments to other funds Payments to employees Payments to suppliers	\$ 7,672,101 - (350,405) (2,953,990) (3,752,082)	\$ 8,519,330 - (1,577,219) (1,379,091) (2,755,199)	\$ 500,521 - (167,850) (189,000) (125,704)	\$ 1,716,243 8,940 (41,383) (124,257) (1,954,493)
Net cash provided by (used in) operating activities	615,624	2,807,821	17,967	(394,950)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Grants	-	-	-	-
Transfers from other funds Transfers to other funds	482,324	350,000	-	-
Donations	(220,536)		-	3,256
Net cash provided by (used in) noncapital financing activities	261,788	350,000	<u> </u>	3,256
CASH FLOWS FROM CAPITAL AND RELATED FINANCING AC	CTIVITIES			
Proceeds from sale of capital assets	-	674,515	-	22,000
Purchase of capital assets	(1,038,509)	(4,577,666)	-	(2,431,893)
Net cash provided by (used in) capital	<u> </u>			<u>-</u>
and related financing activities	(1,038,509)	(3,903,151)		(2,409,893)
CASH FLOWS FROM INVESTING ACTIVITIES				
Investment income	49,178	183,130	13,527	211,328
Net cash provided by investing activities	49,178	183,130	13,527	211,328
Net increase (decrease) in cash and cash equivalents	(111,919)	(562,200)	31,494	(2,590,259)
Cash and cash equivalents - January 1	1,060,776	4,416,521	297,172	5,473,085
Cash and cash equivalents - December 31	\$ 948,857	\$ 3,854,321	\$ 328,666	\$ 2,882,826
Reconciliation of operating income (loss) to net cash provide Operating income (loss)	ed by (used in) ope \$ 120,385	rating activities: \$ 577,931	\$ 16,053	\$ (1,138,441)
Adjustment to reconcile operating income (loss) to net cash provided by (used in) operating activities - Depreciation	179,241	2,215,922	_	705,360
Changes in assets and liabilities:				700,000
Receivables	119,284	115,519	1,005	-
Other current assets	(3,157)	(134)	(384)	8,426
Inventory Accounts payable - other	(1,049)	(22)	1,166 (586)	(18)
Accounts payable - other Accounts payable - supplier	179,488	(110,025)	(991)	29,806
Net pension liabilty	-	(,	-	
Benefits payable	21,432	8,630	1,704	(83)
Deferred outflows of resources	-	-	-	-
Deferred inflows of resources	-	-	-	-
Net cash provided by (used in) operating activities	\$ 615,624	\$ 2,807,821	\$ 17,967	\$ (394,950)
Noncock transfer of conital aget-	c	¢.	ф	c
Noncash transfer of capital asets	Ф -	Ф -	\$ -	Ф -

Se Insura		Benefit Accrual	Insured Benefits	Facilities Maintenance	PERA Pension	Total
(1(2,6	52,056 - 93,958) - 22,258) 64,160)	\$ 2,497,072 (2,625,746) (2,788,944) - (2,917,618)	\$ 12,596,188 660,343 - (13,100,279) (537,584) (381,332)	\$ 6,837,952 1,557 (752,067) (1,526,013) (2,503,852) 2,057,577	\$ 7,364,785 - (8,770,456) - (1,405,671)	\$ 50,156,248 670,840 (5,708,628) (30,832,030) (14,251,172) 35,258
	- - - - -	- - - -	(534,996) - (534,996)	1,800 773,019 - 774,819	1,405,671 - - - 1,405,671	1,407,471 1,605,343 (755,532) 3,256 2,260,538
	- 	- - -		(1,277,696) (1,277,696)	- - -	696,515 (9,325,764) (8,629,249)
	34,434 34,434	564,941 564,941	180,977 180,977	510,887 510,887		1,948,402 1,948,402
(1	29,726)	(2,352,677)	(735,351)	2,065,587		(4,385,051)
5,6	68,751	13,868,218	4,685,404	12,438,376		47,908,303
\$ 5,5	39,025	\$ 11,515,541	\$ 3,950,053	\$ 14,503,963	<u>\$</u>	\$ 43,523,252
\$ (2	80,732)	\$ (1,051,765)	\$ (319,219)	\$ 174,523	\$ 1,553,604	\$ (347,661)
	-	-	-	1,865,219	-	4,965,742
(13,155) 18 - 56,898) 13,393) - - -	(2,616,215) - - - - - 750,362	98,576 (2,648) - 11,808 (169,849) - -	(21,639) - (1,283) 29,592 - 11,165	- - - - (15,186,311) 5,929,205	321,229 (2,635,733) 1,166 (48,048) (55,372) (15,186,311) 793,210 5,929,205
\$ (3	64,160)	\$ (2,917,618)	\$ (381,332)	\$ 2,057,577	6,297,831 \$ (1,405,671)	6,297,831 \$ 35,258
\$	<u> </u>	\$ -	\$ -	\$ -	\$ -	\$ -



OTHER SUPPLEMENTARY INFORMATION –

COMPONENT UNITS

PORT AUTHORITY OF THE CITY OF BLOOMINGTON, MINNESOTA

Schedule of Assets, Liabilities, and Fund Balances December 31, 2024

(with partial comparative information as of December 31, 2023)

				Government	al Fu	ınd Types			Tot	als	
			Sc	outh Loop		Debt	Capital				
		General	Spec	<u>ial Revenu</u> e		Service	Projects		2024	2023	
ASSETS											
Cash, cash equivalents, and investments	\$	651,257	\$	768,718	\$	583,175	\$ 136,754,062	\$	138,757,212	\$ 126,653,510	0
Taxes receivable		9,593		-		-	10,289		19,882	12,373	3
Accrued interest receivable		375		-		292	70,675		71,342	451,918	8
Due from other funds		-		2,000		-	-		2,000	2,000	0
Due from primary government		-		-		-	5,142		5,142		-
Land held for resale		-					17,150,000	_	17,150,000	17,150,000	0
Total assets	\$	661,225	\$	770,718	\$	583,467	\$ 153,990,168	\$	156,005,578	\$ 144,269,80	<u>1</u>
LIABILITIES											
Accounts payable	\$	98,452	\$	439,269	\$	_	\$ 1,230,999	\$	1,768,720	\$ 59,465	5
Retainage payable	Ψ	-	Ψ		Ψ	_	541,113	Ψ	541,113	ψ 00,400	-
Due to other funds		_		_		_	2,000		2,000	2,000	0
Due to primary government		138,789		40,014		_	8,091		186,894	15,800	
Total liabilities		237,241		479,283		-	1,782,203		2,498,727	77,26	_
DEFERRED INFLOWS OF RESOURCES											
Deferred inflow - land held for resale							17,150,000		17,150,000	17,150,000	0
FUND BALANCES											
Restricted		-		-		583,467	134,885,627		135,469,094	126,349,108	8
Committed		-		291,435		-	172,338		463,773	180,450	0
Unassigned		423,984		-		-	-		423,984	512,978	8
Total fund balances		423,984		291,435		583,467	135,057,965	_	136,356,851	127,042,536	6
Total liabilities, deferred inflows of											
resources and fund balances	\$	661,225	\$	770,718	\$	583,467	\$ 153,990,168	\$	156,005,578	\$ 144,269,80	1
		.									
Reconciliation of Governmental Funds to	o th	e Statemen	t of N	et Position				•	100 050 051	* 407.040.504	_
Total Fund Balances-Port Authority								\$	136,356,851	\$ 127,042,536	
Interest Payable									(69,885)	(73,710	,
Bonds Payable									(4,815,000)	(5,175,000	,
Land									1,870,700	1,870,700	
Construction in Progress Deferred Inflows-land held for resale									12,416,889 17,150,000	373,370 17,150,000	
Deletted Itiliows-latid field for resale								_	17,150,000	17,150,000	<u>U</u>
Total Net Position-Port Authority								\$	162,909,555	\$ 141,187,896	6

PORT AUTHORITY OF THE

CITY OF BLOOMINGTON, MINNESOTA
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Year Ended December 31, 2024

(with partial comparative information for the year ended December 31, 2023)

Development services 6,239,035 6,239,035 4,418,197 Debt service: Principal retirement - 360,000 - 360,000 410,000 Interest - 172,315 - 172,315 181,723 Capital Outlay Development services - 8,239,820 - 3,222,684 11,462,504 Total expenditures 1,627,257 8,889,899 532,515 9,750,295 20,799,966 6,821,792 Excess (deficiency) of revenues over (under) expenditures (88,994) 294,119 12,547 9,096,643 9,314,315 14,235,508 OTHER FINANCING SOURCES (USES) Transfers in 19,000 19,000 Transfers out - (19,000) (19,000) Total other financing sources (uses) - (19,000) - 19,000 Net change in fund balance (88,994) 275,119 12,547 9,115,643 9,314,315 14,235,508 Fund balance - January 1 512,978 16,316 570,920 125,942,322 127,042,536 112,807,028			Governmenta	al Fund Types		To	tals
REVENUES Taxes Taxes Taxes Regular \$ 1,488,697 \$ - \$ - \$ - \$ \$ 1,488,697 \$ \$ 1,30,065,648 \$ \$ 1,172,498 \$ \$ 1,179,723 \$ 2,880,337 \$ \$ 1,177,498 \$ 1,179,723 \$ 2,880,337 \$ \$ 1,177,498 \$ 1,179,723 \$ 2,880,337 \$ \$ 1,177,498 \$ 1,179,723 \$ 2,880,337 \$ \$ 1,177,498 \$ 1,179,723 \$ 2,880,337 \$ \$ 1,177,498 \$ 1,179,723 \$ 2,880,337 \$ \$ 1,177,498 \$ 1,179,723 \$ 2,880,337 \$ \$ 1,177,498 \$ 1,179,723 \$ 2,880,337 \$ \$ 1,179,723 \$ 2,880,337 \$ \$ 1,179,723 \$ 2,100,000 \$ \$ 1,179,723 \$ \$ 1,181,872 \$ \$ 1,18				Debt			
Taxes: Regular Regular Regular Regular Regular Tax increment 1 - 2 - 530,000 12,536,724 13,066,724 13,005,724 Interest 11,272 180,845 9,304 5,132,716 5,334,137 3,270,598 Net change in fair value of investments (6,706) 8,173 City contribution 45,000 9,000,000 City Total revenues 1,538,263 9,184,018 545,062 18,846,938 30,114,281 21,057,300 EXPENDITURES Current: General services 1,627,257 650,079 200 288,576 2,566,112 1,811,872 6,239,035 6,239,035 4,418,197 Development services Principal retirement Interest Capital Outlay Development services Total expenditures 1,627,257 8,889,899 532,515 9,750,295 20,799,966 6,821,792 Excess (deficiency) of revenues over (under) expenditures CHER FINANCING SOURCES (USES) Transfers in Transfers out Total other financing sources (uses) Net change in fund balance (88,994) 275,119 12,547 9,115,643 9,314,315 14,235,508 Fund balance - January 1 512,978 16,316 570,920 125,942,322 127,042,536 112,807,028		General	Special Revenue	Service	Projects	2024	2023
Regular \$ 1,488,697 \$ - \$ 530,000 \$ 12,536,724 \$ 13,008,6724 \$ 13,003,564 Tax increment 1 - 530,000 12,536,724 13,066,724 13,003,554 Interest 11,772 180,845 9,304 5,132,716 5,334,137 3,270,598 Net change in fair value of investments (6,706) 3,173 5,758 1,177,498 1,179,723 2,680,337 City contribution 45,000 9,000,000 9,045,000 2,100,000 Other 2,280 2,280 2,280 Total revenues 1,538,263 9,184,018 545,062 18,846,938 30,114,281 21,057,300 EXPENDITURES Current: 6,239,035 6,239,035 6,239,035 4,418,197 Development services 65,079 200 288,576 2,566,112 1,811,872 Development services 360,000 - 360,000 - 360,000 - 17,2315 181,723 Capital Outlay 360,000 - 360,000 - 17,2315 181	REVENUES						
Tax increment							
Interest 11,272 180,845 9,304 5,132,716 5,334,137 3,270,595 Net change in fair value of investments (6,706 3,173 5,758 1,177,498 1,179,723 2,680,337 City contribution 45,000 9,000,000 - - - 9,045,000 2,100,000 Other		\$ 1,488,697	\$ -				*
Net change in fair value of investments (6,706) 3,173 5,758 1,177,498 1,179,723 2,680,337 City contribution 45,000 9,000,000 9,045,000 2,100,000 Cither 2,2800 Total revenues 1,538,263 9,184,018 545,062 18,846,938 30,114,281 21,057,300 EXPENDITURES Current: General services 1,627,257 650,079 200 288,576 2,566,112 1,811,872 Development services 6,239,035 6,239,035 4,418,197 Debt service: Principal retirement 360,000 - 360,000 410,000 Interest - 172,315 - 172,315 181,723 Capital Outlay Development services - 8,239,820 - 3,222,684 11,462,504 Total expenditures 1,627,257 8,889,899 532,515 9,750,295 20,799,966 6,821,792 Excess (deficiency) of revenues over (under) expenditures (88,994) 294,119 12,547 9,096,643 9,314,315 14,235,508 Transfers in 19,000 19,000 Transfers in Transfers out - (19,000) (19,000) Total other financing sources (uses) - (19,000) Total other financin		-	-	,	, ,	, ,	
City contribution 45,000 9,000,000 - - 9,045,000 2,100,000 Other - - - - - - 2,800 Total revenues 1,538,263 9,184,018 545,062 18,846,938 30,114,281 21,057,300 EXPENDITURES Current: General services - - - 6,239,035 6,2566,112 1,811,872 Development services - - - 6,239,035 6,239,035 4,418,197 Debt service: - - - 6,239,035 6,239,035 4,418,197 Debt service: - - - 360,000 - 360,000 410,000 Interest - - - 172,315 - 172,315 181,723 Capital Outlay - - 8,239,820 - 3,222,684 11,462,504 - - Excess (deficiency) of revenues over (under) expenditures (88,994) 294,119 12,547		,	,	,	, ,		, ,
Other Total revenues - - - - 2,800 Total revenues 1,538,263 9,184,018 545,062 18,846,938 30,114,281 21,057,300 EXPENDITURES Current: General services 1,627,257 650,079 200 288,576 2,566,112 1,811,872 Development services - - 6,239,035 6,239,035 4,418,197 Debt service: Principal retirement Interest - 360,000 - 360,000 410,000 Interest - - 172,315 - 172,315 181,723 Capital Outlay Development services Total expenditures - 8,239,820 - 3,222,684 11,462,504 - Excess (deficiency) of revenues over (under) expenditures (88,994) 294,119 12,547 9,096,643 9,314,315 14,235,508 OTHER FINANCING SOURCES (USES) Transfers in Transfers out - - - 19,000 - - (19,000) - - (19,000) - - (19,000) -			,	5,758	1,177,498		
Total revenues 1,538,263 9,184,018 545,062 18,846,938 30,114,281 21,057,300 EXPENDITURES Current: General services 1,627,257 650,079 200 288,576 2,566,112 1,811,872 Development services - 6,239,035 6,239,035 4,418,197 Development service: Principal retirement - 360,000 - 360,000 410,000 Interest - 172,315 - 172,315 181,723 Capital Outlay Development services - 8,239,820 - 3,222,684 11,462,504 Total expenditures 1,627,257 8,889,899 532,515 9,750,295 20,799,966 6,821,792 Excess (deficiency) of revenues over (under) expenditures (88,994) 294,119 12,547 9,096,643 9,314,315 14,235,508 OTHER FINANCING SOURCES (USES) Transfers out - (19,000) - 19,000 19,000 Total other financing sources (uses) - (19,000) - 19,000 - 19,000 Total other financing sources (uses) - (19,000) - 19,000 - 19,000 Total other financing sources (uses) - (19,000) - 19,000 - 19,000 Total other financing sources (uses) - (19,000) - 19,000 - 19,000 Total other financing sources (uses) - (19,000) - 19,000 - 19,000 Total other financing sources (uses) - (19,000) - 19,000 - 19,000 Total other financing sources (uses) - (19,000) - 19,000 Total other financing sources (uses) - (19,000) - 19,000 Total other financing sources (uses) - (19,000) - 19,000 Total other financing sources (uses) - (19,000) - 19,000 Total other financing sources (uses) - (19,000) - 19,000 Total other financing sources (uses) - (19,000) - 19,000 Total other financing sources (uses) - (19,000) - 19,000 Total other financing sources (uses) - (19,000) - 19,000 Total other financing sources (uses) - (19,000) - 19,000 Total other financing sources (uses) - (19,000) - 19,000 Total other financing sources (uses) - (19,000) - 19,000 Total other financing sources (uses) - (19,000) - 19,000 Total other financing sources (uses) - (19,000) - 19,000 Total other financing sources (uses) - (19,000) - 19,000 Total other financing sources (uses) - (19,000) - 19,000 Total other financing sources (uses) - (19,000) - 19,000 Total other financing sources (uses) - (19,000) - (19,000) - (19,000) - (1	•	45,000	9,000,000	-	=	9,045,000	
EXPENDITURES Current: General services		4 500 000			40.040.000		
Current: General services 1,627,257 650,079 200 288,576 2,566,112 1,811,872 Development services - - - 6,239,035 6,239,035 4,418,197 Debt service: - - - 6,239,035 6,239,035 4,418,197 Principal retirement - - 360,000 - 360,000 410,000 Interest - - - 172,315 - 172,315 181,723 Capital Outlay - - - 8,239,820 - 3,222,684 11,462,504 - Development services - - 8,239,820 - 3,222,684 11,462,504 - Total expenditures 1,627,257 8,889,899 532,515 9,750,295 20,799,966 6,821,792 Excess (deficiency) of revenues over (under) expenditures (88,994) 294,119 12,547 9,096,643 9,314,315 14,235,508 OTHER FINANCING SOURCES (USES) - - - -	lotal revenues	1,538,263	9,184,018	545,062	18,846,938	30,114,281	21,057,300
General services 1,627,257 650,079 200 288,576 2,566,112 1,811,872 Development services 6,239,035 6,239,035 4,418,197 Debt service: Principal retirement 360,000 - 360,000 410,000 Interest - 172,315 - 172,315 181,723 Capital Outlay Development services - 8,239,820 - 3,222,684 11,462,504 Total expenditures 1,627,257 8,889,899 532,515 9,750,295 20,799,966 6,821,792 Excess (deficiency) of revenues over (under) expenditures (88,994) 294,119 12,547 9,096,643 9,314,315 14,235,508 OTHER FINANCING SOURCES (USES) Transfers in 19,000 19,000 Total other financing sources (uses) - (19,000) - 19,000 - 19,000 Total other financing sources (uses) - (19,000) - 19,000 Total other financing sources (uses) - (19,000) - 19,000 Total other financing sources (uses) - (19,000) - 19,000 Total other financing sources (uses) - (19,000) - 19,000 Total other financing sources (uses) - (19,000) - 19,000 Total other financing sources (uses) - (19,000) - 19,000 Total other financing sources (uses) - (19,000) - 19,000 Total other financing sources (uses) - (19,000) - 19,000 Total other financing sources (uses) - (19,000) - 19,000 Total other financing sources (uses) - (19,000) - 19,000 Total other financing sources (uses) - (19,000) - 19,000 Total other financing sources (uses) - (19,000) - 19,000 Total other financing sources (uses) - (19,000) - 19,000 Total other financing sources (uses) - (19,000) - 19,000 Total other financing sources (uses) - (19,000) - 19,000 Total other financing sources (uses) - (19,000) - (19,	EXPENDITURES						
Development services 6,239,035 6,239,035 4,418,197 Debt service: Principal retirement 360,000 - 360,000 410,000 Interest - 172,315 - 172,315 181,723 Capital Outlay Development services - 8,239,820 - 3,222,684 11,462,504 Total expenditures 1,627,257 8,889,899 532,515 9,750,295 20,799,966 6,821,792 Excess (deficiency) of revenues over (under) expenditures (88,994) 294,119 12,547 9,096,643 9,314,315 14,235,508 OTHER FINANCING SOURCES (USES) Transfers in 19,000 19,000 Transfers out - (19,000) (19,000) Total other financing sources (uses) - (19,000) - 19,000 Net change in fund balance (88,994) 275,119 12,547 9,115,643 9,314,315 14,235,508 Fund balance - January 1 512,978 16,316 570,920 125,942,322 127,042,536 112,807,028	Current:						
Debt service: Principal retirement - - 360,000 - 360,000 410,000 Interest - - 172,315 - 172,315 181,723 Capital Outlay - - 8,239,820 - 3,222,684 11,462,504 Development services - - 8,889,899 532,515 9,750,295 20,799,966 6,821,792 Excess (deficiency) of revenues over (under) expenditures (88,994) 294,119 12,547 9,096,643 9,314,315 14,235,508 OTHER FINANCING SOURCES (USES) - - - 19,000 19,000 19,000 19,000 19,000 10,000	General services	1,627,257	650,079	200	288,576	2,566,112	1,811,872
Principal retirement - - 360,000 - 360,000 410,000 Interest - - 172,315 - 172,315 181,723 Capital Outlay - - 8,239,820 - 3,222,684 11,462,504 - Development services - - 8,889,899 532,515 9,750,295 20,799,966 6,821,792 Excess (deficiency) of revenues over (under) expenditures (88,994) 294,119 12,547 9,096,643 9,314,315 14,235,508 OTHER FINANCING SOURCES (USES) - - - 19,000 19,000 - Transfers out - - - 19,000 - - (19,000) - Total other financing sources (uses) - (19,000) - 19,000 - </td <td>Development services</td> <td>-</td> <td>-</td> <td>-</td> <td>6,239,035</td> <td>6,239,035</td> <td>4,418,197</td>	Development services	-	-	-	6,239,035	6,239,035	4,418,197
Interest	Debt service:						
Capital Outlay Development services - 8,239,820 - 3,222,684 11,462,504 - Total expenditures 1,627,257 8,889,899 532,515 9,750,295 20,799,966 6,821,792 Excess (deficiency) of revenues over (under) expenditures (88,994) 294,119 12,547 9,096,643 9,314,315 14,235,508 OTHER FINANCING SOURCES (USES) - - - 19,000 19,000 19,000 19,000 19,000 10,000 <td< td=""><td>Principal retirement</td><td>-</td><td>-</td><td>360,000</td><td>-</td><td>360,000</td><td>410,000</td></td<>	Principal retirement	-	-	360,000	-	360,000	410,000
Development services - 8,239,820 - 3,222,684 11,462,504 - </td <td>Interest</td> <td>-</td> <td>=</td> <td>172,315</td> <td>=</td> <td>172,315</td> <td>181,723</td>	Interest	-	=	172,315	=	172,315	181,723
Total expenditures	Capital Outlay						
Excess (deficiency) of revenues over (under) expenditures (88,994) 294,119 12,547 9,096,643 9,314,315 14,235,508 OTHER FINANCING SOURCES (USES) Transfers in 19,000 19,000 Transfers out - (19,000) - (19,000) Total other financing sources (uses) - (19,000) - 19,000 Net change in fund balance (88,994) 275,119 12,547 9,115,643 9,314,315 14,235,508 Fund balance - January 1 512,978 16,316 570,920 125,942,322 127,042,536 112,807,028	Development services			-			
revenues over (under) expenditures (88,994) 294,119 12,547 9,096,643 9,314,315 14,235,508 OTHER FINANCING SOURCES (USES) Transfers in 19,000 19,000 Total other financing sources (uses) - (19,000) - 19,000 - (19,000) Net change in fund balance (88,994) 275,119 12,547 9,115,643 9,314,315 14,235,508 Fund balance - January 1 512,978 16,316 570,920 125,942,322 127,042,536 112,807,028	Total expenditures	1,627,257	8,889,899	532,515	9,750,295	20,799,966	6,821,792
revenues over (under) expenditures (88,994) 294,119 12,547 9,096,643 9,314,315 14,235,508 OTHER FINANCING SOURCES (USES) Transfers in 19,000 19,000 Transfers out - (19,000) - (19,000) Total other financing sources (uses) - (19,000) - 19,000 - (19,000) Net change in fund balance (88,994) 275,119 12,547 9,115,643 9,314,315 14,235,508 Fund balance - January 1 512,978 16,316 570,920 125,942,322 127,042,536 112,807,028	Excess (deficiency) of						
Transfers in Transfers out - - - 19,000 (19,000) 19,000 (19,000) - - - (19,000) - - - (19,000) - <th< td=""><td>•</td><td>(88,994)</td><td>294,119</td><td>12,547</td><td>9,096,643</td><td>9,314,315</td><td>14,235,508</td></th<>	•	(88,994)	294,119	12,547	9,096,643	9,314,315	14,235,508
Transfers in Transfers out - - - 19,000 (19,000) 19,000 (19,000) - - - (19,000) - - - (19,000) - <th< td=""><td>OTHER FINANCING COURCES (HOES)</td><td></td><td></td><td></td><td></td><td></td><td></td></th<>	OTHER FINANCING COURCES (HOES)						
Transfers out Total other financing sources (uses) - (19,000) (19,000) - (19,000) <td>` ,</td> <td></td> <td></td> <td></td> <td>40.000</td> <td>40.000</td> <td></td>	` ,				40.000	40.000	
Total other financing sources (uses) - (19,000) - 19,000 - 19,000 - Net change in fund balance (88,994) 275,119 12,547 9,115,643 9,314,315 14,235,508 Fund balance - January 1 512,978 16,316 570,920 125,942,322 127,042,536 112,807,028		-	(40,000)	-	19,000		-
Net change in fund balance (88,994) 275,119 12,547 9,115,643 9,314,315 14,235,508 Fund balance - January 1 512,978 16,316 570,920 125,942,322 127,042,536 112,807,028				<u>-</u>	10,000	(19,000)	
Fund balance - January 1 512,978 16,316 570,920 125,942,322 127,042,536 112,807,028	rotal other financing sources (uses)		(19,000)		19,000		
,	Net change in fund balance	(88,994)	275,119	12,547	9,115,643	9,314,315	14,235,508
Fund balance - December 31 \$ 423,984 \$ 291,435 \$ 583,467 \$ 135,057,965 \$ 136,356,851 \$ 127,042,536	Fund balance - January 1	512,978	16,316	570,920	125,942,322	127,042,536	112,807,028
	Fund balance - December 31	\$ 423,984	\$ 291,435	\$ 583,467	\$ 135,057,965	\$ 136,356,851	\$ 127,042,536
Change in Governmental Funds \$ 9,314,315 \$ 14,235,508	Change in Governmental Funds					\$ Q 31/L315	\$ 14,235,508
	•						410,000
,						,	1,870,700
							373,370
·						,	4,015
Change in Net Position of Governmental Activities \$ 21,721,659 \$ 16,893,593	Change in Net Position of Governmental Activ	vities				\$ 21,721,659	\$ 16,893,593

EXHIBIT F-1

HOUSING AND REDEVELOPMENT AUTHORITY IN AND FOR THE CITY OF BLOOMINGTON

Schedule of Net Position December 31, 2024

	Governmental Activities	Business-type Activities	Total
ASSETS	4 40 750 000		.
Cash and cash equivalents	\$ 19,759,630	\$ 886,884	\$ 20,646,514
Receivables, net	25,999,795	-	25,999,795
Due from primary government	154,647	-	154,647
Due from other government	147,175	-	147,175
Inventory - land held for resale	871,141	-	871,141
Capital assets:	400.000	4 500 005	4 740 005
Capital assets - nondepreciable	130,300	1,589,085	1,719,385
Capital assets - net of accumulated depreciation		1,601,729	1,601,729
Net capital assets	130,300	3,190,814	3,321,114
Total assets	47,062,688	4,077,698	51,140,386
LIABILITIES			
Accounts payable	597,788	197,180	794,968
Unearned revenue	175,066	-	175,066
Due to other government	47,983	-	47,983
Due to primary government	179,816	14,559	194,375
Due to primary government - bonds	195,000	-	195,000
Noncurrent liabilities:			
Due to primary government:			
Loans payable due in more than one year	13,029,942	-	13,029,942
Bonds payable due in more than one year	1,400,000	-	1,400,000
Accrued interest payable	142,525		142,525
Total liabilities	15,768,120	211,739	15,979,859
NET POSITION			
Net investment in capital assets	130,300	3,190,814	3,321,114
Restricted for:			
Tax increment purposes	5,512,887	-	5,512,887
Unrestricted	25,651,381	675,145	26,326,526
Total net position	\$ 31,294,568	\$ 3,865,959	\$ 35,160,527

EXHIBIT F-2

HOUSING AND REDEVELOPMENT AUTHORITY IN AND FOR THE CITY OF BLOOMINGTON

Schedule of Activities
For the Year Ended December 31, 2024

			Program Revenues	6	· ·	(Expense) Revenue	
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental activities:	. 7.400.400	454507	A 0.400.700		4 (225.222)	•	4 (225.222)
General services	\$ 7,160,192 7,613,741	\$ 151,587	\$ 6,402,796	\$ -	\$ (605,809)	\$ -	\$ (605,809)
Development services Interest on long-term debt and amounts due to primary	7,013,741	4,129,686	1,215,284	-	(2,268,771)	-	(2,268,771)
government - bonds payable	336,488				(336,488)		(336,488)
Total governmental activities	15,110,421	4,281,273	7,618,080		(3,211,068)		(3,211,068)
Business-type activities:							
Assisted rental	482,504	338,484		-	-	(144,020)	(144,020)
Property management	405,774	267,984	20,900		<u> </u>	(116,890)	(116,890)
Total business-type activities	888,278	606,468	20,900			(260,910)	(260,910)
Total	\$ 15,998,699	\$ 4,887,741	\$ 7,638,980	\$ -	(3,211,068)	(260,910)	(3,471,978)
	(General revenues:					
		Property taxes			3,769,824	114,235	3,884,059
		Interest and inves	stment earnings		1,056,262	-	1,056,262
	7	Transfers			(1,304,429)	1,304,429	
		Total general reve	enues		3,521,657	1,418,664	4,940,321
	(Change in net positi	on		310,589	1,157,754	1,468,343
	1	Net position - Janua	ıry 1		30,983,979	2,708,205	33,692,184

\$ 31,294,568

\$ 3,865,959

\$ 35,160,527

Net position - December 31

HOUSING AND REDEVELOPMENT AUTHORITY IN AND FOR THE CITY OF BLOOMINGTON

Schedule of Assets, Liabilities, and Fund Balances Governmental Funds December 31, 2024

		General Fund	D(Housing evelopment		Section 8 ouchers
ASSETS Cash and cash equivalents Accrued interest receivable Taxes receivable Mortgages and notes receivable	\$	1,703,871 - 27,657	\$	7,583,351 216,069 - 1,609,681	\$	472,765 - -
Due from other funds Due from primary government Due from other governments Inventory - land for resale		- - -		2,060,000		21,498 147,175
Total assets	\$	1,731,528	\$	11,751,101	\$	641,438
LIABILITIES Accounts payable	\$	193	\$	489	\$	11,872
Due to other funds	Ψ	193	Ψ	409	Ψ	11,012
Due to primary government		40,845		13,390		93,352
Unearned revenue		, -		-		,
Due to other govts				<u>-</u>		47,983
Total liabilities		41,038		13,879		153,207
DEFERRED INFLOWS OF RESOURCES						
Deferred inflow-taxes		17,172		-		-
Deferred inflow-mortgages		-		1,140,588		-
Deferred inflow-land held for resale Total deferred inflows of resources		17 170		282,000		
lotal deferred inflows of resources		17,172		1,422,588		
FUND BALANCES (DEFICITS)						
Nonspendable		-		469,093		-
Restricted		-		-		-
Committed		-		9,845,541		-
Assigned		-		-		488,231
Unassigned Total fund balances (deficits)	-	1,673,318 1,673,318		10,314,634		488,231
Total fully balances (delicits)		1,070,010		10,014,004		700,201
Total liabilities, deferred inflows of						
resources and fund balances (deficits)	\$	1,731,528	\$	11,751,101	\$	641,438

Housing Rehabilitation	Opportunity Housing	TIF Special Revenue	Capital Projects	Total Governmental Funds		
\$ 1,182,802 - -	\$ 2,555,327 75,382	\$ 5,854,848 - 4,208	\$ 406,666 -	\$ 19,759,630 291,451 31,865		
10,674,218	12,792,580		600,000	25,676,479 2,060,000		
133,149	- -	- -	- -	154,647 147,175		
193,100 \$ 12,183,269	\$ 15,423,289	\$ 5,859,056	396,041 \$ 1,402,707	871,141 \$ 48,992,388		
\$ 34,524 -	\$ - -	\$ 550,711 2,060,000	\$ - -	\$ 597,789 2,060,000		
32,229	13,029,942	-	-	13,209,758		
175,066 -	-	-	-	175,066 47,983		
241,819	13,029,942	2,610,711		16,090,596		
-	-	-	-	17,172		
10,674,218	-	-	600,000	12,414,806		
193,100 10,867,318			396,041 996,041	871,141 13,303,119		
-	-	-	-	469,093		
-	-	5,512,887	-	5,512,887		
1,483,438	2,393,347	-	406 666	13,722,326		
(409,306)	-	- (2,264,542)	406,666	894,897 (1,000,530)		
1,074,132	2,393,347	3,248,345	406,666	19,598,673		
		· · · · ·	<u> </u>			
\$ 12,183,269	\$ 15,423,289	\$ 5,859,056	\$ 1,402,707	\$ 48,992,388		

HOUSING AND REDEVELOPMENT AUTHORITY IN AND FOR THE CITY OF BLOOMINGTON

EXHIBIT F-4

31,294,568

Reconciliation of the Governmental Funds Schedule of Assets, Liabilities, and Fund Balances To the Schedule of Net Position December 31, 2024

FUND BALANCE - TOTAL GOVERNMENTAL FUNDS	\$ 19,598,673		
Amounts reported for governmental activities in the Schedule of Net Position are different because:			
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. Cost of capital assets Less accumulated depreciation	\$	130,300	130,300
Some receivables that are not currently available are reported as deferred inflow in the fund financial schedules but are recognized as revenue when earned in the government-wid schedules.	le		13,303,119
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.			(1,595,000)
Accrued interest is not due and payable in the current period and, therefore, not reported in the fund schedules.			(142,524)

NET POSITION OF GOVERNMENTAL ACTIVITIES



HOUSING AND REDEVELOPMENT AUTHORITY IN AND FOR THE CITY OF BLOOMINGTON

Schedule of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
Year Ended December 31, 2024

	General Fund		Housing Development		Section 8 Vouchers	
REVENUES			-	<u> </u>		
Taxes:						
Regular	\$	431,146	\$	932,821	\$	44,769
Tax increment		-		-		-
Intergovernmental		-		-		6,402,796
Sale of real property		-		1,225,000		-
Program Income		-		14,293		-
Interest		412,651		568,063		-
Other		-		-		151,754
Total revenues		843,797		2,740,177		6,599,319
EXPENDITURES						
Current:						
General services		495,756		-		6,663,151
Development services		-		267,519		-
Debt service:						
Interest		-		-		-
Principal retirement						_
Total expenditures		495,756		267,519		6,663,151
Excess (deficiency) of revenues						
over expenditures		348,041		2,472,658		(63,832)
OTHER FINANCING SOURCES (USES)						
Transfers out to other funds		-		(1,700,000)		-
Transfers in from other funds						
Total other financing sources (uses)		_		(1,700,000)		_
		_		(1,100,000)		
Net change in fund balance		348,041		772,658		(63,832)
Fund balance (deficit) - January 1		1,325,277		9,541,976		552,063
Fund balance (deficit) - December 31	\$	1,673,318	\$	10,314,634	\$	488,231

			TIF		Total					
	Housing	Opportunity	Special	Capital	Governmental					
Re	ehabilitation	Housing	Revenue	Projects	Funds					
\$	173,563	\$ -	\$ -	\$ -	\$ 1,582,299					
	-	-	2,263,905	-	2,263,905					
	1,089,985	-	-	-	7,492,781					
	-	-	-	-	1,225,000					
	314,429	-	-	-	328,722					
	-	75,382	-	-	1,056,096					
	125,298	3,426,460	25,000		3,728,512					
	1,703,275	3,501,842	2,288,905		17,677,315					
	_	-	_	-	7,158,907					
	2,874,506	3,476,320	1,112,088	7,791	7,738,224					
	-	323,652	20,942	-	344,594					
			190,000		190,000					
	2,874,506	3,799,972	1,323,030	7,791	15,431,725					
	(1,171,231)	(298,130)	965,875	(7,791)	2,245,590					
	(104,429)	(108,780)	(87,801)		(2,001,010)					
	-	696,581	<u> </u>		696,581					
	(104,429)	587,801	(87,801)		(1,304,429)					
	(1,275,660)	289,671	878,074	(7,791)	941,161					
	2,349,792	2,103,676	2,370,271	414,457	18,657,512					
\$	1,074,132	\$ 2,393,347	\$ 3,248,345	\$ 406,666	\$ 19,598,673					

Reconciliation of the Schedule of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Schedule of Activities For The Year Ended December 31, 2024 EXHIBIT F-6

310,589

Amounts reported for governmental activities in the Schedule of Activities are different because:	
Revenues in the Schedule of Activities related to delinquent property taxes that do not provide current financial resources are not reported as revenues in the funds.	(76,381)
Revenues in the Schedule of Activities related to mortgages receivable that do not provide current financial resources are not reported as revenues in the funds.	349,500
Revenues in the Schedule of Activities related to Inventory - land held for resale that do not provide current financial resources are not reported as revenues in the funds.	(1,101,800)
Repayment of principal on long-term debt (e.g., bonds, leases) is an expenditure in the governmental funds but does not affect the Schedule of Activities.	190,000
Governmental funds report the effect of discounts and premiums when debt is first issued, whereas these amounts are deferred and amortized in the Schedule of Activities.	5,993
Change in accrued interest on general long-term debt is reported in the Schedule of Activities but does not require the use of current financial resources and, therefore, is not reported as an expanditure in governmental funds.	2 116
is not reported as an expenditure in governmental funds.	 2,116

CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES

HOUSING AND REDEVELOPMENT AUTHORITY IN AND FOR THE CITY OF BLOOMINGTON

Schedule of Fund Net Position Proprietary Funds December 31, 2024

ASSETS Current assets: Cash and cash equivalents Total current assets	Assisted Rental \$ 750,571 750,571	Property Management \$ 136,313 136,313	Total \$ 886,884 886,884
Noncurrent assets: Land Buildings and structures Improvements Other than Bldg Accumulated depreciation Total noncurrent assets	700,000 1,698,090 682,448 (1,505,209) 1,575,329	889,085 1,700,942 394,421 (1,368,963) 1,615,485	1,589,085 3,399,032 1,076,869 (2,874,172) 3,190,814
Total assets	2,325,900	1,751,798	4,077,698
LIABILITIES Current liabilities: Accounts payable Deposits payable Due to primary government Total current liabilities	24,118 6,984 8,209 39,311	12,860 153,218 6,350 172,428	36,978 160,202 14,559 211,739
Total liabilities	39,311	172,428	211,739
NET POSITION Net investment in capital assets Unrestricted	1,575,329 711,260	1,615,485 (36,115)	3,190,814 675,145
Total net position	\$ 2,286,589	\$ 1,579,370	\$ 3,865,959

HOUSING AND REDEVELOPMENT AUTHORITY IN AND FOR THE CITY OF BLOOMINGTON

Schedule of Revenues, Expenses, and Changes in Fund Net Position Proprietary Funds Year Ended December 31, 2024

	 Assisted Rental	Property anagement	Total
OPERATING REVENUES Program income Other	\$ 338,262 223	\$ 263,876 4,107	\$ 602,138 4,330
Total operating revenues	338,485	267,983	606,468
OPERATING EXPENSES			
Salaries and benefits	57,163	56,824	113,987
Materials, supplies and services	100,482	71,230	171,712
Professional services	705	3,705	4,410
City support services	2,727	3,404	6,131
Home rehabilitation	238,197	250,638	488,835
Depreciation	83,230	19,973	103,203
Total operating expenses	482,504	405,774	888,278
Operating income (loss)	(144,019)	(137,791)	(281,810)
NONOPERATING REVENUES (EXPENSES)			
Taxes	-	114,235	114,235
Grants	-	20,900	20,900
Total nonoperating revenues	-	135,135	135,135
Income (loss) before contributions and transfers	 (144,019)	 (2,656)	(146,675)
Transfers from other funds	1,004,429	300,000	 1,304,429
Change in net position	860,410	297,344	1,157,754
Total net position - January 1	 1,426,179	 1,282,026	 2,708,205
Total net position - December 31	\$ 2,286,589	\$ 1,579,370	\$ 3,865,959

HOUSING AND REDEVELOPMENT AUTHORITY IN AND FOR THE CITY OF BLOOMINGTON

Schedule of Cash Flows Proprietary Funds Year Ended December 31, 2024

CASH FLOWS FROM OPERATING ACTIVITIES Cash receipts from customers Payments to employees Payments to suppliers	\$	Assisted Rental 338,484 (57,163) (326,749)		Property nagement 267,984 (56,824) (284,675)	\$	Total 606,468 (113,987) (611,424)
Net cash provided by operating activities		(45,428)		(73,515)		(118,943)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES Payments from primary government Grants Taxes Net cash provided by noncapital financing activities		2,538 - - 2,538		2,003 20,900 114,235 137,138	_	4,541 20,900 114,235 139,676
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACT	ΓΙVΙΤ	IES				
Transfers for capital acquisitions Purchases of capital assets Net cash provided by capital		1,004,429 (682,448)		300,000 (394,421)		1,304,429 (1,076,869)
and related financing activities		321,981		(94,421)		227,560
CASH FLOWS FROM INVESTING ACTIVITIES Net increase in cash and cash equivalents		279,091		(30,798)		248,293
Cash and cash equivalents - January 1		471,480		167,111		638,591
Cash and cash equivalents - December 31	\$	750,571	\$	136,313	\$	886,884
Reconciliation of operating loss to net cash provided by (used Operating income (loss) Adjustments to reconcile operating (loss) to net cash provided by operating activities:	in) o \$	perating activ (144,019)	vities: \$	(137,791)	\$	(281,810)
Depreciation		83,230		19,973		103,203
Changes in assets and liabilities: Accounts payable Deposits payable		15,572 (211)		2,537 41,766		18,109 41,555
Net cash provided by operating activities	\$	(45,428)	\$	(73,515)	\$	(118,943)

HOUSING AND REDEVELOPMENT AUTHORITY IN AND FOR THE CITY OF BLOOMINGTON

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
General Fund
Year Ended December 31, 2024

	 Bud	dget				Variance With		
	 Original		Final		Actual	Fin	al Budget	
REVENUES								
Taxes -								
Regular	\$ 450,355	\$	450,355	\$	431,146	\$	(19,209)	
Interest	20,000		20,000		412,817		392,817	
Other	-		-		(166)		(166)	
Total revenues	 470,355 470,355				843,797		373,442	
EXPENDITURES								
Current -								
General services	 470,355		502,355		495,756		6,599	
Net change in fund balance	-		(32,000)		348,041		380,041	
Fund balance - January 1	 1,325,277		1,066,240		1,325,277			
Fund balance - December 31	\$ 1,325,277	\$	1,293,277	\$	1,673,318	\$	380,041	

HOUSING AND REDEVELOPMENT AUTHORITY IN AND FOR THE CITY OF BLOOMINGTON

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual Housing Development Special Revenue Fund
Year Ended December 31, 2024

	 Bud	lget				Variance With
	 Original		Final	 Actual	Fi	nal Budget
REVENUES Taxes -	_		_			
Regular	\$ 850,000	\$	850,000	\$ 932,821	\$	82,821
Sale of real property Program Income	5,000		5,000	1,225,000 14,293		1,225,000 9,293
Interest	5,000		5,000	568,063		568,063
Total revenues	855,000		855,000	2,740,177		1,885,177
EXPENDITURES Current -						
Development services	355,000		355,000	 267,519		87,481
Excess of revenues over expenditures	500,000		500,000	2,472,658		1,972,658
OTHER FINANCING SOURCES (USES) Transfers to other funds	(500,000)		(1,700,000)	 (1,700,000)		
Net change in fund balance	-		(1,200,000)	772,658		1,972,658
Fund balance - January 1	954,976		9,541,976	9,541,976		
Fund balance - December 31	\$ 954,976	\$	8,341,976	\$ 10,314,634	\$	1,972,658

HOUSING AND REDEVELOPMENT AUTHORITY IN AND FOR THE CITY OF BLOOMINGTON

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual Section 8 Vouchers Special Revenue Fund
Year Ended December 31, 2024

	 Bud	dget			١	/ariance With	
	Original		Final	Actual	Final Budget		
REVENUES	 						
Taxes:							
Regular	\$ 51,987	\$	51,987	\$ 44,769	\$	(7,218)	
Intergovernmental	6,188,587		6,188,587	6,402,796		214,209	
Other	 98,000		98,000	 151,754		53,754	
Total revenues	6,338,574		6,338,574	 6,599,319		260,745	
EXPENDITURES							
Current -							
General services	 6,338,574		6,885,574	6,663,151		222,423	
Net change in fund balance	-		(547,000)	(63,832)		483,168	
Fund balance - January 1	 552,063		552,063	 552,063			
Fund balance - December 31	\$ 552,063	\$	5,063	\$ 488,231	\$	483,168	

HOUSING AND REDEVELOPMENT AUTHORITY IN AND FOR THE CITY OF BLOOMINGTON

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual Housing Rehabilitation Special Revenue Fund
Year Ended December 31, 2024

		Bu	dget				١	/ariance
		Original		Final		Actual	Fin	With nal Budget
REVENUES								
Taxes -	\$	102 701	\$	102 721	\$	170 FG0	\$	(40.450)
Regular Intergovernmental	Ф	183,721 555,256	Ф	183,721 555,256	Ф	173,563 1,089,985	Ф	(10,158) 534,729
Program Income		400,000		400,000		314,429		(85,571)
Other		-		300,364		125,298		(175,066)
Total revenues		1,138,977		1,439,341		1,703,275		263,934
EXPENDITURES Current -								
Development services		1,138,977		2,816,391		2,874,506		(58,115)
Excess (deficiency) of								
revenues over expenditures		<u> </u>		(1,377,050)		(1,171,231)		205,819
OTHER FINANCING SOURCES (USES)								
Transfers to other funds				(104,450)		(104,429)		21
Net change in fund balance		-		(1,481,500)		(1,275,660)		205,840
Fund balance - January 1		2,349,792		2,349,792		2,349,792		
Fund balance - December 31	\$	2,349,792	\$	868,292	\$	1,074,132	\$	205,840

HOUSING AND REDEVELOPMENT AUTHORITY IN AND FOR THE CITY OF BLOOMINGTON

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual Opportunity Housing Special Revenue Fund Year Ended December 31, 2024

		Buc	lget			Variance With		
		Original		Final	Actual	Fir	nal Budget	
REVENUES		<u> </u>	,	_	_		_	
Interest	\$	-	\$	-	\$ 75,382	\$	75,382	
Other					 3,426,460		3,426,460	
Total revenues					 3,501,842		3,501,842	
EXPENDITURES								
Current -								
Development services		-		50,000	3,476,320		(3,426,320)	
Debt service:								
Interest				330,000	323,652		6,348	
Total expenditures	-			380,000	 3,799,972		(3,419,972)	
Excess (deficiency) of								
revenues over expenditures				(380,000)	 (298,130)		81,870	
OTHER FINANCING SOURCES (USES)								
Transfers to other funds		_		(110,000)	(108,780)		(1,220)	
Transfers from other funds		500,000		500,000	696,581		(196,581)	
Total other financing							,	
sources (uses)		500,000		390,000	587,801		(197,801)	
Net change in fund balance		500,000		10,000	289,671		279,671	
Fund balance - January 1		2,103,676		2,103,676	2,103,676			
Fund balance - December 31	\$	2,603,676	\$	2,113,676	\$ 2,393,347	\$	279,671	



HOUSING AND REDEVELOPMENT AUTHORITY
IN AND FOR THE CITY OF BLOOMINGTON
Combining Schedule of Assets, Liabilities, and Fund Balances
TIF Special Revenue Fund
December 31, 2024

	Oxboro O-4 \$ 24,027 \$		France & Old Shakopee		Portland Commons		Lyndale Green GO Tax Increment Bonds 2004A		Oxboro H-1 GO Tax Increment Bonds 2003A		Knox & American GO Tax Increment		Village Club	
ASSETS Cash and cash equivalents Taxes receivable	\$	24,027	\$	343,660	\$	339,807	\$	3,875,767 4,208	\$	972,475	\$	24,240	\$	46,903
Total assets		24,027		343,660		339,807		3,879,975		972,475		24,240		46,903
LIABILITIES AND FUND BALANCES Current liabilities -														
Accounts payable Due to other funds	\$	24,027	\$	915	\$	158,987	\$	2,826	\$	1,622	\$	224,606 1,950,000	\$	1,163
Total current liabilities		24,027		915		158,987		2,826		1,622		2,174,606		1,163
FUND BALANCES (DEFICITS)														
Restricted Unassigned		-		342,745		180,820		3,877,149		970,853		(2,150,366)		45,740
Total fund balances		-		342,745	_	180,820		3,877,149		970,853		(2,150,366)		45,740
Total liabilities and fund balances (deficits)	\$	24,027	\$	343,660	\$	339,807	\$	3,879,975	\$	972,475	\$	24,240	\$	46,903
rana salanoso (asnons)		21,021	<u> </u>	0.10,000	<u> </u>	000,007	<u> </u>	0,010,010		0.2,		21,210		10,000

 Lyndale Flats		8012 Old Cedar		Oxboro Heights		8200 Humboldt		Gyropolis		Village Club 172		700 American		Total
\$ 20,303	\$	9,213 - 9,213	\$	5,367 - 5,367	\$	5,457 - 5,457	\$	4,956 - 4,956	\$	169,351 - 169,351	\$	13,322 - 13,322	\$	5,854,848 4,208 5,859,056
\$ 705 - 705	\$	28,124	\$	578 15,000 15,578	\$	579 65,000 65,579	\$	20,000 20,000	\$	106,579 - 106,579	\$	10,000 10,000	\$	550,711 2,060,000 2,610,711
19,598 - 19,598		2,888 (21,799) (18,911)		(10,211) (10,211)		(60,122) (60,122)		(15,044) (15,044)		62,772 - 62,772		10,322 (7,000) 3,322		5,512,887 (2,264,542) 3,248,345
\$ 20,303	\$	9,213	\$	5,367	\$	5,457	\$	4,956	\$	169,351	\$	13,322	\$	5,859,056

HOUSING AND REDEVELOPMENT AUTHORITY
IN AND FOR THE CITY OF BLOOMINGTON
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances
TIF Special Revenue Fund
Year Ended December 31, 2024

	Oxl	boro O-4	rance & Shakopee	Portland ommons	GO 1	ndale Green Fax Increment ands 2004A	GO T	kboro H-1 ax Increment nds 2003A	x & American Fax Increment
REVENUES									
Taxes -									
Tax increment	\$	48,054	\$ 160,480	\$ 372,421	\$	607,957	\$	170,111	\$ 469,722
Other			 	 -		-		-	 -
Total revenues		48,054	 160,480	 372,421		607,957		170,111	 469,722
EXPENDITURES									
Current -									
Development services		48,054	915	317,838		2,825		1,621	447,720
Debt service:									
Interest		-	-	-		15,497		5,445	-
Principal retirement		-	-	-		140,600		49,400	-
Total expenditures		48,054	 915	317,838		158,922		56,466	 447,720
Excess (deficiency) of revenues									
over expenditures			159,565	54,583		449,035		113,645	22,002
OTHER FINANCING SOURCES (USES)									
Transfers out to other funds		-	-	-		-		-	-
Net change in fund balance		-	159,565	54,583		449,035		113,645	22,002
Fund balance (deficit) - January 1			 183,180	 126,237		3,428,114		857,208	(2,172,368)
Fund balance (deficit) - December 31	\$		\$ 342,745	\$ 180,820	\$	3,877,149	\$	970,853	\$ (2,150,366)

 Village Club	 yndale Flats	0	8012 Id Cedar	Oxboro Heights		8200 Humboldt	G	syropolis	 Village Club 172	 700 American	т	otal
\$ 49,887 - 49,887	\$ 67,936 - 67,936	\$	57,763 - 57,763	\$ <u>-</u>	\$	- -	\$	<u>-</u>	\$ 259,574 - 259,574	\$ 25,000 25,000		263,905 25,000 288,905
40,007	07,300		37,703						200,014	23,000		200,303
1,163	705		55,561	578		579			212,851	21,678	1,	112,088
-	-		-	-		-		-	-	-		20,942 190,000
1,163	705		55,561	 578	_	579		-	212,851	 21,678		323,030
 48,724	67,231		2,202	 (578)		(579)		-	46,723	3,322		965,875
<u>-</u>	 (87,801)		<u>-</u>	<u> </u>		<u>-</u>			 	 <u> </u>		(87,801)
48,724	(20,570)		2,202	(578)		(579)		-	46,723	3,322		878,074
 (2,984)	 40,168		(21,113)	 (9,633)		(59,543)		(15,044)	 16,049	 	2,	370,271
\$ 45,740	\$ 19,598	\$	(18,911)	\$ (10,211)	\$	(60,122)	\$	(15,044)	\$ 62,772	\$ 3,322	\$ 3,	248,345

EXHIBIT G-1

Financial Data Schedule - Housing Choice Vouchers Balance Sheet December 31, 2024

ASSETS		
111	Cash - Unrestricted	\$ 472,765
121	Accounts Receivable - PHA Projects	168,673
290	Total Assets	641,438
LIABILIT	IES	
312	Accounts Payable <= 90 Days	11,872
332	Accounts Payable - PHA Projects	47,983
333	Accounts Payable - Other Government	93,352
300	Total Liabilities	153,207
NET POS	SITION	
511.	3 Assigned Fund Balance	488,231
513	Total Equity - Net Assets / Position	488,231
600	Total Liabilities, Deferred Inflows of Resources and Equity	\$ 641,438

EXHIBIT G-2

HOUSING AND REDEVELOPMENT AUTHORITY IN AND FOR THE CITY OF BLOOMINGTON

Financial Data Schedule - Housing Choice Vouchers Income Statement Year Ended December 31, 2024

REVENUES		
70600	HUD PHA Operating Grants	\$ 6,402,796
71400	Fraud Recovery	5,868
71500	Other Revenue	 2,487,609
70000	Total Revenue	8,896,273
EXPENDITUR	ES	
91100	Administrative Salaries	449,783
91200	Auditing Fees	2,100
91400	Advertising and Marketing	3,896
91500	Employee Benefit contributions - Administrative	151,994
91600	Office Expenses	76,076
91700	Legal Expense	986
91900	Other	43,422
96200	Other General Expenses	80,424
97300	Housing Assistance Payments	5,854,470
97350	HAP Portability-In	2,296,954
90000	Total Expenses	 8,960,105
	Excess (deficiency) of Revenues over (under) Expenses	(63,832)
Net Position-B	eginning	552,063
Net Position-E	nding	\$ 488,231
Memo Accou	nt Information	
11170	Administrative Fee Equity	577,678
11180	Housing Assistance Payments Equity	(89,448)
11190	Unit Months Available	7,872
11210	Number of Unit Months Leased	6,192

EXHIBIT G-3

Financial Data Schedule - Business Activities Balance Sheet December 31, 2024

ASSI	ETS		
	111	Cash - Unrestricted	\$ 743,587
•	114	Cash - Tenant Security Deposits	6,984
•	161	Land	700,000
•	162	Buildings	1,698,090
•	165	Leasehold Improvements	682,448
•	166	Accumulated Depreciation	(1,505,209)
2	290	Total Assets	2,325,900
LIAB	BILITIES		
:	312	Accounts Payable <= 90 Days	24,118
3	333	Accounts Payable - Other Government	8,209
(341	Tenant Security Deposits	 6,984
;	300	Total Liabilities	39,311
NET	POSITIO	N	
ţ	508.3	Net Investment in Capital Assets	1,575,329
į	511.3	Unrestricted	711,260
į	513	Total Equity - Net Position	 2,286,589
(600	Total Liabilities, Deferred Inflows of Resources and Equity	\$ 2,325,900

EXHIBIT G-4

Financial Data Schedule - Business Activities Income Statement Year Ended December 31, 2024

REVENUES		
70300	Net Tenant Rental Revenue	\$ 338,262
70400	Tenant Revenue - Other	223
71500	Other Revenue	 1,004,429
70000	Total Revenue	 1,342,914
EXPENDITU	RES	
91100	Administrative Salaries	32,837
91500	Employee Benefit contributions - Administrative	24,326
91600	Office Expenses	13,453
91700	Legal	705
91900	Other	2,601
93100	Water	31,116
93200	Electric	408
93300	Gas	188
94300	Ordinary Maintenance and Operations Contracts	249,876
96300	Payments in Lieu of Taxes	16,908
97100	Extraordinary Maintenance	26,856
97400	Depreciation Expense	 83,230
90000	Total Expenses	 482,504
	Excess (deficiency) of Revenues over (under) Expenses	860,410
Net Position-I	Beginning	1,426,179
Net Position-I	Ending	\$ 2,286,589
Memo Accou	unt Information	
11190	Unit Months Available	240
11210	Number of Unit Months Leased	240

NOTES TO THE FINANCIAL DATA SCHEDULES FOR THE YEAR ENDED DECEMBER 31, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial data schedules are presented on a modified accrual or accrual basis of accounting as applicable. The information in these schedules is presented in accordance with the U.S. Department of Housing and Urban Development (HUD), Office of Public and Indian Housing Real Estate Assessment Center and the Financial Assessment Subsystem-Public Housing (FASS-PH). Therefore, some of the amounts presented in these schedules may differ from the amounts presented in, or used in the preparation of, the City's basic financial statements.

Annual Comprehensive Financial Report For the Year Ended December 31, 2024

SECTION III

STATISTICAL SECTION (UNAUDITED)



CITY OF BLOOMINGTON, MINNESOTA STATISTICAL SECTION

This part of the City of Bloomington's Annual Comprehensive Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

CONTENTS	PAGE
Financial Trends	202
These tables contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	
Revenue Capacity	210
These tables contain information to help the reader assess the factors affecting the City's ability to generate its property tax.	
Debt Capacity	215
These tables present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	
Demographic and Economic Information	222
These tables offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place and to help make comparisons over time and with other governments.	
Operating Information	224
These tables contain information about the City's operations and resources to help the reader understand how the City's financial information relates to	

Sources: Unless otherwise noted, the information in these tables is derived from the Annual Comprehensive Financial Reports for the relevant year.

the services the City provides and the activities it performs.

NET POSITION BY COMPONENT

Last Ten Fiscal Years

(Accrual Basis of Accounting)

		Fisca	l Year	
	2015	2016	2017	2018
Governmental activities:				
Net investment in capital assets	\$300,117,784	\$310,750,929	\$332,133,255	\$352,048,328
Restricted	68,599,352	73,405,143	69,744,412	86,444,757
Unrestricted	69,232,697	67,390,335	77,768,834	69,705,544
Total governmental activities net position	\$437,949,833	\$451,546,407	\$479,646,501	\$508,198,629
Business-type activities:				
Net investment in capital assets	\$85,388,894	\$85,359,140	\$85,330,605	\$85,607,307
Restricted	-	-	-	-
Unrestricted	12,401,673	12,352,137	14,919,169	22,148,610
Total business-type activities net position	\$97,790,567	\$97,711,277	\$100,249,774	\$107,755,917
Primary government:				
Net investment in capital assets	\$385,506,678	\$396,110,069	\$417,463,860	\$437,655,635
Restricted	68,599,352	73,405,143	69,744,412	86,444,757
Unrestricted	81,634,370	79,742,472	92,688,003	91,854,154
Total primary government net position	\$535,740,400	\$549,257,684	\$579,896,275	\$615,954,546

		Fisc	eal Year		
2019	2020	2021	2022	2023	2024
\$365,680,112	\$376,333,750	\$380,801,226	\$392,399,308	\$402,785,079	\$414,866,332
84,258,362	91,916,843	102,118,044	98,424,556	110,905,209	121,178,823
72,469,427	75,722,049	92,960,161	90,636,005	94,678,375	97,477,812
\$522,407,901	\$543,972,642	\$575,879,431	\$581,459,869	\$608,368,663	\$633,522,967
\$86,145,372	\$88,280,564	\$90,090,606	\$95,781,572	\$97,582,690	\$100,215,410
-	- -	· · ·	· · ·	- -	-
28,234,991	30,546,062	39,490,644	40,703,491	49,301,930	54,987,377
\$114,380,363	\$118,826,626	\$129,581,250	\$136,485,063	\$146,884,620	\$155,202,787
\$451,825,484	\$464,614,314	\$470,891,832	\$488,180,880	\$500,367,769	\$515,081,742
84,258,362	91,916,843	102,118,044	98,424,556	110,905,209	121,178,823
100,704,418	106,268,111	132,450,805	131,339,496	143,980,305	152,465,189
\$636,788,264	\$662,799,268	\$705,460,681	\$717,944,932	\$755,253,283	\$788,725,754

CHANGES IN NET POSITION

Last Ten Fiscal Years

(Accrual Basis of Accounting)

		Fiscal Year		
	2015	2016	2017	2018
Expenses				
Governmental activities:				
General services	\$7,574,572	\$9,615,471	\$8,683,447	\$9,659,744
Development services	11,120,055	18,533,117	16,976,729	15,245,431
Public works	15,922,887	19,389,393	16,680,711	18,613,129
Public safety	30,927,415	35,429,025	29,006,295	32,937,726
Community services	15,987,952	18,455,451	17,298,796	16,800,345
Interest on long-term debt Total governmental activities expenses	1,587,935 83,120,816	1,537,926 102,960,383	1,553,254 90,199,232	1,183,925 94,440,300
Business-type activities:				
Water/wastewater utility	23,091,127	24,967,519	25,078,431	24,838,208
Storm water utility	3,453,095	3,693,302	3,691,245	3,867,530
Recreational facilities	5,620,253	6,269,405	6,178,658	5,811,867
Solid waste management	1,895,481	3,263,225	6,974,219	7,283,298
Contractual police	2,390,195	2,524,831	1,445,658	1,884,065
Total business-type activities expenses	36,450,151	40,718,282	43,368,211	43,684,968
Total primary government expenses	\$119,570,967	\$143,678,665	\$133,567,443	\$138,125,268
Program revenues				
Governmental activities:				
Charges for services: General services	\$3,906,587	\$3,084,579	\$3,441,225	\$3,849,226
Development services	5,788,420	4,551,060	4,675,889	6,570,742
Public works	85,841	216,346	149,818	142,735
Public safety	559,691	578,786	636,330	455,900
Community services	2,084,066	2,178,829	2,018,744	2,016,578
Operating grants and contributions	7,103,296	7,838,532	7,405,866	6,016,557
Capital grants and contributions	17,377,334	27,077,936	24,802,770	26,869,409
Total governmental activities program revs	36,905,235	45,526,068	43,130,642	45,921,147
Business-type activities:				
Charges for services:				
Water/wastewater	21,412,966	23,562,178	25,149,599	27,907,362
Storm water	5,269,105	5,528,944	5,854,164	6,292,929
Recreational facilities	3,710,670	3,749,856	3,707,859	3,544,045
Solid waste management	1,013,611	2,496,610	6,813,378	7,128,905
Contractual police Operating grants and contributions	2,603,401	2,745,703	1,434,432	1,983,486
Capital grants and contributions	519,824 245,654	335,884 584,363	371,202 306,382	213,200 768,452
Total business-type activities program revs	34,775,231	39,003,538	43,637,016	47,838,379
Total primary government program revs	\$71,680,466	\$84,529,606	\$86,767,658	\$93,759,526
Net (expense) revenue:				
Governmental activities	(46,215,581)	(57,434,315)	(47,068,590)	(48,519,153)
Business-type activities	(1,674,920)	(1,714,744)	268,805	4,153,411
Total primary gov't net (expense) revenue	(\$47,890,501)	(\$59,149,059)	(\$46,799,785)	(\$44,365,742)
General revenues and other changes in net position Governmental activities:				
Taxes: Property taxes	\$48,881,455	\$51,260,264	\$53,080,612	\$55,864,418
Local sales tax	-	-	-	-
Business taxes	14,412,263	16,936,341	16,274,658	18,042,869
Unrestricted grants and contributions	2,877,947	1,977,371	3,825,860	1,188,665
Gain on sale of capital assets	163,564	87,942	195,169	39,997
Investment earnings	1,061,308	901,701	1,815,321	2,548,752
Transfers	(5,267)	(132,730)	(21,936)	(613,420)
Total governmental activities	67,391,270	71,030,889	75,169,684	77,071,281
Business-type activities: Taxes	1 414 133	1 427 084	2 112 584	2 480 325
Gain on sale of capital assets	1,414,133	1,427,984 21,000	2,112,584	2,489,325
Investment earnings	78,237	53,740	135,172	249,987
Transfers	5,267	132,730	21,936	613,420
Total business-type activities	1,497,637	1,635,454	2,269,692	3,352,732
Total primary government	\$68,888,907	\$72,666,343	\$77,439,376	\$80,424,013
Change in net position:				
Governmental activities	\$21,175,689	\$13,596,574	\$28,101,094	\$28,552,128
Desciones tempo estimitica	(177,283)	(79,290)	2,538,497	7,506,143
Business-type activities Total primary government	\$20,998,406	\$13,517,284	\$30,639,591	\$36,058,271

		Fiscal Y			
2019	2020	2021	2022	2023	2024
\$6,106,221	\$7,903,844	\$6,237,112	\$8,618,788	\$9,530,267	\$9,268,11
21,866,534	17,595,162	17,472,571	16,971,960	22,542,016	28,073,68
19,401,325	18,028,831	19,689,961	29,655,103	34,650,081	24,753,90
35,290,965	27,056,760	24,983,228	40,674,767	42,500,077	50,762,94
17,804,474	18,011,586	17,883,591	14,933,791	16,927,111	26,043,74
1,165,137	1,283,662	1,211,756	1,531,010	1,655,522	2,136,49
101,634,656	89,879,845	87,478,219	112,385,419	127,805,074	141,038,89
25,562,896	26,158,381	25,246,844	28,364,112	29,780,702	31,168,32
4,827,637	5,023,648	5,136,183	5,940,682	5,464,651	5,385,48
6,004,555	5,408,414	5,109,193	6,435,366	7,172,458	6,999,46
7,654,546	8,025,278	8,215,273	10,272,387	9,610,207	10,622,23
1,602,820	1,220,343	926,523	1,021,027	1,722,575	1,509,52
45,652,454	45,836,064	44,634,016	52,033,574	53,750,593	55,685,03
\$147,287,110	\$135,715,909	\$132,112,235	\$164,418,993	\$181,555,667	\$196,723,92
\$3,938,006	\$3,433,002	\$3,561,331	\$3,503,237	\$3,675,833	\$1,615,0
5,776,101	6,538,321	4,994,766	7,076,511	9,875,188	10,438,4
178,416	315,432	624,686	89,626	298,017	485,8
351,555	329,683	375,677	228,256	551,848	881,6
2,294,621	1,642,059	2,147,973	2,216,560	2,830,676	3,442,7
6,853,350	8,739,753	10,044,034	9,139,218	16,150,344	14,631,7
14,079,165	11,509,693	22,665,316	18,074,024	18,227,339	16,252,9
33,471,214	32,507,943	44,413,783	40,327,432	51,609,245	47,748,4
27,082,382	27,661,415	31,736,641	33,011,125	36,347,845	34,955,3
6,646,738	6,956,150	7,074,381	7,191,477	7,688,369	8,272,8
3,548,689	2,373,122	3,511,196	3,960,871	4,838,832	3,867,7
7,403,797	7,806,382	8,084,185	9,452,134	9,722,059	9,919,7
1,661,551	899,894	868,011	1,141,589	1,786,822	1,594,1
725,376	175,616	191,494	421,866	448,187	438,2
663,546	673,632	1,630,181	77,327	-	34,3
47,732,079	46,546,211	53,096,089	55,256,389	60,832,114	59,082,5
\$81,203,293	\$79,054,154	\$97,509,872	\$95,583,821	\$112,441,359	\$106,831,0
(68,163,442)	(57,371,902)	(43,064,436)	(72,057,987)	(76,195,829)	(93,290,4
2,079,625	710,147	8,462,073	3,222,815	7,081,521	3,397,5
(\$66,083,817)	(\$56,661,755)	(\$34,602,363)	(\$68,835,172)	(\$69,114,308)	(\$89,892,9
\$58,885,357	\$61,604,489	\$63,340,502	\$65,582,826	\$71,615,086	\$77,197,1 9,982,3
17,945,320	5,898,986	10,996,191	16,457,285	17,579,451	18,287,8
1,237,962	7,825,710	1,559,116	5,489,909	3,224,762	5,409,2
197,190	164,583	410,144	92,939	247,596	557,2
4,439,564	3,505,797	(1,048,948)	(8,103,016)	10,109,652	8,192,7
(332,679)	(62,922)	(285,780)	(1,881,518)	328,076	(1,181,8
82,372,714	78,936,643	74,971,225	77,638,425	103,104,623	118,444,7
2,957,606	3,129,286	2,148,695	2,140,941	2,137,178	1,930,1
-		(141.024)	(1.200.257)	12,500	12,5
659,725	543,908	(141,924)	(1,209,357)	1,496,434	1,796,1
332,679 3,950,010	62,922 3,736,116	285,780 2,292,551	1,881,518 2,813,102	(328,076) 3,318,036	1,181,8 4,920,6
\$86,322,724	\$82,672,759	\$77,263,776	\$80,451,527	\$106,422,659	\$123,365,3
,- ,	/	,,	,,	, ==,,,,	,,-
				# a c 000 # 0.4	0051540
\$14,209,272	\$21,564,741	\$31,906,789	\$5,580,438	\$26,908,794	
\$14,209,272 6,029,635 \$20,238,907	\$21,564,741 4,446,263 \$26,011,004	\$31,906,789 10,754,624 \$42,661,413	\$5,580,438 6,035,917 \$11,616,355	\$26,908,794 10,399,557 \$37,308,351	\$25,154,30 8,318,10 \$33,472,4

FUND BALANCES, GOVERNMENTAL FUNDS

Last Ten Fiscal Years

(Modified Accrual Basis of Accounting)

	2015	2016	2017	2018
General Fund:				
Fund balance:				
Nonspendable	\$ -	\$4,337	\$222	\$ -
Restricted	-	-	-	-
Committed	1,259,003	1,179,421	1,799,132	2,069,126
Unassigned	26,700,761	27,625,954	29,143,486	32,599,721
Total general fund	\$27,959,764	\$28,809,712	\$30,942,840	\$34,668,847
All other governmental funds:				
Fund balance:				
Nonspendable	\$20,585	\$17,000	\$18,000	\$18,500
Restricted	51,864,823	56,454,794	54,067,300	52,516,968
Committed	6,494,362	7,376,666	8,676,191	9,222,730
Assigned	21,353,926	25,620,010	29,103,813	30,070,485
Unassigned	-	-	(63,731)	(5,051)
Total all other governmental funds	\$79,733,696	\$89,468,470	\$91,801,573	\$91,823,632

2019	2020	2021	2022	2023	2024
\$ -	¢14.000	¢12.000	\$ -	¢	\$ -
\$ -	\$14,000	\$12,000	\$ -	δ - 2 265 050	*
-	-	-	-	3,265,050	2,460,622
1,852,370	1,269,780	2,112,433	6,068,345	9,980,089	6,701,472
34,687,078	37,780,258	40,441,437	38,829,744	37,912,433	46,407,632
\$36,539,448	\$39,064,038	\$42,565,870	\$44,898,089	\$51,157,572	\$55,569,726
\$18,500	\$32,500	\$63,054	\$ -	\$24,042	\$12,925
55,227,759	54,005,752	56,915,915	68,687,068	70,151,509	110,753,735
11,957,795	13,198,323	15,265,915	17,820,198	18,116,589	17,025,002
32,908,059	34,304,407	39,380,465	39,822,196	44,131,461	49,739,723
(1,880)	(1,774)	(503,376)	(5,692)	-	(66,235)
\$100,110,233	\$101,539,208	\$111,121,973	\$126,323,770	\$132,423,601	\$177,465,150

CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS

Last Ten Fiscal Years

-	2015	2016	2017	2018
Revenues:				
Taxes	\$48,852,186	\$51,277,151	\$53,202,530	\$55,702,232
Special assessments	4,469,106	3,943,212	3,820,155	4,166,801
Local sales tax	-	-	-	-
Lodging and admissions taxes	14,412,263	16,936,352	16,274,658	18,042,869
Business licenses and permits	6,241,921	4,743,748	5,191,270	6,354,508
Fines	1,251,693	1,057,518	1,243,454	885,262
Intergovernmental	17,553,679	14,435,816	21,480,304	20,939,959
Program income	3,116,814	2,908,551	2,385,511	2,161,498
Investment earnings	833,337	701,235	1,396,754	1,872,255
Other revenues	9,870,031	16,056,456	10,369,189	9,809,885
Total revenues	106,601,030	112,060,039	115,363,825	119,935,269
Expenditures:				
Current:				
General services	6,741,110	7,431,274	7,487,434	8,103,825
Development services	8,479,242	14,926,374	10,987,159	11,952,854
Public works	9,989,225	10,778,986	11,333,270	12,222,664
Public safety	29,692,500	32,045,686	31,496,674	33,071,958
Parks and recreation	_	-	_	-
Community services	15,396,539	16,131,465	16,410,862	16,749,515
Debt service:				
Interest	1,697,056	1,680,180	1,746,775	1,518,071
Principal retirement	7,895,000	6,975,000	8,950,000	7,705,000
Capital outlay:				
General services	-	278,450	_	-
Development services	14,577,484	10,555,736	4,365,969	2,147,303
Public works	9,044,239	12,314,905	21,983,079	23,366,023
Public safety	510,613	90,429	125,739	521,315
Parks and recreation	-	-	-	-
Community services	979,392	496,599	3,305,609	1,382,549
Total expenditures	105,002,400	113,705,084	118,192,570	118,741,077
Revenues over (under) expenditures	1,598,630	(1,645,045)	(2,828,745)	1,194,192
•	<u> </u>			, ,
Other financing sources (uses):				
Transfers in	7,268,816	8,063,372	9,075,643	8,566,040
Transfers out	(7,188,369)	(7,925,954)	(8,698,959)	(9,121,654)
Proceeds on sale of capital assets	-	-	-	-
Bonds issued	5,355,000	11,455,000	6,390,000	7,210,000
Refunded bonds paid from escrow	-	-	-	(4,615,000)
Bond premiums	400,749	637,349	528,292	514,488
Total other financing sources (uses)	5,836,196	12,229,767	7,294,976	2,553,874
Net change in fund balance	\$7,434,826	\$10,584,722	\$4,466,231	\$3,748,066
Debt service as a percentage of noncapital expenditures	12.0%	9.8%	11.3%	10.4%
Debt service as percentage of total expenditures	9.1%	7.6%	9.1%	7.8%
- •	- 208 -			

Table 4

2019	2020	2021	2022	2023	2024
\$58,922,678	\$61,550,204	\$63,416,380	\$65,359,682	\$69,706,468	\$78,878,167
3,697,939	4,004,688	3,691,535	3,949,809	3,010,737	3,214,739
-	-	-	-	-	9,982,343
17,945,320	5,898,986	10,996,191	16,457,285	17,579,452	18,287,822
6,875,207	6,536,353	6,021,564	8,082,182	6,675,071	7,919,278
758,081	457,090	445,686	389,887	584,986	761,897
12,130,865	18,820,880	16,017,184	21,407,196	26,731,889	22,749,675
2,391,552	1,605,827	2,191,342	2,268,552	2,903,922	3,548,496
3,242,671	2,446,981	(859,209)	(6,335,128)	7,622,090	6,247,095
9,521,012	9,547,287	9,937,906	10,246,972	15,533,882	14,475,826
115,485,325	110,868,296	111,858,579	121,826,437	150,348,497	166,065,338
6,594,273	7,628,013	6,530,378	7,489,571	8,200,208	9,450,963
17,574,031	13,647,728	11,674,375	13,187,975	14,836,733	24,979,611
12,575,661	11,243,353	12,573,666	18,814,333	23,466,629	13,373,268
33,525,568	35,583,266	34,392,291	37,105,476	43,200,138	51,101,806
9,747,086	9,047,173	9,477,874	4,105,296	4,149,743	14,302,982
7,380,426	9,049,118	8,845,792	9,801,255	10,748,831	11,687,744
1,484,983	1,716,496	1,725,817	1,716,318	2,664,404	2,406,787
7,285,000	7,465,000	7,655,000	10,920,000	6,820,000	7,269,431
_	-	-	21,521	-	_
8,422,424	521,130	3,164,818	3,427,993	300,605	1,135,898
13,685,921	14,790,476	11,063,864	18,483,476	12,513,522	14,405,316
246,070	3,276,476	388,138	6,640,648	6,205,854	427,960
755,856	1,842,074	1,969,783	2,005,714	2,297,239	9,388,155
36,115	18,100	88,341	-	56,421	-
119,313,414	115,828,403	109,550,137	133,719,576	135,460,327	159,929,921
(3,828,089)	(4,960,107)	2,308,442	(11,893,139)	14,888,170	6,135,417
· ·					
7,644,763	13,144,063	11,230,074	18,650,997	7,138,397	12,203,941
(7,909,867)	(13,575,382)	(10,831,830)	(21,194,962)	(9,667,253)	(14,235,582)
-	-	1,841,454	-	-	-
13,300,000	6,958,540	7,520,000	29,401,460	-	43,890,000
-	1,975,000	1 017 457	2.5(0.6(0	-	1 450 027
950,395	411,451	1,016,457	2,569,660	(2 529 956)	1,459,927
13,985,291	8,913,672	10,776,155	29,427,155	(2,528,856)	43,318,286
\$10,157,202	\$3,953,565	\$13,084,597	\$17,534,016	\$12,359,314	\$49,453,703
9.5%	9.9%	10.1%	12.3%	8.3%	7.2%
7.4%	7.9%	8.6%	9.4%	7.0%	6.1%
			- 200 -		

TAX CAPACITY VALUE AND ESTIMATED MARKET VALUE OF TAXABLE PROPERTY Last Ten Fiscal Years

Fiscal Year Ended December 31	Residential Property (a)				 All Other ^(b)	 Total Tax Capacity ^(c)		Less: Fiscal Disparity Contribution (d)	
2015	\$	64,894,848	\$	70,943,301	\$ 2,072,962	\$ 137,911,111	\$	11,956,404	
2016		70,536,480		81,279,393	2,113,468	153,929,341		12,505,688	
2017		75,259,992		85,280,733	2,165,600	162,706,325		14,137,440	
2018		81,653,574		87,864,419	2,316,715	171,834,708		14,293,380	
2019		87,297,785		91,040,654	2,242,278	180,580,717		14,430,978	
2020		95,303,027		94,095,128	2,101,633	191,499,788		15,510,119	
2021		97,714,251		97,194,989	1,474,008	196,383,248		15,823,985	
2022		105,453,263		89,705,728	1,523,080	196,682,071		15,229,450	
2023		124,655,232		95,814,141	2,081,827	222,551,200		13,462,405	
2024		127,411,422		102,049,864	2,059,229	231,520,515		15,173,464	

Source: City of Bloomington Assessing Division

By State Statute, property taxes are calculated and collected based on the prior year's assessor market value. For example, the tax capacity and market value figures for payable 2024 above relate to the January 2, 2023 assessment.

⁽a) Includes single-family homes, condominiums, townhouses, cooperatives, apartments and residential vacant land.

⁽b) Includes personal property accounts and utilities/machinery classification.

⁽c) Includes properties in tax increment financing (TIF) districts, the majority of which are commercial/industrial.

⁽d) Figure represents fiscal disparities contribution net of fiscal disparities distribution.

⁽e) Figure represents total tax capacity less net fiscal disparities. Note that total direct tax rate in the next column is calculated based on total tax capacity less fiscal disparities contribution and less tax capacity in TIF districts.

Adjusted Tax Capacity Value ^(e)	Total Direct Tax Rate	Estimated Market Value (EMV)	Tax Capacity as a Percent of EMV
\$ 125,954,707	45.67	\$ 10,435,859,700	1.21%
141,423,653	44.29	11,463,977,000	1.23%
148,568,885	40.93	12,080,139,600	1.23%
157,541,328	40.57	12,802,264,000	1.23%
166,149,739	40.05	13,472,272,600	1.23%
175,989,669	39.56	14,348,825,000	1.23%
180,559,263	39.74	14,695,644,300	1.23%
181,452,621	40.73	15,010,645,700	1.21%
209,088,795	38.01	17,110,031,100	1.22%
216,347,051	39.82	17,684,661,400	1.22%

Last Ten Fiscal Years

	Direct Ra	te - City of Bloo	omington	(Overlapping Rates	s*	
Fiscal				School		Other	
Year	Operating	Debt	Total	District	County	Districts	Total
2015	41.98	3.69	45.67	25.74	46.40	12.76	130.57
2016	40.95	3.34	44.29	24.25	45.36	12.38	126.28
2017	37.88	3.05	40.93	20.63	44.09	12.13	117.77
2018	37.70	2.87	40.57	20.76	42.81	11.73	115.87
2019	36.95	3.10	40.05	20.13	41.86	11.25	113.29
2020	36.20	3.35	39.56	19.86	41.08	10.86	111.35
2021	36.47	3.28	39.74	20.25	38.21	10.43	108.63
2022	37.22	3.51	40.73	21.51	38.54	10.45	111.23
2023	34.49	3.53	38.01	17.31	34.54	9.29	99.15
2024	36.16	3.66	39.82	18.09	34.68	9.31	101.89

Sources: Hennepin County and City of Bloomington Assessing Division

For example, a small percentage of Bloomington taxpayers pay school district taxes to schools in neighboring communities. Also, the Other Districts rates include Watershed taxing districts, of which there are four different rates depending on location of parcels in Bloomington.

^{*}Overlapping rates are those of local and county governments that apply to property owners within the City. Not all overlapping rates apply to all City property owners. Although County property tax rates apply to all City property owners, the Other Districts rates apply only to property owners whose property is located within certain geographic boundaries.

PRINCIPAL PROPERTY TAXPAYERS

Current Year and Nine Years Ago

	Pay	able 2024	ļ	Payable 2015			
Taxpayer	Taxable Capacity Value	Rank	Percentage of Total City Capacity Value	Taxable Capacity Value	Rank	Percentage of Total City Capacity Value	
Mall of America	\$18,250,578	1	7.88%	\$13,873,450	1	10.06%	
Opal Holdings	6,547,780 ^(a)	2	2.83%	-	-	-	
Kraus-Anderson	2,346,586	3	1.01%	1,956,460	3	1.42%	
Workspace Property Trust	1,733,992 ^(b)	4	0.75%	-	-	-	
Carlson Companies	1,677,180	5	0.72%	1,524,410	4	1.11%	
Hampshire 10660 LLC (Audenn)	1,273,388	6	0.55%				
HealthPartners	1,265,622	7	0.55%				
Bcs3 Housing LLC (The Fenley)	1,215,200	8	0.52%				
ML CASA II (Avalon at Devonshire	1,208,638	9	0.52%				
Timberland Indigo LLC	1,156,400 ^(c)	10	0.50%	-	-	-	
Metropolitan Life Insurance	-	-	-	6,055,980 ^(a)	2	4.39%	
CB Richard Ellis	-	_	-	1,411,780	5	1.02%	
Liberty Property LP	-	_	-	1,316,628 ^(b)	6	0.95%	
Frauenshuh	-	_	-	1,046,375	7	0.76%	
Gateway Lake Properties	-	_	-	1,017,260	8	0.74%	
IRET Properties	-	_	-	931,220	9	0.68%	
Founders Properties	<u>-</u>	-		843,640	10	0.61%	
Total =	\$36,675,364		15.85%	\$29,977,203		21.74%	
Total All Property	\$231,520,515			\$137,911,111			

Source: City of Bloomington Assessing Division

Note: Tax capacity values above relate to the prior year's assessment.

⁽a) Normandale Lake Office Park sold by Teachers Insurance to Equity Group in August 2012, who then sold to Metropolitan Life in October 2014. Metropolitan Life sold in July 2022 to Opal Holdings.

⁽b) Liberty Property Trust properties sold to Workspace Property Trust in October 2016.

^(c) Timberland Indigo LLC purchased from Lennar Multifamily Companies in 2024.

Last Ten Fiscal Years

Fiscal Year	Taxes Levied	Collected Within The Fiscal Year of the Levy		Delinquent Collections in	Total Collections to Date		
Ended	For The		Percentage	Subsequent		Percentage	
December 31,	Fiscal Year	Amount	of Levy	Years (a)	Amount	of Levy	
2015	\$ 49,971,775	\$ 49,888,157	99.83%	\$ (25,883)	\$ 49,862,274	99.78%	
2016	52,845,452	52,561,489	99.46%	(336,619)	52,224,870	98.83%	
2017	55,883,748	55,477,456	99.27%	(562,215)	54,915,241	98.27%	
2018	58,398,517	58,069,379	99.44%	(341,739)	57,727,640	98.85%	
2019	61,756,432	61,429,758	99.47%	(18,365)	61,411,393	99.44%	
2020	64,689,863	64,078,788	99.06%	122,448	64,201,236	99.24%	
2021	66,468,834	65,703,985	98.85%	(145,632)	65,558,353	98.63%	
2022	68,296,727	67,670,986	99.08%	(288,688)	67,382,298	98.66%	
2023	74,545,878	71,824,702	96.35%	1,720,756	73,545,458	98.66%	
2024	80,484,270	79,285,955	98.51%	-	79,285,955	98.51%	

Source: City of Bloomington Finance Department

⁽a) Negative amounts in the "Delinquent Collection in Subsequent Years" column reflect reductions of assessed property values.

RATIOS OF OUTSTANDING DEBT BY TYPE

Last Ten Fiscal Years

		Government	tal Activities			Business-Type Activities			
Fiscal Year	General Obligation Bonds	Improvement Bonds	Tax Increment Bonds	Sales Tax Revenue Bonds	Total Governmental Activities	Revenue Bonds	Total Primary Government	Percentage of Personal Income ^(a)	Per Capita ^(a)
2015	\$ 7,055,000	\$ 51,139,974	\$ 2,850,000	\$ -	\$61,044,974	\$ -	\$ 61,044,974	1.4%	\$ 707
2016	7,180,000	55,489,159	4,770,000	-	67,439,159	-	67,439,159	1.5%	790
2017	5,520,000	54,392,867	4,635,000	-	64,547,867	1,170,000	65,717,867	1.4%	765
2018	6,320,000	48,597,893	4,105,000	-	59,022,893	12,656,987	71,679,880	1.5%	838
2019	7,290,000	47,079,614	10,660,000	-	65,029,614	14,144,480	79,174,094	1.6%	932
2020	5,980,000	46,198,333	13,668,540	-	65,846,873	13,516,973	79,363,846	1.4%	882
2021	6,525,000	45,018,787	14,083,540	-	65,627,327	12,659,466	78,286,793	1.3%	861
2022	18,040,000	52,727,039	15,275,000	-	86,042,039	11,771,959	97,813,998	1.6%	1,082
2023	17,435,000	46,003,856	15,060,000	-	78,498,856	10,844,451	89,343,307	1.4%	976
2024	26,877,619	39,111,662	14,740,569	35,118,499	115,848,349	9,881,945	125,730,294	1.8%	1,370

Source: City of Bloomington Finance Department

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

^(a) See Table 14 for personal income and population data.

RATIOS OF GENERAL BONDED DEBT OUTSTANDING

Last Ten Fiscal Years

	Ger	neral Obligation [Debt	_				N	let
	General		Tax	_	Less		Percentage of		nded
Fiscal	Obligation	Improvement	Increment		Debt Service	Net	Estimated Market		t Per
Year	Bonds	Bonds	Bonds	Total	Fund Balance	Bonded Debt	Value of Property ^(a)	Cap	ita ^(b)
2015	\$ 7,055,000	\$ 51,139,974	\$ 2,850,000	\$61,044,974	\$ 18,208,674	\$ 42,836,300	0.41%	\$	496
2016	7,180,000	55,489,159	4,770,000	67,439,159	23,725,327	43,713,832	0.38%		512
2017	5,520,000	54,392,867	4,635,000	64,547,867	21,701,505	42,846,362	0.35%		499
2018	6,320,000	48,597,893	4,105,000	59,022,893	17,109,882	41,913,011	0.33%		490
2019	7,290,000	47,079,614	10,660,000	65,029,614	17,580,823	47,448,791	0.35%		559
2020	5,980,000	46,198,333	13,668,540	65,846,873	20,742,551	45,104,322	0.31%		501
2021	6,525,000	45,018,787	14,083,540	65,627,327	20,664,346	44,962,981	0.31%		494
2022	18,040,000	52,727,039	15,275,000	86,042,039	18,217,700	67,824,339	0.45%		750
2023	17,435,000	46,003,856	15,060,000	78,498,856	19,390,625	59,108,231	0.35%		646
2024	26,877,619	39,111,662	14,740,569	80,729,850	24,135,699	56,594,151	0.32%		617

Source: City of Bloomington Finance Department

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

⁽a) See Table 5 for estimated market value data.

⁽b) See Table 14 for population data.

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

December 31, 2024

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable (a)	Estimated Share of Overlapping Debt
Debt repaid with property taxes:			
School Districts:			
ISD No. 271	\$180,485,000	99.99%	\$180,466,952
ISD No. 272	97,360,000	0.40%	389,440
ISD No. 273	259,735,000	0.91%	2,363,589
Other debt:			
Hennepin County	1,199,355,000	7.17%	85,993,754
Hennepin County Park District	55,385,000	9.68%	5,361,268
Hennepin Regional RR Authority	76,945,000	7.17%	5,516,957
Metropolitan Council	178,505,000	3.25%	5,801,413
Subtotal - overlapping debt			285,893,371
City direct debt (b)	80,729,850	100.00%	80,729,850
Total direct and overlapping debt			\$366,623,221

Source: Hennepin County

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City. This process recognizes that, when considering the City's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

⁽a) The percentage of overlapping debt applicable is estimated using the taxable market values. Applicable percentages were estimated by determining the portion of the county's and school district's taxable market value that is within the City's boundaries.

⁽b) Excludes revenue bonded indebtedness.

LEGAL DEBT MARGIN INFORMATION

Last Ten Fiscal Years

	2015	2016	2017	2018
Debt limit	\$313,075,791	\$343,919,310	\$362,404,188	\$384,067,920
Total net debt applicable to limit	5,039,777	3,884,062	4,114,836	4,895,008
Legal debt margin	\$308,036,014	\$340,035,248	\$358,289,352	\$379,172,912
Total net debt applicable to the limit as a percentage of debt limit	1.61%	1.13%	1.14%	1.27%

Source: City of Bloomington Finance Department

Note: Under State finance law, Minnesota Statute 475.53, the City's outstanding general obligation debt should not exceed 3% of total assessed market value. The general obligation debt subject to the limitation is offset by amounts set aside for repaying general obligation bonds.

For example, in 2024 the debt limit was \$530,539,842, the total net debt applicable to the limit was \$22,979,444, and the City could issue up to an additional \$507,560,398 of general obligation debt and still be in compliance with the above statute.

2019	2020	2021	2022	2023	2024
\$404,168,178	\$430,464,750	\$440,869,329	\$450,319,371	\$513,300,933	\$530,539,842
5,720,003	4,129,028	5,796,236	16,943,503	15,958,179	22,979,444
\$398,448,175	\$426,335,722	\$435,073,093	\$433,375,868	\$497,342,754	\$507,560,398
1.42%	0.96%	1.31%	3.76%	3.11%	4.33%

Legal Debt Margin Calculation for Fiscal Year 2024

Market value	\$17,684,661,400
Debt limit (3% of market value)	530,539,842
Debt applicable to limit:	
General obligation bonds	24,825,000
Less: Amount set aside for repayment	
of general obligation debt	(1,845,556)
Total net debt applicable to limit	22,979,444
Legal debt margin	\$507,560,398

PLEDGED-REVENUE COVERAGE

Last Ten Fiscal Years

		1	Enterprise Rever	nue Bonds (a)						
Fiscal	Pledged Service	Less Operating	Net Available	Debt S	Service		Special Assessment	Debt S	ervice	
Year	Charges	Expenses (c)	Revenue	Principal	Interest	Coverage	Collections	Principal	Interest	Coverage
2015	\$ -	\$ -	\$ -	\$ -	\$ -	0.00	\$4,278,664	\$6,890,000	\$1,329,972	0.52
2016	-	-	-	-	-	0.00	3,752,488	5,940,000	1,320,498	0.52
2017	25,149,599	22,781,314	2,368,285	-	23,746	99.73	3,617,854	6,330,000	1,355,018	0.47
2018	34,227,654	25,444,879	8,782,775	110,000	43,073	57.38	3,978,335	11,420,000	1,360,135	0.31
2019	33,727,328	26,553,698	7,173,630	105,000	341,918	16.05	3,457,212	6,340,000	1,331,524	0.45
2020	34,617,565	27,581,704	7,035,861	575,000	553,253	6.24	3,780,307	6,510,000	1,414,097	0.48
2021	38,811,024	26,769,228	12,041,796	805,000	512,483	9.14	3,450,022	6,670,000	1,370,876	0.43
2022	39,737,879	29,700,445	10,037,434	835,000	475,108	7.66	3,494,919	6,560,000	1,435,219	0.44
2023	44,036,214	30,559,288	13,476,926	875,000	434,933	10.29	2,828,269	6,605,000	2,368,532	0.32
2024	43,228,162	32,202,527	11,025,635	910,000	391,833	8.47	3,017,820	6,950,000	2,062,193	0.33

Source: City of Bloomington Finance Department

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

^(a) From 2017 to present, the enterprise bonds have pledged revenues from the water utility, storm water utility, and special assessments.

^(b) Both improvement bonds and tax increment bonds are general obligation bonds and have tax levy authority to cover all debt requirements. In 2018 the City had advanced refunding bonds that refunded the original issue.

⁽c) Operating expenses do not include depreciation.

	Tax Increment	Bonds ^(b)		\$	Sales Tax Rev	enue Bonds (b))
Tax Increment	Debt Se	ervice		Sales Tax	Debt	Service	
Collections	Principal	Interest	Coverage	Collections	Principal	Interest	Coverage
\$885,766	\$120,000	\$107,765	3.89	\$ -	\$ -	\$ -	0.00
1,179,405	125,000	104,090	5.15	-	-	-	0.00
1,486,003	135,000	116,415	5.91	-	-	-	0.00
1,626,230	530,000	119,629	2.50	-	-	-	0.00
1,641,424	545,000	111,859	2.50	-	-	-	0.00
1,696,122	540,000	103,119	2.64	-	-	-	0.00
1,888,380	560,000	108,732	2.82	-	-	-	0.00
2,691,175	570,000	56,089	4.30	-	-	-	0.00
2,811,938	190,000	22,841	13.21	-	-	-	0.00
2,263,905	190,000	20,942	10.73	-	-	-	0.00

Fiscal		Total Personal	Per Capita Personal	Public School	Unemploy	ment Rate (4)
Year	Population (1)	Income (2)	Income (2)	Enrollment (3)	Bloomington	Metropolitan Area
2015	86,435	\$4,368,511,335	50,541	9,980	2.9%	3.2%
2016	85,319	\$4,446,570,323	52,117	10,273	3.4	3.6
2017	85,866	\$4,554,590,238	53,043	10,136	2.8	2.9
2018	85,578	\$4,824,374,172	56,374	10,171	2.7	2.8
2019	84,943	\$5,069,653,069	59,683	10,182	2.8	3.0
2020	89,987	\$5,537,799,980	61,540	10,009	4.9	4.5
2021	90,974	\$5,957,523,364	65,486	9,622	2.4	2.4
2022	90,438	\$6,150,688,380	68,010	9,805	2.9	2.8
2023	91,537	\$6,578,398,042	71,866	9,802	2.5	2.4
2024	91,769	\$6,877,444,167	74,943	9,775	2.4	2.5

Sources:

Metropolitan Council estimates were used from the 2021 report and going forward.

⁽¹⁾ U.S. Census estimates were used for 2013 through 2020.

⁽²⁾ Minnesota per capita income, as published by Bureau of Economic Analysis

⁽³⁾ Bloomington School District #271

⁽⁴⁾ Minnesota Department of Employment and Economic Development, based on December rates

		2024			2015	
			Percentage			Percentage
			of Total			of Total
			City			City
Employer	Employees (1)	Rank	Employment (2)	Employees (1)	Rank	Employment (2)
Mall of America Tenants	11,000	1	12%	13,000	1	15%
HealthPartners	3,600	2	4%	2,792	2	3%
Bloomington School District #271	1,893	3	2%	1,893	3	2%
Seagate Technology	1,245	4	1%	1,700	4	2%
Donaldson Company	1,172	5	1%	1,016	7	1%
Toro Company	1,150	6	1%	1,020	5	1%
General Dynamics	684	7	1%	-	-	0%
GN Resound	661	8	1%	-	-	0%
Pearson	637	9	1%	1,018	6	1%
City of Bloomington	637	9	1%	-	-	-
Express Scripts	-	-	-	722	8	1%
Normandale Community College	-	-	-	675	9	1%
Minnesota Masonic Home		-		626	10	1%
Total	22,679		26%	24,462		28%
Total City Employment	88,209			87,259		

Sources: (1) City of Bloomington Finance Department

FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM Last Ten Fiscal Years

	Full-Tim	ne Equivalent Emplo	oyees as of Decemb	per 31
Function/Program	2015	2016	2017	2018
Governmental activities:				
General services	80	82	84	82
Development services	69	69	71	71
Public works	117	118	121	122
Public safety	160	165	165	165
Community services	60	59	55	52
Total governmental activities	486	493	496	492
Business-type activities:				
Water/wastewater	54	54	54	54
Storm water	12	12	12	12
Recreational facilities	18	18	18	18
Solid waste management	1	1	1	1
Contractual police	-	-	-	-
Motor vehicle	6	6	6	6
Total business-type activities	91	91	91	91
Total	577	584	587	583

Source: City of Bloomington Finance Department

^(a) In 2023, the City transitioned from a part-time paid-on-call fire department to a hybrid model incorporating both part-time and full-time firefighters. This included the addition of 25 full-time firefighters, with 18 of these positions funded for three years by a SAFER (Staffing for Adequate Fire and Emergency Response) grant administered by the Federal Emergency Management Agency (FEMA).

⁽b) In 2024, the City transitioned 28 Park Maintenance Employees from Public Works to Community Services.

2024	2023	2022	2021	2020	2019
84	83	76	73	74	74
84	82	79	76	84	84
92	119	119	118	121	121
210	200 ^(a)	170	167	167	167
90	58	54	53	52	52
560	542	498	487	498	498
53	53	52	52	53	53
11	11	11	11	12	12
11	11	12	11	15	15
2	2	1	1	1	1
-	-	-	-	-	-
-	-	-	-	6	6
77	77	76	75	87	87

OPERATING INDICATORS BY FUNCTION/PROGRAM

Last Ten Fiscal Years

	Fiscal Year			
Function/Program	2015	2016	2017	2018
Governmental activities:				
General services:				
New full-time employees hired	51	46	40	40
Criminal case scheduled appearances	20,000	22,000	20,000	20,876
Purchase orders issued	1,026	995	878	767
Development services:	1,020	,,,,	0,0	, , ,
Permits issued	12,313	11,856	10,859	10,568
Estimated value of permits	\$485,208,914	\$185,368,384	\$304,605,776	\$391,619,950
Public works:	4,,	4,,	*** ',***,***	*** -,* ,* - *
Street resurfacing (miles)	40	38	41	40
Street sweeping (tons of material)	2,635	2,850	3,475	2,950
Public safety:	_,***	_,	2,1,2	_,
Bookings	2,218	2,320	2,256	2,112
DWI's	362	363	423	371
Part 1 crimes (c)	3,118	3,035	2,812	2,775
Group A crimes (d)	-	-	-	-
Fire department emergency responses	1,510	1,769	1,802	1,692
Fires extinguished	184	166	175	209
Fire inspections	2,851	2,219	3,024	2,955
Fire investigations	105	115	62	47
Community services:	103	113	02	.,
City website pageviews	1,468,653	1,629,355	1,846,618	1,965,802
Number of E-Subscribers	14,593	21,464	23,750	25,515
Influenza immunizations	3,216	2,795	2,666	2,808
Business-type activities:	3,210	2,793	2,000	2,000
Water/wastewater utility:				
Average daily consumption (gallons)	10,300,000	10,360,000	9,990,000	10,100,000
Average daily sewage treatment (gallons)	7,920,000	8,100,000	7,520,000	7,879,000
Storm water utility:	7,720,000	0,100,000	7,320,000	7,072,000
Storm mains inspected (miles)	11	12	8	8
Recreational facilities:	11	12	O	0
Golf course rounds played	62,392	57,599	53,373	55,885
* *	9,793	37,399 9,752	9,838	9,103
Ice garden hours Solid waste management:	7,173	9,732	9,038	9,103
Annual bulky trash clean-up (tons)	1 759	1,949	1,807	1,425
Annual bulky recycling/reuse pick-up (tons)	1,758	1,747	1,807	1,423
Contractual police:	-	-	-	-
Overtime hours billed	23,481 ^(g)	25,666 ^(g)	10,284	14,924
Overtime nours office	23,481	23,000	10,284	14,924

Sources: Various City of Bloomington departments.

⁽a) The increase in hiring is a combination of employee turnover due to retirements and market competitiveness.

Additionally, the City added a number of new positions to its budget to better meet the changing needs of the City.

⁽b) Due to pandemic impacts, several City areas experienced significant closures and service reductions.

⁽c) Part 1 crimes include homicide, rape, robbery, aggravated assault, burglary, theft, auto theft, and arsonserious offenses, as classified by the FBI using the Summary Reporting System (SRS).

⁽d) In September 2020, the City changed to the National Incident-Based Reporting System (NIBRS). Group A crimes include an expanded classification of serious offenses.

2010	2020	Fiscal Y		2022	2024
2019	2020	2021	2022	2023	2024
48	31	49	103 ^(a)	101	9
20,750	18,177	18,441	21,943	26,303	31,050
779	577	553	603	610	70
10,600	9,880	10,502	11,925	11,941	16,35
3411,122,855	\$420,614,800	\$389,171,071	\$549,375,264	\$345,891,877	\$500,044,77
41	13 ^(b)	43	34	33	3
3,150	3,525	3,675	3,250	3,590	3,12
2,454	1,829 ^(b)	1,673	1,654	1,934	1,84
474	212	187	228	219	26
3,115	1,590 ^(c)	-	-	-	-
- (-)	2,328 ^(d)	6,303	6,239	6,640	5,75
2,451 ^(e)	3,195	4,781	5,131	7,962 ^(f)	10,47
255	229	206	194	177	18
3,274	2,323	1,846	2,422	2,237	2,32
67	69	54	76	85	8
2,841,638	3,492,462	3,620,912	5,700,654	5,517,225	2,211,44
28,583	29,200	32,118	33,408	35,985	37,51
2,803	2,348	1,762	1,612	1,329	93
9,436,000	9,246,000	10,300,000	9,400,000	9,940,000	8,722,00
7,360,000	7,410,000	7,036,000	7,240,000	7,280,000	7,307,00
8	8	8	8	10	
53,675	45,027 ^(b)	50,501	49,089	51,357	53,35
9,722	4,967 ^(b)	9,148	10,191	10,848	10,92
1,536	1,894	1,538	954	_ (h)	1,53
-	-	-	-	124.5 ^(h)	309.
10,033	6,587 ^(b)	7,717 ^(b)	12,535	20,018 ⁽ⁱ⁾	16,45

⁽e) Firefighters began training as EMTs and responding to medical calls in 2019, increasing emergency response totals.

^(f) Fulltime firefighters were added to the paid on-call Fire Department in 2023, allowing for quicker responses. With the addition of upgraded equipment, the new "combination" department became the primary responder to most medical emergencies.

^(g) Google Analytics changed how page views are counted in mid-2023.

^(h) In 2023, the City moved to an every other year curbside bulky trash pickup day and added monthly curbside pickup for reusable and recyclable bulky items, as well as an annual bulky drop-off recycling event open to all residents.

⁽i) Increased requests from a few customers resulted in significantly increased use of police contractual services.

CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM

Last Ten Fiscal Years

	Fiscal Year			
Function/Program	2015	2016	2017	2018
Governmental activities:				
Public works:				
Streets (miles)	342	342	342	342
Streetlights	4,361	4,361	4,380	4,456
Traffic signals	143	143	143	143
Emergency vehicle pre-emption systems	122	122	122	122
Emergency outdoor warning sirens	22	22	22	22
Public safety:				
Police stations	1	1	1	1
Patrol units - marked and unmarked	37	37	37	38
Police admin and investigative vehicles	27	27	29	30
Fire stations	6	6	6	6
Community services:				
Community center	1	1	1	1
Skate park	1	1	1	1
Playgrounds/playlots	54	54	53	53
Baseball/softball diamonds	62	61	61	60
Soccer/football fields	22	22	22	22
Tennis courts	50	50	50	50
Picnic shelters/gazebos	22	22	22	23
Business-type activities:				
Water/wastewater utility:				
Water mains (miles)	498	498	501	503
Fire hydrants	4,665	4,676	4,677	4,712
Storage capacity (gallons)	44,000,000	44,000,000	44,000,000	44,000,000
Sanitary sewers (miles)	385	385	385	384
Storm water utility:				
Storm sewers (miles)	252	252	237	241
Recreational facilities:				
Swimming beaches	1	1	1	1
Swimming pools	1	1	1	1
Golf courses	2	2	2	2
Indoor ice rinks	3	3	3	3

Sources: Various City of Bloomington departments.

Note: No capital asset indicators are available for the general services, development services, solid waste, or contractual police functions.

Table 18

2019	2020	Fiscal Y	2022	2023	2024
2019					2024
342	342	342	340	340	34
4,456	4,456	4,138	4,115	4,117	4,12
143	143	143	143	143	14
122	122	122	122	122	12
22	22	22	22	22	2
1	1	1	1	1	
38	38	38	50	51	4
30	30	30	30	32	3
6	6	6	6	6	
1	1	1	1	1	
1	1	1	1	1	
53	53	53	53	53	4
60	60	60	58	58	
22	22	22	22	22	,
50	50	50	48	48	4
23	23	23	23	23	;
505	505	508	509	514	5
4,737	4,773	4,787	4,811	4,860	4,8
44,000,000	44,000,000	44,000,000	30,000,000	30,000,000	30,000,00
385	385	385	385	397	39
262	235	226	228	233	24
1	1	1	1	1	
1	1	1	1	1	
2	2	2	2	2	
3	3	3	3	3	

