

ANNUAL BUDGET 2026

Bloomington

in tune



CITY OF  
BLOOMINGTON  
MINNESOTA



GENERAL FUND BUDGET  
ADOPTED BY THE  
BLOOMINGTON CITY COUNCIL  
DECEMBER 15, 2025

OTHER FUNDS ADOPTED  
OCTOBER THROUGH  
DECEMBER 2025







GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished  
Budget Presentation  
Award*

PRESENTED TO

**City of Bloomington  
Minnesota**

For the Fiscal Year Beginning

**January 01, 2025**

*Christopher P. Morrill*

Executive Director





March 1, 2026

Dear Reader,

This year, our budget book theme, *Bloomington in Tune*, reminds us that when we listen, collaborate and move together, our community is at its strongest. Every day, Bloomington's neighbors, workers, businesses, nonprofit partners and City staff contribute their talents, each playing an essential role in the rhythm of the city.

As we move along to that shared rhythm, we are advancing the priorities of our community-based strategic plan, *Bloomington. Tomorrow. Together.*, with the mission of cultivating an enduring and remarkable community where people want to be.

To cultivate an enduring and remarkable community, the City needs a solid financial foundation. Bloomington ranks with an elite few cities nationwide in holding three triple-A bond ratings. For the last 22 years, the City has maintained its Aaa status from Moody's, AAA from Standard & Poor's and AAA from Fitch Ratings, the highest bond ratings awarded by these agencies.

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

Find this document on our website along with more detailed financial information from the Annual Comprehensive Financial Report at [blm.mn/financialreports](http://blm.mn/financialreports). You can learn more about the City's strategic plan at [blm.mn/btt](http://blm.mn/btt).

A handwritten signature in blue ink that reads "Lori Economy-Scholler".

Lori Economy-Scholler  
Chief Financial Officer



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# INTRODUCTION AND OVERVIEW





# City of Bloomington

## City Council

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### Mayor



Tim Busse

Term Expires Jan. 2028

### Council Members



Jenna Carter  
At Large

Term Expires Jan. 2028



Danielle Robertson  
At Large

Term Expires Jan. 2030



Dwayne Lowman  
District I

Term Expires Jan. 2030



Shawn Nelson  
District II

Term Expires Jan. 2030



Lona Dallessandro  
District III

Term Expires Jan. 2028



Victor Rivas  
District IV

Term Expires Jan. 2028

## Housing and Redevelopment Authority

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### Chairperson

Jennifer Mueller

### Commissioners

Jenna Carter  
Blake Doblinger  
Victoria Hoogheem  
Samiira Isse  
Danielle Robertson  
Rod Wooten

# Port Authority Commission

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**President** Bob Erickson

**Commissioners** Tim Busse  
Cynthia Hunt  
Rob Lunz  
Shawn Nelson  
Steve Peterson  
Cecilio Santana

## City Administration

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**City Manager** Zach Walker  
**Deputy City Manager** Kathy Hedin  
**Deputy City Manager** L. Elizabeth Tolzmann

**Fire Chief** Ulie Seal  
**Police Chief** Booker T. Hodges  
**City Attorney** Melissa Manderschied  
**Chief Financial Officer** Lori Economy-Scholler  
**Chief Information Officer** Amy Cheney

**Comm. and Engagement Director** Janine Hill  
**Community Development Director** Kim Berggren  
**Parks and Recreation Director** Ann Kattreh

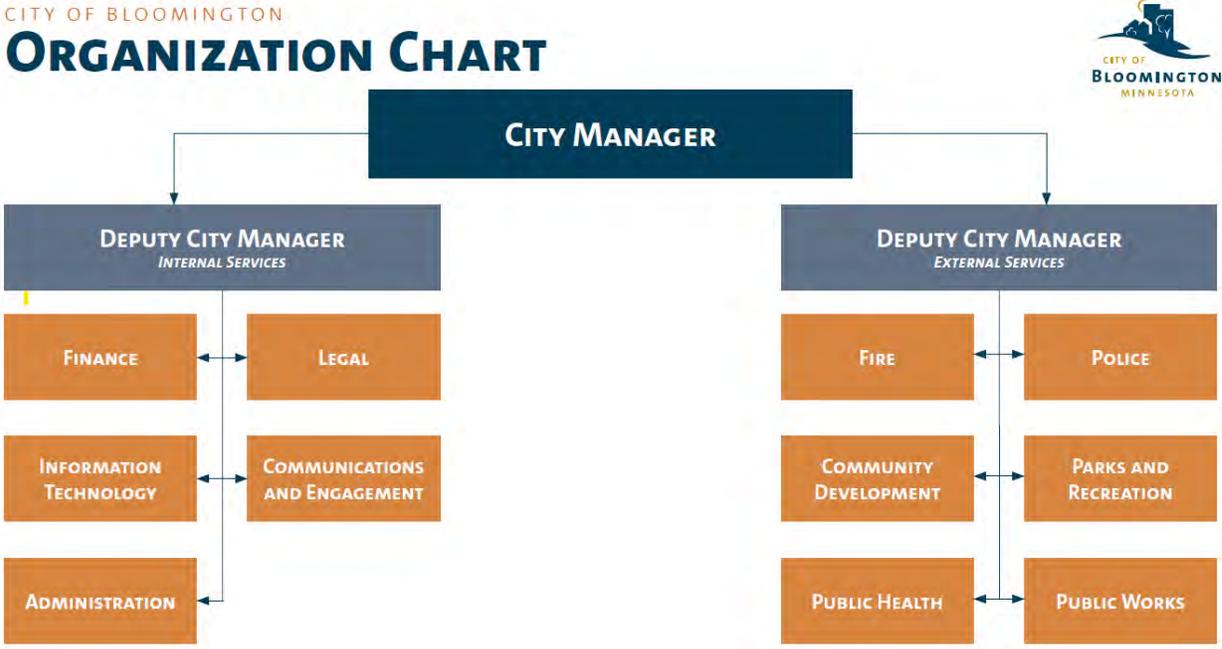
**City Engineer** Julie Long  
**Utilities Superintendent** Scott M. Anderson  
**Maintenance Superintendent** Tim Behrendt  
**Public Health Director** Nick Kelley

# Organization Structure and Chart

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

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

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



# Community Profile

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



*This two minute video describes just some of the wonderful features about Bloomington.*

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

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

# Why Bloomington?

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## Central Location

- 5 minutes from Minneapolis-St. Paul International Airport
  - Ranked #1 for customer satisfaction by JD Power
  - A Delta Airlines hub
- 15 minutes from downtown Minneapolis and downtown St. Paul
- 1 light rail line, 3 bus rapid transit lines, with the most transit stops outside of Minneapolis and St. Paul
- Busiest transit station in the state with over 5,000 daily rides
- Served by 4 major highways that have 80,000+ daily trips:
  - 130,000 daily trips on I-494; 105,000 on I-35W; 90,000 on US Hwy 169; 80,000 on TH77

## Economic & Tourism Hub

- More jobs per capita than St. Paul or Minneapolis, with continuing reinvestment in the area through corporate headquarters
- For over 100 years, both Donaldson Company and Toro have called Bloomington home
- 13.3 million SF of existing office, including the following corporate headquarters: Dairy Queen, Donaldson Company, Great Clips, Jostens Inc., HealthPartners, SICK U.S. Headquarters, and Toro.
- 9.3 million SF of existing retail including the following top brands: Duluth Trading Company, Fresh Thyme, Ikea, Lifetime Fitness, L.L. Bean, REI, and Trader Joes.
- Home to Mall of America which includes retail, dining, experiences, and entertainment
- Over 40 hotels and almost 10,000 hotel rooms
- [Bloomington Travel and Tourism](#)

## Safe, Welcoming, & Well-Managed

- One of [Livability.com's Top 100 Best Places to Live in the US](#)
- Bloomington scored 96 out of 100 on the [2025 Municipal Equality Index](#), the nationwide evaluation prepared annually by the Human Rights Campaign
- According to the [2025 National Survey of Residents](#), 79% of residents feel “excellent” or “good” in terms of overall safety in Bloomington
- City stability with a long-term AAA bond rating from all three rating agencies
- [Community Health and Wellness Center](#)
- [Public Health](#)

## Quality Amenities

- 8,950 acres of parks and open space in [97 Parks](#)
- 38 miles of paved biking trails and 40 miles of unpaved trails
- Connected to the regional trail system along the [National Wildlife Refuge](#) which includes 14,000 acres of protected land and 70 miles of hiking and biking trails
- The [Nokomis-Minnesota River Regional Trail](#) begins in Minneapolis and links with the Nine Mile Creek trail in collaboration with the [Three Rivers Park District](#)
- [Bloomington Family Aquatic Center](#)
- [Bloomington Ice Garden](#)
- [Hyland Hills Ski Area](#)
- 3 golf courses

- Nationally-recognized [Bloomington Public Schools](#) Pre-K-12 schools and programs with 94% of parents rating the quality of education as "excellent" or "good".
- [Normandale Community College](#)
- [Northwestern Health Sciences University](#)
- [Bloomington Center for the Arts](#)

### Demographics

- 91,975 live in Bloomington (9.7% growth in last 10 years)
- 88,209 work in Bloomington
- Daytime population of 140,863
- Over 850,000 people live within 15 minutes of Bloomington
- 45.3% of residents hold a bachelors degrees or higher
- \$90,200 median household income
- Median age 41



# City of Bloomington Strategic Plan

## **Bloomington. Tomorrow. Together**

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

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

### **Our Mission**

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

### **Our Core Values – We believe that...**

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

### **Our Strategic Objectives – By 2030...**

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

### **Our Strategies – What we will do**

1. Build trusting relationships that acknowledge diversity so that we are able to embody our core values, live our mission and achieve our strategic goals.
2. Do what is necessary so that all of the community can understand, support and actively contribute to the achievement of the mission and strategic objectives.

3. Identify and align efforts across organizations in the community to leverage, develop and maximize assets to achieve mutually beneficial outcomes.

### **Measurement Results**

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

### **Strategy 1 Results**

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

### **Strategy 2 Results**

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

### **Strategy 3 Results**

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

**We will not:**

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

**Dashboard**

In 2023, the City launched a [Strategic Plan Dashboard](#) that demonstrates progress across the three priority areas. We will continuously monitor and measure to see how we are progressing toward accomplishment of these objectives.

**Strategic Priorities**



**A connected, welcoming community**

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



**A healthy community**

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



**A community with equitable economic growth**

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

# City Manager's Budget Message

*City Manager Zach Walker*

## **Bloomington in Tune**

This year, our budget book theme, *Bloomington in Tune*, reminds us that when we listen, collaborate and move together, our community is at its strongest. Every day, Bloomington's neighbors, workers, businesses, nonprofit partners and City staff contribute their talents, each playing an essential role in the rhythm of the city.

As we move along to that shared rhythm, we are advancing the priorities of our community-based strategic plan, *Bloomington. Tomorrow. Together.*, with the mission of cultivating an enduring and remarkable community where people want to be.

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

Bloomington has been very fortunate to have a broad revenue base combined with a long history of sound financial management and stable governance. The City is not as dependent as other cities on property taxes, which represents about two-thirds of General Fund revenues.

In 2025, the City continued its commitment to public engagement in the budget planning process. Finance staff updated the [budget webpage](#) with videos, links to presentations and articles with extensive information on the budget planning process. Staff set up tables at popular events, including open houses and farmers markets, to learn what was important to residents when it came to City services. Staff also provided an online feedback platform that was open for months during budget planning.

The City's Annual Budget for fiscal year 2025 integrates City Council priorities and financial planning with community needs and expectations. Doing this ensures that the City continues to meet the needs of residents while maintaining a stable and healthy budget.

## **Renewing community**

Many new developments and property renovations were underway last year in Bloomington. The City's budget dedicates resources to implement plans for community renewal citywide. The following projects were under construction or completed construction in 2025:

- SICK Technology Campus – Phase II, a 144,000 square foot, four-story office building as part of a 547,000 sq. ft. campus.
- Ardor Apartments, 235 market rate units.

- Oxboro Heights Senior Apartments, 125 units affordable between 30%-70% AMI.
- Luther Hyundai, 9,200 sq. ft. dealership expansion.
- Schneiderman’s Furniture, office building conversion to retail plus 4,000 sq. ft. addition.
- Gyropolis, 2,400 square foot expansion of a restaurant.
- The Knox apartments, 99-units with nine units affordable at 50% AMI.
- Ever apartments, 208-units with 17 units affordable at 60% AMI and 1,400 square feet of commercial space.
- The Rosalyn apartments, 128 units with 120 units affordable at 50% AMI and eight units affordable at 30% AMI.
- Community Health and Wellness Center for 106,000 square-foot recreation, community center, and office facility
- Jefferson High School Athletic Stadium
- Kennedy High School Athletic Stadium
- Bloomington Ice Garden Renovation Project

## **Bloomington real estate market**

The value of the median home rose from \$365,300 to \$376,000, a 2.9% increase between 2025 and 2026. In aggregate, the commercial, industrial, and apartment markets were relatively flat between 2025 and 2026. The industrial market cooled after a lengthy run, showing declines in value of 2.1%. Some segments of the commercial market like retail, automotive, and restaurants saw growth, while the significant decline in value of 6.9% in the hospitality market offset much of those gains. The development cycle for multifamily properties continues to stall due to higher interest rates. Values of existing apartments have modestly declined 1.8% year over year.

## **Bloomington’s quality of life scores well in survey**

Bloomington residents consider the overall quality of the city’s natural environment, preservation of natural areas, quality of open space, recycling services and yard waste pick-up services to be key assets according to the 2025 National Community Survey™. Resident sentiments are also on the rise for police, crime prevention and animal control with an increase of about 10 points from the 2024 survey.

Ratings for the availability of preventive health services and availability of affordable quality mental health care saw declines in 2024 that have rebounded sharply in 2025, both ultimately ranking higher than the national average.

Engagement and inclusivity continue to be strengths, with rising ratings for residents’ sense of community, opportunities to volunteer, the community making all residents feel welcome and taking care of vulnerable residents, and openness and acceptance of the community toward people of diverse backgrounds.

Bloomington's economic results were on par with or higher than benchmark comparisons to other communities nationwide. Ratings for Bloomington as a place to work, employment options and shopping opportunities eclipsed those in comparison communities nationally.

### **Other findings**

- When asked to rate sources of information regarding the City, residents identified the *Bloomington Briefing* as a top source, followed by the City's website.
- Snow removal continued to get high marks with a satisfaction rating of 85%, ranking higher than benchmark cities.
- 92% of respondents ranked the City's drinking water as excellent or good, which is much higher than benchmark cities.

This was the 14th year that the National Community Survey™ was conducted in Bloomington. The poll was performed by Polco/National Research Center. For more information and survey results, visit the City's website at [blm.mn/survey](http://blm.mn/survey).

## **Retaining excellent financial integrity**

Bloomington is one of only 36 cities out of more than 19,500 municipal governments in the U.S. that have achieved three triple-A ratings. Bloomington is one of only two Minnesota cities to hold all three ratings. According to the agencies, triple-A status reflects the City's conservative fiscal management, diverse economic base, central location, low unemployment rate that falls below state and national averages, and continued success in the Mall of America tax increment district. The City's excellent bond ratings signal to current and potential investors that our financial future is strong and ensure that interest costs will remain low. They also signal to businesses and individuals that Bloomington is a financially healthy community.

## **Factors influencing decisions – Strategic priorities**

Many community members and City staff worked together to create the *Bloomington. Tomorrow. Together.* strategic plan. Development of the community-driven plan started in 2021 with a core planning team, action teams and a measurement team. In 2022, City staff took what those groups created and built an actionable work plan around it that will guide their work over the next five years. The work plan has three priorities: a connected, welcoming community; a healthy community; and a community with equitable economic growth. The following projects fall within those priority areas and influenced budget decisions for 2025.

## A connected, welcoming community

### Three major community amenity projects make strides

During the 2023 election, Bloomington voters approved a new half-percent sales tax to provide \$155 million for renovations to the Bloomington Ice Garden, a new community health and wellness center, and enhancing and protecting the Nine Mile Creek corridor, and Moir and Central Parks. Project delivery continues into 2026.

#### *Bloomington Ice Garden*



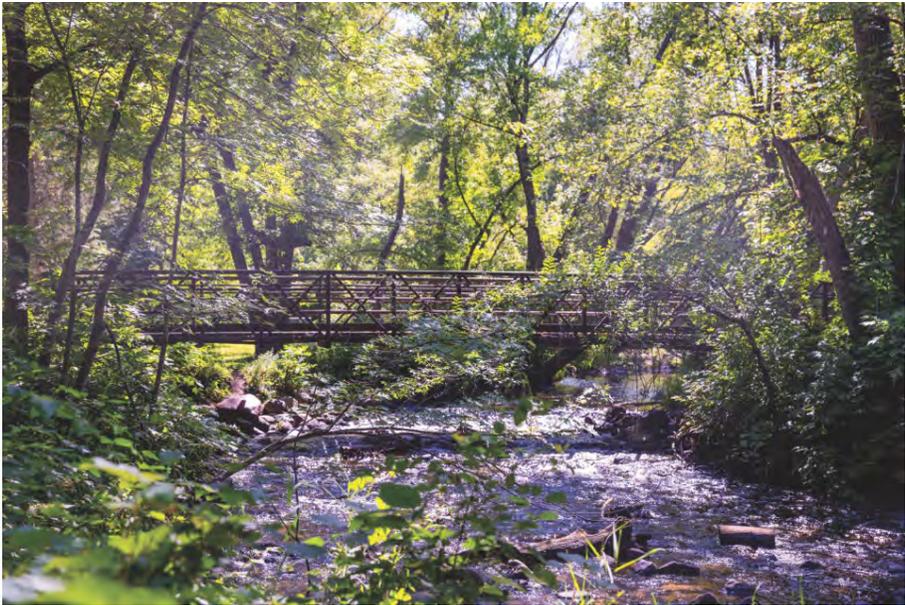
The Bloomington Ice Garden renovation was completed on time and on budget in fall 2025. The community and City staff celebrated with a grand reopening event where Mayor Tim Busse dropped the ceremonial puck in the first game in the refreshed BIG facility. This project used \$35 million of the \$155 million approved by voters.

*Community health and wellness center*



After extensive community engagement in 2024, the design of the new community health and wellness center was approved by City Council in 2025. Construction is now well underway. Crews have been moving quickly, installing footings, laying foundations, putting in underground utilities and raising vertical precast walls. The building is starting to take shape. The goal is for the new center to open by 2027. This project will use \$100 million of the \$155 million approved by voters.

*Nine Mile Creek corridor renewal project*



Spanning 240 acres, the Nine Mile Creek corridor is a beautiful slice of nature, featuring trails and many outdoor amenities that residents enjoy. After award-winning engagement efforts were completed in 2025, the Nine Mile Creek project team is gearing up for construction.

This spring, crews will start tree removal in preparation for upcoming infrastructure and park improvements, including ADA compliant trail access, parking lot improvements, Veteran’s Memorial at Harrison Park, creek re-meandering, bridge replacements and trail enhancements. Prairie restoration is also expected to begin spring 2026.

Staff is planning a groundbreaking event this spring with anticipated completion in the fall of 2027. This project will use \$20 million of the \$155 million approved by voters.

### *Veteran’s Memorial*



The Harrison Park Trailhead and Veteran’s Memorial project is slated to begin this spring with an anticipated completion date and grand opening for the Veteran’s Memorial by Veteran’s Day 2026.

The memorial is designed to honor and recognize all veterans; to educate the public on the firsthand experiences of veterans and to show why we continue to honor these heroes. The future Bloomington Veterans Memorial will be built in a dedicated park space at Harrison Park, 1701 W. 100th Street. This peaceful setting also serves as a gateway to the Nine Mile Creek Corridor, offering a beautiful space for visitors.

## Bryant and Tretbaugh parks completed



The new Bryant Park, 1001 W. 85th St., was celebrated with a ribbon-cutting event last summer. The new park features Bloomington's first fully inclusive playground, a new park shelter, a skate park, baseball field, hockey rink, cricket pitch, and new tennis and basketball courts.

Tretbaugh Park, 3701 W. 90th St., is the City's first-ever bike skills park. The reimagined park features a paved all-wheel track and a gravel mountain bike course for riders of all ages and skill levels.

The Tretbaugh and Bryant park transformations are major milestones guided by the Park System Master Plan's focus on mobility, equity and new park amenities.

Creative placemaking projects at Old Cedar Avenue bridge honor city's indigenous roots



The Old Cedar Avenue Bridge Trailhead has a vibrant new look. The City partnered with artist Sandy Spieler and Dakota cultural educator Tara Perron, to create a four-sided mural and living Indigenous garden at the trailhead shelter, 9551 Old Cedar Ave. S.

The mural explores themes of home, kinship, water and healing, drawing from Dakota culture and community voices. The garden features native plants and traditional seed-saving practices.

## **A healthy community**

### BPD hires first-ever wellness director to support mental health



Amos J. Olivarez Sr.'s connection to the Bloomington Police Department started before he officially joined the team. He first served on the interview panel for the Chief of Police and later joined the mission, vision and values team, helping shape the department's guiding principles through a community centered perspective. That early involvement led to his current role as the department's wellness officer.

In his role, Olivarez focuses on supporting the people behind the badge. He leads wellness efforts that promote physical, mental and emotional health for both sworn officers and civilian staff. Alongside department leadership, he helps weave wellness into the everyday department culture, encourages healthy work-life balance and ensures programs meet staff needs. Through his dedication, Olivarez helps build a healthier department and a stronger, more connected community.

### Curbside Cleanup is more sustainable

In 2021, after months of community engagement, the City Council approved a new plan for handling bulky waste items in a more sustainable way. The purpose behind the new program is to reuse and recycle more and landfill less. Implementation began in 2022,

including changes to the spring Curbside Cleanup with limited items accepted. 2023 was the first year that no Curbside Cleanup took place. Changes in the new program included:

- Curbside Cleanup events now occur every other year as opposed to every year.
- Items that fit in a small garbage cart are no longer accepted during the cleanup.
- There is an annual drop-off event for recyclable materials.
- Items such as sporting goods or gardening tools can be exchanged at swap events.
- The City is exploring options for regular pickup of reusable bulky items for customers with City garbage and recycling.

### Sold out tree sale boosts urban canopy

Each year, Bloomington Public Works holds a tree sale to encourage residents to help build Bloomington's urban canopy. In 2025, all the trees available were sold. Now in its 19th year, this program helps the City maintain its Tree City USA designation and has added more than 3,000 trees to Bloomington's urban forest.

## **A community with equitable economic growth**

### Bloom in Bloomington internship program continues



Bloom in Bloomington is a youth workforce program offering summer intern experiences to young people aged 16 to 24 who live or attend school in Bloomington. The program provides youth who face barriers to employment an opportunity to build skills, learn leadership and gain valuable work experience.

Participants have an opportunity to explore career paths from a wide variety of local employers, including the City. The third cohort of interns went through the program in summer 2025. We are currently taking applications for the fourth intern cohort.

### Hatch Bloomington gears up for year three: Small businesses. Big impact.

Hatch Bloomington, a retail pitch competition hosted by the City of Bloomington with support from Bloomington Minnesota Travel and Tourism, gives ambitious entrepreneurs the opportunity to win a \$100,000 financial assistance award, significant exposure, and a robust business network to tap into. In 2025, the program named its second winner—BookMother. The Hatch winnings made an impact for the BookMother owner, Twila Dang, who is planning to open their first brick-and-mortar location in Bloomington this year.

The City is in the process of launching another round of the Hatch Bloomington competition in 2026.

### Helping small businesses bloom and grow

Bloom & Grow is a new way the City is supporting small business, bringing free, practical business support directly into the community and making it easier than ever for small business owners to get the help they need. Program organizers will host business clinics at different locations in the city throughout the year. Business advisors will be on hand to review attendees' business information, answer questions, and help them maximize their chances of securing grant funding when applicable.

## **Impact on the 2026 budget**

### **Engaging the community**

The 2026 budget is a reflection of community priorities. Finance staff and other City employees continued the tradition of finding creative ways to engage community members in the budget planning process. Staff engaged with residents at five different community events. Through tables at open houses, community celebrations, and a farmers' market, Finance staff shared information about the City's budget and gathered feedback about resident's priorities for City services. Staff also provided an online feedback platform that remained open for throughout the budget planning process. The Mayor and Council discussed the budget at multiple Council meetings. The National Community Survey™ also addressed budget topics.

### **Priority-Based Budgeting**

In 2025, the City implemented Priority-Based Budgeting—a government finance best practice to help:

- Evaluate all City programs based on community needs and the value they provide.
- Align resources with the [Bloomington. Tomorrow. Together. strategic plan](#) priorities.
- Increase transparency and accountability.
- Make data-driven strategic decisions.

## **2026 budget and property tax levy reflect community's priority of public safety**

The City Council approved Bloomington's 2026 property tax levy and general fund budget last December. The final levy increase is 6.96%, which is 2.48 percentage points lower than the preliminary proposed increase of 9.44%.

For the owner of a median-valued home, the approved levy equals an increase of \$124.39 per year, or about \$2.39 per week. The final increase is lower than the average preliminary 2026 levy increase among Minnesota cities, which was 8.7%.

More than half of the budget increase supports public safety, as the Bloomington Fire Department transitions to a combined full-time and part-time staffing model. On a larger scale, more than 82% of this budget will go toward the five areas that make up the foundational services of City government: police, fire, public works, parks and recreation, and community development.

The level of spending in these vital areas reflects the priorities, values and expectations of Bloomington residents. The Council's work on the annual budget is the most important work we do. The 2026 levy increase reflects the City's mission to cultivate an enduring and remarkable community where people want to be.

Residents pay property taxes to the City, Hennepin County and the school district. The City's share is roughly one-third of the total property tax bill with the remaining two-thirds going to Hennepin County and Bloomington Public Schools.

If you want to learn more, visit [blm.mn/budget](http://blm.mn/budget).

### **The 2026 City property tax dollar**

Most property taxes support police, fire and public works. For every dollar of City taxes paid, 51 cents go toward police and fire, 16 cents go toward public works, 16 cents go to parks and recreation, 9 cents go to pay outstanding debt for street and construction projects, 6 cents go toward community development and 2 cents of each property tax dollar go toward public health.

## DIVIDING UP THE 2026 CITY PROPERTY TAX DOLLAR



### Conclusion

This 2026 Budget Book you are about to read reflects the City’s careful stewardship of public resources and a commitment to delivering the high-quality services residents rely on every day.

The City’s strong financial foundation and engagement work ensures that we remain *in tune* with the needs, priorities and aspirations of our community.

Like any great piece of music, our success depends on balance, listening closely, adjusting when needed and bringing together many distinct parts to create something remarkable and enduring.

Bloomington’s story is not written by one instrument (or person) alone, but by all of us working together. With this budget as our score, we are positioned to move forward with clarity and confidence ensuring that Bloomington continues to be a place people want to be. Together, we will keep *Bloomington in Tune* today and for generations to come.

# 2026 Budget Overview

The budget serves as the financial blueprint for the City's services and priorities for fiscal year 2026. It communicates how resources are allocated to deliver core services, maintain infrastructure, and advance the City's strategic goals.

## Adopted 2026 Budget

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Budgeted revenues for all funds total \$273,831,693, while budgeted expenses total \$289,373,073. The \$15,541,380 difference reflects planned capital investments and strategic use of fund balances to support major projects and maintain working capital levels consistent with fund policies.

### General Fund

The General Fund budget is balanced, with both revenues and expenditures totaling \$122,269,273. The General Fund expenditure budget includes a contingency equal to 2.5% of expenditures, or \$2,982,176, which is available to address emergencies or unforeseen operational needs. The General Fund maintains strong financial stability with an ending working capital balance of \$55,241,913, which is 103% of the working capital goal of \$53,501,292.

### Special Revenue Funds

Total budgeted revenues for the Special Revenue Funds equal \$4,893,781, while expenditures total \$6,590,063, resulting in a planned decrease in working capital of \$1,696,282. Beginning in 2026 most Communications activities were consolidated into the General Fund, leaving only restricted cable PEG (Public-Education-Government)-related revenues and capital expenditures in the Communications Special Revenue Fund.

### Enterprise Funds

Enterprise Funds account for services that operate similarly to private businesses and are primarily supported through user fees. Budgeted revenues total \$96,281,066, while expenditures total \$103,723,102, resulting in a net planned decrease of \$7,442,036. Much of this planned decrease reflects major capital investments in the utility funds, particularly the Wastewater and Stormwater Utilities, as the City continues to maintain and expand critical infrastructure.

### Internal Service Funds

Internal Service Funds support services provided internally to City departments such as fleet management, facilities maintenance, information technology, and employee benefits. Budgeted revenues total \$50,387,573, while expenditures total \$56,790,633, resulting in a planned decrease of \$6,403,060. Some of the larger planned decreases occur in the Facilities Fund, Public Safety Technology and Equipment Fund, and Employee Benefits Fund, reflecting planned equipment purchases, facility investments, and benefit cost adjustments. Each Internal Service Fund is supported by long-range

financial models that help guide internal service charge rates and ensure working capital balances remain aligned with established financial policies.

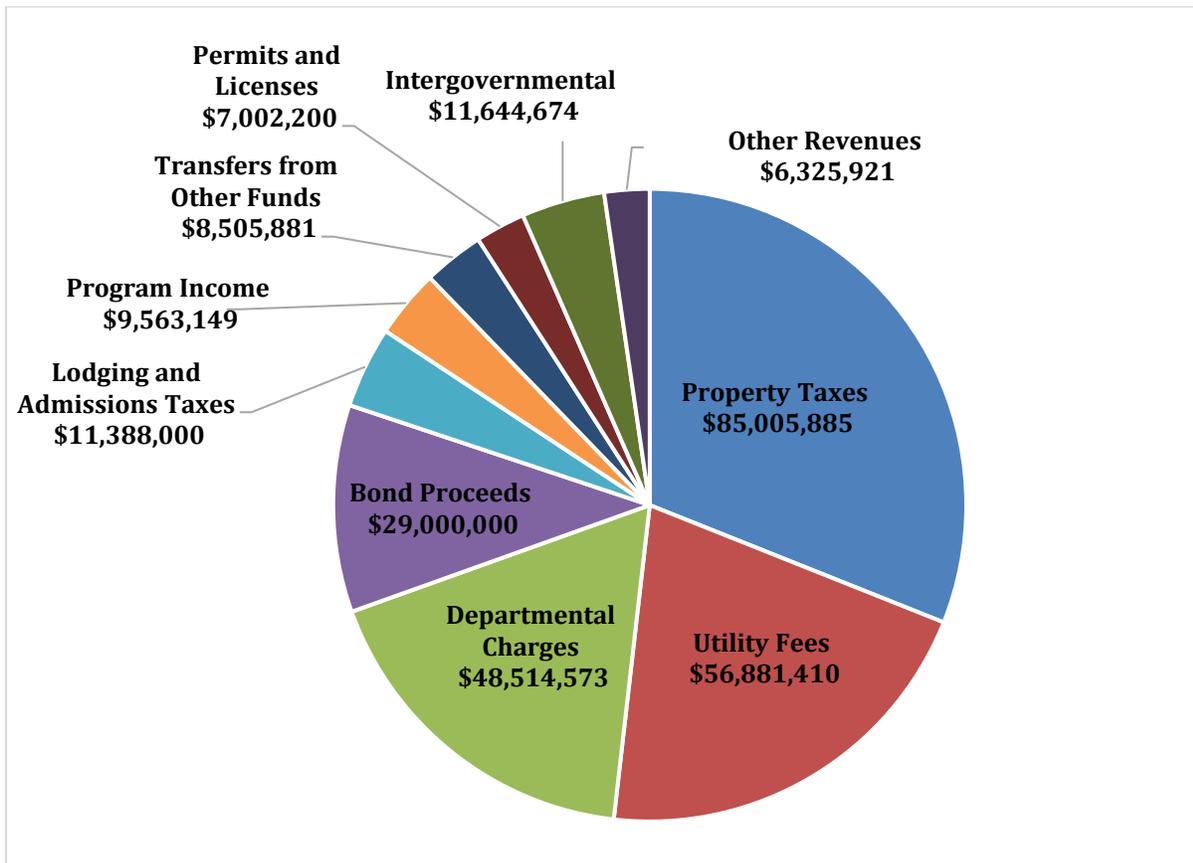
## 2026 Budgeted Revenues – All Funds

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Budgeted revenues across all funds total \$273,831,693.

Major revenue sources include:

- Property taxes
- Utility fees
- Departmental charges and internal service reimbursements
- Lodging and admissions taxes
- Intergovernmental revenues
- Program income and permits
- Bond proceeds of \$29 million are also included in 2026 to support capital investments.



## 2026 Budgeted Expenses – All Funds

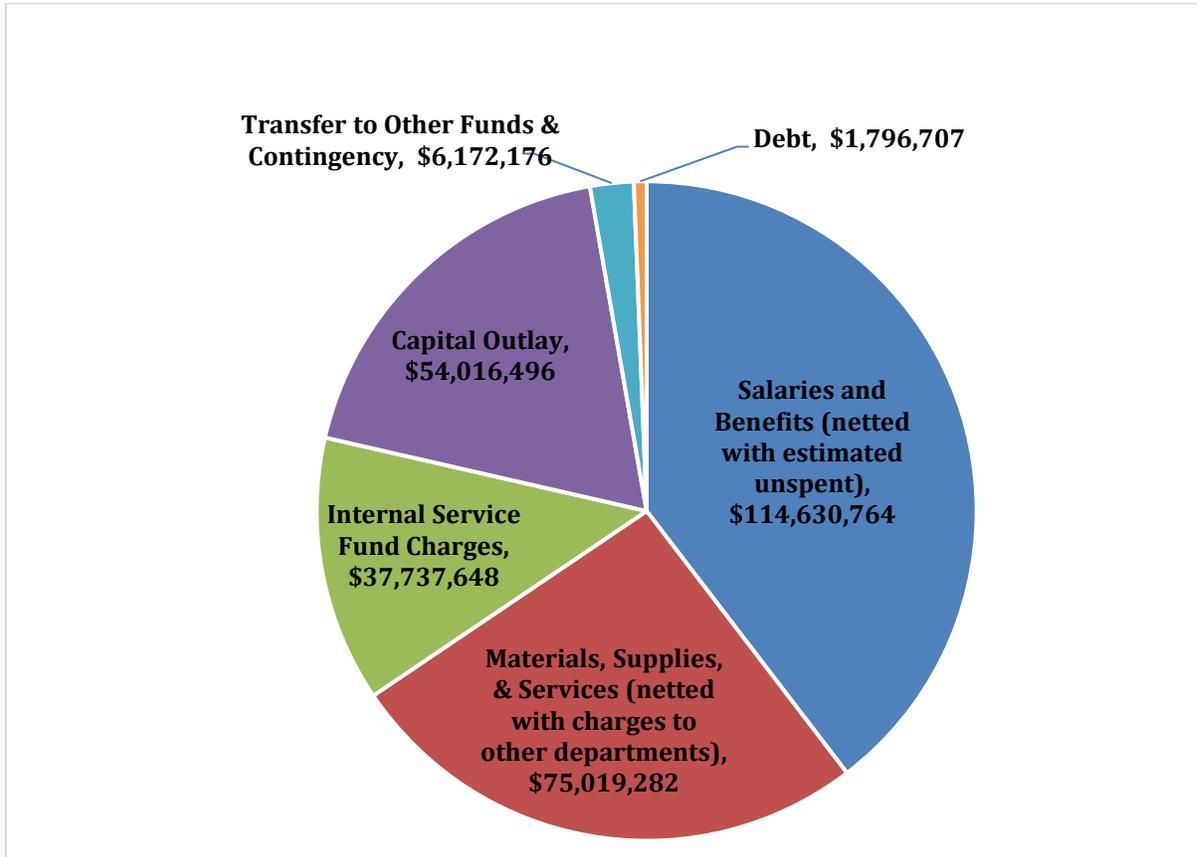
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Budgeted expenditures across all funds total \$289,373,073.

The largest expenditure categories include:

- Salaries and benefits

- Materials, supplies, and contracted services
- Capital outlay for infrastructure and equipment
- Internal service fund charges



## Property Tax Levy Overview

Total property tax revenue supporting City operations and debt service in 2026 equals \$93,995,469 which was an increase of 6.96% from 2025.

	2025 Tax Levy	2026 Tax Levy	\$ Change	% Change
<b>General Fund</b>	\$76,357,500	\$81,373,644	\$5,016,144	
<b>Forestry</b>	\$185,000	\$350,000	\$165,000	
<b>Fire Pension</b>	\$1,050,000	\$1,050,000	\$0	
<b>Aquatics</b>	\$335,000	\$335,000	\$0	
<b>Art Center</b>	\$1,500,000	\$1,500,000	\$0	
<b>Ice Garden</b>	\$200,000	\$200,000	\$0	
<b>Tax Abatement</b>	\$400,000	\$250,000	(\$150,000)	
<b>Debt Service</b>	\$7,848,711	\$8,936,825	\$1,088,114	
<b>Total</b>	<b>\$87,876,211</b>	<b>\$93,995,469</b>	<b>\$6,119,25</b>	<b>6.96%</b>

## Property Tax Value Information

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One of the most complex aspects of the Minnesota property tax system is the concept of proportionate share of the levy. Unlike states that apply a fixed mill rate to property values, Minnesota taxing jurisdictions such as cities, counties, and school districts establish a total property tax levy, which represents the total dollar amount to be collected. Individual property tax bills are then determined by each property's share of the community's total taxable value.

As property values shift between residential and commercial property classes, the proportion of the levy paid by each property type may also change. For example, if residential property values increase faster than commercial values, residential properties will carry a larger share of the levy.

To help residents better understand this relationship, the Deputy Finance Officer and City Assessor created a short explainer video titled "[Understanding your property taxes and home valuations](#)" The four-minute video describes how property valuations influence individual property tax bills.



# FINANCIAL STRUCTURE, POLICY AND PROCESS





# Fund Descriptions and Structure

## Fund Accounting

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

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

## Governmental Funds

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

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

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

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

## Proprietary Funds

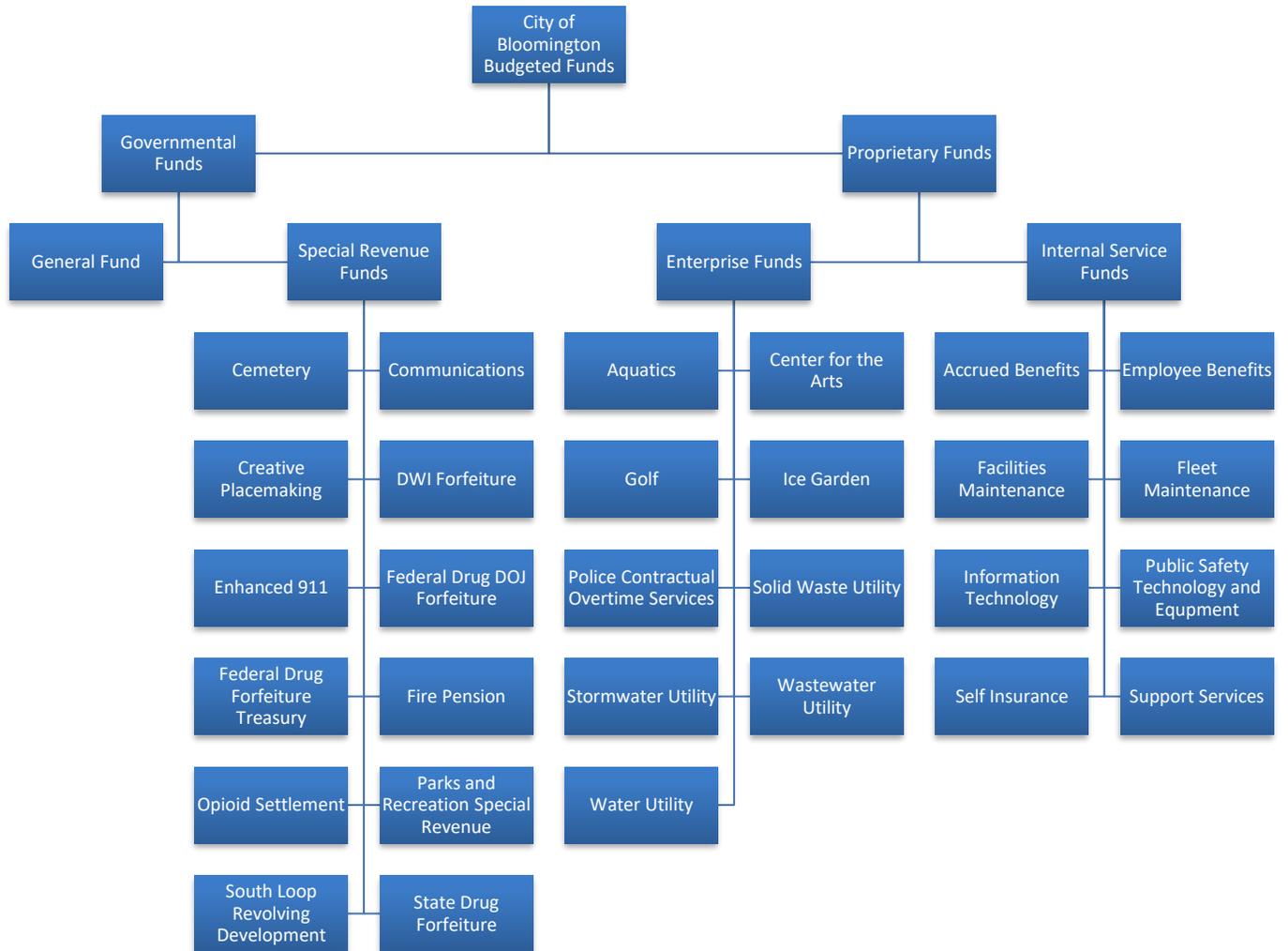
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**Enterprise Funds** - Enterprise funds are stand-alone business-type activities that provide goods or services to the public for fees that allow it to be substantially self-supporting. Enterprise funds are predominantly supported via fees, however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

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

# Budgeted Fund Structure Organized into Governmental and Proprietary Funds

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# Budgeted Fund Descriptions

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## **General Fund:**

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

## **Special Revenue Funds:**

### **2. Cemetery**

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

### **3. Communications**

The Communications Special Revenue Fund accounts for PEG (Public, Education, and Government) franchise fees received from cable providers that operate within the City. These revenues are restricted and may only be used for eligible PEG purposes. The fund is used to support capital equipment, technology, and infrastructure related to the City's government access television services, including the cablecasting and webcasting of City Council and other public meetings, as well as the operation and maintenance of the City's government access channels.

### **4. Creative Placemaking**

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

**5. DWI (Driving While Intoxicated) Forfeiture**

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

**6. Enhanced 911**

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

**7. Federal DOJ (Department of Justice) Drug Forfeiture**

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

**8. Federal Treasury Drug Forfeiture**

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

**9. Fire Pension**

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

**10. Opioid Settlement**

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

**11. Parks and Recreation Special Revenue**

Park grants are accounted for in this fund as well as forestry activities that are funded with property taxes, special assessments, and grant revenues.

**12. South Loop Revolving Development Services**

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

### **13. State Drug Forfeiture**

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

### **Enterprise Funds:**

#### **14. Aquatics**

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

#### **15. Center for the Arts**

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

#### **16. Golf**

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

#### **17. Ice Garden**

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

#### **18. Contractual Police Services**

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

#### **19. Solid Waste Utility**

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

#### **20. Stormwater Utility**

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

## **21. Wastewater Utility**

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

## **22. Water Utility**

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

## **Internal Service Funds**

### **23. Accrued Benefits**

The Accrued Benefits Fund records and pays the liabilities associated with employees' accrued time off for vacation, personal leave, and compensatory time. While the likelihood of the City needing to pay out all accrued balances at one time is extremely remote, the goal of the fund is to maintain sufficient cash to cover the anticipated annual payouts of these accrued benefits.

### **24. Employee Benefits**

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

### **25. Facilities Maintenance**

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

### **26. Fleet Maintenance**

The Fleet Maintenance Fund accounts for the costs associated with the operation, maintenance, repair, and replacement of City vehicles and equipment. Departments are charged internal fees for the vehicles and equipment assigned to their operations. A portion of the fee supports ongoing operating and maintenance costs, while the remaining portion is set aside to fund the future replacement of vehicles and equipment.

### **27. Information Technology (IT)**

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

### **28. Public Safety Technology and Equipment**

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

**29. Self-Insurance**

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

**30. Support Services**

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

# Department / Fund Relationship

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

Fund	Admin	Comm	Comm Dev	Finance	Fire	IT	Legal	Parks & Rec	Police	Public Works
<b>General Fund</b>	X	X	X	X	X		X	X	X	X
<b>Enterprise Funds:</b>										
Aquatics								X		
Center for the Arts								X		
Golf								X		
Ice Garden								X		
Police COT									X	
Solid Waste Utility										X
Stormwater Utility										X
Wastewater Utility										X
Water Utility										X
<b>Internal Service Funds:</b>										
Accrued Benefits	X									
Employee Benefits	X									
Facilities Maintenance										X
Fleet Maintenance										X
Information Technology						X				
Public Safety Tech & Equipment					X				X	
Self-Insurance				X						
Support Services		X								
<b>Special Revenue Funds</b>										
Cemetery	X									
Communications		X								
Creative Placemaking			X							
DWI Forfeiture									X	
Enhanced 911									X	

Fund	Admin	Comm	Comm Dev	Finance	Fire	IT	Legal	Parks & Rec	Police	Public Works
Federal Drug Forf. DOJ									X	
Federal Drug Forf. Treasury									X	
Fire Pension					X					
Parks & Rec								X		
South Loop Revolving Dev.			X							
State Drug Forfeitures									X	

# Basis of Accounting and Basis of Budgeting

## Basis of Accounting

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The City's accounting practices follow Generally Accepted Accounting Principles (GAAP). Governmental Funds, such as the General Fund and Special Revenue Funds, use the modified accrual basis of accounting. Under this method, revenues are recognized when they are both measurable and available to finance current expenditures. *Measurable* means the amount of the transaction can be determined, and *available* means the revenue is collectible within the current period or soon enough thereafter to pay current liabilities.

Major revenues that are susceptible to accrual include property taxes (excluding delinquent taxes received more than 60 days after year end), special assessments, intergovernmental revenues, charges for services, and investment earnings. Revenues that are not susceptible to accrual, such as certain fees and miscellaneous revenues, are recognized only when received because they are not measurable until collected.

Expenditures are generally recognized when the related fund liability is incurred. The primary exception is principal and interest on long term debt, which are recorded when payment is due. Proprietary Funds, including Enterprise Funds and Internal Service Funds, use the full accrual basis of accounting in accordance with GAAP. Under this method, revenues are recognized when earned and expenses are recognized when liabilities are incurred, regardless of when cash is received or paid. For example, unbilled utility service receivables are recorded at year end in the Utility Enterprise Funds.

## Basis of Budgeting

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For the General Fund and Special Revenue Funds, the City prepares the budget using the same modified accrual basis used for accounting.

For Enterprise Funds and Internal Service Funds, the City prepares the budget using a full accrual basis similar to the accounting basis, with several adjustments. These adjustments ensure that sufficient liquid assets, such as cash or assets readily convertible to cash, are available to meet both short term and long term obligations.

Key differences between the budget basis and the accounting basis include the following:

### **Capital Outlay**

Enterprise and Internal Service Fund budgets include capital outlay as an expense in the year the expenditure occurs. Under full accrual accounting, capital purchases are recorded as assets on the balance sheet and expensed over time through depreciation.

### Depreciation and Amortization

Depreciation and amortization are recorded as expenses under the accrual basis of accounting but are not included in the budget because they do not require a current cash outlay.

### Bond Proceeds and Debt Service Payments

In the budget, bond proceeds are recorded as revenue when the cash is received from the issuance of bonds, and principal payments are recorded as expenditures when paid. Under full accrual accounting, bond proceeds are recorded as a long term liability rather than revenue, and principal payments reduce the liability rather than being recognized as an expense.

## Funds with Budget Basis vs Accounting Basis Differences

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

# Budget Process

The City of Bloomington follows a calendar fiscal year. The 2026 budget was developed for 30 funds, including the General Fund, Special Revenue Funds, Enterprise Funds, and Internal Service Funds. Debt Service Funds and Capital Project Funds are not included in the annual budget process. Instead, bond issuances for debt service are brought separately to the City Council for approval. The City Council also approves the annual [Capital Improvement Plan \(CIP\)](#), which is a ten-year summary of planned capital projects. Individual capital projects are then brought to the City Council for approval as they are ready to proceed.

## 2026 Budget Process Calendar



## 2026 Budget Development Process

The City of Bloomington’s 2026 budget was developed through a structured process involving City staff, residents, and the City Council. The process included community engagement, departmental budget development, priority-based budgeting analysis, and multiple City Council discussions before final adoption in December 2025. This multi-month process ensures transparency, incorporates community input, and provides the City Council with multiple opportunities to review and refine the proposed budget before final adoption.

### April – July 2025: Budget Preparation and Departmental Review

- Departments began reviewing and refining their conceptual 2026 budgets.
- Priority-Based Budgeting (PBB) program scoring and cost updates were completed to ensure programs continued to align with the City’s strategic priorities.

- Budget staff met with departments and core budget teams to review requests, evaluate service levels, and prepare preliminary budget projections.

### **May – August 2025: Community Engagement**

- The City conducted several public engagement activities to gather resident input on budget priorities.
- Community outreach events included:
  - Public Works Open House (May 17)
  - Police Department Open House (May 17)
  - Juneteenth Celebration (June 21)
  - Bloomington Pride Festival (June 22)
  - Farmers Market (August 2)
- These events provided residents opportunities to learn about City services and share feedback on community priorities.

### **August 2025: Initial Budget and Levy Discussion**

- On August 18, the City Council held a study session to review the proposed 2026 property tax levy and overall budget framework, with an opportunity for public comment.

### **September 2025: Preliminary Levy and Budget Updates**

- On September 8, the City Council approved the preliminary 2026 property tax levy of 9.44%.
- On September 29, staff provided the Council with an update on Priority-Based Budgeting and how it informed the proposed budget.

### **October 2025: Departmental Budget Discussions**

- Several City Council study sessions were held to review departmental budgets and major funds in detail:
  - October 13: Internal Enterprise Services, Finance, and the Strategic Priorities Fund
  - October 20: Community Development, Parks & Recreation, Public Health, Public Works, and utility rate discussions
  - October 27: Fire, Police, and Legal department budgets

### **November 2025: Utility Rate Hearing and Budget**

- On November 17, the City Council held a public hearing on the proposed 2026 utility rates.
- On November 24, the Council received public comments and discussed the final proposed tax levy and general fund budget.

### **December 2025: Truth-in-Taxation Hearing and Final Adoption**

- On December 8, the City held the Truth-in-Taxation public hearing and reviewed the final proposed tax levy and general fund budget.

- On December 15, the City Council approved the final 2026 property tax levy and adopted the 2026 annual budget.

## **Alterations to the Original Budget**

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Per the Bloomington City Charter, the City Manager may approve transfers within major expense classifications of a department or division. All other budget changes must be approved by the City Council through a resolution.

# 2026 Budget Process Calendar

Month	Residents	City Staff	City Council
January		<p>Work on prior year Annual Budget Book Document - must publish 90 days after final City Council approval.</p> <p>Submit prior year Summary Budget report to the Minnesota Office of the State Auditor.</p>	
February		<p>Continue work on prior year Annual Budget Book Document.</p> <p>Begin weekly Budget Core Team meetings with City Manager's Office and Finance leadership</p>	<p>Compile feedback from City Council members on last year's budget process to present enhancements and new ideas for the upcoming budget process.</p>
March		<p>Create budget public engagement plan.</p> <p>Analyze Internal Service Fund charges and General Fund chargebacks.</p>	
April	<p>Launch Let's Talk Bloomington budget page on City's websites for residents to submit comments.</p>	<p>Run next year's salary and benefit projections.</p> <p>Upload preloaded expenses into financial software.</p> <p>Analyze Internal Service Fund charges and General Fund chargebacks.</p> <p>Kick off Priority Based Budgeting (PBB) with staff</p>	

Month	Residents	City Staff	City Council
		<p>trainings on program inventories</p> <p>Refine 2026 Conceptual Budget</p> <p>Publish budget engagement event dates on budget web page.</p>	
May	<p>Saturday, May 17, 2025 Budget table at the Public Works Open House</p> <p>Budget table at the Police Dept. Open House</p>	<p>Continue PBB training on program scoring</p> <p>Budget check-in with Executive Leadership team</p> <p>Monday, May 19, 2025 Internal budget kick-off for City staff.</p>	
June	<p>Saturday, June 21, 2025: Budget table at the Juneteenth Celebration</p> <p>Budget table at the Bloomington Pride Festival</p>	<p>Complete PBB training on cost allocations</p> <p>Departments enter budget requests in financial software.</p> <p>Budget team members work with their assigned departments to review and analyze budget requests.</p>	
July		<p>Department budget meetings with Deputy City Managers, CFO, and Deputy Finance Officer.</p>	
August	<p>Saturday, August 2, 2025: Budget table at Farmer's Market</p>		<p>August 18, 2025: Special City Council meeting to discuss preliminary tax levy and general fund budget</p>
September			<p>September 8, 2025: Council approves 9.44% increase for</p>

Month	Residents	City Staff	City Council
			<p>preliminary tax levy at City Council meeting.</p> <p>September 29, 2025: Priority Based Budgeting (PBB) update at City Council meeting.</p>
October		<p>Create TNT (Truth-in-Taxation) flyer for Preliminary Tax Notices and submit to County</p>	<p>October 13, 2025: Internal Enterprise Services Team (IEST) and Finance Dept. presentations at City Council meeting.</p> <p>October 20, 2025: Special City Council meeting to present the following budgets: Community Development, Parks &amp; Recreation, Public Health, Public Works, and Utility Funds Budgets</p> <p>October 27, 2025: Fire Dept., Police Dept., and Legal Dept. budget presentations at City Council meeting.</p>

Month	Residents	City Staff	City Council
November	<p>November 17, 2025: 2026 Utility rates public hearing at Council meeting.</p> <p>November 24, 2025: Opportunity for Public Comment</p>	<p>Publish proposed 2026 Utility rates in local paper.</p>	<p>November 17, 2025: Non-property tax funded Special Revenue Funds and Enterprise Fund budgets and Utility Rates budget presentation and public hearings at City Council meeting.</p> <p>November 24, 2025: Special Council meeting to discuss final 2025 tax levy and General Fund budget, opportunity for public comment included</p>
December	<p>December 8, 2025: Truth-in-Taxation Public Hearing at City Council meeting</p>	<p>Publish public hearing notice for Truth-in-Taxation hearing in local paper</p> <p>Certify final tax levy with County after approved by City Council.</p> <p>Begin work on Annual Budget Book Document – due 90 days from December 15, 2025.</p>	<p>December 8, 2025: Truth-in-Taxation Public Hearing and continued discussion of 2026 property tax levy and general fund budget.</p> <p>December 15, 2025: Council approves 6.96% increase for final tax levy at Council meeting and final 2026 budgets.</p>



# FINANCIAL MANAGEMENT POLICIES

The complete listing of the City of Bloomington's Financial Management Policies is available on the City's Finance Department website at [blm.mn/fin](http://blm.mn/fin)

The Budgetary and Financial Control Policy defines a balanced budget as follows: The City will adopt a balanced General Fund budget where revenues offset expenditures without the use of reserves.

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# ORGANIZATIONAL VISION

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

## BLOOMINGTON. TOMORROW. TOGETHER.

*COMMUNITY-BASED STRATEGIC PLAN MISSION (2022-2027)*

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

### PREAMBLE

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

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

# Budgetary and Financial Control Policy

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

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

category for their department as a whole projected to exceed \$100,000 by year-end will be reported in writing to the Chief Financial Officer and the City Manager.

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

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

# Capital Improvement Program Policy

## Policy Statement:

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

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

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

## Authority:

MINNESOTA STATUTES, SECTION 475.521

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

(1) the condition of the municipality's existing infrastructure, including the projected need for repair or replacement;

(2) the likely demand for the improvement;

(3) the estimated cost of the improvement;

(4) the available public resources;

(5) the level of overlapping debt in the municipality;

(6) the relative benefits and costs of alternative uses of the funds;

(7) operating costs of the proposed improvements; and

(8) alternatives for providing services most efficiently through shared facilities with other municipalities or local government units.

(b) The capital improvement plan and annual amendments to it must be approved by the governing body after public hearing.

## Policy:

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

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

# **Debt Management Policy**

## **I. Introduction**

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

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

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

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

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

## II. Purpose

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

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

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

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

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

## III. Application

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

## IV. Considerations for Debt Issuance

### A. Authorization and Approval

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

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

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

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

#### B. Guidelines for Funding the Capital Improvement Program with Debt

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

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

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

##### Overall Debt Per Capita:

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

#### C. Credit Rating Objectives

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

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

## V. Debt Issuance and Management

### A. Types of Debt Permitted

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

i. Tax Status – The City should generally issue debt on a tax-exempt basis whenever permissible under federal tax law. However, the City should compare tax-exempt obligations versus taxable obligations to provide flexibility in financing various types of capital improvements.

ii. Fixed Rate Debt - The City may issue debt with a rate of interest that is fixed at the time of issuance in the following forms:

- General obligation bonds;
- Limited tax bonds;
- Revenue bonds; and
- Other forms as allowed by federal and state laws.

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

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

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

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

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

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

## B. Structuring Considerations

i. Term and Repayment - Principal payment schedules will not exceed the average economic life of the asset being financed, the limits of state and/or federal law, or related bond covenants. Principal and interest payments will be structured within the revenues available for debt service. With respect to refunding debt issued solely to achieve economic savings, the final maturity should not exceed the final maturity of the debt being refunded.

ii. Debt Service Payment Structure - In general, City debt should be structured to produce level annual debt service payments. Debt service for non-property tax supported debt should be structured to match the revenue stream used for repayment.

iii. Coupon Structure - City debt can be structured using original issue discount, par or original issue premium coupons or any combination thereof within any limitations in statute or the resolution authorizing a bond issue. The permitting couponing structure will be determined in consultation with the City's municipal advisor.

iv. Optional Redemption Provisions - All City debt issues will include an option for the City to redeem the outstanding principal after a specific date at a price at or above par. Exceptions will be shorter term obligations (typically less than 10 years) for which inclusion of an optional redemption feature may have an adverse impact on the interest rate or marketability of the debt. The optional redemption provisions will be determined in consultation with the City's municipal advisor and should consider, among other market factors, the following:

- Special requirements of the City due to program or business conditions; and
- The earliest date at which bonds may be redeemed at the lowest price which does not have a material adverse impact on the price or marketability of the bonds.

v. Serial and Term Bonds - City debt may be structured with serial or term bonds or any combination thereof. All terms bonds shall be subject to mandatory annual sinking fund redemptions.

vi. Credit Enhancement - Normally, due to the high ratings on City general obligation debt, credit enhancement in the form of third party guarantees ensuring timely payment of debt service will not be cost effective. Such credit enhancement may be beneficial on certain revenue secured obligations, variable rate debt, or other specially secured debt. If finance staff determines that credit enhancement may be financially beneficial, providers of such enhancement will typically be selected by competitive proposal.

### C. Method of Sale

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

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

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

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

### D. Refundings and Restructurings

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

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

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

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

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

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

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

#### E. Debt Service Reserve Funds

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

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

#### F. Investment of Proceeds

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

#### G. Rating Agency Coordination

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

#### H. Selection and Use of Professional Service Providers

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

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

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

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

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

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

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

## VI. Variable Rate Debt Exposure and Liquidity

### A. Rationale for Use of Variable Rate Debt

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

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

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

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

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

### C. Liquidity Facilities for Variable Rate Debt

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

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

## VII. General Provisions

### A. Arbitrage Rebate Compliance

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

### B. Primary and Continuing Market Disclosure

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

### C. Post-Issuance Compliance

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

#### D. Dodd-Frank and Related Regulatory Compliance

The City shall implement this policy in compliance with the Dodd-Frank Wall Street Reform and Consumer Protection Act (the “Dodd-Frank Act”) and its related regulatory reforms. To this end, the City shall engage one or more registered municipal advisors to provide advice with respect to debt issuance activities. Such engagement will include the evaluation of proposals made to the City by third parties.

The City will make a representation to the appropriate third party that its municipal advisor is serving as an Independent Registered Municipal Advisor (an “IRMA”) and that the City will independently evaluate and take into account the advice of its municipal advisor in the review of such proposals.

#### E. Policy Review and Revision

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

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

*(05-2002, Revised 11-2022)*

Policy should be updated every 5 years.

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

## **Purpose**

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

## **Scope**

Following governmental accounting standards, the City has two basic categories of funds: governmental funds and proprietary funds. This fund balance classification policy applies only to the governmental categories. The policy is based on GASB Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions issued by the Governmental Accounting Standards Board (GASB). This standard altered the categories and terminology used to describe the components of fund balance in the governmental funds. This standard does not apply to the proprietary funds.

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

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

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

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

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

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

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

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

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

**Unassigned fund balance** – amounts that are available for any purpose in the general fund. Only the general fund can report a positive amount of unassigned fund balance. Other governmental funds may report deficit fund balances as unassigned.

## Policy

### A. General Fund

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

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

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

### B. Special Revenue Funds

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

1. **Community Development Block Grant (CDBG)** – this fund normally has a zero fund balance at year end, and if there were to be a balance it would be considered restricted based upon grant requirements. This fund accounts for funds received under Title I of the Housing and Community Development Act of 1974.
2. **Opioid Settlement** – these grant funds are considered restricted based on legal requirements for the use of funds from a national settlement
3. **Public Safety** – these funds are mostly considered restricted based on grant and forfeiture requirements one portion of this fund -which is committed by the City Council is the balance for future fire pension obligations.
4. **Communications** – this fund is both restricted and committed by franchise agreements. The Public Education in Government (PEG) revenues are restricted per the franchise agreement. The cable TV franchise fees are committed per City Council.
5. **Park Grants** – these funds are considered restricted by grant agreements.
6. **South Loop Revolving Development District** - this fund balance is considered committed. The committed revenue source is permit surcharges. This fund was established to account for City funds for the Met Center Environmental Impact Statement (EIS) and Alternative Urban Areawise Review (AUAR) for South Loop development.
7. **Creative Placemaking** – this fund is committed based on City Council action. The funds are designated for the purpose of building a vibrant, distinctive, and sustainable community through the use of art.
8. **Federal Relief** - this fund is restricted based on grant requirements. It has a zero fund balance since funds were received in advance of spending and the cash in the fund is offset by unearned

revenues. This fund accounts for 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.

9. **Cemetery Trust** – this is considered restricted based on state statute. These funds provide for the perpetual care, maintenance, and improvement of the City cemetery.
10. **Sewer Availability Charge (SAC)** - this fund normally has a zero fund balance at year end as the nature of the activity is to hold deposits due to Metropolitan Council for the SAC programs including the Small Business Deferral and Credit programs. If a fund balance exists in the future it will be committed.
11. **Veterans Memorial** - this fund is committed by City Council for the donations and ongoing maintenance expenses for the Veterans Memorial.

### **C. Debt Service Funds**

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

### **D. Capital Project Funds**

Capital project funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditures for capital outlays, including the acquisition or construction of capital facilities and other capital assets. In Bloomington, capital project funds are split into two categories:

1. **Capital Projects** – this category has balances that are considered both restricted and committed. Funds balances related to Bloomington sales tax, South Loop development, bond proceeds, opportunity housing, local affordable housing aid and developer escrows are restricted through enabling legislation. The Art Center capital project fund is restricted per bond covenants. The funds for Park Development and Strategic Priorities are both committed by the City Council for future projects. The Escrow Trust fund is considered assigned.
2. **Improvement Construction** – this category has balances that are considered both restricted and assigned. Fund balances related to bond proceeds and abatement district funds are restricted. Fund balances related to street and trail reconstruction are assigned.

### **Order of Fund Balance Spend-down**

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

### **Carryovers and Encumbrances**

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

*City Council Adopted 12/19/2011; revised 10/20/2025*

# Public Purpose Expenditure Policy

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## Preamble

As a taxpayer-funded organization, the City of Bloomington (“City”) is committed to controlling expenditures and works to ensure adherence to the Minnesota Public Purpose Doctrine based on Minnesota State Constitution, Art. X Section 1.

## Purpose

The City recognizes that public funds may only be spent if the expenditure meets a public purpose and the expenditure relates to the governmental purpose for which the City was created.

The meaning of “public purpose” is constantly evolving. The Minnesota Supreme Court has followed a broad approach and has generally concluded that “public purpose” means an activity that meets all of the following standards:

1. The activity will primarily benefit the community as a body;
2. The activity is directly related to functions of government;
3. The activity does not have as its primary objective the benefit of a private interest whether profit or not-for-profit.

This policy is intended to provide guidelines regarding which expenditures are for public purposes and authorized in accordance with the City’s annual budget process, and which expenditures are not considered to fall within the public purpose definition and are therefore not allowed.

## Responsibility

The City Manager is the responsible authority overseeing all City expenditures and, as such, is the chief purchasing agent for the City. Responsibility for administering this Public Purpose Expenditure Policy has been delegated to the Finance Department. All elected and appointed officials and employees authorized to make purchases for the benefit of their respective departments, must comply with this policy and corresponding procedures. Failure to comply with this policy may result in denial of reimbursement and disciplinary action.

## Policy

Expenditures of public funds must comply with the public purpose standards defined above. When reviewing an expenditure to verify the standards have been met, the City Manager, or their designee, should consider the time of day the event is held, the business purpose of the event, whether the event was intended to attract non-City employees, the frequency of the event, and the reasonableness of the cost. The following guidelines address specific examples of public expenditures, but examples are not meant to be all-inclusive.

## **Examples of Permitted Expenditures for Meals and Refreshments**

Use of City funds in reasonable amounts for meals and/or refreshments for elected and appointed city officials and employees is permitted for situations in which City business needs to be discussed during meal hours. In addition, use of City funds is permitted for public and employee meetings and events in which reasonable refreshments may be necessary to create a more productive environment and to be responsive to participants' time schedules. The following items are examples of events where the purchase of meals or refreshments are deemed to meet the definition of public purpose expenditures when approved by the Department Head:

1. Employee Meetings
  - City council, board and commission meetings held during or adjacent to a meal hour, when it is the only practical time to meet.
  - Quarterly, City-sponsored training or work-related meetings where employees are required to participate or be available during meal or break periods.
  - Multi-departmental meetings scheduled during or adjacent to a meal hour when no other meeting time is available.
  - Quarterly departmental staff or training meetings, including training for seasonal staff.
  - Professional association meetings, conferences, and training when meals are included as part of the registration or program fee, or in accordance with the City's travel policy.
2. Special Events and Community Engagement
  - Food and refreshments associated with official City functions serve a public purpose when the provision of food or refreshments is an integral part of the function and is deemed necessary to ensure meaningful participation by the participants. This includes City-sponsored community engagement events and events of a community-wide interest where staff are required to be present (e.g., Summer Fete, National Night Out, Citizens Police Academy, Arts in the Parks).
  - Events, meetings, programming, and non-monetary promotional incentives of moderate value that are supportive of the City's strategic priorities of inclusion and equity (e.g., food and refreshments for attendees of training programs or at events intended to increase, broaden, and engage the participation of ethnically and racially diverse communities in city matters. Other examples may include t-shirts, water bottles, mugs, pens.).
3. Emergency Response and Extended Hours
  - Work activities requiring continuous service when it is not possible to break for meals (e.g., election days, water main breaks, emergency snow removal, time sensitive public safety responses and emergency responses).

## **Employee Wellness and Recognition**

Public expenditures for appropriate City employee and volunteer recognition programs serve a public purpose because formally recognizing employees and volunteers who make significant contributions and demonstrate their commitment during the performance of their duties results in higher morale and productivity and helps the City fulfill its responsibilities to the community more efficiently and cost effectively. In addition, appropriate safety, health, and wellness programs for City employees serve a public purpose because they result in healthier, more productive employees that may reduce certain employee related costs to the City and the taxpayers of Bloomington. The following items are deemed to meet the definition of public purpose expenditure for employee wellness and recognition, with Department Head approval:

1. Employee recognition and appreciation events (e.g., service awards, retirement recognition events, seasonal staff recognition, de minimis food and beverage, Public Works Week, Employee Advisory Committee (EAC) sponsored events). In recognition of their years of service to the City, employees will receive a service pin and gift card in the following amounts: 5 years, \$25; 10 years, \$100; 20 years, \$200; 30 years, \$300; 40 years, \$400.
2. Recognition events for volunteers and non-employees (e.g., volunteer appreciation lunch).
3. Events recognizing completion of a significant work-related project (City Manager approval required).
4. New employee receptions or lunches. Efforts will be made to combine events for more than one new employee when possible.
5. Programs, activities, or incentives that encourage healthy lifestyle behaviors that help reduce health care costs and preserve the health and productivity of employees. Activities may include but are not limited to:
  - Informational meetings
  - Wellness committee meetings
  - Brown bag seminars
  - Walking programs
  - Health fair
  - Blood donations
6. Healthy snacks and incentives of moderate value provided to attendees of safety, health, and wellness programs for City employees.
7. Hydration (e.g. water, sports drinks) for employees whose work requires them to be outdoors in extreme weather conditions.

### **Examples of Other Permitted Expenditures**

Public expenditures for appropriate community and customer outreach and similar activities serve a public purpose when those expenditures are necessary for the City to ensure the efficient operation of its programs and services, promote the availability and use of City resources, and promote coordinated, cooperative planning activities among and between the public and the private sectors.

1. Uniforms, clothing, or apparel that is considered necessary for safety or for visible staff recognition by the public, including uniforms as required by labor agreements (e.g. safety footwear and eyewear for maintenance personnel, shirts purchased to identify staff leadership status at events).
2. Apparel consistent with Department directives for community identification and recognition that is determined to be important to the successful involvement of employees in special City-sponsored or City-supported events.
3. Staff time and equipment use for City-sponsored employee events as approved by City Council and/or City Manager as allowed by state statute, or city charter or code (e.g. set-up for annual employee picnic).
4. Items of de minimis value when these items are made available free of charge to the general public (e.g. t-shirts, water bottles, mugs, pens).
5. City expenditures for non-profit organizations allowed by state statute.
6. Tips and gratuities, restricted to no greater than 20% of the pretax bill.

### **As Authorized by Other City Policies**

1. Complimentary Golf Policy
2. Complimentary Beverage and Discounted Food Policy (Golf Employees)
3. Travel Policy

## **Prohibited Expenditures**

Purchase and distribution of gift cards are prohibited except under Item 1 of the Employee Wellness and Recognition section above.

Use of City funds for meals and/or refreshments for elected and appointed City officials and employees are prohibited for the following:

1. Food and refreshments for routine work meetings.
2. Food and refreshments during routine training if not included with registration fee (see Travel Policy).
3. Food and refreshments outside of a City-sponsored community engagement event and events of a community-wide interest where staff are required to be present. (e.g., coffee meeting between staff and community members).
4. Alcoholic beverages (exception only for Police Department for purposes of Standard Field Sobriety Training).
5. Employee functions or celebrations that are solely social in nature (e.g., birthdays, holiday luncheon, ice cream social).
6. Fundraisers for non-City related events (e.g., Chamber of Commerce).
7. Participation in optional activities unless included as part of an overall conference registration fee (e.g. optional golf rounds, sporting events, concerts).
8. Employee-sponsored fundraising events (e.g., charitable giving campaign).
9. Funeral flower arrangements upon death of an employee, elected official, or one of their immediate family members.
10. Employee coffee, supplies, and coffee services.
11. Items typically supplied through Facilities or Department budget (e.g. tissues, feminine hygiene products, bandages or other first aid items).

## **Permitted Use of Assets**

Specific City assets such as equipment may be used by City employees for personal reasons only when the Department Head has established the following:

1. Costs and wear resulting from use of the assets are reasonable and minimized.
2. Administrative controls are in place to ensure that the use is appropriate and not abused.
3. There is a documented/demonstrated City benefit by such usage (e.g. such as the Mobile Device Policy or Information Security Policy) as approved by the City Manager.
4. Incidental and de minimis use of City-owned electronic equipment such as City-owned mobile devices, tablets, copiers, etc. as specifically covered under other City policies.

## **Prohibited Use of Assets**

Examples of use of City assets for personal use is prohibited in the following circumstances:

1. City employees washing personal autos at the public works facility car wash.
2. Employees borrowing City-owned non-motorized or motorized tools for personal use.

## **Documentation**

All expenses allowed under this policy must be fully documented. The required documentation will include: date and time of the event, business reason for the event (agenda from a meeting is sufficient), staff and non-city representatives in attendance, and a receipt for the actual purchase. Supervisor approval and written documentation is required for use of City assets. Any expenditure for meals or refreshments, including tip, gratuity, delivery, or incidental charges, that exceeds \$250 for one event

must have prior, written authorization by the Department Head, before the purchase is made. Failure to obtain the necessary authorization and provide sufficient documentation may result in a denial of the expense.

### **Special Requests**

From time to time, there may be an event that is a proper public expenditure, but that is not contemplated by the policy above. Departments may submit to the City Manager, or the City Manager's designee, a request for such a public expenditure in writing. This request must show how the expenditure is related to a public purpose as stated in the Purpose section above. Only expenditures that meet all of the findings in the Purpose section above may be approved.

### **Periodic Review**

This policy shall be reviewed at least once every five years by the City Manager or designee.

*(Adopted by City Council 05/22/2017; revised 10/17/2022; revised 12/18/2023)*

Effective Date: Adopted by City Council 5/22/2017

Reviewed: 12-2023

Revised: 12-2023

City Council Approval 12/18/2023

# Revenue Policy

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## **Purpose**

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

## **Revenue Estimation and Budgeting**

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

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

## **Contingency**

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

## **Property Valuation and Tax Base Management**

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

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

## **Revenue Diversification and Stability**

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

## **User Charges and Fees**

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

The City will:

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

## **Enterprise Fund Fees**

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

The City will:

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

## **Grant Revenue and Intergovernmental Aid**

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

## **Revenue Monitoring and Adjustment**

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

## **Long-term Financial Planning**

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

City Council Approval: January 6, 2025

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

# FINANCIAL SUMMARIES



FINANCIAL  
SUMMARIES



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

	2024 Actual	2025 Projected	2026 Budget
<b>Revenues</b>			
Property Taxes	\$ 72,687,114	\$ 79,627,500	\$ 84,808,644
Property Taxes for Debt Service	\$ 199,630	\$ 198,432	\$ 197,241
Delinquent Taxes & Abatements	\$ 301,895	\$ (1,749,532)	\$ (903,770)
Utility Fees	\$ 51,394,425	\$ 53,500,638	\$ 56,881,410
Departmental Charges	\$ 49,480,734	\$ 46,070,683	\$ 48,514,573
Lodging and Admissions Taxes	\$ 10,781,231	\$ 10,622,928	\$ 11,388,000
Bond Proceeds	\$ 52,507	\$ 52,507	\$ 29,000,000
Program Income	\$ 9,683,288	\$ 8,558,946	\$ 9,563,149
Permits and Licenses	\$ 8,602,008	\$ 7,453,496	\$ 7,002,200
Transfers from Other Funds	\$ 11,125,151	\$ 12,888,559	\$ 8,505,881
Intergovernmental	\$ 13,216,789	\$ 16,060,506	\$ 11,644,674
Other Revenues	\$ 3,024,567	\$ 4,298,437	\$ 3,410,499
Franchise & PEG Fees	\$ 1,043,481	\$ 1,206,985	\$ 1,130,000
Interest Income	\$ 5,805,670	\$ 7,745,693	\$ 1,801,192
Fines & Forfeitures	\$ 761,675	\$ 724,813	\$ 560,000
Special Assessments	\$ 933,316	\$ 987,770	\$ 328,000
<b>Total Revenues</b>	<b>\$ 239,093,481</b>	<b>\$ 248,248,361</b>	<b>\$ 273,831,693</b>
<b>Expenses</b>			
Salaries and Benefits	\$ 111,619,122	\$ 113,521,491	\$ 117,199,100
Materials, Supplies, & Services	\$ 74,971,365	\$ 76,878,156	\$ 84,363,950
Capital Outlay	\$ 16,900,750	\$ 20,639,709	\$ 54,016,496
Debt	\$ 1,283,520	\$ 1,290,945	\$ 1,796,707
Transfers to Other Funds & Contingency	\$ 4,861,426	\$ 6,339,977	\$ 6,172,176
Internal Service Fund Charges	\$ 32,009,500	\$ 35,305,258	\$ 37,737,648
General Fund Chargebacks	\$ (12,013,064)	\$ (12,479,384)	\$ (9,344,668)
Budgeted Estimated Unspent			\$ (2,568,336)
<b>Total Expenses</b>	<b>\$ 229,632,619</b>	<b>\$ 241,496,152</b>	<b>\$ 289,373,073</b>

<b>Property Tax Recap</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>
<u>Property Tax Amounts in Capital and Debt Service Funds</u>			
Tax Abatement Capital Fund	\$ 400,000	\$ 400,000	\$ 250,000
Debt Service Funds	\$ 7,197,526	\$ 7,650,279	\$ 8,739,584
	<b>\$ 7,597,526</b>	<b>\$ 8,050,279</b>	<b>\$ 8,989,584</b>
<u>Property Tax Amounts in Budgeted Funds</u>	<b>\$ 72,886,744</b>	<b>\$ 79,825,932</b>	<b>\$ 85,005,885</b>
<b>Total Property Tax</b>	<b>\$ 80,484,270</b>	<b>\$ 87,876,211</b>	<b>\$ 93,995,469</b>

# Total General Fund Financial Summary

	2024 Actual	2025 Projected	2026 Budget
<b>Revenues</b>			
Property Taxes	\$ 68,420,369	\$ 74,749,610	\$ 81,373,644
Delinquent Taxes & Abatements	1,203,075	(841,642)	(903,770)
Special Assessments	55,504	114,366	55,000
Cable Franchise Fees			850,000
Lodging and Admissions Tax	10,781,231	10,622,928	11,388,000
Permits and Licenses	7,944,434	7,371,118	6,902,200
Intergovernmental	9,643,903	13,114,465	9,966,900
Program Income	2,285,712	2,543,767	2,270,390
Fines	595,611	534,217	505,000
Interest Income	1,653,083	2,308,191	475,000
Other Revenues	1,786,940	1,565,230	1,431,028
Transfers from Other Funds	6,959,671	6,179,406	7,955,881
<b>Total Revenues</b>	<b>111,329,533</b>	<b>118,261,656</b>	<b>122,269,273</b>
<b>Expenses</b>			
Salaries and Benefits	78,876,499	85,927,279	89,854,658
Materials, Supplies, & Services	35,783,615	39,588,567	41,207,443
Capital Outlay	353,097	255,272	138,000
Transfer to Other Funds & Contingency	3,416,096	5,236,326	2,982,176
Charged to Other Funds	(11,511,927)	(12,417,979)	(9,344,668)
Budgeted Estimated Unspent			(2,568,336)
<b>Total Expenses</b>	<b>106,917,380</b>	<b>118,589,465</b>	<b>122,269,273</b>
<b>Working Capital</b>			
Net Change	4,412,153	(327,809)	-
Working Capital at Beginning of Year	51,157,569	55,569,722	55,241,913
<b>Working Capital at End of Year</b>	<b>\$ 55,569,722</b>	<b>\$ 55,241,913</b>	<b>\$ 55,241,913</b>
<b>Working Capital Goal</b>	<b>\$ 50,019,335</b>	<b>\$ 50,671,362</b>	<b>\$ 53,501,292</b>

# Special Revenue Funds Financial Summary

	2024 Actual	2025 Projected	2026 Budget
<b>Revenues</b>			
Fire Pension	\$ 2,214,875	\$ 2,417,917	\$ 2,150,000
Communications	1,903,869	2,212,646	280,000
Creative Placemaking	764,450	1,141,833	805,000
Opioid Settlement	347,190	185,775	222,876
South Loop Revolving Development Cemetery	184,485	39,173	159,000
	224,133	303,954	223,615
Parks and Recreation	970,663	1,364,790	757,000
Enhanced 911	240,134	248,398	230,790
DWI Forfeiture	40,309	56,819	30,000
State Drug Forfeiture	62,947	28,672	15,500
Federal Dept. of Justice Drug Forfeiture	84,045	134,092	20,000
Federal Treasury Drug Forfeiture	-	-	-
<b>Total Revenues</b>	<b>\$ 7,037,100</b>	<b>\$ 8,134,069</b>	<b>\$ 4,893,781</b>
<b>Expenditures</b>			
Fire Pension	\$ 2,455,270	\$ 1,260,426	\$ 4,130,000
Communications	2,048,712	2,258,437	154,000
Creative Placemaking	800,663	607,173	805,000
Opioid Settlement	49,555	126,484	145,576
South Loop Revolving Development Cemetery	25,922	25,209	196,500
	215,589	203,538	220,282
Parks and Recreation	1,121,077	1,264,030	726,865
Enhanced 911	102,336	164,523	156,684
DWI Forfeiture	47,920	221,635	30,000
State Drug Forfeiture	-	3,742	10,000
Federal Dept. of Justice Drug Forfeiture	6,114	107,185	15,000
Federal Treasury Drug Forfeiture	149	155	156
<b>Total Expenditures</b>	<b>\$ 6,873,307</b>	<b>\$ 6,242,537</b>	<b>\$ 6,590,063</b>

# Enterprise Funds Financial Summary

	2024 Actual	2025 Projected	2026 Budget
<b>Revenues</b>			
Water Utility Fund	\$ 21,970,731	\$ 23,198,175	\$ 22,449,552
Wastewater Utility Fund	15,333,568	15,829,241	45,202,687
Solid Waste Utility Fund	10,335,111	10,515,053	11,062,830
Storm Water Utility Fund	8,858,821	9,346,580	8,541,997
Golf Courses Fund	2,410,161	2,428,207	2,122,759
Ice Garden Fund	2,612,710	1,702,968	2,830,241
Aquatics Fund	984,378	577,098	606,000
Center for the Arts Fund	1,357,823	2,054,153	1,840,000
Contractual Police Services Fund	1,594,138	1,868,202	1,625,000
<b>Total Revenues</b>	<b>\$ 65,457,441</b>	<b>\$ 67,519,677</b>	<b>\$ 96,281,066</b>
<b>Expenses</b>			
Water Utility Fund	\$ 19,554,407	\$ 17,543,983	\$ 26,351,011
Wastewater Utility Fund	13,442,418	19,525,941	46,189,961
Solid Waste Utility Fund	10,620,935	9,970,190	11,968,661
Storm Water Utility Fund	7,716,911	8,179,023	10,101,577
Golf Courses Fund	2,042,671	2,308,532	2,295,210
Ice Garden Fund	2,352,632	2,113,939	2,420,171
Aquatics Fund	980,807	658,408	920,705
Center for the Arts Fund	1,454,163	1,694,826	1,850,806
Contractual Police Services Fund	1,594,138	1,868,202	1,625,000
<b>Total Expenses</b>	<b>\$ 59,759,082</b>	<b>\$ 63,863,044</b>	<b>\$ 103,723,102</b>

## Internal Service Funds Financial Summary

	2024 Actual	2025 Projected	2026 Budget
<b>Revenues</b>			
Facilities Fund	\$ 8,145,955	\$ 12,126,849	\$ 7,676,110
Employee Benefits Fund	13,341,578	13,852,012	13,697,700
Fleet Maintenance Fund	9,611,586	10,810,783	10,577,098
Information Technology Fund	8,087,477	8,979,147	9,744,919
Benefit Accrual Fund	3,052,482	3,348,514	2,877,710
Self Insurance Fund	2,699,626	2,776,242	2,552,873
Public Safety Technology & Equipment Fund	1,993,341	2,541,494	2,644,617
Support Services Fund	513,429	598,202	616,546
<b>Total Revenues</b>	<b>\$ 47,445,474</b>	<b>\$ 55,033,243</b>	<b>\$ 50,387,573</b>
<b>Expenses</b>			
Facilities Fund	\$ 6,099,102	\$ 9,262,470	\$ 10,457,499
Employee Benefits Fund	14,014,818	14,843,086	14,623,778
Fleet Maintenance Fund	10,187,758	10,249,556	10,496,129
Information Technology Fund	8,096,126	8,289,955	10,041,063
Benefit Accrual Fund	3,539,307	3,719,824	3,359,069
Self Insurance Fund	2,745,922	3,108,489	2,643,916
Public Safety Technology & Equipment Fund	4,581,731	1,975,124	4,575,222
Support Services Fund	483,848	539,806	593,957
<b>Total Expenses</b>	<b>\$ 49,748,612</b>	<b>\$ 51,988,310</b>	<b>\$ 56,790,633</b>
			<b>\$ (6,403,060)</b>

# Fund Balances - Governmental Funds

Fund balance is defined as the difference between a fund’s assets and liabilities. Maintaining adequate fund balance strengthens the City’s financial position and supports strong bond ratings. It also provides essential cash flow for operations prior to the receipt of property tax revenues. In Minnesota, cities receive their largest revenue source, property taxes only twice per year. As a result, fund balances are used to support day-to-day operations for up to six months until the next property tax distribution is received.

In the Annual Comprehensive Financial Report (ACFR), fund balances must be categorized into one of five components.

## Fund Balance Restricted Components

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

Restricted: Dollars that have externally imposed constraints on their use, such as those imposed by creditors, grantors, or laws and regulations of other governments.

## Fund Balance Unrestricted Components

Committed: Dollars that must be used for specific purposes as determined by formal action of the City’s governing body.

Assigned: Dollars the City intends to use for a specific purpose but that are not formally committed.

Unassigned: Dollars that do not fall into any of the other classifications and are available for general use.

The table below highlights funds where the projected change in fund balance exceeds 10%, with explanations for those changes provided in the section that follows.

Governmental Funds	Estimated Ending 2025 Fund Balance	2026 Budgeted Revenues	2026 Budgeted Expenses	2026 Budgeted Net Change	Projected Ending 2026 Fund Balance	% Change
General Fund	55,216,724	122,269,273	122,269,273	0	55,216,724	0.00%
Fire Pension	7,640,905	2,150,000	4,130,000	(1,980,000)	5,660,905	-25.91%
Communications	31,469	280,000	154,000	126,000	157,469	400.39%
Creative Placemaking	1,449,886	805,000	805,000	0	1,449,886	0.00%
Opioid Settlement	610,722	222,876	145,576	77,300	688,022	12.66%
South Loop Revolving Development	759,931	159,000	196,500	(37,500)	722,431	-4.93%
Cemetery	491,914	223,615	220,282	3,333	495,247	0.68%

Governmental Funds	Estimated Ending 2025 Fund Balance	2026 Budgeted Revenues	2026 Budgeted Expenses	2026 Budgeted Net Change	Projected Ending 2026 Fund Balance	% Change
<b>Parks and Recreation</b>	34,526	757,000	726,865	30,135	64,661	<b>87.28%</b>
<b>Enhanced 911</b>	442,427	230,790	156,684	74,106	516,533	<b>16.75%</b>
<b>DWI Forfeiture</b>	311,901	30,000	30,000	0	311,901	0.00%
<b>State Drug Forfeiture</b>	124,809	15,500	10,000	5,500	130,309	4.41%
<b>Federal Dept. of Justice Drug Forfeiture</b>	195,634	20,000	15,000	5,000	200,634	2.56%
<b>Federal Treasury Drug Forfeiture</b>	6,979	0	156	(156)	6,823	-2.24%

**Fire Pension Fund** – In 2026, the fund will continue to receive State Fire Aid and pass those funds through to the Fire Relief Association. In addition, \$2,215,000 will be transferred from the fund as an interfund loan to support the construction of Fire Station #4. The loan is expected to be repaid in 2027.

**Communications Fund** – Beginning in 2026, most activities previously accounted for in the Communications Fund have been consolidated into the General Fund within the Communications and Engagement Department. The Special Revenue Fund will continue to account only for PEG (Public, Educational, and Government) cable revenues and the related capital expenditures.

**Opioid Settlement Fund** – The City continues to receive opioid settlement revenues that must be used for approved opioid remediation activities. In future years, staff plan to work with the Police Department and other partners to identify initiatives and programs that align with eligible uses of these funds.

**Parks and Recreation Special Revenue Fund** – Increased forestry activity is anticipated in 2026 in response to the continued spread of emerald ash borer. This includes expanded tree removal and related mitigation efforts necessary to address the loss of ash trees throughout the park system

**Enhanced 911** – The State increased the monthly Enhanced 911 aid allocation in 2021, and those higher funding levels are expected to continue through 2026. The additional revenue allows the fund balance to build in preparation for future technology upgrades and improvements within the dispatch center.

# Working Capital

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Working capital balance is the difference between a fund's current assets and current liabilities. It measures operational liquidity by ensuring the fund can meet short-term financial obligations while also setting aside resources for future capital needs. In addition, it provides a financial cushion for unexpected or emergency events.

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

# 2026 Budgeted Revenue Sources

## Budgeted Revenues

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The City's largest revenue sources include property taxes, utility fees, lodging and admission taxes, bond proceeds, program income, intergovernmental revenues such as grants and State aids, and permits and licenses. Together, these sources account for 97.1% of the City's total budgeted revenues.

Revenue Source	2026 Budget	% of Overall Budgeted Revenue
Property Taxes	\$85,005,885	39.21%
Utility Fees	56,881,410	26.24%
Lodging and Admission Taxes	11,388,000	5.25%
Bond Proceeds	29,000,000	13.38%
Program Income	9,563,149	4.41%
Intergovernmental	11,644,674	5.37%
Permits and Licenses	7,002,200	3.23%
Other Revenues	6,325,921	2.91%
<b>Total Revenues</b>	<b>\$216,811,239</b>	<b>100.00%</b>

*(Not including Internal Service Fund revenue or transfers from other funds.)*

### Property Taxes

Most property tax revenues support services provided through the General Fund, including Police, Fire, Public Works, Parks and Recreation, Public Health, and Community Development. A smaller portion supports operations within certain enterprise and special revenue funds, including the Bloomington Family Aquatic Center, Ice Garden, Bloomington Center for the Arts, the Fire Pension Fund, and forestry activities.

Additional property taxes are levied each year for Capital Project Funds and Debt Service Funds, which are separate from the City's annual operating budget.

The City Council establishes a preliminary property tax levy each fall, which must be certified to the County by the end of September. A final levy is adopted in December following a public hearing required by State law. Property taxes are distributed to the City by the County twice annually.

### Utility Fees

The City provides utility services for water, wastewater, stormwater management, and solid waste. Utility rates are established based on the funding needed to support operations, maintenance, and long-term capital improvements. Rates are reviewed

regularly and adjusted when necessary following a public hearing in November and City Council approval:

## Summary of 2026 Utility Rate Increases

Utility	2026 Rate Change
Water	0.0%
Wastewater	6.0%
Stormwater	0.0%
Solid Waste (Weighted average of Garbage + Recycling + Organics + Bulky Item Management Fee)	-1.0%

### Water Utility

Recent weather patterns and conservation efforts have influenced overall water usage, fund reserves, and revenue projections. Based on current financial conditions, the City Council approved maintaining the existing water utility rate for 2026 following a public hearing.

### Wastewater Utility

A significant portion of wastewater utility expenses relates to treatment charges from the Metropolitan Council Environmental Services (MCES). Rates are structured to cover operational and maintenance costs while also building reserves for long-term system renewal.

### Stormwater Utility

The stormwater utility fee is charged to property owners to recover the costs of managing and maintaining the City's stormwater infrastructure. Projects focus on maintaining existing systems, improving infrastructure resiliency, and protecting public and private property from stormwater damage. Funding sources include current revenues, bond proceeds, and planned future rate adjustments.

### Solid Waste Utility (Garbage, Recycling, and Organics)

The City manages garbage and recycling collection for approximately 22,000 households. Collection services are provided through a consortium of haulers that manages both operations and customer service. Residents receiving City garbage service pay an organics recycling fee, with participation available through the use of a designated cart.

In recent years, the City has also implemented program changes including adjustments to bulky item collection services and expanded garbage service options. These updates are intended to provide residents with greater flexibility while encouraging waste reduction.

### **Program Income**

Program income is generated through fee-supported services such as golf, aquatics, recreation programs, and public health services. Fees are reviewed regularly and adjusted as needed to reflect the cost of providing services. The City Council approves the annual fee schedule, and revenue projections are based on historical trends, participation levels, and anticipated program changes.

### **Permits and License Fees**

Permits and license fees represent an important revenue source tied to regulatory and development activities within the City. The City Clerk's Office administers licenses required by City Code, including business and liquor licenses.

The Community Development Department issues permits for building construction and related improvements, including building, roofing, siding, decks, electrical, mechanical, plumbing, fire prevention, and special events. Permit activity can fluctuate based on development levels but has remained strong in recent years.

### **Lodging and Admission Taxes**

A 7% lodging tax is collected on hotel and motel accommodations and related services. Of this amount, 3% supports the General Fund, 2% supports the South Loop Capital Fund, and 2% supports *Bloomington Minnesota Travel and Tourism* (BMTT), the destination marketing organization responsible for promoting Bloomington as a travel and tourism destination and supporting the local hospitality industry.

A 3% admissions tax is collected on entertainment events in the City, including ticket sales to theaters and amusement venues, as well as cover charges at nightclubs, bars, and restaurants. The full 3% admissions tax supports the General Fund.

These revenue sources experienced significant declines during the pandemic but have since recovered and continue to show strong performance as visitor and entertainment activity has rebounded

### **Intergovernmental**

Intergovernmental revenues include State and federal aids as well as grant funding that supports City programs. State aid provides funding assistance for public safety pension obligations, including Police and Fire pension programs.

A substantial portion of intergovernmental revenue supports the City's Public Health Division through a variety of grants that fund many of the division's programs and services.

# Long-Range Financial Plans

The City uses long-range financial models to proactively identify potential structural funding challenges and maintain long-term financial stability. These models evaluate projected revenues, expenditures, and working capital balances over multiple years to ensure the City can sustain current service levels while planning for future needs.

Long-range projections help identify potential structural gaps early so that adjustments can be made through expenditure reductions, new or expanded revenue sources, modifications to programs or services, or adjustments to future capital investments. These models also provide important financial context for major policy decisions that may affect future property tax levies or service levels.

## Key Assumptions in General Fund Long-Range Model

### **Lodging and Admission Taxes**

Lodging and admissions taxes have continued to recover following the declines experienced during the COVID-19 pandemic. Revenues have now surpassed pre-pandemic levels, reflecting strong visitor activity and continued reinvestment in Bloomington's hospitality and entertainment sectors. Lodging tax revenues are projected to continue growing modestly as tourism activity remains strong. Admission tax revenues also remain stable and continue to support the General Fund.

### **Property Taxes**

Property taxes remain the City's largest and most stable revenue source and fund essential municipal services including Public Safety, Public Works, Parks and Recreation, Public Health, and Community Development. The long-range financial model includes modest annual property tax levy increases to account for inflation, service level demands, and economic uncertainty. These assumptions are reviewed annually and may be adjusted as budgets are refined through expenditure reductions, operational efficiencies, or new revenue sources.

### **Permits and Business Licenses**

Revenue from permits and business licenses can fluctuate based on development activity and reinvestment in existing properties. Bloomington continues to experience ongoing redevelopment and reinvestment in commercial areas, though building permit revenues are conservatively estimated in long-range projections due to the variability of development cycles and broader economic conditions.

### **Program Income**

Program income generated through Parks and Recreation programs and other fee-supported services has stabilized following pandemic-related disruptions. Participation

levels and program offerings have continued to expand, resulting in steady program income that is expected to grow gradually over time.

### **Appropriations**

Department Heads and Division Managers develop appropriation needs after base expenses such as salaries, benefits, and internal service charges are preloaded into the budget. Personnel costs remain the largest component of General Fund expenditures, representing approximately three-quarters of the total budget. Long-range projections assume overall appropriation growth of approximately 3% annually to account for inflationary pressures and service demands.

### **Salaries**

Salary projections include cost-of-living adjustments along with performance-based and step increases under the City's compensation plan. These increases are incorporated into the model based on current labor agreements and anticipated future wage adjustments. The City continues to monitor labor market conditions and competitiveness when projecting future compensation costs.

### **Health Insurance**

Health insurance costs continue to rise nationwide. Long-range financial projections assume an average annual increase of approximately 8% to account for healthcare inflation and industry trends. The City periodically evaluates plan design, cost-sharing arrangements, and wellness initiatives to help manage long-term healthcare costs while maintaining competitive benefits for employees.

### **Contingency**

The General Fund model includes a contingency equal to at least 2.5% of annual expenditures. In addition, the model assumes a modest amount of annual underspending, which historically occurs due to position vacancies, operational efficiencies, or project timing. These assumptions help maintain financial flexibility while ensuring conservative budgeting practices.

## **Structural Balance**

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The General Fund long-range model incorporates conservative revenue estimates and expenditure projections based on historical trends, economic forecasts, and anticipated service demands. The model is updated annually to reflect changes in inflation, community growth, staffing levels, program adjustments, and policy decisions.

Maintaining structural balance ensures that ongoing revenues are sufficient to support ongoing expenditures without relying on one-time resources. When potential funding gaps are identified in future years, the City works to address them well in advance of budget adoption through operational adjustments, cost reductions, or revenue enhancements.

Long-range financial planning is a key component of Bloomington’s conservative financial management approach. The City continually monitors economic conditions and financial trends to ensure that expenditure growth remains aligned with revenue growth and inflation over time.

## General Fund Long-Range Model Years 2026-2030

	2026 Budget	2027 Projected*	2028 Projected*	2029 Projected*	2030 Projected*
Property Tax Levy	81,373,644	84,100,404	87,068,208	90,110,252	94,301,464
Less Delinquent	-903,770	-850,000	-800,000	-750,000	-700,000
Admissions Tax	2,250,000	2,306,250	2,363,906	2,423,004	2,483,579
Lodging Tax	9,138,000	9,366,450	9,600,611	9,840,626	10,086,642
Business Licenses	2,314,000	2,348,710	2,383,941	2,419,700	2,455,995
Permits	4,588,200	4,634,082	4,680,423	4,727,227	4,774,499
Fines	505,000	505,000	505,000	505,000	505,000
Program Income	2,270,390	2,304,446	2,339,013	2,374,098	2,409,709
Cable Franchise Fees	850,000	833,000	816,340	800,013	784,013
Intergovernmental	9,966,900	10,166,238	10,369,563	10,576,954	10,788,493
Interest	475,000	400,000	350,000	300,000	250,000
Transfers In	7,955,881	8,321,883	8,522,569	8,749,006	7,929,382
Other Revenue	1,486,028	1,500,888	1,515,897	1,531,056	1,546,367
<b>Total Revenue</b>	<b>122,269,273</b>	<b>125,937,351</b>	<b>129,715,471</b>	<b>133,606,936</b>	<b>137,615,143</b>
City Council	684,219	704,746	725,888	747,665	770,095
Administration	5,005,441	5,155,604	5,310,272	5,469,580	5,633,667
Legal	3,348,439	3,448,892	3,552,359	3,658,930	3,768,698
Finance	1,831,481	1,886,425	1,943,018	2,001,309	2,061,348
Police	40,872,274	42,098,442	43,361,395	44,662,237	46,002,104
Fire	16,756,184	17,258,870	17,776,636	18,309,935	18,859,233
Community Dev	11,631,685	11,980,636	12,340,055	12,710,257	13,091,565
Public Health	8,979,990	9,249,390	9,526,872	9,812,678	10,107,058
Communications	2,516,923	2,592,431	2,670,204	2,750,310	2,832,819
Parks and Rec	14,093,048	14,515,839	14,951,314	15,399,853	15,861,849
Public Works	16,135,748	16,619,820	17,118,415	17,631,967	18,160,926
Contingency	2,982,176	3,071,641	3,163,790	3,258,704	3,356,465
Estimated Unspent	-2,568,335	-2,645,385	-2,724,747	-2,806,489	-2,890,684
<b>Total Expenses</b>	<b>122,269,273</b>	<b>125,937,351</b>	<b>129,715,471</b>	<b>133,606,936</b>	<b>137,615,143</b>

*\*Note: Estimates for 2027 through 2030 are projections. Property tax increases modeled for these years represent planning assumptions and will likely be adjusted as future budgets are developed based on updated revenue forecasts, policy decisions, and service level priorities.*

# CAPITAL AND DEBT





# Capital Projects

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

The [2026-2035 Capital Improvement Plan \(CIP\)](#) was adopted by the City Council after a Public Hearing at the December 8, 2025 City Council Meeting. The preliminary draft was presented at the October 20, 2025 City Council Meeting and brought to the Planning Commission in November 2025. Projects are tracked and updated on a quarterly basis. To view the most recent updates, visit our dedicated CIP page at [blm.mn/CIP](http://blm.mn/CIP).

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

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

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

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

## Capital Improvement Plan Goals

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

The goals of the document are as follows:

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



# Highlights of 2026 Capital Projects over \$1m:

## City Facilities

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### **Equipment Maintenance Garage** **\$25,900,000**

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

### **Civic Plaza Lunchroom** **\$1,200,000**

The lunchroom, original to the building's construction, will undergo upgrades to enhance functionality and comfort. Improvements include an expanded and reconfigured kitchen, diverse seating options for varied group sizes and gatherings, and the addition of two private personal needs rooms. Additionally, the space will be fully separated from the public areas by a new badge access door.

## Park Development

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### **Nine Mile Creek Corridor Renewal** **\$ 23,000,000**

The project includes 131 acres of woodland and wetland restoration, 12,000 lineal feet of stream/riparian restoration of Nine Mile Creek, 12,400 feet of trails with associated retaining walls, wayfinding and signage, bridge replacements, boardwalk trail, within Central Park.

The project also includes Moir and Harrison Park improvement. Moir Park includes new playground and nature play, open air shelter with accessible restrooms, trail loops, disc golf improvements, consolidated parking, and accessible trail to the Creek. Harrison Park will include a Bloomington Veteran's Memorial, natural area restoration, renewed parking lot and stormwater management, and ADA trail access to Nine Mile Creek.

## Sewer, Water, and Storm Water

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### **North Central Sanitary Sewer Diversion** **\$29,000,000**

Sewer mainline upsizing needed to convey proposed future wastewater flow from the Penn-American district.

### **Meter Change Program** **\$1,000,000**

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

### **Water System Fac. Tower/Reservoir Restoration** **\$1,000,000**

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

## South Loop

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A development district that includes Bloomington Central Station and the Mall of America. Funding for projects is provided by business tax revenues dedicated to area improvements.

### **Waterpark Parking Ramp** **\$75,000,000**

\$75M parking ramp for the waterpark, we own it and pay for the construction, MOA operates, insures, and maintains, after 20 years it is theirs for usually \$1.00.

## Surface Transportation

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### **Nicollet Avenue Reconstruction** **\$7,905,000**

Nicollet Avenue (CSAH52) is degrading and in need of a full reconstruction that will provide a new roadway surface in addition to upgraded (ADA compliant) pedestrian sidewalks. The project is split into two phases--Phase 1 will construct the segment from American Boulevard to 89th Street in 2027 while Phase 2 will construct from north of 91st Street to Old Shakopee Road in 2028. (ongoing)

### **84<sup>th</sup> Street Pedestrian Bridge Replacement** **\$2,860,000**

Replace the pedestrian bridge over 84th Street between Normandale Lake Blvd and Norman Center Drive. Reconstruct the retaining walls that support the bridge abutments. This project will also include lighting improvements adjacent to the bridge and ADA improvements. Depending on the condition of the pedestrian bridge when this project occurs, it may only require re-decking, bridge abutment and retaining wall replacement.

## Pavement Management Program

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Sewer Main Asset Renewal/Replacement	\$1,500,000
Water Main Asset Renewal/Replacement	\$1,200,000
Storm Main Asset Renewal/Replacement	\$2,000,000
Overlay of City Streets	\$4,532,000
PMP Street Reconstruction	\$5,855,900
PMP ROW Trail Program	\$8,902,100
<b>Total estimated costs for 2026</b>	<b>\$23,990,000</b>

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

Evaluating the asphalt pavement infrastructure within the City, the current average Pavement Condition Index (PCI) for roads is 78 and trails is 70. As part of the street PCI, roads are broken into three categories “adequate” PCI over 66, “marginal” PCI between 36-65 and “problem” PCI 35 or under. The goals of the PMP program are to have the number of “adequate” streets at 70% or greater and keep the “problem” street at 10%

or less. This ensures that the City preserves the infrastructure investment and provides an expected level of service to the community. This requires an annual investment of City funds and includes state aid funds in addition to general funds and franchise fees.

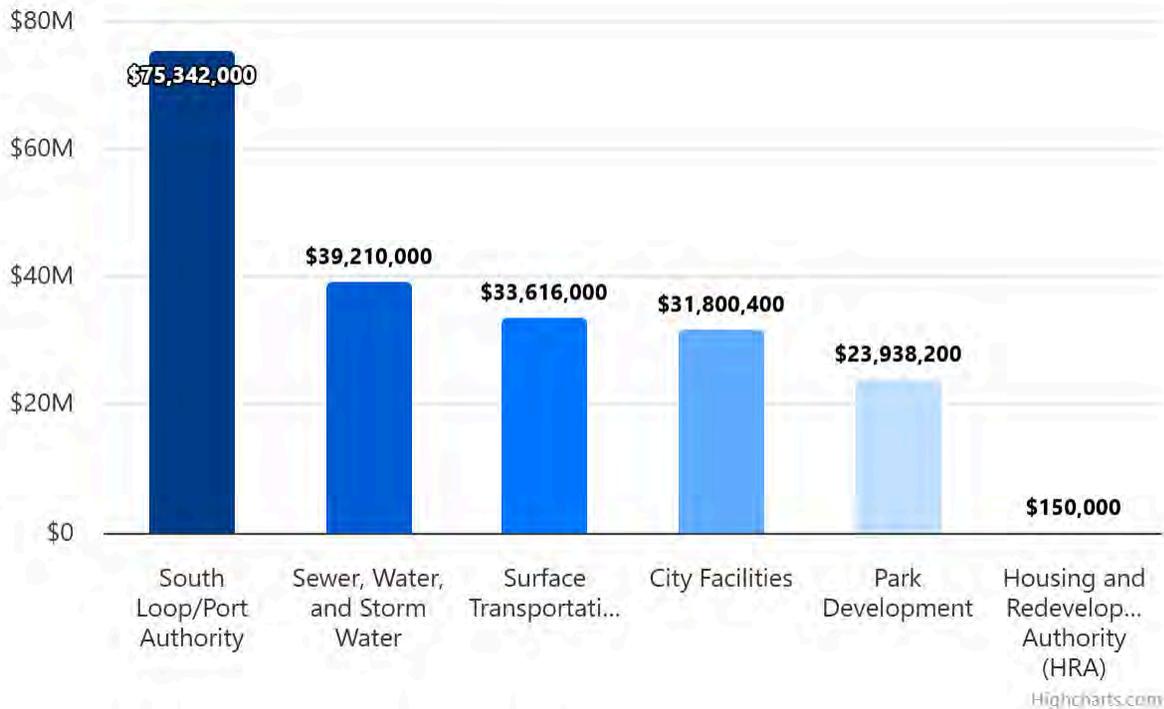
A funding and implementation plan for repair and maintenance of Bloomington roadways was adopted in 1992. Needs are identified, then funding is provided through state aids, assessments, and franchise fees. This program not only strategically plans for repair and replacement but also maximizes efficiency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

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

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



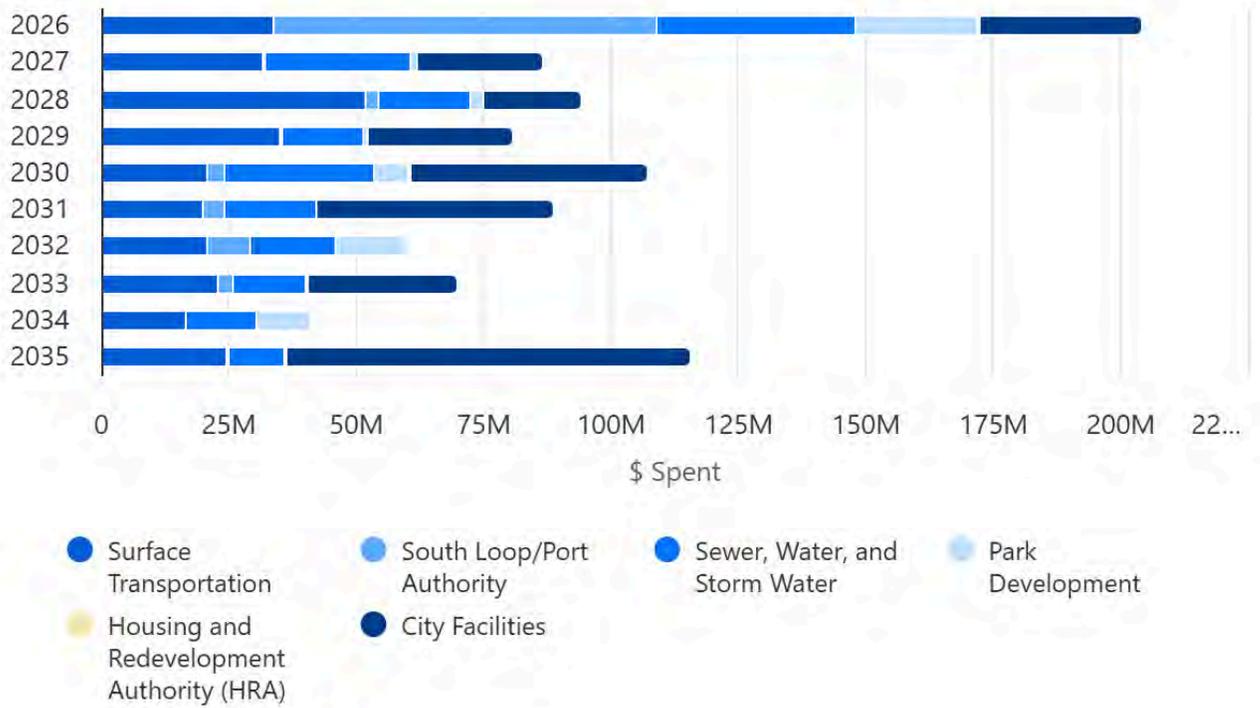
## Estimated Expenses by Department for 2026 Capital Projects



## Summary Funding Sources for 2026 Capital Projects

Funding Source	2026 Cost
CIP Bonds	\$ 25,900,000
City Funds	32,248,800
City SAC	22,445,500
Grants	7,038,700
Other Governments	10,909,500
Other/Misc.	35,048,200
PIR Bonds & Assessments	5,455,900
Sales Tax Revenue Bonds	20,000,000
TIF Revenue Bonds	45,000,000
<b>Total</b>	<b>\$ 204,046,600</b>

## Estimated Expenses by Department for the 10-year CIP



## Summary Funding Sources for the 10-year CIP

Funding Source	2026-2035 Estimate
Charter Bonds	\$ 53,495,000
CIP Bonds	221,666,000
City Funds	283,371,200
City SAC	36,259,300
Grants	24,112,800
Other Governments	93,107,000
Other/Misc.	91,864,700
PIR Bonds & Assessments	79,930,100
Sales Tax Revenue Bonds	20,000,000
TIF Revenue Bonds	45,000,000
<b>Total</b>	<b>\$ 948,806,100</b>

## Summary Funding Sources for the 10-year CIP by Year

Funding Source	2026	2027	2028	2029	2030
Charter Bonds			\$ 17,895,000		\$ 11,600,000
CIP Bonds	\$ 25,900,000	\$ 21,624,000		\$ 23,968,000	
City Funds	32,248,800	35,378,800	27,027,900	28,103,500	32,186,800
City SA	22,445,500	2,002,000	3,757,600	1,501,500	53,900
Grants	7,038,700	880,400	6,136,700	3,781,300	1,241,000
Other Governments	10,909,500	16,463,000	27,099,900	12,027,900	17,382,700
Other/Misc.	35,048,200	4,692,000	5,191,100	3,780,900	36,696,100
PIR Bonds & Assessments	5,455,900	5,748,700	7,132,200	7,508,800	7,904,200
Sales Tax Revenue Bonds	20,000,000				
TIF Revenue Bonds	45,000,000				
<b>Total</b>	<b>\$ 204,046,600</b>	<b>\$ 86,788,900</b>	<b>\$ 94,240,400</b>	<b>\$ 80,671,900</b>	<b>\$ 107,064,700</b>

Funding Source	2031	2032	2033	2034	2035	Total 2026-2035
Charter Bonds		\$13,250,000		\$ 10,750,000		\$ 53,495,000
CIP Bonds	\$ 46,206,000		\$ 28,968,000		\$ 75,000,000	221,666,000
City Funds	24,938,400	29,912,500	25,082,100	19,786,000	28,706,400	283,371,200
City SAC	4,958,800	1,540,000				36,259,300
Grants			5,034,700			24,112,800
Other Governments	4,212,000	1,900,000	1,112,000	1,000,000	1,000,000	93,107,000
Other/Misc.	300,000	4,794,900	300,000	300,000	761,500	91,864,700
PIR Bonds & Assessments	8,319,400	8,755,400	9,213,200	9,693,800	10,198,500	79,930,100
Sales Tax Revenue Bonds						20,000,000
TIF Revenue Bonds						45,000,000
<b>Total</b>	<b>\$ 88,934,600</b>	<b>\$60,152,800</b>	<b>\$ 69,710,000</b>	<b>\$ 41,529,800</b>	<b>\$ 115,666,400</b>	<b>\$948,806,100</b>

# Debt Overview

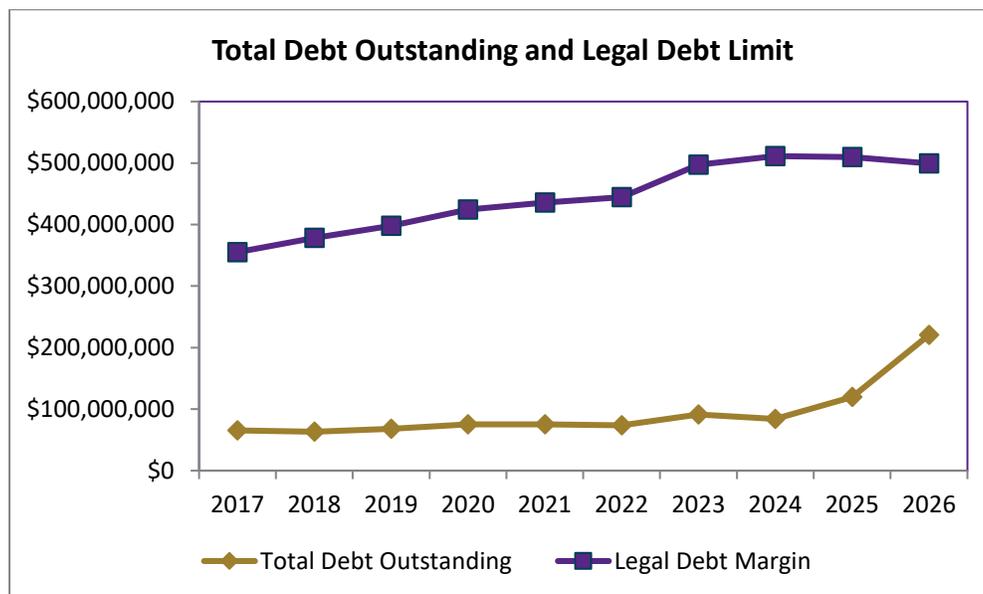
Ongoing positive performance in financial operations and savings from conservative spending assist in reducing the level of annual debt issuance. This results in debt service cost savings and, ultimately, lower debt service levies.

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

## Debt Margin

Minnesota State law limits the amount of General Obligation (GO) debt for any municipality to 3 percent of market value. This limitation provides reasonable assurance of the municipality’s ability to pay its obligations. Bloomington’s estimated market value for taxes payable year 2026 is \$17,912,377,000. The graph below shows ten years of legal debt limit and total debt outstanding. The space between the debt limit and outstanding debt shows that the City is conservative in the amount of debt issued compared to the statutory limit.

	<u>2026</u>
General Obligation Debt Limit	\$ 537,371,310
Bloomington’s Debt Subject to the limit	<u>38,225,000</u>
Debt Margin	<u>\$ 499,146,310</u>



## Debt Issuance

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The City of Bloomington has been very conservative in its debt issuance practices and holds Moody's Aaa, Standard & Poor's AAA and Fitch Rating Agency's AAA G.O. debt ratings, one of 35 municipal governments of 19,500 nationwide to achieve the "Triple Triple A."

## Debt Issuances During 2025

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In August 2025, the City issued:

- \$63,500,000 of Sales Tax Revenue Bonds. The proceeds will be used for the construction of a new Community Health and Wellness Center.
- \$28,125,000 of General Obligation Sales Tax Revenue Bonds. The proceeds will be used for the construction of a new Community Health and Wellness Center.

In October 2025, the City issued:

- \$959,000 of Taxable General Obligation Housing Improvement Area Bonds. The proceeds will be used to aid in financing various housing improvements within a housing improvement area.

In November 2025, the City issued:

- \$3,210,000 of Taxable General Obligation Capital Improvement Plan Bonds. The proceeds were used to finance the construction of a new equipment maintenance garage.
- \$2,900,000 of General Obligation Permanent Improvement Revolving Fund Bonds. The proceeds were used for specific development projects and the Pavement Management Program to finance curb and gutter, sidewalk, and road surfacing improvement projects within the City.

In December 2025, the City issued:

- \$11,245,000 of General Obligation Capital Improvement Plan Bonds. The proceeds will be used for the construction of a new public works storage facility.

## Anticipated Debt Issues

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In February 2026, the City anticipates issuing \$20 million in Sales Tax Revenue bonds for the Nine Mile Creek project and \$26 million in G.O. Capital Improvement Program bonds for the construction of a Fleet garage. In the summer of 2026, the City anticipates issuing \$33 million in Utility Revenue bonds for utility-sanitary sewer projects. In the fall of 2026, the City plans on issuing \$6 million of G.O. Bonds for the Permanent Improvement Revolving Fund for the Pavement Management Program.

The City's total outstanding tax and assessment supported debt on December 31, 2025, was \$212,162,229 for a per capita amount of \$2,312 (population 91,769). The per capita limit on the City's debt is \$5,856.

The total debt principal and interest due in 2026 is \$23,518,730 of which \$3,035,414 is borne by the property tax levy. About 30 percent of the currently issued debt will be paid off in five years and 55 percent in ten years. The ability to retire at least half of a city's debt in ten years is considered a strength.

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

## **Debt Obligations**

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### **General Obligation Revenue**

2017B Water Utility Bonds (2018-2027)

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

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

### **General Obligation**

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

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

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

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

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

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

2017A Charter Bonds (2018-2027)

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

2018A Charter Bonds (2020-2029)

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

2019B Charter Bonds (2021-2030)

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

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

2021A Charter Bonds (2023-2032)

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

2022A Capital Improvement Plan Bonds (2024-2043)

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

2025 Permanent Improvement Revolving, Fifty-Seven Series (2027-2036)

2025D General Obligation Capital Improvement Bonds (2027-2046)

2025E General Obligation Capital Improvement Bonds (2027-2046)

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

### **Sales Tax Revenue Bonds**

2024B Sales Tax Revenue Bonds (2026-2045)

2025A Sales Tax Revenue Bonds (2026-2045)

## 2025B General Obligation Sales Tax Revenue Bonds (2026-2044)

### General Obligation Tax Increment

2020B Tax Increment Refunding (2023-2032)

### Taxable General Obligation

2018B Housing Improvement Bonds (2020-2034)

2019C Taxable Tax Increment Revenue (2022-2036)

## Total Outstanding City Debt

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

## Existing Debt Payments

Year	Total		Proprietary Bonds		Tax & Assessment Supported Debt	
	Principal	Interest	Principal	Interest	Principal	Interest
2026	14,440,903	9,077,827	990,000	306,707	13,450,903	8,771,120
2027	13,317,705	8,915,286	1,035,000	264,189	12,282,705	8,651,097
2028	13,163,855	8,342,720	935,000	221,113	12,228,855	8,121,608
2029	13,007,232	7,782,393	970,000	185,573	12,037,232	7,596,821
2030	12,505,842	7,243,484	995,000	156,046	11,510,842	7,087,438
2031	11,935,692	6,722,283	835,000	124,100	11,100,692	6,598,183
2032	11,690,786	6,202,640	865,000	90,100	10,825,786	6,112,540
2033	11,241,130	5,674,615	895,000	54,900	10,346,130	5,619,715
2034	11,066,734	5,160,406	925,000	18,500	10,141,734	5,141,906
2035	9,697,600	4,693,694			9,697,600	4,693,694
2036	14,544,750	4,208,400			14,544,750	4,208,400
2037	8,035,000	3,748,410			8,035,000	3,748,410
2038	8,355,000	3,357,691			8,355,000	3,357,691
2039	8,755,000	2,955,522			8,755,000	2,955,522
2040	9,160,000	2,543,911			9,160,000	2,543,911
2041	9,570,000	2,114,235			9,570,000	2,114,235
2042	10,015,000	1,661,688			10,015,000	1,661,688
2043	10,475,000	1,186,092			10,475,000	1,186,092
2044	10,135,000	700,168			10,135,000	700,168
2045	8,430,000	251,008			8,430,000	251,008
2046	1,065,000	22,260			1,065,000	22,260
	\$220,607,229	\$92,564,733	\$8,445,000	\$1,421,227	\$212,162,229	\$91,143,505

# DEPARTMENTAL INFORMATION





# Staffing Levels

The 2026 budget includes 697 authorized full-time positions, a net increase of 7 positions compared to the 2025 budget, which included 690 authorized full-time positions.

During 2025, a net increase of 6 full-time positions occurred to support key City services. Many of these positions were supported by new state resources or grant revenues. In addition, some positions were reclassified from part-time to full-time to better meet operational needs, while other positions were eliminated or reclassified from full-time to part-time to offset these changes. Within the Police and Public Health departments, some positions are supported by grant funding and remaining public safety state aid. These public safety state aid resources allow for a temporary increase in sworn officer staffing levels to support succession planning and upcoming retirements. The 2026 budget includes the addition of one new full-time Digital Forensics position in the Police Department. It also reflects a significant reorganization of staff to better align work priorities within the Internal Enterprise Services Team (IEST). As part of this reorganization, the Community Outreach and Engagement Division was eliminated, and its staffing and resources were reassigned to Communications and Engagement, Human Resources, and Equity, Inclusion, and Workplace Culture.

During the 2026 budget process, there was a strong emphasis on limiting the addition of new positions unless existing positions were reduced or restructured elsewhere. When vacancies occurred, departments evaluated opportunities to reorganize duties and staffing to ensure resources remained aligned with current service needs.

## City of Bloomington Position Summary Schedule Authorized Full-Time Positions

	2024 Authorized Full-Time	2025 Authorized Full-Time	2026 Authorized Full-Time
City Clerk	7	4	4
City Council and City Manager	4	6	6
Communications and Engagement	10	9	12
Community Development	66	64	63
Community Outreach & Engagement	6	6	0
Equity, Inclusion, and Workplace Culture	2	3	5
Finance	27	28	29
Fire	44	64	64
Human Resources	7	8	9
Information Technology	20	22	23
Legal	17	20	20
Parks and Recreation	56	61	62
Police	166	173	177
Public Health	29	37	38
Public Works	158	162	162
Housing and Redevelopment Authority	9	12	12
Port Authority	9	11	11
<b>Total</b>	<b>637</b>	<b>690</b>	<b>697</b>

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# City Clerk

The City Clerk’s Office operates within the General Fund and is responsible for administering elections, business licensing, and passport services. Federal, state, and county elections occur in even-numbered years, while city and school district elections occur in odd-numbered years.

The City Clerk division also maintains records and manages sales for the Bloomington City Cemetery, which is accounted for in the Cemetery Special Revenue Fund. Beginning in 2026, the City Clerk division will also maintain records and oversee sales for the Bloomington Veterans Memorial.



Authorized Full-Time Position	2026 Budget
City Clerk	1
Deputy City Clerk, Elections	1
Deputy City Clerk, Licensing	1
Lead Licensing Specialist	1
<b>Grand Total</b>	<b>4</b>

## 2025 Accomplishments

- Successfully administered the 2025 Municipal Election.
- Streamlined passport processes, resulting in a 55% increase in accepted passport applications compared to 2024.
- Converted all cemetery records to a digital format.
- Made cemetery information available on the City website, contributing to a 43% increase in cemetery lot and niche sales.
- Updated City Code provisions related to liquor licensing.

## 2026 Goals and Objectives

- Administer the 2026 Primary and General Elections.
- Develop a Cemetery Master Plan to guide future planning and operations.
- Implement the Charitable Gambling 10% Fund in accordance with state requirements.
- Evaluate and reduce the number of polling locations while reallocating resources to support absentee voting.
- Implement the CityView online portal to streamline business licensing services.

## Performance Measures

Strategic Priority	Performance Measure	2023 Actual	2024 Actual	2025 Actual	2026 Goal
<b>Connected, welcoming community</b>	General Election Voter Turnout	36%	83%	28%	90%
	Number of registered voters	57,633	63,158	59,306	64,000
	RCV voter education activities	90	n/a	6	n/a
<b>Healthy Community - Safety and Environment</b>	<b>Licenses/permits issued</b>				
	Business	1,850	2,128	1,945	2,000
	Rental	1,984	1,878	1,871	1,900
	Event	221	263	247	250
	Fire	2,000	2,895	3,281	3,200
	Contractor	499	522	533	540
	Solicitor	95	121	187	200
	Animal	343	285	287	300
	<b>Total</b>	<b>6,930</b>	<b>8,092</b>	<b>8,351</b>	<b>8,390</b>
<b>Core service</b>	Cemetery interments	53	54	67	65
	Ground lot and columbarium niche purchases	59	49	70	65
<b>Core service</b>	Passport applications processed	1,536	2,211	3,429	3,500

# City Clerk - General Fund Financial Summary

	2024 Actual	2025 Projected	2026 Budget
<b>Revenues</b>			
Government Services	\$ 115,579	\$ 278,207	\$ 220,000
Permits and Licenses	925,687	921,532	929,400
Intergovernmental	83,185		
Fines	21,600	1,850	5,000
Other Revenues	1,600	5,500	4,000
<b>Total Revenues</b>	<b>1,147,651</b>	<b>1,207,089</b>	<b>1,158,400</b>
<b>Expenditures</b>			
Salaries and Benefits	1,518,199	951,234	1,136,096
Materials, Supplies, & Services	393,198	310,903	383,838
Capital Outlay			
Transfer to Other Funds			
<b>Total Expenditures</b>	<b>1,911,397</b>	<b>1,262,137</b>	<b>1,519,934</b>
Less Expenses Charged to Other Funds	(143,754)	(17,784)	(18,886)
<b>Net Total Expenditures</b>	<b>\$ 1,767,643</b>	<b>\$ 1,244,353</b>	<b>\$ 1,501,048</b>

# Cemetery

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

Both in-ground burial lots and columbarium niches are available, with preferred pricing offered to Bloomington residents. The City Clerk’s Office maintains cemetery records and assists families with lot purchases and service scheduling. Cemetery grounds are maintained by the Parks Maintenance Division of the Public Works Department.

## 2026 Goals and Objectives

- Continue to provide compassionate, timely service to individuals and families while maintaining the cemetery grounds to a high standard.
- Promote available burial options to residents, funeral service providers, and the broader community.
- Continue uploading and maintaining digital cemetery records within the Cemify cemetery management system.
- Develop a long-term cemetery master plan.
- Obtain City Council direction regarding the long-term future of the cemetery.

## Performance Measures

Strategic Priority	Performance Measure	2023 Actual	2024 Actual	2025 Actual	2026 Goal
Core service	Cemetery internments	53	54	67	65
Core service	Ground lot and columbarium niche purchases	59	49	70	65



## Cemetery - Special Revenue Fund Financial Summary

	2024 Actual	2025 Projected	2026 Budget
<b>Revenues</b>			
Program Income	\$ 207,525	\$ 281,655	\$ 218,215
Interest Income	16,608	22,299	5,400
Transfers from Other Funds			
<b>Total Revenues</b>	<b>224,133</b>	<b>303,954</b>	<b>223,615</b>
<b>Expenses</b>			
Materials, Supplies, & Services	215,589	203,538	220,282
Transfer to Other Funds			
<b>Total Expenses</b>	<b>215,589</b>	<b>203,538</b>	<b>220,282</b>
<b>Working Capital</b>			
Net Change	8,544	100,416	3,333
Working Capital at Beginning of Year	382,954	391,498	491,914
<b>Working Capital at End of Year</b>	<b>\$ 391,498</b>	<b>\$ 491,914</b>	<b>\$ 495,247</b>

# City Council and City Manager’s Office

The City Council and the City Manager’s Office are accounted for within the General Fund. The City is governed by a part-time elected Council consisting of a mayor and six councilmembers, with two elected at-large and four elected by district. The Council holds legislative authority and appoints the City Manager and members to boards and commissions.

The City Manager leads and manages the daily operations of the City and its various departments to advance the City Council’s mission to *cultivate an enduring and remarkable community where people want to be*, through effective leadership, strategic implementation, financial management, and operational excellence.

Authorized Full-Time Position	2026 Budget
City Manager	1
Deputy City Manager	2
Strategy, Policy, and Performance Manager	1
Special Projects Coordinator/Executive Assistant	1
Executive Assistant	1
<b>Grand Total</b>	<b>6</b>

## 2026 Goals and Objectives

- Strengthen strategic alignment across city operations through its service team structure
  - Lead implementation of the *Bloomington. Tomorrow. Together.* strategic priorities with measurable benchmarks and cross-department support.
  - Support Priority-Based Budgeting (PBB) as a core planning tool to align resources with community outcomes and Council direction.
  - Enhance performance management by introducing routine reporting on key performance indicators citywide.
  - Facilitate regular strategic reviews with departments to identify progress, barriers, and operational improvements.
  - Coordinate with stakeholders, regional agencies, nonprofits, and business leaders on shared priorities like transportation, broadband, housing, and public safety.
  - Strengthen internal collaboration across departments, bridging operational silos for more integrated service delivery.
  
- Guide fiscally sustainable and transparent budgeting aligned with City values
  - Oversee the final adoption and continued refinement of the 2026 budget that aligns with outcomes and community priorities.
  - Advance long-term financial planning that anticipates infrastructure renewal, service delivery demands, and changing revenue landscapes.
  - Increase transparency of fiscal decisions through public education and accessible reporting tools
  
- Bolster trust and participation between the City and Bloomington residents

- Expand inclusive community engagement in citywide planning initiatives, including the 2050 Comprehensive Plan update.
- Maintain open communication channels that educate and empower residents on city priorities, decisions, and services.
- Implement systematic feedback loops to ensure resident input shapes policy and program adjustments.
- Promote efficient operations that reflect innovation and responsiveness
  - Champion process improvements that reduce administrative burdens and improve responsiveness to residents and businesses.
  - Implement best practices in technology adoption and data analytics to enhance service performance.
  - Support departments in outcome-oriented program evaluation and adaptation.
- Cultivate an empowered, effective, and diverse City workforce.
  - Advance professional development opportunities to build capacity in strategic planning, community relations, and performance management.
  - Support efforts to strengthen employee engagement, retention, and workplace culture.
  - Promote organizational practices that emphasize equity, accountability, and inclusivity in hiring and development.
  - Foster a cohesive, team-centered culture through intentional leadership development, clear expectations, shared accountability, and cross-department collaboration to ensure excellence in service delivery.



# City Council & City Manager - General Fund Financial Summary

	2024 Actual	2025 Projected	2026 Budget
<b>Revenues</b>			
Other Revenues	\$ -	\$ 542	\$ -
Transfers from Other Funds			
<b>Total Revenues</b>	-	542	-
<b>Expenditures</b>			
Salaries and Benefits	\$ 1,173,381	\$ 1,298,279	\$ 1,639,082
Materials, Supplies, & Services	824,096	805,187	847,546
Capital Outlay			
Transfer to Other Funds			
<b>Total Expenditures</b>	1,997,477	2,103,466	2,486,628
Less Expenses Charged to Other Funds	(402,800)	(437,460)	(448,396)
<b>Net Total Expenditures</b>	\$ 1,594,677	\$ 1,666,006	\$ 2,038,232

# Communications and Engagement

Communications and Engagement is devoted to educating, informing and engaging the community and the City organization. Specifically, the Department cablecasts and webcasts City Council and other meetings, produces television news shows and standalone videos, maintains the City’s websites, social media, operates public access television and generates the monthly newsletter the *Briefing*. The Department also uses engagement to enrich the City organization and community by building trusted relationships, civic engagement, and inclusive decision-making across Bloomington.

Authorized Full-Time Position	2026 Budget
Director of Communications and Engagement	1
Community Outreach & Engagement Manager	1
Communications Supervisor	1
Production Supervisor	1
Strategic Communications Coordinator	1
Media and Video Production Coordinator	1
Community Outreach & Engagement Coordinator	1
Community Outreach & Volunteer Coordinator	1
Digital Communications Coordinator	1
Video Production Specialist	1
Graphics Production Specialist	1
Administrative Assistant	1
<b>Grand Total</b>	<b>12</b>

## 2026 Goals and Objectives

- By March 2026, complete the 7th Bloomington Leadership Program and welcome 18 new graduates into the Bloomington Leadership Program Alumni Network.
- By April 2026, complete staff training and guidance materials to support compliance with ADA Title II digital accessibility requirements, and begin restricting non-compliant digital content, including PDFs, from public-facing City platforms.
- By April 2026, complete a comprehensive accessibility review of the City’s public website and remediate identified ADA compliance issues to improve equitable access to online information and services. Review digital content provided by vendors to confirm compliance.
- By April 2026, increase media outreach activities by adding new reporters from TV news channels and local newspapers to grow our media contacts list by 5-10 reporters.
- By May 2026, launch a specific communications plan for the community, health and wellness center that informs and generates excitement about the new facility design and possible programs and amenities.
- By June 2026, finalize the City’s crisis communications plan.
- By July 2026, complete comprehensive program participation analysis (Boards & Commissions, Bloomington Leadership Program, Volunteers, Let’s Talk) and identify strengths, gaps, and opportunities for further outreach.
- By July 2026, complete the 2026 National Community Survey.

- By August 2026, finalize a plan for public relations and marketing services for Community Development/Port Authority economic development initiatives. The plan will be used for public relations and marketing consulting services over a two-year period for the purpose of promoting business development, retention, and expansion of businesses within our community and equitable economic growth in Bloomington.
- By October 2026, wrap up the initial launch of the communications and outreach plan designed to address safety and speeding in Bloomington that will highlight recent speed limit changes, raise awareness for pedestrian safety and appeal to residents' sense of place and community.
- By October 2026, increase Instagram following to 8,000.
- By October 2026, complete public participation training for City staff.
- By December 2026, establish ongoing monitoring and remediation processes to reduce ADA-related legal risk and ensure sustained accessibility of City digital communications.

### Performance Measures

Strategic Priority	Performance Measure	2023 Actual	2024 Actual	2025 Actual	2026 Goal
<b>Connected, welcoming community</b>	Percent of residents who rate the City's public information services as excellent or good in the National Community Survey	76%	68%	77%	79%
	Percent of residents who rate Bloomington's overall image or reputation as excellent or good in the National Community Survey	75%	77%	76%	78%
	Average accessibility score for the City's website as measured by Silktide's* accessibility scorecard (goal: 90) <i>*New service in late 2025. Comparison to previous scores is not precise.</i>	87%	83%	80%*	90%
	Percent of residents who rate opportunities to participate in community matters as excellent or good in the National Community Survey™	57%	62%	67%	70%
	Number of subscribers on the City's digital engagement platform (Let's Talk Bloomington)	1,109	1,257	1,391	1,450
	Percent of City board and commission applicants that identify as Black, Indigenous or People of Color (BIPOC)	34%	32%	32%	35%
	Percent of BIPOC applicants selected to serve on City boards and commissions	39%	25%	27%	35%
	Percent of residents who rate the openness and acceptance of the community toward people of diverse backgrounds as excellent or good in the National Community Survey™	68%	68%	75%	75%

# Communications & Engagement - Gen. Fund Financial Summary

	2024 Actual	2025 Projected	2026 Budget
<b>Revenues</b>			
Cable Franchise Fees			850,000
Intergovernmental	6,710	-	12,500
Other Revenues	7,245	3,967	52,200
Transfers from Other Funds	12,018	-	-
<b>Total Revenues</b>	<b>25,973</b>	<b>3,967</b>	<b>914,700</b>
<b>Expenditures</b>			
Salaries and Benefits	856,950	935,829	1,949,649
Materials, Supplies, & Services	243,650	201,143	1,088,229
Transfer to Other Funds			
<b>Total Expenditures</b>	<b>\$ 1,100,600</b>	<b>\$ 1,136,972</b>	<b>\$ 3,037,877</b>
Less Expenses Charged to Other Funds	-	(246,864)	(520,954)
<b>Net Total Expenditures</b>	<b>\$ 1,100,600</b>	<b>\$ 890,108</b>	<b>\$ 2,516,923</b>

# Communications & Engagement

## Support Services

The Communication and Engagement Support Services Fund is an Internal Service Fund administered by the Communications and Engagement Department. Communication & Engagement Support Services includes the City's print shop, mailroom, and information desk functions. The print shop is staffed by one part-time employee, while the mailroom and information desk are each staffed by two part-time employees. Operations are supported through internal service charges to City departments.



### 2025 Accomplishments

- The Information Desk answered more than 21,000 calls in 2025 and welcomed thousands of visitors to Civic Plaza.
- The mailroom processed nearly \$77,000 in metered mail, handled more than 1,000 incoming and outgoing packages, and completed 750 mail runs within Civic Plaza and to City buildings throughout Bloomington.
- The print shop produced more than 387,000 printed items. Production included postcards and mailers with variable data addressing, envelopes, serial numbered forms, engineering plans and specification books, financial reports, handbooks, wide format printing, laminated and foam core signage and posters, marketing materials, multipart carbonless forms, brochures, calendars, and more. These materials supported staff across departments in communicating City news, services, and activities to residents and stakeholders.

## **2026 Goals and Objectives**

- Complete the print shop's transition to an online printing service portal to provide a simpler ordering process for City employees and make it easier to serve external customers.
- Increase awareness of print shop services by sharing information with City employees through the Insider at least four times during the year.
- Improve short term coverage options for the Information Desk by establishing on call Information Assistant positions to provide backup during staff absences, vacations, and periods of high visitor or call volume.
- Review Information Desk management best practices and compare with similar sized metro area cities to identify mid-term and long-term options for providing in person and phone-based customer service.

## Support Services - Internal Service Fund Financial Summary

	2024 Actual	2025 Projected	2026 Budget
<b>Revenues</b>			
Departmental Charges	\$ 497,491	\$ 574,569	\$ 611,546
Interest Income	13,527	19,472	2,000
Other Revenues	2,411	4,161	3,000
Transfers from Other Funds	-	-	-
<b>Total Revenues</b>	<b>513,429</b>	<b>598,202</b>	<b>616,546</b>
<b>Expenses</b>			
Salaries and Benefits	190,704	190,881	220,183
Materials, Supplies, & Services	293,144	323,393	364,774
Capital Outlay	-	25,532	9,000
<b>Total Expenses</b>	<b>483,848</b>	<b>539,806</b>	<b>593,957</b>
<b>Working Capital</b>			
Net Change	29,581	58,396	22,589
Working Capital at Beginning of Year	296,303	325,884	384,280
<b>Working Capital at End of Year</b>	<b>\$ 325,884</b>	<b>\$ 384,280</b>	<b>\$ 406,869</b>

# Communications – Special Revenue Fund

In 2026, the Communications budget was divided between two funding sources. The Public, Educational, and Governmental Access (PEG) revenues come from cable provider fees that can only be used for purchasing capital equipment and improvements supporting public, educational, and government access programming. These fees will remain in the Communications Special Revenue Fund. Capital purchases include equipment such as cameras, studio equipment, and production systems.

The remaining portion of the Communications budget, funded by cable franchise fees and property taxes, was moved to the General Fund to align with ongoing operational costs. It is appropriate for only the PEG fees to remain in a special revenue fund, as these revenues are legally restricted for capital expenditures, whereas ongoing operational activities are more suitably accounted for within the City's General Fund.

## 2026 Goals and Objectives

- Upgrade cablecast playback equipment to support automated closed captioning and ensure continued ADA compliance across PEG facilities.
- Replace aging shared video editing storage equipment to improve system reliability and support evolving video production and social media workflows.
- Upgrade BCAT public access control room equipment to maintain network compatibility and operational efficiency.
- Begin succession planning related to an upcoming production staff retirement, including evaluation of roles, operational needs, and future PEG facility and capital requirements.



# Communications - Special Revenue Fund

## Financial Summary

	2024 Actual	2025 Projected	2026 Budget
<b>Revenues</b>			
Property Taxes	\$ 400,000	\$ 700,000	\$ -
Franchise & PEG Fees	1,043,481	1,206,985	280,000
Program Income	86,358	86,565	-
Interest Income	(1,506)	-	-
Transfers from Other Funds	375,536	219,096	-
<b>Total Revenues</b>	<b>1,903,869</b>	<b>2,212,646</b>	<b>280,000</b>
<b>Expenses</b>			
Salaries and Benefits	1,275,509	1,410,060	-
Materials, Supplies, & Services	735,876	791,316	-
Capital Outlay	37,327	57,061	154,000
Transfer to Other Funds	-	-	-
<b>Total Expenses</b>	<b>2,048,712</b>	<b>2,258,437</b>	<b>154,000</b>
<b>Working Capital</b>			
Net Change	(144,843)	(45,791)	126,000
Working Capital at Beginning of Year	222,103	77,260	31,469
<b>Working Capital at End of Year</b>	<b>\$ 77,260</b>	<b>\$ 31,469</b>	<b>\$ 157,469</b>

# Community Development

The Community Development Department supports the long-term vitality of the community. In addition to the activities in the general fund, the Department includes additional funds for the Port Authority, Housing and Redevelopment Authority, and Creative Placemaking.

## 2026 Goals and Objectives

The goals and objectives below are the shared goals of the staff of the Community Development department. These shared goals are guided by the City Council, Port Authority, Housing Redevelopment Authority, Planning Commission, and Creative Placemaking Commission.

### External

- 1) Improve access to housing and the quality of the city's housing stock by ensuring policies and programs promote investment in housing development and property maintenance
- 2) Support equitable economic growth by improving services and resources for local businesses, including small businesses and entrepreneurs
- 3) Coordinate and implement community response efforts in the context of current events

### Internal

- 1) Establish shared customer service standards toward remarkable customer service experiences
- 2) Support the professional development of staff and a healthy and inclusive workplace culture
- 3) Improve file management protocols and practices



# Community Development - General Fund Financial Summary

	2024 Actual	2025 Projected	2026 Budget
<b>Revenues</b>			
Program Income	\$ 7,647	\$ 9,335	\$ 7,000
Permits and Licenses	6,528,416	5,832,744	5,237,100
Intergovernmental	17,476	17,476	14,000
Other Revenues	267,125	359,942	255,600
Transfers from Other Funds	50,000	-	-
<b>Total Revenues</b>	<b>6,870,664</b>	<b>6,219,497</b>	<b>5,513,700</b>
<b>Expenditures</b>			
Salaries and Benefits	9,023,223	9,382,594	9,775,509
Materials, Supplies, & Services	1,820,220	1,696,637	1,907,426
Capital Outlay			
Transfer to Other Funds	-	5,000	-
<b>Total Expenditures</b>	<b>10,843,443</b>	<b>11,084,231</b>	<b>11,682,935</b>
Less Expenses Charged to Other Funds	(42,356)	(47,942)	(51,250)
<b>Net Total Expenditures</b>	<b>\$ 10,801,087</b>	<b>\$ 11,036,289</b>	<b>\$ 11,631,685</b>

# Community Development - Administration

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

Authorized Full-Time Position	2026 Budget
Director of Community Development	1
Special Projects & Initiatives Manager	1
Administrative Assistant	1
<b>Grand Total</b>	<b>3</b>

## 2026 Goals and Objectives

In addition to administrative support to the full community development department, the CD Admin team, in collaboration with other staff across the organization, are responsible for:

- 1) Hatch Bloomington, a high-profile retail pitch competition
- 2) Bloomington Economic Partnership, a collaborative with local business leaders, schools, and colleges
- 3) CEO Summit, a regularly Mayor-hosted convening of the CEOs of the largest employers in Bloomington

Outside of CD Admin staff time, these efforts are funded by the Bloomington Port Authority and so information and metrics are available in that section.

# Community Dev. Admin. Division - General Fund Financial Summary

	2024 Actual	2025 Projected	2026 Budget
<b>Revenues</b>			
Intergovernmental	\$ -	\$ -	\$ -
Other Revenues	48,471	34,007	-
Transfers from Other Funds	50,000	-	-
<b>Total Revenues</b>	<b>98,471</b>	<b>34,007</b>	-
<b>Expenditures</b>			
Salaries and Benefits	458,245	566,340	549,044
Materials, Supplies, & Services	437,649	242,935	311,839
Capital Outlay			
Transfer to Other Funds	-	-	-
<b>Total Expenditures</b>	<b>\$ 895,894</b>	<b>\$ 809,275</b>	<b>\$ 860,883</b>
Less Expenses Charged to Other Funds			
<b>Net Total Expenditures</b>	<b>895,894</b>	<b>809,275</b>	<b>860,883</b>

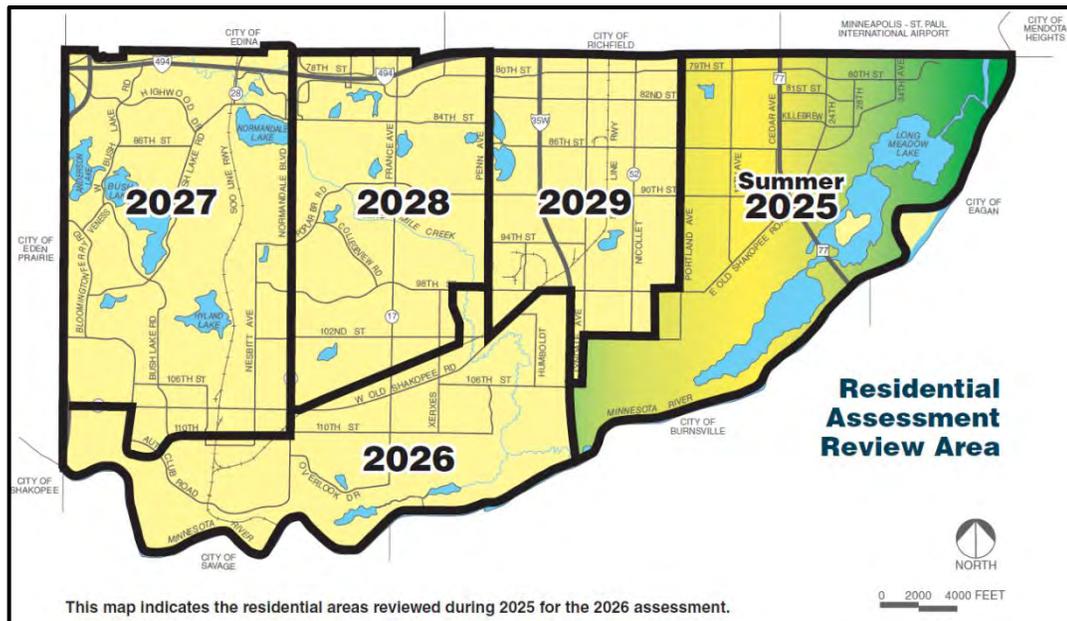
# Community Development – Assessing

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

Authorized Full-Time Position	2026 Budget
City Assessor	1
Commercial Appraisal Supervisor	1
Residential Appraisal Supervisor	1
Commercial Property Appraiser	4
Residential Property Appraiser	3
Assessment Assistant	1
<b>Grand Total</b>	<b>11</b>

## 2026 Goals and Objectives

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



# Comm. Dev. Assessing Division - General Fund Financial Summary

	2024 Actual	2025 Projected	2026 Budget
<b>Revenues</b>			
Program Income	\$ 630	\$ 330	\$ 500
Other Revenues	-	-	-
Transfers from Other Funds			
<b>Total Revenues</b>	<b>630</b>	<b>330</b>	<b>500</b>
<b>Expenditures</b>			
Salaries and Benefits	1,729,797	1,844,554	1,854,787
Materials, Supplies, & Services	287,628	304,851	322,116
Capital Outlay			
Transfer to Other Funds	-	-	-
<b>Total Expenditures</b>	<b>2,017,425</b>	<b>2,149,405</b>	<b>2,176,903</b>
Less Expenses Charged to Other Funds	(42,356)	(47,942)	(51,250)
<b>Net Total Expenditures</b>	<b>\$ 1,975,069</b>	<b>\$ 2,101,463</b>	<b>\$ 2,125,653</b>

# Community Development – Building & Inspections

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

Authorized Full-Time Position	2026 Budget
Building Official	1
Assistant Building Official	1
B&I Program Coordinator	2
Office Supervisor	1
Senior Plans Examiner	1
Plans Examiner	1
General Inspector	1
Office Support Specialist	4
Building Inspector	5
Electrical Inspector	3
Plumbing Inspector	2
Building Inspection Aide	1
<b>Grand Total</b>	<b>23</b>

## 2026 Goals and Objectives

### Priority goals

- Implement and operationalize the Parking Ramp Licensure Program by processing license applications, conducting inspections, ensuring compliance with ordinance requirements effective January 30, and establishing ongoing monitoring and enforcement procedures.
- Update fees to begin in April 2026
- Update Chapter 15 of the City Code to align with division policies and procedures
- Provide virtual inspection options for minor non-life safety permits
- Implement Cityview code enforcement module in partnership with Environmental Health
- Update and improve internal division policies and procedures for clarity and consistency within our division

### On-going objectives

- Issue residential remodeling, plumbing, electrical and mechanical permits within one workday.
- Continuation of the time of sale (TOS) inspection program to provide consistent and high-level inspections of homes by City inspectors.
- Complete all inspections within 48 hours of request.
- Complete 90% of all Plan review within 10 working days (electronic plan review).
- Investigate all code complaints within 24 hours of receiving.

- Continue to update and provide translated handouts to better serve our residents and customers.
- Continuous improvement of division policies and procedures.

### Performance Measures

Strategic Priority	Performance Measure	2023 Actual	2024 Actual	2025 Actual	2026 Goal
Core service	Perform inspections within 48 hours of time requested	100%	100%	100%	100%
Core service	Perform plan reviews within 7 days of application/submittal acceptance	N/A	N/A	N/A	80%
Connected, welcoming community	Be active participants in the City and Community Developments Racial Equity Action Team	3 Staff Members on CD REAT	2 Staff Members on CD REAT	2 Staff Members on CD REAT	2 Staff Members on CD REAT
Connected, welcoming community	Building Division Website Visits (note major change in Google Analytics visit tracking methodology starting in 2023)	681K	755k	800k	900k
Healthy Community	Investigate all code complaints within 24 hours of receiving	N/A	N/A	80%	100%
Healthy Community	Implementation of Code Enforcement software to allow for online complaints and utilize technology to reduce paper files/notices	N/A	N/A	N/A	100%

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

	2024 Actual	2025 Projected	2026 Budget
<b>Revenues</b>			
Permits and Licenses	\$ 5,227,278	\$ 4,269,217	\$ 3,756,100
Transfers from Other Funds			
<b>Total Revenues</b>	<b>5,227,278</b>	<b>4,269,217</b>	<b>3,756,100</b>
<b>Expenditures</b>			
Salaries and Benefits	2,895,335	3,014,566	3,273,619
Materials, Supplies, & Services	529,801	526,354	588,278
Capital Outlay			
Transfer to Other Funds			
<b>Total Expenditures</b>	<b>\$ 3,425,136</b>	<b>\$ 3,540,920</b>	<b>\$ 3,861,897</b>
Less Expenses Charged to Other Funds			
<b>Net Total Expenditures</b>	<b>3,425,136</b>	<b>3,540,920</b>	<b>3,861,897</b>

# Community Development–Environmental Health

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

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

Authorized Full-Time Position	2026 Budget
Environmental Health Manager	1
Environmental Health Supervisor	2
Environmental Health Program Coordinator	3
Environmental Health Specialist	9
Office Support Specialist	2
<b>Grand Total</b>	<b>17</b>

## 2026 Goals and Objectives

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

## Performance Measures

Strategic Priority	Performance Measure	2023 Actual	2024 Actual	2025 Actual	2026 Goal
<b>Healthy community (Environment)</b>	Percent of all open food, lodging and public pool facilities inspected.	100%	100%	100%	100%
	Number of residential, rental, and commercial complaints investigated.	3,757 (100%)	4,135 (100%)	3,989 (100%)	4,000 (100%)
	Percent of all licensed rental single-family houses, condos, townhomes, and duplex units inspected.	97%	99%	99%	100%
<b>Healthy community (Environment)</b>	Percent of residential properties inspected from the street for maintenance and nuisance city code violations.	100%	100%	100%	100%

**Performance Measures**

<b>Strategic Priority</b>	<b>Performance Measure</b>	<b>2023 Actual</b>	<b>2024 Actual</b>	<b>2025 Actual</b>	<b>2026 Goal</b>
<b>Core service</b>	MN 273.01 All real property subject to taxation shall be listed and at least one-fifth of the parcels listed shall be appraised each year with reference to their value on January 2 preceding the assessment so that each parcel shall be reappraised at maximum intervals of five years.	Reviewed 6,831 out of approx.. 31,000 parcels or 22.0%	Reviewed 6,195 out of approx.. 31,000 parcels or 20.0%	Reviewed 6,206 out of approx.. 31,000 parcels or 20.0%	To review 6,200 out of approx.. 31,000 parcels or 20%
	Ensure statistical measurements of accuracy and equalization across all property assessments as set by the Department of Revenue. The Median Ratio (Sales Ratio) between a property sale and the Assessor’s estimated market value should be between 90% to 105%.	Median Ratios for: Residential 95.6%, Apartments 95.2% Commercial 95.2% and Industrial 95.3%	Median Ratios for: Residential 95.4%, Apartments 95.3% Commercial 96.4% and Industrial 95.8%	Median Ratios for: Residential 95.1%, Apartments 95.2% Commercial 95.2% and Industrial 95.9	Median Ratio for each property segment between 95.0% and 100%
<b>Connected, welcoming community</b>	Publish Annual Property Assessment Report, implemented online property database	Published Annual Assessment Report and Online Property Data Live on Web	Published Annual Assessment Report and Online Property Data Live on Web	Published Annual Assessment Report and Online Property Data Live on Web	Publish Annual Assessment Report

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

	2024 Actual	2025 Projected	2026 Budget
<b>Revenues</b>			
Permits and Licenses	\$ 1,227,522.20	\$ 1,518,196.80	\$ 1,422,500.00
Intergovernmental	17,476	17,476	14,000
Other Revenues	218,654	325,935	255,600
Transfers from Other Funds			
<b>Total Revenues</b>	<b>1,463,653</b>	<b>1,861,608</b>	<b>1,692,100</b>
<b>Expenditures</b>			
Salaries and Benefits	2,596,590	2,636,472	2,698,429
Materials, Supplies, & Services	370,010	411,823	435,891
Transfer to Other Funds			
<b>Total Expenditures</b>	<b>\$ 2,966,600</b>	<b>\$ 3,048,295</b>	<b>\$ 3,134,320</b>
Less Expenses Charged to Other Funds			
<b>Net Total Expenditures</b>	<b>2,966,600</b>	<b>3,048,295</b>	<b>3,134,320</b>

# Community Development - Planning

The Planning Division defines and implements the future development vision for the City through community-wide and place-based land use plans and City Code amendments. The Division also reviews and prepares recommendations on applications for development, rezoning, use permits and variances, and conducts special studies for the City.

Authorized Full-Time Position	2026 Budget
Planning Manager	1
Planning Supervisor	2
Planner	5
Office Support Specialist	1
Planning Technician	1
<b>Grand Total</b>	<b>10</b>

## 2026 Goals and Objectives

### Priority goals

- Support community renewal and guide growth to maximize benefits for Bloomington stakeholders and the Bloomington community as a whole.
- Launch the 2050 Comprehensive Plan project and conduct significant research and community engagement in support of the effort.
- Complete a significant proportion of the Zoning Ordinance Updates identified in the Planning Commission’s 2026 Work Plan.
- Complete and support other special studies and projects identified in the 2026 Planning Commission Work Plan.
- Continued improvements in employee professional development, recognition, satisfaction, and retention.

### On-going objectives

- Review development proposals to ensure Comprehensive Plan and Code compliance.
- Support other priority initiatives of the Community Development Department and other Departments of the City of Bloomington.
- Negotiate and administer City wireless and fiber leases.
- Deliver excellent customer service in the Planning Division.

## Performance Measures

Strategic Priority	Performance Measure	2023 Actual	2024 Actual	2025 Actual	2026 Goal
<b>Core Service</b>	Percent of site plan revisions processed administratively (higher number reflects streamlined approval processes)	65.9%	70.3%	87.0%	80.0%
	Planning Division Website Visits (note major change in Google Analytics visit tracking methodology starting in 2023)	11,263	13,383	17,485	18,500
<b>Connected, welcoming community</b>	Planning Commission E-Subscribers	2,178	2,548	2,394	2,600

# Community Dev. Planning Div. - General Fund Financial Summary

	2024 Actual	2025 Projected	2026 Budget
<b>Revenues</b>			
Program Income	\$ 7,017	\$ 9,005	\$ 6,500
Permits and Licenses	73,616	45,330	58,500
Other Revenues	-	-	-
Transfers from Other Funds			
<b>Total Revenues</b>	<b>80,633</b>	<b>54,335</b>	<b>65,000</b>
<b>Expenditures</b>			
Salaries and Benefits	1,343,256	1,320,662	1,399,630
Materials, Supplies, & Services	195,132	210,674	249,302
Capital Outlay			
Transfer to Other Funds	-	5,000	-
<b>Total Expenditures</b>	<b>\$ 1,538,388</b>	<b>\$ 1,536,336</b>	<b>\$ 1,648,932</b>
Less Expenses Charged to Other Funds			
<b>Net Total Expenditures</b>	<b>1,538,388</b>	<b>1,536,336</b>	<b>1,648,932</b>

# Creative Placemaking

The Creative Placemaking Fund is a Special Revenue Fund supported by transfers from the South Loop Capital Improvement Fund for projects located within the South Loop District. An annual transfer from the Port Authority Development Fund also provides funding for citywide creative placemaking projects and events. The Office of Creative Placemaking operates within the Port Authority Division of the Community Development Department.

The Creative Placemaking Commission advises staff and the City Council on creative placemaking initiatives, including project prioritization, criteria for resource allocation, and artist selection. Commissioners also help promote programming and foster partnerships throughout the community.

Creative placemaking integrates arts, culture, and design to strengthen and connect communities. These efforts extend beyond traditional art creation by emphasizing cross-sector partnerships, meaningful community engagement, and collaboration with artists and culture bearers to advance local social, physical, and economic goals.

Authorized Full-Time Position	2026 Budget
Creative Placemaking Manager	1
Creative Placemaking Specialist	1
<b>Grand Total</b>	<b>2</b>

## 2025 Projects Completed

### Citywide activity and projects outside South Loop District

- Approval of the Citywide Creative Placemaking Plan. Celebration on July 16 at Bloomington Civic Plaza, featuring music, food, and performances.
- Bloomington Ice Garden (BIG) murals: *Meant to Be Here* by Adam Turman (entryway vestibule), and a hockey history photo collage mural by Creative Color (ice rink). (Partnership with Parks and Recreation and BIG).
- Supported Live Murals at Dred – three live mural painting sessions at Clutch Hitters batting cages at Dred Scott throughout the summer. Coordinated by Jim Hanson.
- Hometown Poetry: 5 poems stamped at Civic Plaza, 2 in neighborhoods with new sidewalks.
- Supported Juneteenth on June 21 at Valley View Middle School. Commissioned art activity led by Adrian Lowe.
- Bloomington Street Arts Fest on September 20, at Nine Mile Brewing, coordinated by artist Katie Ross, sponsored in part by Creative Placemaking.
- StoryFest 2025 at Bloomington Civic Plaza on April 5. Presented by Story Arts of Minnesota, sponsored in part by Creative Placemaking.
- Artist support for "Mino-bimaadiziwin" exhibition presented by Artistry in the Inez Greenberg Gallery.

### South Loop District

- *Evening Primrose* mural by international artist Mariela Ajras, installed in August on Fenley building next to Backstory Coffee.
- *Hanté (Cedar) Healing Bridge Mural and Garden*, by Tara Perron and Sandy Spieler at Old Cedar Avenue Bridge trailhead shelter. Partnered with Minnesota Valley National Wildlife Refuge on unveiling celebration on September 20.
- ARTBOXES: four Xcel Energy transformers painted, three utility boxes wrapped throughout the summer in designs by local artists Jennifer Davis, Deneena Hughes, Erik Sletten, Kao Lee Thao.
- Continued promotion of South Loop Public Art Audio Tour in the Otocast App.
- South Loop Community Garden: continued operation and maintenance of space and art banners.
- One Sunday Funday Arts in the Parks music performance from Joe Flip and Ken Valdez at Bloomington Central Station Park on August 3 (July 13 performance cancelled due to air quality). Produced by Parks and Recreation.
- Nature Fest: Olas de Vida on July 26 at the Minnesota Valley National Wildlife Refuge Visitor and Education Center. In partnership with Minnesota Valley Refuge Friends, Huellas Latinas, Indigenous Roots, and Minnesota Zoo.
- On the One Music Festival, August 16 at Bloomington Central Station Park. Produced by The Avant Garde and Parks and Recreation.
- Supported Celebrando las Fiestas Patrias (Celebrating Hispanic Heritage Month), coordinated by Gilberto Diaz, on September 21 at Bloomington Central Station Park.

### **2026 Goals and Objectives**

- Support artists and culture bearers by commissioning and engaging creatives to lead place-based improvements that strengthen Bloomington's cultural and economic vibrancy.
- Advance equity, belonging, and inclusive engagement through community-driven placemaking that reflects diverse identities, stories, and local character.
- Foster relationships and social connection by activating public spaces with creative experiences that build pride of place, strengthen networks, and improve community connectivity.
- Build long-term placemaking capacity by sustaining the Creative Placemaking Commission, expanding partnerships, and growing resources to scale efforts citywide beyond the South Loop.

### Citywide activities and projects outside South Loop District

- Parks and Recreation Partnerships
  - Installation of sculpture at Bryant Park in September.
  - Pond Dakota–Mission Park sculpture artist selection in the summer and installation in 2027 (partnership with Parks and Recreation + Dakota Advisory Committee).
  - Mural at Community Health & Wellness Center: scope and call for art in 2026.
  - Interactive installation at Tretbaugh Park in the summer.
  - Public art at Nine Mile Creek Corridor: begin scope development.
  - Revisit youth engagement concept at Valley View Skate Park in the summer.
- Install garden kaleidoscope by R.C. Anderson at Civic Plaza in May. Garden Club volunteers to plant gardens seasonally.
- Civic Plaza interior window: vinyl wrap design art project installed in the Summer.
- Sketch & Stretch artist development workshop at The Works Museum, led by Bloomington artist Rupa Shenoy Thadhani in March.
- Updated Creative Economy Study and/or arts space feasibility study.
- Implementation of Bloomington Youth Art Expression Initiative Project in partnership with Public Health and OREIB in the Spring.

- Continued support of StoryFest on March 28 and Bloomington Street Arts Festival in September.
- ARTBOX: 1–2 utility box wraps in the summer.
- Expand South Loop Public Art Guide in Otocast App citywide.

**South Loop District**

- ARTBOXES: commission four painted Artbox designs on Xcel Energy utility boxes, install in the summer.
- Install lighting for *The Goldfinch* sculpture at Killebrew & Old Shakopee in the summer.
- Fabricate art banners by Sheila Novak and Erin Genia for the Minnesota Valley National Wildlife Refuge Visitor & Education Center; initiate related community activities in the summer.
- Move forward with step-by-step planning and improvements to activate the vacant lot in front of SICK.
- Develop project scope for creative wayfinding system and related public art throughout South Loop and Old Shakopee Road cultural trail elements.
- Continued cultivation of *Han̄té (Cedar) Healing Bridge* indigenous garden and programming led by Tara Perron.
- Nature Fest in partnership with Minnesota Valley National Wildlife Refuge (August 22).
- 1 Sunday Funday Music Series summer event at Bloomington Central Station Park (Produced by Parks and Recreation, July 12).
- On the One Music Festival at Bloomington Central Station Park (August, produced by The Avante Garde and Parks and Recreation, August 8).
- Continued support for community events such as Juneteenth and Celebrando Las Fiestas Patrias (Celebrating Hispanic Heritage Month), to be confirmed.

**Performance Measures**

Strategic Priority	Performance Measure	2023 Actual	2024 Actual	2025 Actual	2026 Goal
<b>Equitable economic growth</b>	Creative Placemaking - Percentage of BIPOC Artists/Artist Teams commissioned for public art projects reflects and celebrates Bloomington BIPOC population.	84%	64%	71%	43%
<b>Connected, welcoming community</b>	Creative Placemaking Otocast Art Tour App – total location views to date.	6,518	8,668	10,131	11,000
<b>Connected, welcoming community</b>	Creative Placemaking Old Cedar Avenue Bridge AR Tour – total views to date.	42,885	47,269	50,839	53,500
<b>Connected, welcoming community</b>	Total number of Creative Placemaking projects and events to date.	75	117	146	166



Fiestas Patrias at Bloomington Central Station Park



ARTBOX Project (hand painted utility box) by artist Jennifer Davis. Located at Killebrew and Old Shakopee Rd.



Bloomington Street Arts Festival at Nine Mile Brewing  
Photo credit: Mike Ross



Nature Fest at Minnesota Valley National Wildlife Refuge – Visitors and Education Center  
Photo credit: Drew Arrieta



*Evening Primrose* mural on Fenley Building by Mariela Ajras



On the One Music Festival at Bloomington Central Station Park



*Meant to be Here* mural at Bloomington Ice Garden by Adam Turman

# Creative Placemaking - Special Revenue Fund Financial Summary

	2024 Actual	2025 Projected	2026 Budget
<b>Revenues</b>			
Interest Income	\$ 34,454	\$ 61,235	\$ 15,000
Other Revenues	200,000	335,602	240,000
Transfers from Other Funds	529,996	744,996	550,000
<b>Total Revenues</b>	<b>764,450</b>	<b>1,141,833</b>	<b>805,000</b>
<b>Expenses</b>			
Salaries and Benefits	133,062	271,731	279,647
Materials, Supplies, & Services	331,653	335,442	171,351
Capital Outlay	35,948	-	354,002
Transfer to Other Funds	300,000	-	-
<b>Total Expenses</b>	<b>800,663</b>	<b>607,173</b>	<b>805,000</b>
<b>Working Capital</b>			
Net Change	(36,213)	534,660	-
Working Capital at Beginning of Year	951,439	915,226	1,449,886
<b>Working Capital at End of Year</b>	<b>\$ 915,226</b>	<b>\$ 1,449,886</b>	<b>\$ 1,449,886</b>

# South Loop Revolving Development Services Fund

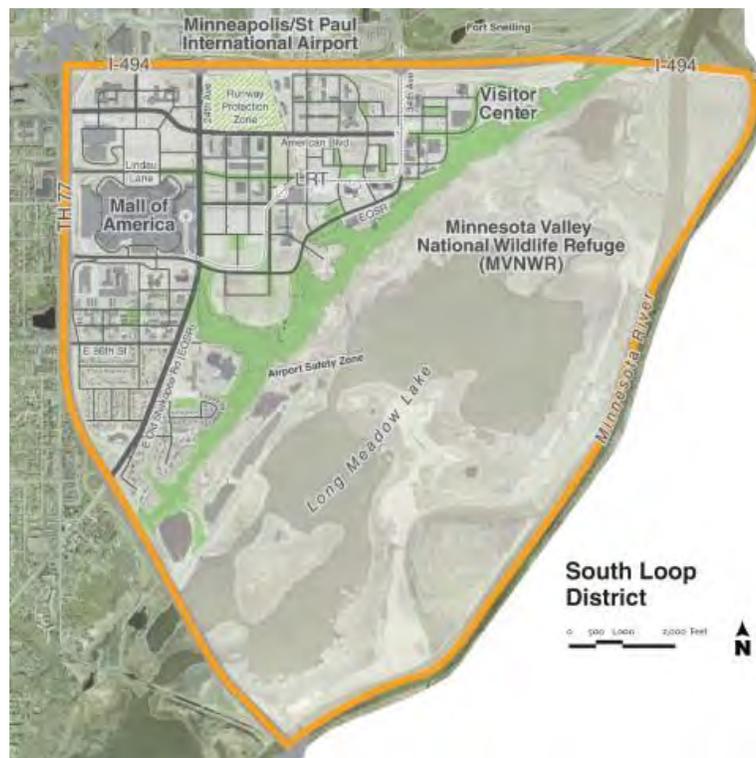
The South Loop Revolving Development Services Special Revenue Fund is supported by a 65% building permit surcharge within the South Loop District. The purpose of this fund is to facilitate and expedite development by advancing planning efforts and completing studies that are often required to entitle development sites

## 2026 Goals and Objectives

- Update elements of the South Loop District Plan, including transportation, pedestrian and bicycle connectivity, water and sanitary sewer capacity, parking, signage, natural resources, energy, and stormwater management.
- Plan and prioritize capital improvement projects that support implementation of South Loop District Plan goals.

## Anticipated Projects

- Continue development of software supporting digital message signs and other intelligent traffic system assets within the District.
- Initiate the request for proposals process for a District Energy Study anticipated to begin in 2027.
- Continue coordination on Blue Line enhancements, including signal equipment and infrastructure improvements intended to improve light rail transit travel times and reduce vehicle delays at roadway intersections.



Aerial view of South Loop

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

	2024 Actual	2025 Projected	2026 Budget
<b>Revenues</b>			
Intergovernmental	\$ -	\$ -	\$ -
Program Income	158,748	-	150,000
Interest Income	25,737	39,173	9,000
Transfers from Other Funds			
<b>Total Revenues</b>	<b>184,485</b>	<b>39,173</b>	<b>159,000</b>
<b>Expenses</b>			
Salaries and Benefits	53	-	11,500
Materials, Supplies, & Services	25,869	25,209	185,000
Transfer to Other Funds			
<b>Total Expenses</b>	<b>25,922</b>	<b>25,209</b>	<b>196,500</b>
<b>Working Capital</b>			
Net Change	158,563	13,964	(37,500)
Working Capital at Beginning of Year	587,404	745,967	759,931
<b>Working Capital at End of Year</b>	<b>\$ 745,967</b>	<b>\$ 759,931</b>	<b>\$ 722,431</b>

# Port Authority

The Port Authority is a component unit of the City of Bloomington responsible for advancing orderly economic development throughout the community. The Port Authority coordinates development and redevelopment activities citywide, implements programs and resources that support both small and large businesses, manages workforce development initiatives, and leads Creative Placemaking\* efforts as an important component of the City’s economic development strategy.

The Port Authority has limited taxing authority, including the ability to levy taxes, and broad authority to issue bonds or notes to support public improvements and redevelopment projects. All debt issuances require approval from the City Council prior to issuance, and the City guarantees certain Port Authority debt.

The Port Authority is governed by a seven-member board appointed by the Mayor and confirmed by the City Council. The Port Authority staff team operates as one of six divisions within the Community Development Department

Authorized Full-Time Position	2026 Budget
Port Authority Administrator	1
Assistant Port Authority Administrator	1
Business Assistance Manager	1
Economic Development Analyst	2
Workforce Development Program Coordinator	1
Housing Development Specialist	1
Business Assistance Specialist	1
Office Support Specialist	1
<b>Grand Total</b>	<b>9</b>

## 2026 Goals and Objectives

- Streamline internal processes, including updating file storage protocols and adapting to the new CRM program.
- Complete Phase I of TIF Management Plan, in collaboration with HRA, Finance, and the City’s municipal advisor. Begin Phase II of project.
- Continue building Port data collection capabilities, including maintenance and refinement of the large employer database,
- Be responsive to community needs in developing and implementing financial assistance programs for small businesses.
- Increase the number of external employers and internship spots available in the Bloom in Bloomington youth internship program.
- Promote awareness of Port Authority services, business successes, and reputation of Bloomington as a place to do business through collaboration with City Communications.

Ongoing Goals and Objectives

- Facilitate thoughtful development and redevelopment, especially where it can be served by transit, encourage short trip lengths, promote biking and walking, and reduce vehicle miles traveled.
- Attract and retain large and small businesses in Bloomington. Connect new and existing businesses to appropriate resources to support growth.
- Oversee debt in a conservative manner to ensure repayment and adequate resources.
- Drive community investments that in turn encourage private investments consistent with the City’s sustainability objectives.
- Manage the implementation, administration, and monitoring of the Opportunity Housing Ordinance.
- Assist developers, as well as large and small businesses, in finding appropriate sites and resources to develop in Bloomington. Proactively develop relationships with underserved developers not yet in Bloomington.
- Serve as responsible stewards of public resources and strive to maximize impact of public investment in economic development.

**Performance Measures**

<b>Strategic Priority</b>	<b>Performance Measure</b>	<b>2023 Actual</b>	<b>2024 Actual</b>	<b>2025 Actual</b>	<b>2026 Goal</b>
<b>Equitable economic growth</b>	Affordable housing units (affordable at 60% AMI or less) permitted for development pursuant to the City Comp Plan Goal	75	156	0 <sup>1</sup>	180-280
<b>Equitable Economic Growth</b>	Non-City funds secured for development or business expansion projects	\$4,000,000 (POLAR MIF)	Direct Applications: \$595,692; \$550,692 – DEED Contamination Cleanup (Enclave), \$45,000 – MetCouncil (OHO),  Indirect Support: \$75,000,000 – DEED MFF (CHIPS act)	0 <sup>2</sup>	\$750,000

<sup>1</sup> Two projects were anticipated to seek permitting in 2025 and neither proceeded. 2026 projections reference expectations for more development activity with projects in the pipeline.

<sup>2</sup> Actuals were lower than projections due to delays in development projects subject to market challenges

<b>Equitable Economic Growth</b>	Number of businesses and hours of consulting provided by Elevate Hennepin technical assistance partnership	71 business contacts, 1,048 hours	92 business contacts, 1,228hours	89 business contacts, 1,581 hours	99 business contacts, 1,500 hours
<b>Equitable Economic Growth</b>	Grant funds awarded through the City's Façade Improvement program/total project investment	N/A	\$192,593 / \$5,408,460	\$209,993 / \$816,869	\$50,000/\$150,000
<b>Equitable Economic Growth</b>	Number of participating external employers / total number of internship spots for Bloom in Bloomington	2/8	2/15	8/29	10/30
<b>Equitable Economic Growth</b>	Number of applicants to Hatch Bloomington / number of applicants that utilized additional programming	N/A	64/17	29/25	40/20



Rendering of The Rosalyn at 700 American – set to open in 2026



New SICK, Inc. Expansion, October 2025



First Annual Bloomington Business Forum, October 2025



2025 Bloom in Bloomington Intern Class



February 2025 CEO Summit, a gathering of leadership from Bloomington’s top employers



TKDA Ribbon Cutting, 2025

# Component Unit - Port Authority

## Financial Summary

	2024 Actual	2025 Projected	2026 Budget
<b>Revenues</b>			
Property Taxes	\$ 1,488,697	\$ 2,454,373	\$ 2,900,000
Intergovernmental Income	-	35,000	-
Program Income			
Interest Income	188,585	43,388	10,000
Other Revenues	9,045,000	1,100,000	560,000
Transfers from Other Funds			
<b>Total Revenues</b>	<b>10,722,282</b>	<b>3,632,761</b>	<b>3,470,000</b>
<b>Expenses</b>			
Salaries and Benefits	1,100,313	1,203,010	1,303,970
Materials, Supplies, & Services	986,728	703,940	1,574,496
Internal Service Fund Charges	190,296	216,032	240,021
Capital Outlay	8,239,820	-	-
Transfer to Other Funds	19,000	-	-
<b>Total Expenses</b>	<b>10,536,157</b>	<b>2,122,982</b>	<b>3,118,487</b>
<b>Working Capital</b>			
Net Change	186,125	1,509,779	351,513
Working Capital at Beginning of Year	529,294	715,419	2,225,198
<b>Working Capital at End of Year</b>	<b>\$ 715,419</b>	<b>\$ 2,225,198</b>	<b>\$ 2,576,711</b>

# Housing and Redevelopment Authority

The mission of the Housing and Redevelopment Authority in and for the City of Bloomington (HRA) is to create a stable and inclusive community through safe and dignified housing choices. The HRA carries out this mission through policies, programs, and services that support residents across the housing continuum, including those experiencing housing instability, renters, homeowners, and prospective homebuyers in Bloomington. Funding for these efforts comes from federal, state, regional, and local sources.



*Left: Construction progress on a single-family home funded in part by the HRA. Right: Home Energy Squad van conducting home efficiency visits.*

The HRA is governed by a seven-member board appointed by the Mayor and confirmed by the City Council. The HRA has authority to levy property taxes, serves as the City’s designated Public Housing Authority, and administers several City housing-related funds. HRA staff operate as one of six divisions within the Community Development Department.

Authorized Full-Time Position	2026 Budget
HRA Administrator	1
Assistant HRA Administrator	2
Program Specialist II	6
Program Specialist I	2
Office Support Specialist	1
<b>Grand Total</b>	<b>12</b>

## 2026 Goals and Objectives

The HRA Board approves an annual workplan that aligns with the below goals and objectives.

### Priority Goals

- Implement and manage the Bloomington Affordable Homeownership Program, which will develop 27 single-family or “missing middle” homes in partnership with local and emerging developers and is supported by a \$3.1 million grant from Minnesota Housing.

- Administer \$2.6 million over two years awarded through the State’s Bring It Home Rental Assistance Program.
- Implement the strategy and spending framework for the State’s Local Affordable Housing Aid funds.
- Explore strategies to support Naturally Occurring Affordable Housing properties.
- Plan and implement a coordinated communications and community outreach strategy.
- Deliver a Home Fair that connects community members with housing and financial resources.
- Evaluate strategic partnerships and delivery models for homebuyer counseling workshops and individual financial and credit counseling services.
- Prepare and launch the Annual All Things Housing report as a public dashboard.

Ongoing Objectives

- Effectively administer the federally funded Housing Choice Voucher (Section 8) program.
- Maintain coordination with Hennepin County and local school districts on housing stabilization programs and initiatives.
- Acquire real property for affordable homeownership redevelopment opportunities.
- Support residential energy efficiency policies and programs through coordination and implementation.
- Support mixed-income housing redevelopment, with a focus on creating units affordable to households earning 30 percent to 50 percent of area median income.
- Maintain coordinated housing improvement programs, services, and resources.
- Support and encourage development of “missing middle” housing types.
- Support implementation and administration of the Opportunity Housing Ordinance and the Affordable Housing Tenant Protection Ordinance.
- Maintain the highest possible utilization of rental assistance programs and resources.
- Expand education offerings related to renting, homeownership, and financial stability.
- Strengthen authentic engagement and service delivery throughout Bloomington, including with underserved and culturally specific communities.
- Ensure adequate staffing, training, and professional development to effectively deliver programs.
- Manage and maintain HRA-owned properties while improving operational cost efficiencies.
- Administer the Rental Homes for Future Homebuyers program, helping renters advance toward homeownership.
- Partner with agencies that provide down payment assistance.

**Performance Measures**

Many HRA programs are funded by federal programs or revolving loans; therefore, dollars available are dependent on federal funding available and economic activity.

Strategic Priority	Performance Measure	2023 Actual	2024 Actual	2025 Actual	2026 Goal
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<b>Connected, welcoming community</b>	Maintain highest possible utilization of Housing Choice Voucher Programs and offerings	684 vouchers <sup>1</sup>	787 vouchers <sup>2</sup>	754 vouchers <sup>3</sup>	750 vouchers
<b>Connected, welcoming community</b>	Issue Home Improvement and Housing and Environmental loans across the community to support housing stability	\$1,025,663.79 loans; \$63,051.78 HELP loans	CDBG \$890,024.96; NBHD/HELP \$529,429.32	\$615,594 loans; \$42,318 HELP loans	\$850,000 loans; \$50,000 HELP loans
<b>Connected, welcoming community</b>	Collect and expand on data for program and service delivery; improve customer service experience <sup>4</sup>	83%	89%	87%	90%
<b>Equitable economic growth</b>	Affordable housing units (affordable at 60% of area median income or less) permitted for development pursuant to the Comprehensive Plan goal	75	156	0 <sup>5</sup>	180-280
<b>Equitable economic growth</b>	Implement and expand homeownership opportunities	50% <sup>6</sup>	65% <sup>7</sup>	70% <sup>8</sup>	75%

<sup>1</sup> 542 Bloomington vouchers and 142 administered vouchers

<sup>2</sup> 516 Bloomington vouchers and 167 administered vouchers

<sup>3</sup> 507 Bloomington vouchers; 201 administered vouchers; 46 Project Based vouchers

<sup>4</sup> Measured by percent of respondents who responded as “happy” or “very happy” on the HRA Customer Experience Survey questions 1, 9, 11, 13 and 30

<sup>5</sup> Two projects were anticipated to seek permitting in 2025 and neither proceeded. 2026 projections reference expectations for more development activity with projects in the pipeline.

<sup>6</sup> Increased use of down payment assistance program; completion of 3 homes in partnership with Homes Within Reach; HRA purchase of 7 parcels for redevelopment, and approval of almost \$3.2M grant from MN Housing

<sup>7</sup> Launched DPA partnership with Habitat for Humanity; approved 6 affordable homeownership projects; offered HCV Homeownership

<sup>8</sup> Approved 6 additional affordable homeownership projects; 3 households purchased a home through Rental Homes for Future homebuyers; launched construction of 2 single family homes; expanded homebuyer counseling services and maintained HCV homeownership offerings

# Component Unit - Housing & Redev. Authority

## Financial Summary

	2024 Actual	2025 Projected	2026 Budget
<b>Revenues</b>			
Property Taxes	\$ 1,650,298	\$ 1,959,936	\$ 2,769,133
Delinquent Taxes & Abatements	46,235	(45,105)	-
Intergovernmental	7,513,684	7,264,115	7,180,142
Interest Income	980,880	867,714	20,000
Other Revenues	2,437,074	1,985,687	1,369,454
Bond Proceeds	-	-	-
Transfers from Other Funds	1,951,150	569,225	-
<b>Total Revenues</b>	<b>14,579,321</b>	<b>12,601,572</b>	<b>11,338,729</b>
<b>Expenses</b>			
Salaries and Benefits	1,523,786	1,728,886	2,003,067
Materials, Supplies, & Services	9,288,532	8,421,663	8,393,798
Internal Service Fund Charges	272,443	366,527	391,864
Capital Outlay	1,078,112	35,700	50,000
Debt	323,652	317,995	-
Transfer to Other Funds	1,913,209	348,369	500,000
<b>Total Expenses</b>	<b>14,399,734</b>	<b>11,219,140</b>	<b>11,338,729</b>
<b>Working Capital</b>			
Net Change	179,587	1,382,432	-
Working Capital at Beginning of Year	16,358,721	16,538,308	17,920,740
<b>Working Capital at End of Year</b>	<b>\$ 16,538,308</b>	<b>\$ 17,920,740</b>	<b>\$ 17,920,740</b>

# Equity, Inclusion, and Workplace Culture

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

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

Authorized Full-Time Position	2026 Budget
Equity & Workplace Culture Administrator	1
Equity & Inclusion Program Manager	3
Equity & Inclusion Coordinator	1
<b>Grand Total</b>	<b>5</b>



*Juneteenth Celebration*



*Bloom in Bloomington Interns*

## Language Access Plan

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

## Racial Equity Action Teams

Racial Equity Action Teams (REATs) withing City departments:

- Support the City of Bloomington’s mission to advance racial equity

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

### **Employee Resource Groups**

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

There are currently seven ERG’s.

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

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

### **2025 Accomplishments**

- **Organizational Restructure and Rebrand** – Led a strategic restructure and rebranding of the Office of Racial Equity, Inclusion and Belonging (OREIB) to the Office of Equity, Inclusion, and Workplace Culture, expanding the scope of the office to elevate workplace culture, professional development, and belonging while strengthening alignment with Human Resources and City priorities.
- **Workplace Culture Rebuilding and Team Stabilization** – Rebuilt trust, morale, and collaboration within the team and across departments during a period of federal-level uncertainty and internal transition. Established a culture of servant and thought leadership, improving engagement, clarity, and cross-office partnership.
- **Strategic Implementation and Continuity of Key Initiatives** – Ensured successful continuation and implementation of existing initiatives including Restorative Circles Social Architect, executive coaching, and the Intercultural Development Inventory (IDI).
- **Employee Resource Group (ERG) Support** – Strengthened ERG engagement by providing leadership support, coaching, and expanded visibility of ERG contributions to workplace culture and employee belonging.
- **Racial Equity Action Team (REAT) Support and Cross-Department Collaboration** – Expanded support and collaboration with REATs and key departments (Community Development, Police, COED), strengthening alignment between internal culture-building and equitable service delivery.

- **Employee Engagement and Organizational Recognition** – Launched the Employee Engagement Survey through Engage, providing actionable organizational data and contributing to the City receiving a Top Workplace designation, offering both performance insights and external validation.
- **Certified Welcoming Designation** – Bloomington was awarded the Certified Welcoming Designation from Welcoming America, formally recognizing the City’s commitment to immigrant inclusion and equitable civic, social, and economic participation.
- **Workforce Development & Inclusive Career Pathways** – In partnership with Community development, facilitated the second year of the Bloom in Bloomington workforce development program, expanding participation among interns and employer partners and strengthening inclusive talent pipelines.
- **Authentic Community Engagement** – Partnered with City of Bloomington REATs and BBEN ERG to host the third annual Juneteenth Celebration with community partners.

### 2026 Goals and Objectives

- Implement and launch a City-wide Equity, Inclusion, and Workplace Culture training framework focused on cultural competence, inclusive leadership, belonging, and equitable service delivery, ensuring alignment with EEOC (Equal Employment Opportunity Commission) guidance and organizational compliance standards.
- Advance a culture-centered workplace strategy by integrating equity and belonging into onboarding, leadership development, employee recognition, and performance conversations to strengthen trust, engagement, and retention.
- Provide guidance and partnership to Human Resources and City leaders to foster an inclusive, legally compliant workplace culture that supports equitable access to professional development and advancement opportunities.
- Support City leaders and elected officials in delivering equitable public services by expanding use of Equity Impact Assessments (EIA) to evaluate cultural and community impacts across policies, programs, and service areas.
- Expand utilization of the Language Access Plan (LAP) by continuing staff training on translation and interpretation services to ensure accessible communication with community members.
- Provide cultural competency and agility assessments, training, and coaching for Racial Equity Action Team (REAT) members.
- Strengthen Employee Resource Groups (ERGs) through structured programming, coaching opportunities, citywide ERG engagement events, and recognition of ERG leadership to reinforce a culture of belonging.
- Provide mentorship and professional development opportunities that strengthen employee retention, leadership development, and cross-departmental relationship building.

# Office of Equity, Inclusion, and Workforce Culture Financial Summary

	2024 Actual	2025 Projected	2026 Budget
<b>Revenues</b>			
Other Revenues	\$ 16,000	\$ 7,500	\$ -
Transfers from Other Funds	69,000	-	-
<b>Total Revenues</b>	<b>85,000</b>	<b>7,500</b>	<b>-</b>
<b>Expenditures</b>			
Salaries and Benefits	\$ 276,546	\$ 427,618	\$ 739,422
Materials, Supplies, & Services	113,709	206,603	237,841
Capital Outlay			
Transfer to Other Funds	-	-	-
<b>Total Expenditures</b>	<b>390,255</b>	<b>634,221</b>	<b>977,263</b>
Less Expenses Charged to Other Funds	(138,660)	(93,780)	(172,036)
<b>Net Total Expenditures</b>	<b>\$ 251,595</b>	<b>\$ 540,441</b>	<b>\$ 805,227</b>

# Finance

The activities of the Finance Department are funded within the General Fund. The department provides comprehensive financial services for the City of Bloomington and its two component units, the Port Authority and the Housing and Redevelopment Authority. Services include accounting, accounts payable, accounts receivable, auditing, budgeting, cash management, investments, grant coordination, utility billing, accounts payable, purchasing, payroll, and risk management.

Finance prepares monthly financial reports for the City Council and Executive Management Team and submits required reports to the Office of the State Auditor and Hennepin County. The department also prepares the City's annual financial reports for submission to the Government Finance Officers Association (GFOA). Through conservative financial management and long-term planning, the City of Bloomington maintains the highest possible AAA bond ratings from Standard & Poor's, Moody's, and Fitch Ratings.

Finance staff support the City Council, City Manager, and departments through financial analysis, capital planning, debt management, grant compliance, and operational financial services. The department coordinates development of the City's annual budget and Ten-Year Capital Improvement Plan, manages day-to-day financial operations, and administers risk management and insurance programs for the City.

Finance also engages residents through community outreach and public engagement during the annual budget process. In 2025, the City began implementing Priority Based Budgeting (PBB) to strengthen alignment between financial resources, community priorities, and the Bloomington Tomorrow Together Strategic Plan.

## Finance Department Vision

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

## Annual Publications - The following [reports are published annually](#)

- Annual Comprehensive Financial Report  
*GFOA Certificate of Achievement for Excellence in Financial Reporting received for 54 consecutive years.*
- Annual Budget Document  
*GFOA Distinguished Budget Presentation Award received for 30 years.*
- Popular Annual Financial Report  
*GFOA Award for Outstanding Achievement in Popular Annual Financial Reporting received for 26 years.*
- Ten Year Capital Improvement Plan



Authorized Full-Time Position	2026 Budget
Chief Financial Officer	1
Deputy Finance Officer	2
Finance Manager	1
Risk and Litigation Manager	1
Strategy, Research, and Project Manager	1
Treasury Manager	1
Purchasing Manager	1
Utility Billing Manager	1
Accountant	3
Grant Coordinator Accountant	1
Auditor	1
Purchasing Coordinator	1
Small Business Procurement Program Coordinator	1
Payroll Coordinator	1
Utility Billing Specialist	3
Accounting Assistant	4
Office Support Specialist	2
Office Assistant	3
<b>Grand Total</b>	<b>29</b>

## 2025 Accomplishments

### Financial Management

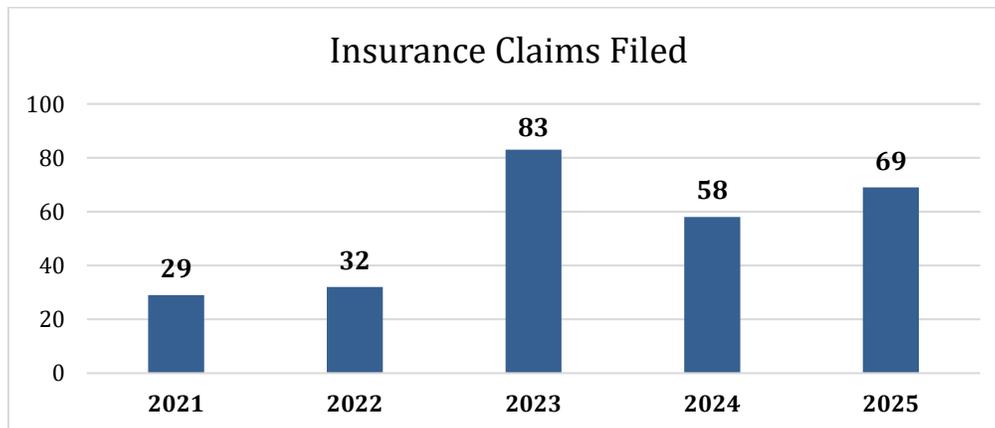
- Maintained highest bond rating possible from three rating agencies:
  - Moody's – Aaa, since 1998
  - Standard and Poor's – AAA, since 2000
  - Fitch Rating Agency - AAA, since 2004
- Received the GFOA Distinguished Budget Award for the 30<sup>th</sup> consecutive year.
- Received the GFOA Award for Outstanding Achievement in Popular Annual Financial Reporting for the 26<sup>th</sup> year.
- Published the Ten-Year Capital Improvement Plan and published in coordination with approval of the 2026 Operating Budget.
- Coordinated, analyzed, and presented the 2026 budgets for all appropriated funds to the City Council. The Final Budget and Tax Levy were approved by the City Council on December 15, 2025.
- Updated Financial Management Policies, including the External Auditor Independence Policy, Forfeited Funds Policy, Fund Balance Year-End Classification Policy, Risk Management Policy, Self-Insurance Reserve Policy, and Utility Collection Policy.

### Financial Systems and Operations

- Conducted a citywide internal training, *Behind the Numbers*, highlighting Finance services and primary contacts for specialty areas.
- Completed a major upgrade to the Utility Billing software.
- Migrated the City's ERP system from on-premise servers to a Software-as-a-Service (SaaS) environment.

### Risk Management and Safety

- Renewed the City’s municipal liability insurance package for 2025–2026 through the League of Minnesota Cities Insurance Trust (LMCIT), including renewal of liquor liability coverage for Dwan Golf Course, medical professional liability coverage for Public Health and the Police Department, and placement of multiple insurance policies for City construction projects.
- Completed training related to the City’s Safe at Home policy.
- Partnered with the Citywide Safety Committee and Wellness Committee to host the 3rd Annual Employee Safety Open House.
- Provided safety-related training opportunities for City employees.
- Installed first aid kits in employee areas at Civic Plaza, Public Health, and the Bloomington Ice Garden.
- Continued implementation of AIA construction documents for City capital projects, providing guidance on insurance coverage requirements and limits.
- Delivered insurance requirements and contract compliance training for City staff.



### **2026 Goals and Objectives**

- Earn the Distinguished Budget Presentation Award from the Government Finance Officers Association (GFOA).
- Publish the Annual Budget Document within 90 days following City Council adoption of the Final Budget and Tax Levy.
- Publish the Annual Comprehensive Financial Report (ACFR) by June 30.
- Publish the Popular Annual Financial Report (PAFR) by June 30.
- Compile and present the Ten-Year Capital Improvement Plan (CIP) for City Council approval.
- Implement a two-year budget process beginning with the 2027–2028 budget cycle.
- Refine Priority Based Budgeting in preparation for the 2027–2028 budget.
- Deliver accurate, transparent monthly financial statements in a clear and user-friendly format by the following month-end.
- Invest public funds to ensure daily cash flow needs are consistently met.
- Maintain efficient financial operations, including weekly vendor payments, timely issuance of purchase orders, accurate recordkeeping, grant and capital asset compliance monitoring, bi-weekly payroll processing, and financial system support for users.
- Achieve a successful annual audit of year-end financial information.
- Develop a Small and Local Business Supplier Program.
- Streamline the Request for Proposals (RFP) and bid procurement process.

- Ensure Finance documents are brought into compliance with ADA web accessibility requirements by April 30, 2026.
- Implement Minnesota Paid Leave payroll deductions.
- Increase the number of Utility Billing customers enrolled in electronic billing and payment options.
- Establish policies and procedures to address cash handling penny shortages.
- Complete required insurance renewals and provide related reports to the City Council.
- Continue collaboration with the Citywide Safety Committee to implement required safety training and strengthen overall employee safety practices.
- Implement Risk Management records retention schedule updates upon approval by the State of Minnesota.
- Provide insurance training and refresher courses for employees responsible for reviewing certificates of insurance
- Implement updated certificate of insurance requirements for City contracts and provide training on proper review procedures.
- Coordinate at least one citywide safety drill and provide requested safety-related training for employees.



*Finance Staff at Budget Outreach Table at the May 2025 Police Open House*

## Performance Measures

Strategic Priority	Performance Measure	2023 Actual	2024 Actual	2025 Actual	2026 Goal
<b>Healthy community (Environment)</b>	Percentage payments processed by EFT as opposed to check.	N/A	N/A	40%	60%
<b>Core service</b>	Percentage of outstanding Accounts Receivable invoices that are more than 18 months past due.	10%	4%	0%	0%
<b>Healthy community (Environment)</b>	Percentage of Utility payment transactions processed electronically as opposed to paper checks	71%	74%	75%	77%
<b>Healthy community (Environment)</b>	Percentage of Utility customers that receive bills online (paperless)	32%	34%	36%	39%
<b>Equitable economic growth</b>	Percentage of dollars awarded to certified small businesses	N/A	N/A	10%	15%
<b>Connected, welcoming community</b>	Number of Public Engagement and Outreach Budget Events	13	7	5	7
<b>Healthy community (Environment)</b>	Percentage of establishments submitting local liquor, lodging, and admission taxes electronically as opposed to check.	0%	54%	67%	76%

# Finance - General Fund

## Financial Summary

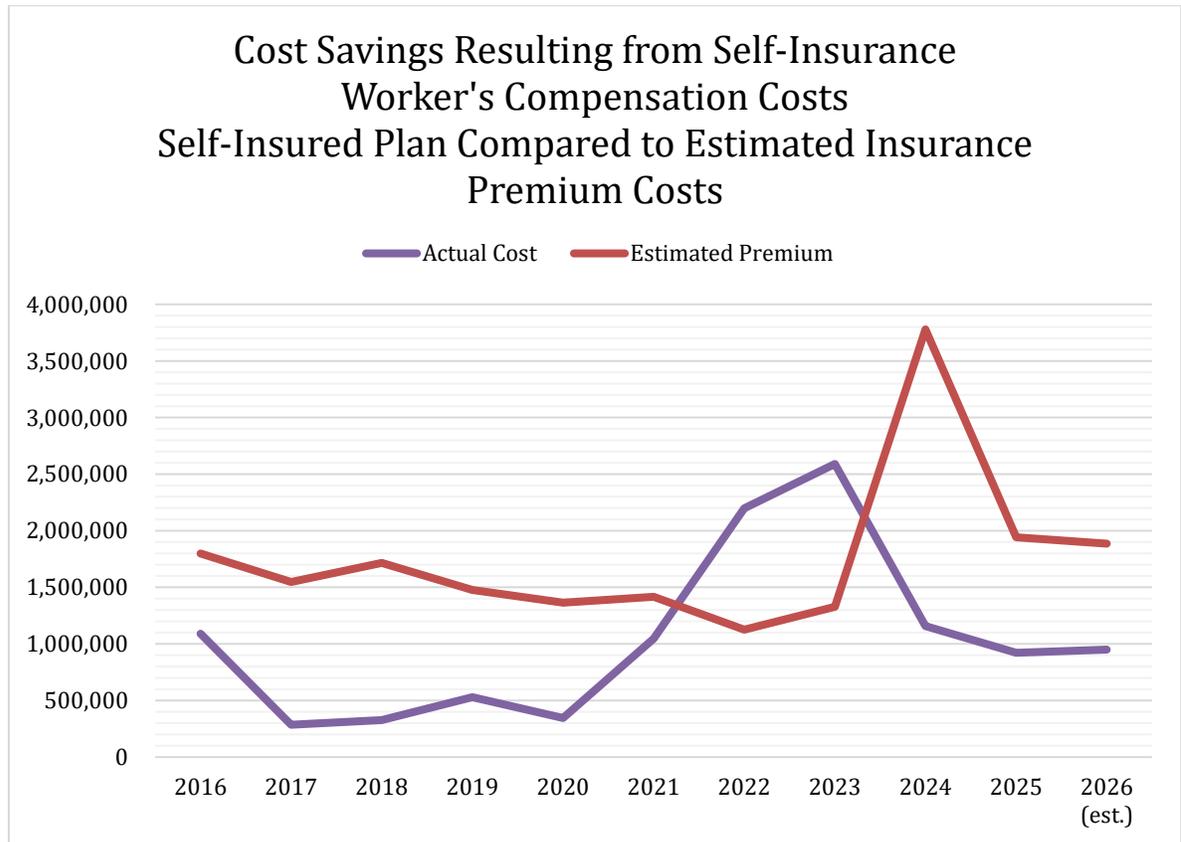
	2024 Actual	2025 Projected	2026 Budget
<b>Revenues</b>			
Other Revenues	\$ 358,111	\$ 203,807	\$ 240,000
Transfers from Other Funds	80,270	-	-
<b>Total Revenues</b>	<b>438,381</b>	<b>203,807</b>	<b>240,000</b>
<b>Expenditures</b>			
Salaries and Benefits	3,172,901	3,373,490	3,581,946
Materials, Supplies, & Services	753,763	749,479	789,174
Capital Outlay			
Transfer to Other Funds			
<b>Total Expenditures</b>	<b>3,926,664</b>	<b>4,122,969</b>	<b>4,371,120</b>
Less Expenses Charged to Other Funds	(2,182,410)	(2,465,766)	(2,539,639)
<b>Net Total Expenditures</b>	<b>\$ 1,744,254</b>	<b>\$ 1,657,203</b>	<b>\$ 1,831,481</b>

# Self-Insurance

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

## 2025 Accomplishments

The chart below compares workers’ compensation costs under the City’s self-insured plan to estimated insurance premium costs. The estimated cumulative savings realized from self-insurance from 1986 through 2025 totals \$28.85 million.



*The significant increase in costs in 2022 and 2023 is primarily due to PTSD claims paid during those years*

## 2026 Goals and Objectives

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

# Self Insurance - Internal Service Fund

## Financial Summary

	2024 Actual	2025 Projected	2026 Budget
<b>Revenues</b>			
Departmental Charges	\$ 2,465,192	\$ 2,488,143	\$ 2,512,873
Interest Income	234,434	285,514	40,000
Other Revenues	-	2,585	-
<b>Total Revenues</b>	<b>2,699,626</b>	<b>2,776,242</b>	<b>2,552,873</b>
<b>Expenses</b>			
Materials, Supplies, & Services	2,745,922	2,708,493	2,643,916
Transfer to Other Funds	-	399,996	-
<b>Total Expenses</b>	<b>2,745,922</b>	<b>3,108,489</b>	<b>2,643,916</b>
<b>Working Capital</b>			
Net Change	(46,296)	(332,247)	(91,043)
Working Capital at Beginning of Year	3,844,585	3,798,289	3,466,042
<b>Working Capital at End of Year</b>	<b>\$ 3,798,289</b>	<b>\$ 3,466,042</b>	<b>\$ 3,374,999</b>

# Fire Department

The operational activities of the Fire Department are accounted for in the General Fund. Purchases of major equipment are accounted for in the Public Safety Technology and Equipment Internal Service Fund.

The Fire Department has 64 full-time employees, including 62 sworn firefighting personnel and two Office Support Specialists, along with one part-time Office Support Specialist. Sworn personnel include the Fire Chief, two Deputy Fire Chiefs, three Assistant Fire Chiefs, Battalion Chiefs, Fire Captains, Firefighter/Fire Inspectors, and Firefighters. In addition, the department employs 77 part-time firefighters.

The department operates from six fire stations located throughout the city, although current staffing levels only allow operations out of five stations. Four stations are staffed 24 hours per day. The department utilizes modern firefighting apparatus including engines, ladder trucks, and specialty response units.

Fire Prevention is an important component of the department’s work and includes code enforcement, inspections, and public education. Firefighters also install battery-operated smoke detectors or replace batteries in existing detectors for owner-occupied homes upon request.

The Fire Department responded to 11,731 calls for service in 2025. These calls included water rescues, vehicle extrications, structural fires, medical emergencies, and hazardous materials incidents.

The response time performance goal is to assemble an effective response force of four personnel within 7 minutes and 30 seconds of the 911 call 90 percent of the time. In 2025, the 90th percentile response time was 9 minutes and 14 seconds with at least three personnel responding. The difference between the goal and actual performance reflects current staffing levels and the ability to staff only five of the six fire stations.

	Goal Time 90% of the time	% Of Time Goal Met	Actual 90% Time of Goal
Alarm Processing	1:30	75%	2:11
Response	6:00	60%	7:36
Call to Arrival	7:30	40%	9:14



The Department's mission is the preservation and protection of life, property, and the environment against injury and damage from emergencies and disasters.

### **Fire Operations**

Fire Operations encompasses emergency response, dispatching, and the maintenance and repair of buildings and equipment. Operational responsibilities also include researching and evaluating new equipment, methods, and technologies to improve emergency response and performance. Fire Department training covers all aspects of preparing emergency response personnel, including maintaining certifications, strengthening existing response skills, and implementing new tactics and procedures as they are identified and validated. In 2025, 18 additional firefighters were added through a Staffing for Adequate Fire and Emergency Response (SAFER) grant administered by the Federal Emergency Management Agency (FEMA). These firefighters began work on March 31, 2025. This effort supports the continued transition to a combination full-time and part-time department.

### **Fire Prevention**

Fire Prevention firefighter/fire inspectors inspect all new construction and renovation of commercial, industrial, and multi-family residential structures to ensure compliance with the fire code. Fire inspectors also inspect all properties, except single-family dwellings, to verify ongoing compliance with fire safety regulations. Fire Prevention staff collect annual data on the storage and use of hazardous materials within the city and verify the required annual maintenance of fire alarm and fire sprinkler systems. Fire inspectors investigate all fires in Bloomington to determine cause and origin and work with the Police Department when investigating suspected arson cases. The division promotes fire prevention education and training, oversees school fire education programs, and coordinates the Fire Department's annual open house. Fire Prevention staff also participate in the City's multi-department Development Review Committee.

### **Emergency Management**

Fire, Police, and Public Health staff work together to provide a coordinated, multi-layered emergency management capability for the City. Command staff from these departments receive emergency management and incident management training. The Emergency Operations Plan (EOP) and the Continuity of Operations Plan (COOP) are reviewed collaboratively by City departments and are updated annually. The City's emergency notification capability is also a multi-department effort. Fire, Police, Public Works, and Information Technology work together to maintain the Everbridge notification system, which alerts residents and visitors about emergency and hazard information.

<b>Authorized Full-Time Position</b>	<b>2026 Budget</b>
Fire Chief	1
Deputy Fire Chief	2
Assistant Fire Chief	3
Battalion Chief	3
Fire Captain	12
Firefighter/Fire Inspector	5
Firefighter	36
Office Support Specialist	2
<b>Grand Total</b>	<b>64</b>

## **2026 Goals and Objectives**

### **Operations and Training:**

- Respond to emergency calls with a minimum of four personnel within 7 minutes and 30 seconds of the 911 call 90% of the time.
- Respond to structure fires with an effective response force of at least 15 firefighters within 11 minutes and 30 seconds of the 911 call 90% of the time.
- Provide training for firefighters to meet or exceed Federal and State certification and training requirements.
- Continue working with dispatch to achieve call processing times that meet or exceed applicable NFPA standards from receipt of the 911 call to dispatch of resources.
- Maintain and service firefighting apparatus and equipment to ensure reliable emergency response and extend equipment life.

### **Fire Prevention:**

- Provide fire prevention services and fire safety education to residents, businesses, and visitors.
- Issue most fire sprinkler and fire alarm permits within five business days.
- Inspect designated high-risk occupancies annually.
- Inspect approximately 45 percent of existing commercial, industrial, and multi-family residential properties.
- Resolve most identified fire code violations within 30 days.
- Investigate fire code complaints within one business day.
- Respond to reported fire scenes within 24 hours of notification from Police or Fire Operations.
- Reduce incendiary and suspicious fires through education and effective investigations.
- Conduct home safety survey inspections in owner-occupied single-family homes, with an emphasis on residents over age 55.
- Provide fire education programs to schools, businesses, and community groups upon request.
- Coordinate community outreach activities including fire department open house events, station tours, truck visits, smoke detector installations, and car seat safety checks.

### **Emergency Management:**

- Review and update the City's Emergency Operations Plan (EOP) annually.
- Review and update the City's Continuity of Operations Plan (COOP) annually.
- Maintain operational readiness of the City's Emergency Operations Center.
- Conduct inter-departmental training exercises for Emergency Operations Center operations.
- Increase public awareness and participation in the City's Everbridge emergency notification system.
- Maintain and periodically test the City's outdoor emergency warning siren system.
- Maintain redundant and resilient communications systems to support emergency response during disasters.

**Performance Measures**

<b>Strategic Priority</b>	<b>Performance Measure</b>	<b>2023 Actual</b>	<b>2024 Actual</b>	<b>2025 Actual</b>	<b>2026 Goal</b>
<b>Healthy Community (Safety)</b>	Percent of calls responded to within 7 minutes and 30 seconds (goal of 90%) *	63%	63%	60%	90%
	Lives lost in structure fires	0	0	1	0
	Civilian injuries due to fires	2	2	14	0
	% of time that at least 15 firefighters arrive at structure fires in 11 minutes 30 or less (goal of 90%)	25%	10%	0%	90%
	Total inspections completed (annual, follow up inspections, building final, fire alarm testing, rough-in, tanks)	1,274	1,095	1,995	1,700
	Inspect 25% of existing commercial, industrial and multi-family residential properties each year.	426	547	553	550
	Smoke alarms installed/batteries replaced	20	57	53	50
	Inventories of hazardous materials stored and used in commercial properties	282	182	275	275
	Conduct fire cause and origin investigations.	85	81	78	75
	Home Safety Survey Inspections – Owner-occupied single-family homes	6	8	4	5
	Car Seats installation and safety checks performed by car seat technicians	41	62	75	85
	Firefighter injuries (first report)	23	25	45	0
	Workdays lost due to injury (lost/restricted)	210/128	620/109	756/216	0
	Personnel who attend outside training/education	10	20	20	20
	Hours of firefighter training delivered	11,276	10,894	16,600	16,000
	School programs delivered each year	13	22	22	20
	Deliver life saving information to the public	44	83	91	90

*\*The goal is for the first arriving unit to reach the scene within 7 minutes and 30 seconds of the 911 call 90 percent of the time. In 2025, the 90th percentile response time was 9 minutes and 14 seconds.*

## 2025 Highlights

- Responded to 11,731 calls for service.
- Delivered 16,600 hours of firefighter training.
- Completed 1,995 fire inspections (home, building final, fire alarm testing, rough-in, tanks).
- Installed or serviced 53 smoke alarms in homes.
- Delivered 91 public fire safety presentations.
- Conducted 78 fire cause and origin investigations to determine the source of fires.
- Conducted safety presentations at K-12 schools, businesses, senior living facilities and other venues.
- Performed monthly checks on the City's 22 emergency warning sirens.
- Assisted maintaining the Everbridge emergency notification system for residents to sign up for alerts.
- Assisted maintaining and updated senior staff alert notifications as part of the Everbridge implementation.
- Maintained and exercised communications capabilities for use during disasters.

## EMS Response Time Performance

Data provided by Allina Health EMS summarizes calls responded to within the City of Bloomington during calendar year 2025. Calls for service are categorized as emergency or non-emergency.

Response Type	Average Response Time	90 <sup>th</sup> Percentile Response Time
Emergency Responses	8:47	14:13
Non-Emergent Responses	12:49	24:20

## Mutual Aid Responses

Mutual aid volume represents incidents where non-Allina EMS units responded to assist. When both an Allina unit and a mutual aid unit respond to the same incident, the response is counted in both categories. The total count reflects the number of unique incidents.

Resource	Responses
Allina EMS	12,617
Mutual Aid	331
<b>Total Incidents</b>	<b>12,948</b>



# Fire - General Fund Financial Summary

	2024 Actual	2025 Projected	2026 Budget
<b>Revenues</b>			
Permits and Licenses	\$ 228,675	\$ 243,606	\$ 230,000
Intergovernmental	2,452,494	4,199,324	2,984,023
Other Revenues	300	8,604	-
Transfers from Other Funds	382,651	552,918	915,000
<b>Total Revenues</b>	<b>3,064,120</b>	<b>5,004,451</b>	<b>4,129,023</b>
<b>Expenditures</b>			
Salaries and Benefits	8,293,982	10,893,962	11,978,984
Materials, Supplies, & Services	3,820,717	4,301,494	4,722,200
Capital Outlay	83,416	123,958	55,000
Transfer to Other Funds	-	-	-
<b>Total Expenditures</b>	<b>\$ 12,198,115</b>	<b>\$ 15,319,414</b>	<b>\$ 16,756,184</b>
Less Expenses Charged to Other Funds			
<b>Net Total Expenditures</b>	<b>12,198,115</b>	<b>15,319,414</b>	<b>16,756,184</b>

# Fire Pension Fund

The Fire Pension Fund is a Special Revenue Fund used to accumulate revenue to pay annual Fire Pension obligations. The City of Bloomington operates a combination part-time and full-time Fire Department. After completing 20 years of service and reaching age 50, part-time firefighters are eligible to receive a pension from the Bloomington Fire Department Relief Association (BFDRA). Fire Pension Fund revenues may come from State Fire Aid, property tax levy, and transfers from the General Fund and/or the Strategic Priorities Fund.

Each year, an independent actuary calculates the Fire Relief Association’s financial requirements two years in advance, as required by State statute. The annual pension obligation is influenced by investment performance, police patrol wage rates (which determine the indexed benefit level), and firefighter demographics such as retirements, disabilities, and longevity. Under Minnesota Statute 69.77, the required contribution is determined by calculating the Relief Association’s total financial requirement and then subtracting State Fire Aid. The City is only required to contribute if State Fire Aid is not sufficient to cover that requirement. If the plan’s accrued liability funding ratio falls below 120%, State statute may require an additional City contribution beyond Fire Aid to address any unfunded actuarial liability.

The Bloomington Fire Relief Association’s required annual contribution is primarily driven by three variables: end-of-year investment performance, the number and status of BFDRA members, and police patrol union contract wage rates.

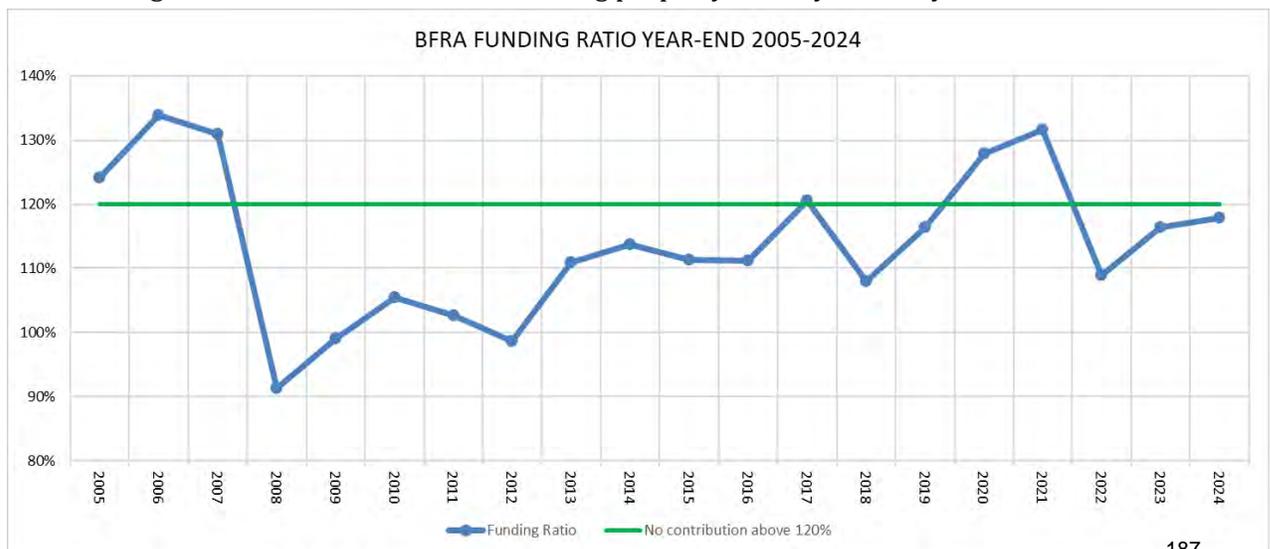
Based on the January 1, 2025 actuarial report, the plan had a funding ratio of 119% and a significant surplus of assets over liabilities. Because of this surplus, the actuarial calculation produced a negative required contribution, meaning State Fire Aid alone more than covers the plan’s financial requirement for 2026. As a result, the City has no additional contribution requirement for 2026, and 100% of State Fire Aid will be passed through to the BFDRA.

## 2025 Accomplishments

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

## 2026 Goals and Objectives

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



# Fire Pension - Special Revenue Fund

## Financial Summary

	2024 Actual	2025 Projected	2026 Budget
<b>Revenues</b>			
Property Taxes	\$ 1,050,000	\$ 1,050,000	\$ 1,050,000
Intergovernmental	884,039	1,010,430	1,000,000
Interest Income	280,836	357,487	100,000
Transfers from Other Funds	-	-	-
<b>Total Revenues</b>	<b>2,214,875</b>	<b>2,417,917</b>	<b>2,150,000</b>
<b>Expenses</b>			
Salaries and Benefits	2,163,247	1,010,430	1,000,000
Materials, Supplies, & Services	-	-	-
Transfer to Other Funds	292,023	249,996	3,130,000
<b>Total Expenses</b>	<b>2,455,270</b>	<b>1,260,426</b>	<b>4,130,000</b>
<b>Working Capital</b>			
Net Change	(240,395)	1,157,491	(1,980,000)
Working Capital at Beginning of Year	6,723,809	6,483,414	7,640,905
<b>Working Capital at End of Year</b>	<b>\$ 6,483,414</b>	<b>\$ 7,640,905</b>	<b>\$ 5,660,905</b>

# Public Safety - Technology and Equip.

The Public Safety Technology and Equipment Fund is an Internal Service Fund that supports the following five program areas:

- Radios
- Mobile Digital Computers (MDCs)
- Police Small Equipment
- Fire Small Equipment
- Fire Large Equipment

Authorized Full-Time Position	2026 Budget
Radio Communications Technician	1

## **Radios (Police and Fire):**

Portable and dash-mounted radios are replaced on an eight to ten-year lifecycle. The Police and Fire Departments utilize the majority of the City’s radio inventory, while Public Works and Public Health also rely on radios to support operations. Operating costs are internally allocated to all four departments. Replacement costs are charged to Police, Fire, and Public Works to build working capital reserves for future equipment purchases. Public Health funds its own radio replacements independently.

## **MDC’s (Police and Fire):**

Mobile Digital Computers are installed in public safety vehicles to support communication with dispatch and provide access to public safety databases. MDCs are replaced on a four-year lifecycle. Operating and replacement costs are charged to the Police and Fire Departments, allowing working capital to accumulate for future equipment replacements.

## **Police Small Equipment:**

The Police Small Equipment activity supports the scheduled replacement of firearms and other essential law enforcement equipment on lifecycles ranging from five to fifteen years, depending on the asset. Ongoing replacement charges to the Police Department within the General Fund serve as the primary revenue source and allow for the accumulation of working capital to fund future equipment purchases.

## **Fire Small Equipment:**

The Fire Small Equipment activity provides for the replacement of equipment such as fire hoses, protective gear, and rescue equipment based on varying lifecycle schedules. Charges to the Fire Department within the General Fund generate revenue for this activity and build working capital reserves for future purchases.

## **Fire Large Equipment:**

The Fire Large Equipment activity funds the replacement of major apparatus and equipment, including ladder trucks and other large-scale firefighting assets. Revenues are provided through charges to the Fire Department within the General Fund to support long-term equipment replacement needs.

## **2026 Goals and Objectives**

- Maintain a reliable and efficient communications system to support Public Safety operations and ensure continuity of emergency response services.
- Maintain stable and consistent internal service charges that fund planned lifecycle replacement of Public Safety technology and equipment while minimizing impacts to the General Fund.
- Implement the planned Police Department portable radio upgrade.
- Manage lifecycle replacement of Mobile Digital Computers (MDCs), including 70 Police Department units scheduled for replacement in 2028 (estimated \$441,000) and 26 Fire Department units scheduled for replacement in 2029 (estimated \$178,100).
- Manage lifecycle replacement of portable radio inventory, including 200 Police Department radios scheduled for replacement in 2026 (estimated \$1,486,600), 85 Fire Department radios scheduled for replacement in 2032 (estimated \$762,373), and 40 Public Works radios scheduled for replacement in 2033 (estimated \$313,951).
- Manage lifecycle replacement of mobile radio inventory, including 93 Police Department units and 54 Fire Department units scheduled for replacement in 2028 (combined estimated cost of \$1,024,400).

# Public Safety Tech & Equip - Internal Service Fund

## Financial Summary

	2024 Actual	2025 Projected	2026 Budget
<b>Revenues</b>			
Departmental Charges	\$ 1,707,817	\$ 2,236,020	\$ 2,609,617
Intergovernmental	40,000	-	-
Interest Income	211,328	163,031	35,000
Other Revenues	34,196	142,443	-
Transfers from Other Funds	-	-	-
<b>Total Revenues</b>	<b>1,993,341</b>	<b>2,541,494</b>	<b>2,644,617</b>
<b>Expenses</b>			
Salaries and Benefits	124,173	171,012	180,677
Materials, Supplies, & Services	1,988,599	793,216	2,287,545
Capital Outlay	2,468,959	1,010,896	2,107,000
Transfer to Other Funds	-	-	-
<b>Total Expenses</b>	<b>4,581,731</b>	<b>1,975,124</b>	<b>4,575,222</b>
<b>Working Capital</b>			
Net Change	(2,588,390)	566,370	(1,930,605)
Working Capital at Beginning of Year	5,472,878	2,884,488	3,450,858
<b>Working Capital at End of Year</b>	<b>\$ 2,884,488</b>	<b>\$ 3,450,858</b>	<b>\$ 1,520,253</b>

# Human Resources

The Human Resources Division is part of the General Fund. This division leads citywide recruitment and hiring efforts, administers employee benefit programs, and supports employee relations for all City staff. Human Resources also develops and maintains the City’s classification and compensation systems and establishes employment policies and practices that align with the City’s mission, vision, and values.

Authorized Full-Time Position	2026 Budget
Human Resources Manager	1
Human Resources Business Partner	2
Benefits & Wellness Coordinator	1
Human Resources Analyst	1
Special Projects Coordinator / Executive Assistant	1
Human Resources Technician	3
<b>Grand Total</b>	<b>9</b>

## 2026 Goals and Objectives

- Develop and implement a comprehensive supervisor training program that incorporates experiential learning opportunities for supervisors across the City.
- Implement new, user-friendly ways for employees to access Human Resources services, including the development of an online portal.
- Organize and participate in two career fairs to promote employment opportunities with the City of Bloomington and support workforce diversity efforts.
- Modernize hiring processes to reduce time to hire and create a more inclusive, engaging experience for candidates.
- Successfully negotiate labor agreements with collective bargaining units and maintain compensation and benefit plans that are competitive with market benchmarks.
- Develop and implement new tools and strategies to strengthen employee performance and support ongoing professional growth.

## Performance Measures

Strategic Priority	Performance Measure	2023 Actual	2024 Actual	2025 Actual	2026 Goal
Core service	Percentage of supervisors completing at least 12 hours of training annually	85%	85%	85%	90%
	Average time to fill vacant positions	Less than 75 days	Less than 60 days	Less than 40 days	Less than 40 days
	Participation in career fairs to support recruitment efforts	5	5	2	2
Connected, welcoming community	Percentage of staff who identify as Black, Indigenous, or People of Color	18.90%	21.00%	18.63%	20%

# Human Resources - Gen. Fund

## Financial Summary

	2024 Actual	2025 Projected	2026 Budget
<b>Revenues</b>			
Other Revenues	\$ -	\$ -	\$ -
Transfers from Other Funds	-	-	-
<b>Total Revenues</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Expenditures</b>			
Salaries and Benefits	\$ 1,000,776	\$ 1,135,332	\$ 1,277,928
Materials, Supplies, & Services	345,818	410,344	395,457
Capital Outlay			
Transfer to Other Funds			
<b>Total Expenditures</b>	<b>1,346,594</b>	<b>1,545,676</b>	<b>1,673,385</b>
Less Expenses Charged to Other Funds	(294,791)	(295,536)	(328,232)
<b>Net Total Expenditures</b>	<b>\$ 1,051,803</b>	<b>\$ 1,250,140</b>	<b>\$ 1,345,153</b>

# Accrued Benefits

The Accrued Benefits Fund is an Internal Service Fund that accounts for and pays the liabilities associated with employee accrued leave, including vacation, personal leave, and compensatory time. While the likelihood of the City needing to pay out all accrued leave at once is extremely remote, the fund is structured to maintain sufficient cash flow to meet annual payout needs as employees use or cash out accrued leave. The goal is to responsibly manage the balance over time so that the fund remains stable and able to cover expected obligations each year.



Revenues for this fund are generated through charges to City departments with full-time and permanent part-time employees. These charges are calculated at 3.5 percent of eligible salaries.

Expenses from this fund include:

- Year-end conversion of accumulated personal leave hours in excess of 1,000 hours to either a post-retirement health care savings account or a cash payout.
- Payout of unused vacation, personal leave, and compensatory time to employees separating from service, including retirements, terminations, or voluntary departures.
- Year-end accrual adjustments to recognize the liability associated with employees' earned but unused vacation, personal leave, and compensatory time balances.

## 2026 Goals and Objectives

- Continue providing City employees with fair leave policies to retain and attract excellent employees.

## Accrued Benefits - Internal Service Fund Financial Summary

	2024 Actual	2025 Projected	2026 Budget
<b>Revenues</b>			
Departmental Charges	\$ 2,487,542	\$ 2,707,498	\$ 2,552,710
Interest Income	564,940	641,016	325,000
Transfers from Other Funds		-	-
<b>Total Revenues</b>	<b>3,052,482</b>	<b>3,348,514</b>	<b>2,877,710</b>
<b>Expenses</b>			
Salaries and Benefits	3,539,307	3,719,824	3,359,069
Materials, Supplies, & Services			
<b>Total Expenses</b>	<b>3,539,307</b>	<b>3,719,824</b>	<b>3,359,069</b>
<b>Working Capital</b>			
Net Change	(486,825)	(371,310)	(481,359)
Working Capital at Beginning of Year	13,667,252	13,180,427	12,809,117
<b>Working Capital at End of Year</b>	<b>\$ 13,180,427</b>	<b>\$ 12,809,117</b>	<b>\$ 12,327,758</b>

# Employee Benefits

The Employee Benefits Fund is an Internal Service Fund that collects a set per-employee charge from each department's operating budget and uses those revenues to fund the core benefits package provided to full-time employees. Covered benefits include the employer share of medical, dental, life, and disability insurance premiums, as well as tuition reimbursement and health club reimbursement. For 2026, the employee benefits charge to departments is \$17,000 per full-time employee. The City encourages participation in wellness activities throughout the year to support employee health, engagement, and long-term cost stability within the health plan.

## 2025 Accomplishments

- Partnered with the City's insurance broker, NFP, to secure a 0.0 percent health insurance premium increase for 2026 through the Minnesota Health Consortium and Medica. The plan continues to provide access to fitness and wellness programming.
- Continued participation in the Minnesota Health Consortium through the Southwest West Central Service Cooperative. This pooled, self-insured structure provides the cost efficiencies of self-funding with the financial stability of a broader risk pool.
- Supported the SWWC Live Well Program, which promotes a culture of workplace health and wellbeing through onsite biometric screenings, wellness education, and employee engagement activities.
- The Wellness Committee organized and promoted a variety of City-sponsored activities throughout 2025, including a "Wellness Passport" program that encouraged employees to track participation in quarterly wellbeing activities.

## 2026 Goals and Objectives

- Stabilize insurance expenses within departmental budgets to avoid significant budget fluctuations due to rising benefit costs, particularly in health insurance.



# Employee Benefits - Internal Service Fund

## Financial Summary

	2024 Actual	2025 Projected	2026 Budget
<b>Revenues</b>			
Departmental Charges	\$ 12,148,925	\$ 12,720,123	\$ 12,682,700
Intergovernmental	-	-	-
Interest Income	180,977	162,408	100,000
Other Revenues	1,011,676	969,481	915,000
Transfers from Other Funds	-	-	-
<b>Total Revenues</b>	<b>13,341,578</b>	<b>13,852,012</b>	<b>13,697,700</b>
<b>Expenses</b>			
Salaries and Benefits	312,886	294,180	187,700
Materials, Supplies, & Services	13,166,936	14,548,906	14,436,078
Capital Outlay			
Transfer to Other Funds	534,996	-	-
<b>Total Expenses</b>	<b>14,014,818</b>	<b>14,843,086</b>	<b>14,623,778</b>
<b>Working Capital</b>			
Net Change	(673,240)	(991,074)	(926,078)
Working Capital at Beginning of Year	4,563,447	3,890,207	2,899,133
<b>Working Capital at End of Year</b>	<b>\$ 3,890,207</b>	<b>\$ 2,899,133</b>	<b>\$ 1,973,055</b>

# Information Technology

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

The Information Technology (IT) Fund is an Internal Service Fund that supports the City's IT Department. The department provides computer hardware and software, Geographic Information Systems (GIS), and networking and communications services in alignment with the City's Information Technology Strategic Plan. IT also provides oversight for data and records management, ensuring the protection and preservation of City data and records in accordance with state laws and best practices.

Cross-functional teams, including the IT Steering Committee, Data Management Team, and Data Governance Council, collaborate to address cross-organizational initiatives with significant short- and long-term technology and data impacts for City operations and the community.

The IT Department's resources include staff time available to support City operating departments, as well as funding for hardware, software, and employee training needed to maintain secure, reliable, and modern technology systems.

Authorized Full-Time Position	2026 Budget
Chief Information Officer	1
Information Technology Manager	2
Network Engineer	1
Systems Engineer	1
Applications Administrator II	1
Applications Administrator I	2
Network Administrator	1
Systems Administrator I	2
Network Administrator	3
Database Administrator	1
Desktop Administrator	1
Data Governance Officer	1
Data Governance Coordinator	1
Project Coordinator	1
Business Analyst	1
GIS Coordinator	1
GIS Specialist II	1
GIS Specialist I	1
Desktop Support Specialist	1
<b>Grand Total</b>	<b>23</b>

## 2026 Goals and Objectives

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

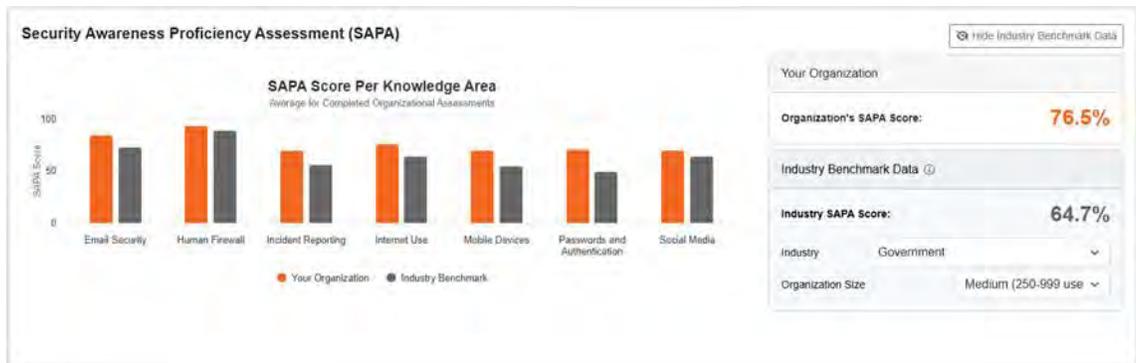
## Performance Measures

Strategic Priority	Performance Measure	2023 Actual	2024 Actual	2025 Goals	2025 Actual	2026 Goal
<b>Core service</b>	Total Completed Tickets	3937	4982	4500	4609	4700
	Ticket Time of Completion <i>time to resolve 80% of the tickets</i>	4 Hours	4 Hours	4 Hours	4 Hours	4 Hours
	% Employees Completed Security Training	84%	85%	90%	82%	90%
	Security Maturity Model Scores	1	1.5	1.75	1.75	2
	GIS Maturity Model Scores	3.5		3.5	3.5	3.6
	Project Mgmt. Maturity Model Scores (PMI Scale)	Level 3	Level 3	Level 3	Level 3	Level 3
	Budgeted Maintenance Costs to Actual	95%	100%	100%	99%	100%
	General Data Requests Received	478	599	NA	689	NA

	General Data Requests Processed	487	594	NA	673	NA
	Coordinated Secure Shredding, both on-site and off-site	17,427 lb	24,700 lb	>24,700 lb	11,720 lbs	NA
	Coordinated Off-site Storage Orders	38	31	>31	28	NA
	Number of Retention Schedules Revised		NA	NA	1	2
	Number of Documents Managed and Maintained as Official Records	2,398	2,649	NA	5,925	NA

**IT Supports and Secures the City’s Information and Infrastructure**

- More than 4.2 million e-mails were processed in 2025.
- 38% of e-mail messages were rejected as spam and 68,000 messages contained malware/viruses that were blocked before entering the City’s network.
- Bloomington’s Security Awareness Proficiency Assessment Score was 76.5% well above the average for similar sized government agencies of 64.7%



**Success with GIS**

The following projects were completed in collaboration with other City departments:

- The Planning and Utility web maps remain the most widely used resources for staff, with more than 60,000 combined views. In 2025, nearly 200 new maps and datasets were added to our site.
- In 2025, the City’s Organized Collection Map received more than 21,000 views.

- Over 60 GIS users maintain close to 500 data sets in our enterprise database.
- Planned and initiated full replacement of over 40 mapping applications used by the public and over 50 mapping applications used by city staff.
- Completed full hardware and software replacement for the GIS enterprise including upgrades and training for more than 40 GIS users.
- Finalized the implementation of an automated workflow to transform police data into spatial datasets for use in data dashboards and GIS mapping tools.
- Implemented ITPipes, a new pipeline inspection software supporting sanitary and storm infrastructure. The software utilizes GIS by automatically populating inspection forms and allowing staff to visualize and analyze pipe condition scores, aiding in capital planning.

### **IT Strategic Plan**

The city will be developing a new IT Strategic Plan for the years 2027-2029 to define priorities and address collaboration and communication, data management, and process improvement.

### **IT Assists with New & Remodeled City Facilities**

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

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

### **Modernizing Technology**

In 2025, these significant projects were completed.

- Replaced the City's Firewall.
- Moved the Enterprise Resource Planning software (Munis) to the Cloud.
- Upgraded Software Applications and Hardware.

# Information Technology - Internal Service Fund Financial Summary

	2024 Actual	2025 Projected	2026 Budget
<b>Revenues</b>			
Departmental Charges	\$ 7,553,106	\$ 8,942,280	\$ 9,712,919
Intergovernmental			
Interest Income	49,176	63,302	30,000
Other Revenues	2,871	(40,701)	2,000
Transfers from Other Funds	482,324	14,266	-
<b>Total Revenues</b>	<b>8,087,477</b>	<b>8,979,147</b>	<b>9,744,919</b>
<b>Expenses</b>			
Salaries and Benefits	2,977,854	3,505,510	3,684,568
Materials, Supplies, & Services	4,270,113	4,417,620	6,231,495
Capital Outlay	627,623	147,729	125,000
Transfer to Other Funds	220,536	219,096	-
<b>Total Expenses</b>	<b>8,096,126</b>	<b>8,289,955</b>	<b>10,041,063</b>
<b>Working Capital</b>			
Net Change	(8,649)	689,192	(296,144)
Working Capital at Beginning of Year	2,186,038	2,177,389	2,866,581
<b>Working Capital at End of Year</b>	<b>\$ 2,177,389</b>	<b>\$ 2,866,581</b>	<b>\$ 2,570,437</b>

# Legal

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

Authorized Full-Time Position	2026 Budget
City Attorney	1
Deputy City Attorney	2
Compliance Manager	1
Assistant City Attorney (Civil)	2
Assistant City Attorney (Prosecution)	5
Paralegal	4
Crime Victim Liaison	2
Administrative Assistant	1
Office Support Specialist / Office Assistant	2
<b>Grand Total</b>	<b>20</b>

## 2026 Goals and Objectives

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

- Advise and support efforts to train and support City Departments to improve and streamline requests, responses, and access to public records; and
- Provide administrative hearings to provide efficient participative solutions.

**Performance Measures**

Strategic Priority	Performance Measure	2023 Actual	2024 Actual	2025 Actual	2026 Goal
<b>Healthy community (Safety) &amp; Connected, welcoming community</b>	Serving victims by meaningfully involving them in the criminal process through written notification of prosecution and case closing	882	1,007	1,330	1,500
<b>Healthy community (Environment)</b>	Use technology to efficiently and sustainably execute documents*	1,422	1,665	1,742	1,800
<b>Equitable economic growth</b>	Advise and support City Departments' efforts to shape the ordinances, policies, and plans that direct the City's growth, development, and renewal	406	421	459	500
<b>Healthy community (Safety) &amp; Connected, welcoming community</b>	Promote justice, access to justice for victims of crimes, and enhance public safety through locally accountable, fair, and effective criminal prosecution by opening and prosecuting criminal cases	5,016	5,315	5,155	5,200
<b>Connected, welcoming community</b>	Provide the public with legal notice of upcoming city actions	103	112	107	100
<b>Core service</b>	Draft, negotiate, and review agreements and related documents that address the City's interests and protect its assets	853	990	1,126	1,000
<b>Core service</b>	Advise and support City Departments' efforts to develop, review, and revise their policies to promote staff development; increase compliance with city objectives; and enhance the overall public experience	350	482	385	400

*\*Since deployment in March 2020; DocuSign reports the City has saved 18,980 pounds of wood (56 trees), 55,885 gallons of water, 44,550 pounds of carbon (removing 4 cars from the road) and 3,084 pounds of waste (saving 114,385 pages of paper).*



**BLOOMINGTON**  
City Attorney's Office

# Legal - General Fund Financial Summary

	2024 Actual	2025 Projected	2026 Budget
<b>Revenues</b>			
Fines	\$ -	\$ 502,941	\$ 500,000
Intergovernmental	97,732	42,537	-
Other Revenues	6,500	-	-
Transfers from Other Funds	-	-	-
<b>Total Revenues</b>	<b>104,232</b>	<b>545,478</b>	<b>500,000</b>
<b>Expenditures</b>			
Salaries and Benefits	2,704,158	3,040,837	3,202,655
Materials, Supplies, & Services	518,572	644,238	811,260
Capital Outlay		10,154	
Transfer to Other Funds	-	100,000	-
<b>Total Expenditures</b>	<b>3,222,730</b>	<b>3,795,229</b>	<b>4,013,915</b>
Less Expenses Charged to Other Funds	(416,056)	(655,131)	(665,476)
<b>Net Total Expenditures</b>	<b>\$ 2,806,674</b>	<b>\$ 3,140,098</b>	<b>\$ 3,348,439</b>

# Parks and Recreation

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



# Parks and Recreation - General Fund Financial Summary

	2024 Actual	2025 Projected	2026 Budget
<b>Revenues</b>			
Program Income	\$ 615,563	\$ 662,993	\$ 555,430
Intergovernmental	-	120,888	-
Other Revenues	581,794	667,300	607,065
Transfers from Other Funds	-	-	-
<b>Total Revenues</b>	<b>1,197,357</b>	<b>1,451,180</b>	<b>1,162,495</b>
<b>Expenditures</b>			
Salaries and Benefits	6,725,596	7,469,761	8,048,766
Materials, Supplies, & Services	5,635,304	6,106,138	6,292,846
Capital Outlay	164,471	56,521	-
Transfer to Other Funds	1,450,000	-	-
<b>Total Expenditures</b>	<b>13,975,371</b>	<b>13,632,420</b>	<b>14,341,612</b>
Less Expenses Charged to Other Funds	(382,583)	(242,508)	(248,564)
<b>Net Total Expenditures</b>	<b>\$ 13,592,788</b>	<b>\$ 13,389,912</b>	<b>\$ 14,093,048</b>

# Parks and Recreation – Administration

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

Authorized Full-Time Position	2026 Budget
Director of Parks & Recreation	1
Deputy Director of Parks & Recreation	2
Analytics and Strategy Manager	1
Community Health & Wellness Center Manager	1
Facility & Project Supervisor	1
Communications Specialist	1
Administrative Assistant	1
<b>Grand Total</b>	<b>8</b>



## 2026 Goals and Objectives

- Continue cross-departmental collaboration for Bloomington Forward Project Teams to manage Community Health and Wellness Center and the Nine Mile Creek Corridor Renewal project scopes, project delivery, budget alignment, and timelines.
- Continue to provide project updates on the Bloomington Forward website and individual project pages.
- Improve Placer.ai utilization for telling our story through data-driven reporting and decision guidance for parks and recreation facilities, trails, and parks.
- Work with Superlative to explore and solidify naming rights and sponsorship options for the Bloomington Ice Garden (“BIG”), the Community Health and Wellness Center (“CHWC”), and potentially other property assets owned by the City of Bloomington and under the control and management of the Parks and Recreation Department.

- Hire and onboard three new FT positions, a Community Health and Wellness Center Assistant Manager, a Community Health and Wellness Center Maintenance Superintendent, and a Food and Beverage Manager.
- Continue negotiations for the Bloomington Public Schools District Master agreement with the City of Bloomington Parks and Recreation department.
- Begin collaboration with facility staff on concession practices, procedures, and metrics, and work towards implementation of new F&B planning and strategies across all recreation facilities for 2027.
- Continue collaboration with Three Rivers Park District to support the Regional Parks system.
- Produce an annual report for Parks and Recreation.
- Begin exploring new CAPRA accreditation requirements and produce a proposed timeline for implementation.
- Provide a half-way point update for the Park System Master Plan as to what has been done within the plan and what is proposed for the next 5 years. Conduct community engagement surrounding the recommendations.
- Implement and launch new Recreation Management Software for improved staff and user experience.

### Performance Measures

Strategic Priority	Performance Measure	2023 Actual	2024 Actual	2025 Actual	2026 Goal
<b>Connected, welcoming community</b>	Completion of the Nine Mile Creek Corridor Renewal Project	N/A	N/A	N/A	50% complete
<b>Healthy Community (Environment)</b>	Complete a City-Wide Forestry Plan	N/A	50% Complete	75% complete	100% complete
<b>Connected, welcoming community</b>	Completion of the Community Health and Wellness Project	N/A	N/A	5% complete	50% complete
<b>Connected, welcoming community</b>	Annual amount of funding received through Naming and Sponsorships opportunities	N/A	N/A	N/A	\$150,000
<b>Connected, welcoming community</b>	Implementation of new Recreation Management Software	N/A	N/A	N/A	100% complete

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

	2024 Actual	2025 Projected	2026 Budget
<b>Revenues</b>			
Program Income	\$ 6,084	\$ 24,437	\$ 2,500
Intergovernmental			
Other Revenues	492,562	610,312	545,912
Transfers from Other Funds			
<b>Total Revenues</b>	<b>498,646</b>	<b>634,749</b>	<b>548,412</b>
<b>Expenditures</b>			
Salaries and Benefits	1,063,183	1,274,819	1,702,053
Materials, Supplies, & Services	548,479	468,264	600,218
Capital Outlay	48,967	56,521	-
Transfer to Other Funds			
<b>Total Expenditures</b>	<b>1,660,629</b>	<b>1,799,604</b>	<b>2,302,271</b>
Less Expenses Charged to Other Funds	(80,123)	(47,556)	(48,741)
<b>Net Total Expenditures</b>	<b>\$ 1,580,506</b>	<b>\$ 1,752,048</b>	<b>\$ 2,253,530</b>

# Parks and Recreation –Recreation

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

<b>Authorized Full-Time Position</b>	<b>2026 Budget</b>
Recreation Manager	2
Recreation Supervisor	5
Recreation Coordinator	1
Office Support Specialist	2
Maintenance Worker	1
<b>Grand Total</b>	<b>11</b>

## 2026 Goals and Objectives

- Assist with the continued planning of the programming at the new Community Health and Wellness Center.
- Reinvigorate youth and family art education class in the Bloomington Center for the Arts.
- Incorporate a youth sports study to determine facility and field usage in the future. The study will help us review and evaluate the future scope of the RBYAO partnership agreement.
- Expand out of school time programming in accordance with BPS 26-27 school calendar with focus outside of winter break.
- Increase adult sport offerings and tournaments.
- Expand Indigenous Art Fair and create three additional Indigenous Artist Workshops to be held throughout 2026.
- Expand Naturalist programming to include multiple summer camp opportunities and additional paid and free offerings through 2026
- Expand community focused programming at indoor facilities, increasing opportunities for active recreation, wellness, and intergenerational engagement to support the vision an active community is a healthy community.

## Performance Measures

Strategic Priority	Performance Measure	2023 Actual	2024 Actual	2025 Actual	2026 Goal
<b>Connected, welcoming community</b>	Attaining enrollment capacity for fee-based youth and family programs	N/A	N/A	75%	90%
	Increase program offering for 12 week summer school off period.	N/A	58.3%	100%	100%
	Participation in adaptive recreation programs including adaptive softball and adaptive dances	243	513	550	575
	Revenue resulting from expanded 5 weeks of summer programming targeted at kindergarten fall of 2026.	N/A	N/A	N/A	\$280,000
	Attendance at Arts in the Parks events	17,000*	20,000	22,000	23,000
	Percent of community survey respondents who rated the overall quality of parks and recreation opportunities as excellent or good	86%	88%	90%	92%
	Number of unique Park and Recreation older adult Creekside program participants (50+)	1552	1166	1389	1500
	Number of on-going active adult programs (50+)	37	38	38	40
	Number of special events (50+)	23	30	41	46
	Revenue from recreation facility rentals	N/A	N/A	N/A	\$70,000
	Percent of community survey respondents who rated the overall quality of recreation programs or classes as excellent or good	78%	73%	80%	85%
	Reg. fee revenue for adult sport leagues	\$163,389	\$171,625	\$144,987	\$180,000

*\*Excessive heat cancelled or detoured attendance*

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

	2024 Actual	2025 Projected	2026 Budget
<b>Revenues</b>			
Program Income	\$ 609,479	\$ 638,556	\$ 552,930
Intergovernmental			
Other Revenues	73,321	46,582	61,153
Transfers from Other Funds			
<b>Total Revenues</b>	<b>682,800</b>	<b>685,138</b>	<b>614,083</b>
<b>Expenditures</b>			
Salaries and Benefits	1,553,571	1,836,278	2,000,908
Materials, Supplies, & Services	1,255,933	1,317,371	1,424,675
Capital Outlay			
Transfer to Other Funds			
<b>Total Expenditures</b>	<b>\$ 2,809,504</b>	<b>\$ 3,153,649</b>	<b>\$ 3,425,583</b>
Less Expenses Charged to Other Funds			
<b>Net Total Expenditures</b>	<b>\$ 2,809,504</b>	<b>\$ 3,153,649</b>	<b>\$ 3,425,583</b>

# Parks and Recreation - Park Maintenance

In 2022, the budget for Parks Maintenance changed from a single Internal Service fund to ten General Fund budgets. These funds pay for the costs associated with the maintenance of City parkland, park buildings and natural resources restoration and management. The budget for 2023 was approved as part of the Public Works budget. In January of 2023 Park Maintenance merged with Park and Recreation and as part of the transition the 2024 budget was included with the Park and Recreation budgets. Implementation of the Park Maintenance and Operations Plan continued during 2024 including a restructuring of Park Maintenance staff. This reorganization created new Crew Lead positions and converted one Supervisor position into a Park Maintenance Project Manager role. Following these changes a revised budget structure was developed for 2026 to better align expenses with the areas of responsibility for each of the seven crew leads and their teams.

Authorized Full-Time Position	2026 Budget
Assistant Director of Parks & Natural Resources	1
Park Maintenance Supervisor	2
City Forester	1
Natural Resources Specialist	1
Park Maintenance Crew Leader	5
Park Maintenance Technician	19
<b>Grand Total</b>	<b>29</b>

## 2026 Goals and Objectives

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

- Continue to develop systems and processes for updating GIS data on work products and projects and train Park Maintenance staff to utilize these systems consistently and completely.

<b>Strategic Priority</b>	<b>Performance Measure</b>	<b>2023 Actual</b>	<b>2024 Actual*</b>	<b>2025 Actual</b>	<b>2026 Goal</b>
<b>Core Service</b>	Percent of Resident Surveys rating Parks as good or excellent quality.	N/A	84%	88%	90%
	Frequency in which Park Maintenance Standards are met	N/A	90%	90%	90%
	Inspection of inventoried park amenities	N/A	100%	100%	100%

*\*We began tracking measures in 2024 and will determine goals going forward.*

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

	2024 Actual	2025 Projected	2026 Budget
<b>Revenues</b>			
Program Income			
Intergovernmental	\$ -	\$ 120,888	\$ -
Other Revenues	15,911	10,406	-
Transfers from Other Funds	-	-	-
<b>Total Revenues</b>	<b>15,911</b>	<b>131,293</b>	<b>-</b>
<b>Expenditures</b>			
Salaries and Benefits	4,108,842	4,358,664	4,345,805
Materials, Supplies, & Services	3,830,892	4,320,503	4,267,953
Capital Outlay	115,505	-	-
Transfer to Other Funds	1,450,000	-	-
<b>Total Expenditures</b>	<b>9,505,238</b>	<b>8,679,168</b>	<b>8,613,758</b>
Less Expenses Charged to Other Funds	(302,460)	(194,952)	(199,823)
<b>Net Total Expenditures</b>	<b>\$ 9,202,778</b>	<b>\$ 8,484,216</b>	<b>\$ 8,413,935</b>

# Parks and Recreation – Aquatics

The Aquatics Enterprise Fund includes the Bloomington Family Aquatic Center and the Cedarcrest Splash Pad. Bush Lake Beach was formerly part of this fund prior to the City partnering with Three Rivers Park District for operations and maintenance of the regional parks.

The Bloomington Family Aquatic Center (BFAC) is an eight-lane, 50-meter lap pool with a zero-depth entry. The zero-depth entry includes three tot-slides and water play features. The diving well has a one-meter diving board, a climbing wall, and a drop slide. The facility also has two looping water slides and a concessions operation. BFAC is open from early June through late August each season. The facility is open for reservations seven days per week at 6am and offers various programs to the community routinely until 9pm. The Aquatic Center is employed by 80 seasonal staff including Lifeguards, Concession & Admissions attendants and seasonal leadership staff. BFAC staff are certified and an Authorized Provider of the American Red Cross Lifeguarding Program offering a safe and fun atmosphere for Bloomington residents to cool off in the summer months.

The Aquatic Center routinely welcomes over 50,000 visitors through its gates each season through Daily Visits, Group Reservations, Swim Team and Private Rentals and Season Pass holder visits, with approximately 3000 season passes sold annually. The Aquatic Center also offers an Aqua Exercise class three days per week along with various special events.

In 2025 the Aquatic Center experienced a leak in the piping system resulting in a shorter than expected swim season. Complete refunds were given to season pass holders.



## 2026 Goals and Objectives

- Repair pool shell leak and open without interruption on June 6<sup>th</sup>
- Update and review Emergency Action Plan and Standard Operating Procedure Plans.
- Work with Food and Beverage Manager on concessions operations improvements.

## Performance Measures

Strategic Priority	Performance Measure	2023 Actual	2024 Actual	2025 Actual*	2026 Goal
<b>Connected, welcoming community</b>	Number of Season Passes sold	2,716	2,497	1,936	3,000
	Number of Daily Pass Visits	28,416	29,235	14,646	35,000
	Percent of survey respondents that were overall satisfied or highly satisfied with the BFAC	85%	92%	N/A	95%

\*Facility was closed for 51 days (from June 9 – June 19, July 15 – August 24, 2025) due to a significant leak in the pool.

# Aquatics - Enterprise Fund

## Financial Summary

	2024 Actual	2025 Projected	2026 Budget
<b>Revenues</b>			
Property Taxes	\$ 500,000	\$ 335,000	\$ 335,000
Program Income	401,838	126,111	265,000
Other Revenue	(74)	(900)	-
Intergovernmental	51,753	81,863	-
Interest Income	30,861	35,024	6,000
Transfers from Other Funds	-	-	-
<b>Total Revenues</b>	<b>984,378</b>	<b>577,098</b>	<b>606,000</b>
<b>Expenses</b>			
Salaries and Benefits	491,963	314,672	554,181
Materials, Supplies, & Services	431,527	309,729	316,524
Capital Outlay	57,317	34,007	50,000
Transfer to Other Funds	-	-	-
<b>Total Expenses</b>	<b>980,807</b>	<b>658,408</b>	<b>920,705</b>
<b>Working Capital</b>			
Net Change	3,571	(81,310)	(314,705)
Working Capital at Beginning of Year	771,610	775,181	693,871
<b>Working Capital at End of Year</b>	<b>\$ 775,181</b>	<b>\$ 693,871</b>	<b>\$ 379,166</b>

# Parks and Recreation – Center for the Arts

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

Authorized Full-Time Position	2026 Budget
Center for the Arts Manager	1
Assistant Center for the Arts Manager	1
Center for the Arts Maintenance Superintendent	1
<b>Grand Total</b>	<b>3</b>

## 2026 Goals and Objectives

- Complete a Facility Operational Analysis to analyze all aspects of current BCA operations and working business models. Begin the implementation plan over a 5-year timeline.
- Replace Schneider Theater Orchestral Shell.
- Build and implement BCA Emergency Action Plan and Standard Operating Procedure Plans.
- Continue to engage new arts partnerships with racially diverse artists and arts organizations including arts partners that are BIPOC, LGBTQ+, and women owned.
- Conduct meetings with Resident Arts Organizations to highlight benefits of the partnership, strengthen relationships, improve communication, and discuss mutual concerns.
- Continue to increase Education Programming in BCA classrooms in coordination with Resident Arts Organizations and recreation team.
- Continue to build a diverse Black Box Performance Series.
- Work collaboratively with Communications to significantly revamp BCA website to better serve the needs of an enterprise facility.

## Performance Measures

Strategic Priority	Performance Measure	2023 Actual	2024 Actual	2025 Actual	2026 Goal
<b>Connected, welcoming community</b>	Make BCA facilities more useable and competitive (# paid rentals)	274	236	208	225
<b>Connected, welcoming community</b>	Maximize rentals in Black Box multi-use space.	115	228	231	200

<b>Connected, welcoming community</b>	Total fees waived or discounted for in-kind use by resident groups, city dept, and city partners. *	\$1,499,698	\$1,851,006	\$1,942,226	\$1,750,000
<b>Connected, welcoming community</b>	Number of performances by Resident Arts Groups.	92	98	97	95
<b>Connected, welcoming community</b>	Number of performances by BCA Performance Series.	14	12	11	12
<b>Core service</b>	Overall percentage of seats sold. (Goal of 75% of house sold)	72%	79%	81%	75%
<b>Connected, welcoming community</b>	Address inequities and access to program (# of free or reduced ticket nights)	4	8	6	15
	Increase partnerships with women-owned, LGBTQ+ and BIPOC artists, groups/orgs, or those that serve these populations.	4	6	6	10



# Center for the Arts - Enterprise Fund Financial Summary

	2024 Actual	2025 Projected	2026 Budget
<b>Revenues</b>			
Property Taxes	\$ 1,000,000	\$ 1,500,000	\$ 1,500,000
Program Income	56,359	56,042	95,000
Other Revenue	250,313	251,790	235,000
Interest Income	51,151	68,140	10,000
Transfers from Other Funds	-	178,181	-
<b>Total Revenues</b>	<b>1,357,823</b>	<b>2,054,153</b>	<b>1,840,000</b>
<b>Expenses</b>			
Salaries and Benefits	300,827	415,300	596,983
Materials, Supplies, & Services	968,532	1,076,800	1,103,823
Capital Outlay	184,804	202,726	150,000
Transfer to Other Funds			
<b>Total Expenses</b>	<b>1,454,163</b>	<b>1,694,826</b>	<b>1,850,806</b>
<b>Working Capital</b>			
Net Change	(96,340)	359,327	(10,806)
Working Capital at Beginning of Year	1,370,122	1,273,782	1,633,109
<b>Working Capital at End of Year</b>	<b>\$ 1,273,782</b>	<b>\$ 1,633,109</b>	<b>\$ 1,622,303</b>

# Parks and Recreation – Golf Courses

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



## Dwan Golf Course

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

The 2025 season started early with the golf course opening on March 21<sup>st</sup> and Dwan experienced high demand. The core summer months saw robust demand with many weekdays exceeding 400 rounds daily. The course closed for the season on November 16<sup>th</sup>.

Dwan had another successful record year hosting the most rounds since 2003 and for the seventh straight year eclipsed the previous year's gross sales and set the record for the highest gross sales in Dwan history.

Dwan finished the 2025 season with 53,674 rounds up 318 rounds from 2024. Gross sales totaled \$2,347,373.00, up \$90,591 and 4% higher than in 2024.

Annual rounds played at Dwan have increased 47% since 2019 well above the state and national averages since 2019. Gross revenue increased 88% while operating expenses increased 73%. Inflationary increases and significant price increases in equipment and services have driven up annual operating expenses.

City council approved 2026 annual fee increases of \$2 tax inclusive for 18-hole rounds and \$1 tax inclusive increase for 9-holes. 18- and 9-hole golf cart rental fees will also increase \$1 with Patron card rates remaining unchanged. Market rate increases will be adjusted for food and beverage and merchandise sales.

The golf industry remained strong nationally in 2025 with most golf regions reporting slight rounds increases along with revenue gains. Increased rounds continued to be driven by significant increases in rounds played by women, juniors and previously underrepresented minority groups. The largest increase percentage of new golfers in 2025 were in the 20- to 40-year-old age demographic with over 40% female.

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

**Dwan golf course maintenance added the following new equipment in 2025**

- Toro Reelmaster 355 D Fairway mower delayed from the 2024 CIP
- Toro Sidewinder mower
- Foley 673 Bednife Grinder
- Ford F350 crew cab 1-ton pick-up

**Dwan Clubhouse upgrades in 2025**

- Installed ventless washer and dryer for laundering cart and kitchen towels
- Installed water bottle filler in main clubhouse area
- Implemented Noteefy, a cloud based virtual tee time waitlist on Dwan’s website
- Added 12 new industry leading push carts
- Raised sunken concrete slaps on all entry door areas
- Repaired and painted rotted exterior window frames

**Dwan tree planting program**

Dwan planted a total of 23 new spaded trees in a variety of species to replace the removed Ash trees.

**Hyland Greens Golf Course**

In February 2024, the Bloomington City council conveyed Hyland Greens Golf Course land to be owned and operated by the Three Rivers Park District. A conservation easement was drafted to permanently preserve the property as a public recreation space or public open space. Three Rivers Park District operated the golf course in 2025 and plans to continue as a golf course in the foreseeable future. The City of Bloomington’s Park and Recreation Department and the Three Rivers Park District co-promoted lesson series for youth, beginners, and adults in 2025 and will offer co-promoted lessons in 2026.

<b>Authorized Full-Time Position</b>	<b>2026 Budget</b>
Golf Course Manager	1
Assistant Golf Course Manager	1
Golf Course Maintenance Superintendent	1
Assistant Golf Course Maintenance Superintendent	1
Golf Course Equipment Manager	1
<b>Grand Total</b>	<b>5</b>

## 2026 Goals and Objectives

- Advance the process of clubhouse replacement and golf course upgrade which is in the 2028 CIP
- Continue to strategically re-plant new trees to replace the more than 120 Ash trees that were removed. Staff secured funding for 2026 to continue a tree reforestation program over a multi-year period.
- Support the City of Bloomington’s legislative request for the state to create special legislation to allow the City of Bloomington to serve full strength beer and wine at Dwan Golf Course. The legislature failed to act on this same request in 2025.
- Work with virtual tee time waitlist vendor Noteefy and Park and Rec communications to fully communicate the benefits of the virtual wait list to fill open tee times and assist golfers with securing desired tee time.
- Complete RFP for new golf cart agreement commencing in 2027.
- Dwan will work with Park Maintenance Natural Resources staff to improve, maintain and create natural areas and flower beds. Specific goal in 2026 is the establishment of native grass areas left of Hole #7 tee and between Hole #12 tee and Hole #13 green.

## Performance Measures

Strategic Priority	Performance Measure	2023 Actual	2024 Actual	2025 Actual	2026 Goal
Core service	Maintain Total number of rounds	51,357	53,357	53,647	51,590*
	Total gross golf course revenue	2,144,867	2,256,782	2,347,730	2,269,960**
	Operating revenue as percent of operating expense.	107	112	104	N/A

\* Rounds based upon five-year average 2021-2025

\*\* Gross revenue based upon \$44 per round



# Golf Courses - Enterprise Fund

## Financial Summary

	2024 Actual	2025 Projected	2026 Budget
<b>Revenues</b>			
Property Taxes	\$ 105,565	\$ -	\$ -
Program Income	2,255,202	2,345,064	2,121,759
Other Revenue	(55)	2,666	-
Interest Income	49,449	80,477	1,000
Transfers from Other Funds	-	-	-
<b>Total Revenues</b>	<b>2,410,161</b>	<b>2,428,207</b>	<b>2,122,759</b>
<b>Expenses</b>			
Salaries and Benefits	1,238,329	1,309,810	1,285,837
Materials, Supplies, & Services	744,561	824,794	862,016
Capital Outlay	59,781	173,928	147,357
Transfer to Other Funds			
<b>Total Expenses</b>	<b>2,042,671</b>	<b>2,308,532</b>	<b>2,295,210</b>
<b>Working Capital</b>			
Net Change	367,490	119,675	(172,451)
Working Capital at Beginning of Year	1,073,694	1,441,184	1,560,859
<b>Working Capital at End of Year</b>	<b>\$ 1,441,184</b>	<b>\$ 1,560,859</b>	<b>\$ 1,388,408</b>

# Parks and Recreation – Ice Garden

The Ice Garden Enterprise Fund is the fund that accounts for the operations of the Bloomington Ice Garden or “BIG.” BIG is a premier, 126,000-square-foot facility and rents over 10,000 hours of ice annually and welcomed more than 465,000 visitors in 2024, according to Placer.ai data. BIG underwent a major renovation in 2025 which included a full facility closure from March 15<sup>th</sup>-September 30<sup>th</sup>, 2025, with the facility reopening October 1<sup>st</sup>, 2025. BIG hosts a variety of hockey and figure skating events, including local, state, and regional competitions. BIG has three rinks with a total seating capacity of 2,500 that are used primarily for youth and high school hockey and figure skating activities, and a dry land training area. BIG hosts 20-25 special events annually including hockey tournaments, figure skating competitions, and other social events through space rentals. Programmatically BIG offers public skating, open hockey, Pro’s Ice, facility rentals, a variety of family friendly programs, and operates concession services. Skating lessons are offered for both youth and adults by professionally trained instructors.

Authorized Full-Time Position	2026 Budget
Ice Garden Manager	1
Assistant Ice Garden Manager	1
Ice Garden Maintenance Superintendent	1
Ice Garden Arena Specialist	1
Maintenance Worker	2
<b>Grand Total</b>	<b>6</b>



## 2026 Goals and Objectives

- Complete the Bloomington Forward Ice Garden Modernization project.
- Explore options for a new e-ticketing solution for high school hockey games and special events.
- Pursue Naming Rights and Sponsorship of Parks and Recreation facilities and amenities in the Bloomington Park System.
- Develop and implement Emergency Action Plan and Standard Operating Procedures for BIG.

## Performance Measures

Strategic Priority	Performance Measure	2023 Actual	2024 Actual	2025* Actual	2026 Goal
Core service	Operating Revenue as a percent of Operating Expense	97%	115%	82%	109%
	Hours of Ice Utilized	10,848	10,923	5,136	10,500
	Total Operating Revenue	\$2,084,103	\$2,286,350	1,287,889	\$2,432,000

\*Facility was closed for 200 days (March 16-September 30, 2025) for renovations

# Ice Garden - Enterprise Fund Financial Summary

	2024 Actual	2025 Projected	2026 Budget
<b>Revenues</b>			
Property Taxes for Debt Service	199,630	198,432	197,241
Property Taxes for Operations	125,000	200,000	200,000
Program Income	2,215,204	1,254,378	2,390,000
Other Revenue	63,577	33,512	42,000
Intergovernmental	-	-	-
Interest Income	9,299	16,646	1,000
Transfers from Other Funds	-	-	-
<b>Total Revenues</b>	<b>2,612,710</b>	<b>1,702,968</b>	<b>2,830,241</b>
<b>Expenses</b>			
Salaries and Benefits	997,760	862,885	1,212,081
Materials, Supplies, & Services	1,036,178	1,027,833	1,004,615
Capital Outlay	132,951	24,045	12,000
Debt Service	185,743	189,176	191,475
Transfer to Other Funds	-	10,000	-
<b>Total Expenses</b>	<b>2,352,632</b>	<b>2,113,939</b>	<b>2,420,171</b>
<b>Working Capital</b>			
Net Change	260,078	(410,971)	410,070
Working Capital at Beginning of Year	375,347	635,425	224,454
<b>Working Capital at End of Year</b>	<b>\$ 635,425</b>	<b>\$ 224,454</b>	<b>\$ 634,524</b>

# Parks and Recreation Special Revenue

The Park Grants Special Revenue Fund accounts for restricted revenues that support regional park operations, environmental restoration, and forestry activities. Historically, the primary revenue source for this fund has been State lottery-in-lieu funding dedicated to the Hyland-Bush-Anderson Lakes Regional Park Reserve, a regional park system that includes areas such as Normandale Lake, Bush Lake, Anderson Lakes, and several regional trail connections within Bloomington.

Beginning in 2025, the City entered into a cooperative agreement with the Three Rivers Park District that transitions most day-to-day management, operations, and maintenance of the Hyland-Bush-Anderson Lakes Regional Park Reserve and associated regional trail segments to the Park District. Under this agreement, the Park District is responsible for services such as vegetation and wildlife management, infrastructure maintenance, facility upkeep, and regional trail operations, while the City continues to collaborate on planning, programming coordination, and capital investment decisions.

As a result of this transition, the Parks and Recreation Special Revenue Fund reflects both the ongoing receipt of State lottery-in-lieu funding and the City's financial participation in the cooperative management structure with Three Rivers Park District. The agreement is intended to provide seamless, high-quality regional park services and improve operational efficiency through shared expertise and coordinated planning.

In recent years, the scope of the fund has expanded beyond regional park operations to include additional Parks and Recreation grants and environmental initiatives. These revenues, together with a portion of the property tax levy, fund recreation and forestry management activities throughout the community. Forestry expenditures have increased in recent years due to the peak impacts of the emerald ash borer infestation, which has required significant investment in diseased tree removals, replacement plantings, and long-term urban canopy management.

Through these investments, the Park Grants Fund helps preserve Bloomington's regional park assets, maintain high-quality recreational spaces, and support environmental stewardship across the park system.



# Parks & Recreation - Special Revenue Fund

## Financial Summary

	2024 Actual	2025 Projected	2026 Budget
<b>Revenues</b>			
Property Taxes	\$ 185,000	\$ 185,000	\$ 350,000
Special Assessments	9,013	12,204	8,000
Program Income	259,309	20,855	280,000
Intergovernmental	104,062	336,537	95,000
Interest Income	9,516	(6,656)	4,000
Other Revenues	15,600	16,850	20,000
Transfers from Other Funds	388,163	800,000	-
<b>Total Revenues</b>	<b>970,663</b>	<b>1,364,790</b>	<b>757,000</b>
<b>Expenses</b>			
Salaries and Benefits	41,367	-	-
Materials, Supplies, & Services	1,079,710	1,264,030	726,865
Transfer to Other Funds			
<b>Total Expenses</b>	<b>1,121,077</b>	<b>1,264,030</b>	<b>726,865</b>
<b>Working Capital</b>			
Net Change	(150,414)	100,760	30,135
Working Capital at Beginning of Year	84,180	(66,234)	34,526
<b>Working Capital at End of Year</b>	<b>\$ (66,234)</b>	<b>\$ 34,526</b>	<b>\$ 64,661</b>

# Police Department

Most Police Department operations are funded through the General Fund. Certain activities are accounted for in other funds based on the nature of the revenue received and any legal or policy restrictions on its use. The Department administers six Special Revenue Funds to account for forfeitures, grants, and other revenues that are legally restricted or formally committed for specific purposes. The Police Department also operates an Enterprise Fund for Contractual Overtime Police Services, which accounts for sworn officer overtime costs that are billed to and reimbursed by external entities. In addition, the Public Safety Technology and Equipment Fund is an Internal Service Fund that supports the acquisition, replacement, and maintenance of public safety technology and equipment. This includes radios, mobile digital computers, and other equipment used by both the Police and Fire Departments.

With one-time funding from Public Safety State Aid, the department will be temporarily exceeding full sworn capacity to prepare for upcoming retirements and maintain operational readiness.



The Police Department works to ensure community safety, prevent crime through visible engagement, enforce State and local laws fairly and respectfully, and provide access to supportive services and crime prevention programs.

The Patrol Division provides 24-hour service responding to crimes, traffic accidents, medical emergencies, fires, public safety hazards, domestic disputes, and other community needs. More than 128,288 emergency and non-emergency calls were logged in the public safety communications center in 2025, including 47,409 emergency 911 calls. Other Police Department units include the South Loop Unit, Traffic Investigations Unit, Community Services Unit, K-9 Unit, Emergency Management, Police Reserves, and Animal Control. The Department also maintains an Emergency Services Group (ESG), which includes the Emergency Response Unit (ERU), Bomb Squad, Crisis Negotiators Unit, Tactical Support Unit, and the West Command Public Order Unit. These specialty units are staffed by existing authorized personnel as operational needs arise.

## Police - General Fund Financial Summary

	2024 Actual	2025 Projected	2026 Budget
<b>Revenues</b>			
Program Income	\$ 575,703	\$ 610,846	\$ 378,400
Intergovernmental	1,909,490	2,052,348	1,638,000
Other Revenues	130,412	160,642	-
Transfers from Other Funds	2,521,469	2,316,073	2,349,335
<b>Total Revenues</b>	<b>5,137,074</b>	<b>5,139,910</b>	<b>4,365,735</b>
<b>Expenditures</b>			
Salaries and Benefits	28,032,773	29,485,798	30,882,818
Materials, Supplies, & Services	8,504,506	9,624,454	10,366,401
Capital Outlay	16,052	14,044	-
Transfer to Other Funds	-	72,453	-
<b>Total Expenditures</b>	<b>36,553,331</b>	<b>39,196,749</b>	<b>41,249,219</b>
Less Expenses Charged to Other Funds	(347,315)	(365,520)	(376,945)
<b>Net Total Expenditures</b>	<b>\$ 36,206,016</b>	<b>\$ 38,831,229</b>	<b>\$ 40,872,274</b>

# Police – Administration

Police Administration provides overall management and administrative support to the Police Department and comprehensive emergency management support for the city. Resource allocations and decisions within the Police Department are largely guided by our Mission, Vision, and Core Values.



Authorized Full-Time Position	2026 Budget
Chief of Police	1
Assistant Chief of Police	1
Deputy Police Chief	2
Wellness Officer *	1
Executive Assistant	2
<b>Grand Total</b>	<b>7</b>

\* Funded by Public Safety State Aid and Grant Revenues.

## 2026 Goals and Objectives

- Continue implementation of the Center for Values-Based Initiatives model to ensure the Department’s Mission, Vision, and Core Values are embedded across hiring, training, promotions, and daily operations.
- Pursue grant funding to enhance traffic safety enforcement and community education efforts related to seat belt use, speeding, and impaired driving.



- Expand and integrate the Vanguard Initiative, the Department’s comprehensive wellness framework launched in 2025. The initiative focuses on five dimensions of wellness: personal, professional, physical, mental, and emotional. In 2026, the Department will further embed these principles into daily operations and organizational practices to ensure staff can work well, live well, and go home well each day.
- Continue enhancing community engagement by expanding the Department’s use of social media and investing in additional media formats to improve communication and interaction with the public. Conduct a comprehensive review and realignment of the Department’s organizational structure to formally establish a Wellness Bureau as a core component of the organization. This initiative will define leadership responsibilities, personnel assignments, and operational processes necessary to institutionalize wellness and sustain it as a core organizational priority alongside the Department’s other primary bureaus.
- Continue monitoring performance goals and measurable objectives, including directing patrol resources based on data-driven analysis of problem areas, conducting high-visibility traffic enforcement in identified crash locations, and leveraging technology to deter crime and apprehend offenders in areas experiencing increased criminal activity.
- Maintain focus on goals and measurable objectives related to individuals in crisis and those experiencing mental health concerns. The Department will analyze the frequency and demand for follow-up services provided by the embedded social workers and the Brain Health Unit, using this data to guide service improvements. In 2025, these positions were transitioned to full-time roles effective January 2026 to better meet community needs.
- In 2025, the Community Services Unit, in partnership with Patrol, the embedded social worker, and the Brain Health Unit, implemented targeted intervention strategies to reduce repetitive calls for service involving group homes and individuals in crisis, resulting in a 27 percent reduction in repeat calls from 2024 to 2025. In 2026, the Department will build on this collaborative model to further strengthen proactive crisis response and coordinated resource deployment citywide.
- Continue progress toward achieving Minnesota Law Enforcement Accreditation Program accreditation in 2026, reinforcing the Department’s commitment to professional standards, accountability, and continuous improvement in service to the community.
- Develop a dedicated audio and video production studio to create original, high-quality content that supports officer wellness, promotes transparency, and strengthens public trust. This space will enable the Department to produce professional training, outreach, and informational media that enhances communication and deepens community relationships.

## Performance Measures

Strategic Priority	Performance Measure	2023 Actual	2024 Actual	2025 Actual	2026 Goal
<b>Connected, welcoming community</b>	Increase the diversity of Police Officers with the Pathways to Policing program and Cadet program	4	4	2	1

# Police Admin. Division - General Fund Financial Summary

	2024 Actual	2025 Projected	2026 Budget
<b>Revenues</b>			
Other Revenues	\$ 497	\$ -	\$ -
Transfers from Other Funds	79,500	81,888	84,342
<b>Total Revenues</b>	<b>79,997</b>	<b>81,888</b>	<b>84,342</b>
<b>Expenditures</b>			
Salaries and Benefits	1,172,086	1,350,599	1,336,089
Materials, Supplies, & Services	362,708	307,899	319,422
Capital Outlay			
Transfer to Other Funds			
<b>Total Expenditures</b>	<b>1,534,794</b>	<b>1,658,498</b>	<b>1,655,511</b>
Less Expenses Charged to Other Funds	(3,282)	-	-
<b>Net Total Expenditures</b>	<b>\$ 1,531,512</b>	<b>\$ 1,658,498</b>	<b>\$ 1,655,511</b>

# Police - Operations

Police Operations provides 24-hour, seven-day-a-week response to calls for service, including crimes, traffic accidents, medical emergencies, and neighborhood concerns.



Authorized Full-Time Position	2026 Budget
Commander	6
Sergeant*	20
Police Officer**	105
<b>Grand Total</b>	<b>131</b>

\* Includes two additional Sergeant positions funded through overtime savings.

\*\*Includes two additional Police Officer positions temporarily added using one-time Public Safety State Aid funding. These positions allow the Department to temporarily exceed its standard sworn staffing level to prepare for anticipated retirements and maintain operational readiness.

## Emergency Operations Group

The Bloomington Police Department’s Emergency Operations Group includes the Emergency Response Unit (ERU), Bomb Unit, Crisis Negotiations Team (CNT), and the West Command Public Order Unit (WCPOU). These specialized teams are staffed by highly trained personnel who dedicate substantial time to ongoing training, operational readiness, and strategic planning. Although much of their work occurs behind the scenes and outside of public view, it is essential for community safety and the success of the Department’s overall mission.

In June, members of the ERU and Bomb Unit assisted in a multi-agency manhunt for a suspect responsible for the targeted killings of Minnesota legislators in their homes. Their involvement demonstrated the critical importance of regional coordination and specialized response capabilities during high-risk, rapidly evolving incidents. The year 2025 was exceptionally demanding for the Emergency Operations Group. The following summarizes key operational activity:

### Emergency Response Unit (ERU) – 2025 Activity

- 3 emergency callouts
- 6 Tier 1 high-risk warrants served
- 41 Tier 2 warrants served

Total Tactical Operations: 50

### Bomb Unit – 2025 Activity

- 3 in-jurisdiction calls
- 23 out-of-jurisdiction responses
- 3 assists to the U.S. Secret Service
- 1 ERU operational assist

Total Deployments/Assists: 30

### West Command Public Order Unit – 2025 Activity

- Quarterly training with West Command personnel
- 3 planned protest responses
- 5 operational callouts

Total Operational Events: 8

## **Investigative and Special Operations Support**

In addition to the Emergency Operations Group, the Police Department provides specialized investigative and operational support through the Investigative Bureau and Special Operations Bureau.

The Investigative Bureau conducts follow-up investigations on reported crimes and proactively investigates narcotics activity, human trafficking, and liquor and tobacco violations.

The Special Operations Bureau supports high-risk incidents through highly trained and specially equipped tactical, hostage negotiation, and bomb squad units.

The Police Department's K-9 Unit enhances both patrol and investigative operations. The Department maintains six dual-purpose patrol K-9s trained in suspect apprehension, tracking, area searches, and evidence detection. In addition, one Special Investigations Unit K-9 is trained specifically for narcotics detection, and one emotional support K-9 assists with community engagement and officer wellness initiatives.

The Department also operates a unique program in which several patrol officers are trained as Crime Scene Technicians, strengthening on-scene investigative efficiency and overall response capability.

## **2026 Goals and Objectives**

- Continue improving operational efficiency by leveraging technology and streamlining processes to better support the needs of each Police Department bureau.
- Strengthen partnership with Public Health to address opioid-related incidents within the City through coordinated prevention, response, and follow-up efforts.
- Continue collaborating with the Bloomington Fire Department to enhance the combined response to medical calls for service in a manner that best serves residents and visitors.
- Work proactively with neighborhoods and businesses to identify and resolve recurring issues, including repeat calls for service, thefts, and related criminal activity.
- Expand efforts to recover stolen vehicles through the strategic use of both stationary and mobile Automatic License Plate Reader technology.
- Continue community engagement initiatives at elementary schools, Safe Summer Nights, Holiday Helpers in Blue, Santa Cop, Cops and Kids coaching, and other youth-focused events that foster positive relationships between patrol officers and young residents.
- Maintain a robust Field Training Program that emphasizes strong training standards and professional development for officers hired in 2026.
- Provide field training and mentorship for "Pathways to Policing" officers as they transition into patrol assignments.
- Support the Toward Zero Deaths initiative by reducing traffic crashes resulting in injury through proactive traffic enforcement and impaired driving enforcement, including continuation of grant-funded traffic enforcement details.
- Educate local businesses on updated laws to prevent the sale of alcohol, tobacco, and THC products to underage individuals.
- Provide ongoing outreach and education to hotel and hospitality partners regarding narcotics activity and human trafficking prevention.
- Expand and enhance the Department's Unmanned Aerial Vehicle program to improve service delivery and officer safety.
- Continue educating parents, teachers, and social workers on emerging youth drug trends.

- Provide investigative staffing during evenings, weekends, and Saturdays to ensure timely follow-up and consistent investigative support beyond traditional business hours.
- Evaluate opportunities to increase the number of environmentally friendly vehicles within the Department’s fleet.
- Enhance the Department’s focus on human trafficking investigations and enforcement efforts, with emphasis on identifying victims, disrupting trafficking networks, and connecting individuals to appropriate support services.

**Performance Measures**

<b>Strategic Priority</b>	<b>Performance Measure</b>	<b>2023 Actual</b>	<b>2024 Actual</b>	<b>2025 Actual</b>	<b>2026 Goal</b>
<b>Healthy community (Safety)</b>	Clearance rate of crimes reported	56%	57%	57%	57%
<b>Healthy community (Environment)</b>	Number of hybrid police vehicles	0	1	9	9

- Provided auto theft prevention education through multiple communication platforms to increase community awareness and prevention strategies.
- Neighborhood Watch engagement remains strong, with 18,804 registered homes, 466 active watch groups, and 661 Block Captains.
- The dispatch center received 128,288 total calls in 2025, including 47,409 911 calls and 267 text-to-911 calls.
- Officers responded to 69,011 requests for Police services in 2025.
- Continued deployment of canine teams to detect hazards, locate individuals and evidence, apprehend suspects, and support community engagement efforts. The K9 Unit deployed on 498 incidents and completed approximately 2,263 hours of formal training.
- In 2025, the K9 Unit added a department Therapy Dog assigned to a staff member to assist individuals in crisis and help reduce stress for victims.
- The UAV program recorded 101 deployments or training events in 2025, including 58 emergency or call-for-service related searches. No new UAV equipment was purchased during the year.
- 2025 marked the third full year of the Street Crimes Unit. The unit supported all bureaus through targeted enforcement and community engagement. Results included 6.27 pounds of narcotics recovered, 3 firearms seized, and 222 arrests.
- The Traffic Unit conducted 324 enforcement details based on citizen feedback and crash data. Speed trailers were deployed to more than 69 locations citywide, and the fleet expanded to six trailers to meet demand.
- The Traffic Investigation Unit completed 472 traffic-related investigations, including 269 hit-and-run cases.
- Continued progress supporting Toward Zero Deaths (TZD) through proactive traffic and impaired driving enforcement, including 37 grant-funded enforcement details addressing distracted driving, seat belt compliance, speed enforcement, pedestrian safety, and special initiatives. Statewide TZD efforts contributed to 105 fewer traffic fatalities in 2025. Coordination with Bloomington Public Schools improved enforcement of school bus stop-arm violations through targeted training for bus drivers, resulting in more accurate reporting and 183 citations issued.

- The Bomb Unit responded to 30 incidents in 2025, including 26 bomb callouts, 3 assists to the U.S. Secret Service, 1 assist to the Emergency Response Unit, and additional support to federal and regional partners. The unit completed more than 460 hours of specialized training, including Hazardous Devices School, Explosive Breaching, and Ordnance Recognition.
- The Emergency Response Unit recorded 50 activations, including 47 search warrants and 3 emergency response incidents. The unit completed more than 260 hours of training and participated in community engagement activities.
- The Police Honor Guard participated in 14 events in 2025, including funeral honors for local and federal law enforcement, City Council meetings, the National Correctional Officer Memorial, and National Law Enforcement Memorial Day. The Honor Guard includes 11 officers, three of whom also serve with the Minnesota State Law Enforcement Memorial Association.

### 5-year Crime Statistics

Category	2021	2022	2023	2024	2025	5-Year Average
Homicide	1	3	2	1	3	2
Rape	40	49	57	52	65	52
Robbery	74	54	47	36	40	50
Aggravated Assault	147	171	162	179	199	172
Burglary	247	163	169	200	207	197
Theft	2,580	2,918	3,056	2,713	2,275	2,708
Vehicle Theft	307	291	253	200	134	237
Arson	16	9	7	13	7	10

# Police Operations Division - General Fund Financial Summary

	2024 Actual	2025 Projected	2026 Budget
<b>Revenues</b>			
Program Income	\$ 518,135	\$ 541,139	\$ 354,400
Intergovernmental	1,705,757	1,922,078	1,518,000
Other Revenues	122,667	138,774	-
Transfers from Other Funds	2,185,168	2,140,770	2,204,993
<b>Total Revenues</b>	<b>4,531,727</b>	<b>4,742,761</b>	<b>4,077,393</b>
<b>Expenditures</b>			
Salaries and Benefits	20,951,724	21,331,297	22,307,020
Materials, Supplies, & Services	5,642,924	6,440,186	7,144,421
Capital Outlay	12,052	14,044	-
Transfer to Other Funds	-	72,453	-
<b>Total Expenditures</b>	<b>26,606,700</b>	<b>27,857,980</b>	<b>29,451,441</b>
Less Expenses Charged to Other Funds	-	-	-
<b>Net Total Expenditures</b>	<b>\$ 26,606,700</b>	<b>\$ 27,857,980</b>	<b>\$ 29,451,441</b>

# Police – Support

The Police Support Division includes the Core Values Bureau, Support Services Bureau, Public Safety Communications Center, Property and Evidence Control Unit, Community Services Unit, and Animal Control functions. These divisions provide administrative, technical, and community-based services that enable the Department’s patrol and investigative units to operate effectively. From emergency communications and crime analysis to records management, digital evidence, jail operations, training coordination, and community outreach, the Police Support Division ensures operational readiness, accountability, and responsive service delivery across the organization.

Authorized Full-Time Position	2026 Budget
Support Services Bureau Manager	1
Accountant	1
Crime Analyst Supervisor	1
Crime Analyst	1
Public Safety Engagement Manager	1
Dispatch Supervisor	2
Dispatch Training and Quality Assurance Coordinator	1
911 Shift Supervisor	1
Public Safety Telecommunicator	12
Police Records Supervisor	1
Lead Police Records Specialist	1
Police Data Coordinator	1
Police Records Specialist	6
Property Control Specialist	2
Digital Forensic Supervisor	1
Digital Evidence & Discovery Specialist	1
Animal Control Coordinator	1
Civilian Jail Officer	4
<b>Grand Total</b>	<b>39</b>

## 2026 Goals and Objectives

- Support predictive policing and directed patrol strategies by providing daily intelligence updates to personnel and identifying high-priority areas for focused enforcement. Continue strengthening Business Watch partnerships to help local businesses enhance customer and employee safety while reducing crime.
- Expand community engagement efforts through Neighborhood Watch, National Night Out, Coffee with a Cop, Safe Summer Nights, Kids to Cops, and additional outreach initiatives. In 2025, officers attended 305 National Night Out gatherings and connected with an estimated 7,500 residents.
- Acquire and implement a new 911 call-handling system in partnership with regional agencies, leveraging shared costs and technological advancements to enhance emergency response capabilities.

- Establish a Real-Time Crime Center within the 911 Communications Center to provide immediate access to critical data and analytics that support effective emergency response and proactive crime prevention.
- Conduct joint training with partner agencies at the South Metro Public Safety Training Facility and utilize the new Simulation House for scenario-based training exercises.

### Performance Measures

- Entered 12,160 police reports into the Records Management System.
- Continued use of Patrol Online training to efficiently deliver mandated training while expanding opportunities for additional professional development.
- Met all state-mandated training requirements, including 48 continuing education credits every three years and required training in Use of Force, Pursuit Driving, and Community Policing.
- Transitioned the Department's policy manual to a new online platform, improving field accessibility and streamlining policy updates and review.
- Maintained regular Multi-Cultural Advisory Board meetings and sought input on new and revised police policies to strengthen community collaboration.
- Improved operational efficiency by implementing an internal GIS-based dashboard and centralized search platform to enhance access to data and support timely decision-making.
- Property and Evidence room received 6,803 items held as evidence. This room currently holds over 50,085 pieces of evidence and an average of 18 items are received each day.
- Expanded the Coffee with a Cop program, organized Back to School and Holiday Shoppers in Blue initiatives, and hosted monthly community events throughout the city.
- Maintained an active and effective social media presence, generating consistent community engagement and strengthening communication on issues important to residents.



# Police Support Division - General Fund Financial Summary

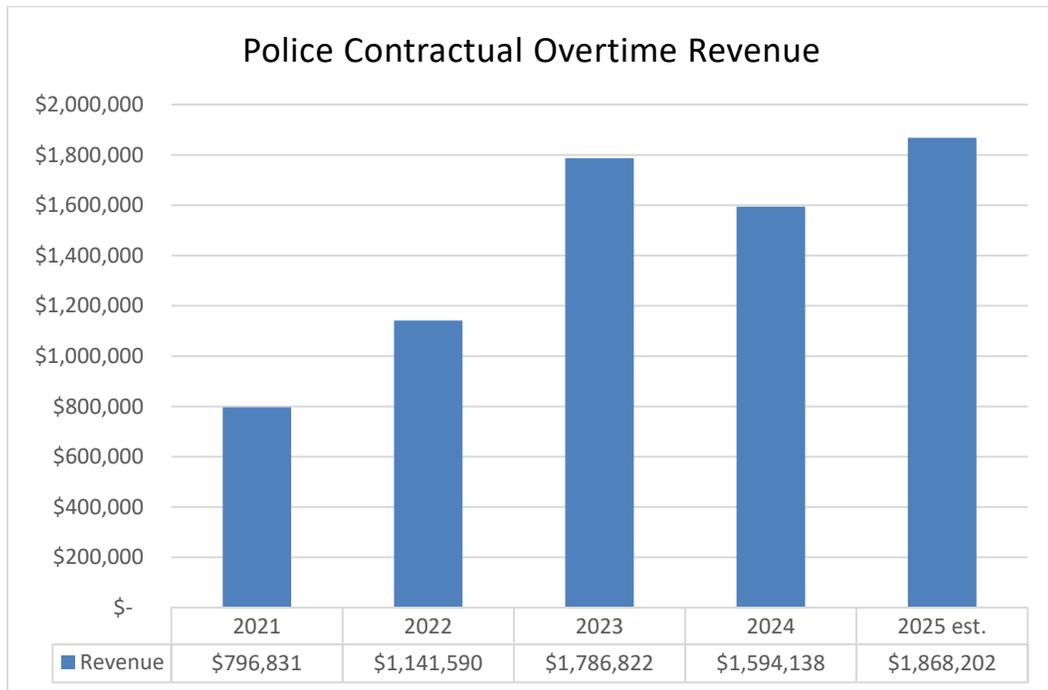
	2024 Actual	2025 Projected	2026 Budget
<b>Revenues</b>			
Program Income	\$ 57,568	\$ 69,707	\$ 24,000
Intergovernmental	203,733	130,270	120,000
Other Revenues	7,248	21,868	-
Transfers from Other Funds	256,801	93,415	60,000
<b>Total Revenues</b>	<b>525,350</b>	<b>315,260</b>	<b>204,000</b>
<b>Expenditures</b>			
Salaries and Benefits	5,908,963	6,803,902	7,239,709
Materials, Supplies, & Services	2,498,874	2,876,369	2,902,558
Capital Outlay	4,000	-	-
Transfer to Other Funds	-	-	-
<b>Total Expenditures</b>	<b>8,411,837</b>	<b>9,680,271</b>	<b>10,142,267</b>
Less Expenses Charged to Other Funds	(344,033)	(365,520)	(376,945)
<b>Net Total Expenditures</b>	<b>\$ 8,067,804</b>	<b>\$ 9,314,751</b>	<b>\$ 9,765,322</b>

# Police Contractual Overtime

The Police Contractual Overtime Fund is an Enterprise Fund that accounts for the revenues and expenses associated with Police Contractual Overtime (COT). The Bloomington Police Department provides contractual police services to businesses hosting special events or functions that require assistance beyond the level of service normally provided. Businesses receiving these services are billed directly by the City for the cost of overtime wages, related fringe benefits, and administrative overhead. Separating these activities into an Enterprise Fund improves transparency and allows for more accurate comparability of core police services with other communities, as these costs are not included in the General Fund.

## 2025 Statistics

- A total of 3,454 Contractual Police Service events were scheduled, compared to 1,654 events in 2024.
- These events included 3,454 officer assignments, up from 2,872, and 47 supervisor assignments, totaling 20,780 hours of service.
- The business with the highest number of COT events in 2025 was Walmart, with 363 events. Walmart contracted two officers daily throughout the year.



## 2026 Goals and Objectives

- Meet requests for enhanced levels of police service without placing additional burden on taxpayers. Businesses that require extra police presence pay the full cost of those services, including related expenses. Examples include the Mall of America and Walmart, which fund high-visibility deterrent patrol details.
- Provide reimbursable police services that enhance public safety during special events and increase police visibility during peak retail shopping seasons

# Contractual Police Services - Enterprise Fund Financial Summary

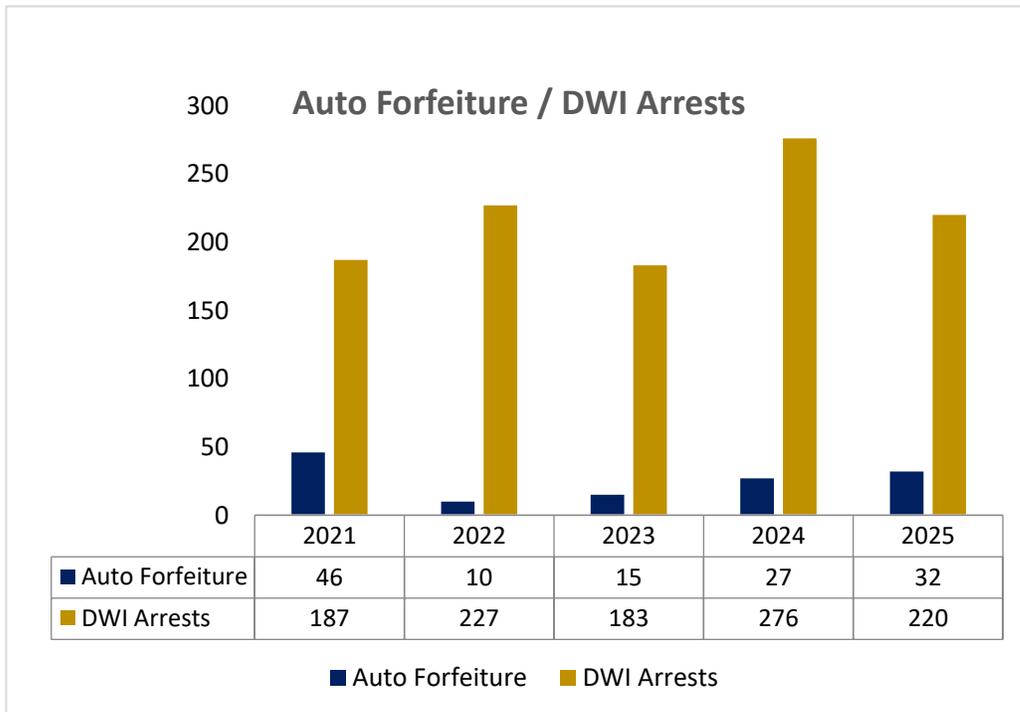
	2024 Actual	2025 Projected	2026 Budget
<b>Revenues</b>			
Program Income	\$ 1,594,138	\$ 1,868,202	\$ 1,625,000
Transfers from Other Funds	-	-	-
<b>Total Revenues</b>	<b>1,594,138</b>	<b>1,868,202</b>	<b>1,625,000</b>
<b>Expenses</b>			
Salaries and Benefits	1,493,280	1,756,895	1,546,661
Materials, Supplies, & Services	16,246	17,892	18,339
Transfer to Other Funds	84,612	93,415	60,000
<b>Total Expenses</b>	<b>1,594,138</b>	<b>1,868,202</b>	<b>1,625,000</b>
<b>Working Capital</b>			
Net Change	-	-	-
Working Capital at Beginning of Year	(0)	(0)	(0)
<b>Working Capital at End of Year</b>	<b>\$ (0)</b>	<b>\$ (0)</b>	<b>\$ (0)</b>

# DWI Forfeiture Fund

This Driving While Intoxicated (DWI) Forfeiture Fund accumulates proceeds from the sale of vehicles seized in driving while intoxicated arrests and forfeited in accordance with State law and court order. Police enforcement costs and a portion of Legal Department costs associated with DWI enforcement are accounted for in this fund.

## 2025 Accomplishments

- Processed 32 vehicle forfeitures resulting from 220 DWI arrests in 2025.



## 2026 Goals and Objectives

- Reduce internal costs associated with DWI enforcement to allow more resources to be directed toward enforcement efforts.
- Continue efforts to seize vehicles consistently and fairly in accordance with the DWI forfeiture law.
- Track and account for expenses associated with DWI forfeitures to ensure proper allocation of costs.
- Remove access to vehicles for repeat DWI offenders while ensuring due process.

## DWI Forfeiture - Special Revenue Fund Financial Summary

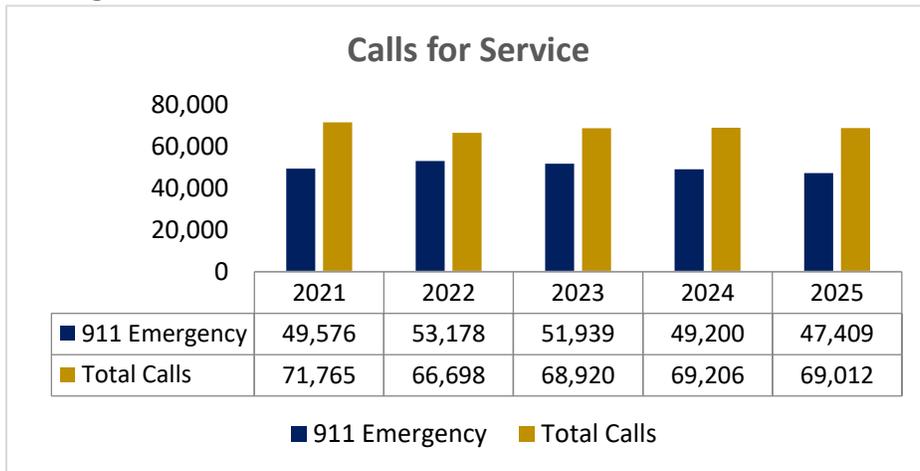
	2024 Actual	2025 Projected	2026 Budget
<b>Revenues</b>			
Intergovernmental Forfeitures	\$ 20,168	\$ 33,612	\$ 20,000
Interest Income	20,141	23,207	10,000
Transfers from Other Funds			
<b>Total Revenues</b>	<b>40,309</b>	<b>56,819</b>	<b>30,000</b>
<b>Expenses</b>			
Salaries and Benefits	20,715	18,228	4,025
Materials, Supplies, & Services	27,205	27,412	25,975
Capital Outlay	-	44,847	-
Transfer to Other Funds	-	131,148	-
<b>Total Expenses</b>	<b>47,920</b>	<b>221,635</b>	<b>30,000</b>
<b>Working Capital</b>			
Net Change	(7,611)	(164,816)	-
Working Capital at Beginning of Year	484,328	476,717	311,901
<b>Working Capital at End of Year</b>	<b>\$ 476,717</b>	<b>\$ 311,901</b>	<b>\$ 311,901</b>

# Enhanced 911

The Enhanced 911 Special Revenue Fund receives revenue from 911 service fees charged to telephone customers. These funds support the implementation, operation, maintenance, enhancement, and expansion of 911 services, including the acquisition of necessary equipment.

## 2025 Accomplishments

- Increased percentage of new hires completing initial training within established timeframes.
- Increased call-handling accuracy and compliance with established protocols.
- Reduced number of non-emergency calls placed to 911.
- Successful acquisition and implementation of a shared 911 call-handling system within the approved budget and timeline, with improved functionality supporting Next Generation 911 capabilities.
- Improved information sharing and coordination between dispatchers, responders, and investigators.



*Note: Calls for service include any request for police action which originates outside the Police Department, from 911, non-emergency lines and walk-ins. This includes calls for service to the Mall of America.*

*911 calls include any call for police action, information or "pocket dials" from cell phones that come through the 911 system.*

## 2026 Goals and Objectives

- Establish a Public Safety Telecommunicator workforce pipeline program in partnership with local schools to support recruitment and long-term staffing needs.
- Develop and implement a quality assurance program to promote consistent service delivery, identify training needs, and improve outcomes for the community.
- Increase public awareness and use of the Citizen to 911 online reporting tool for non-emergency calls through education and outreach, helping improve efficiency and call prioritization.
- Establish a Real Time Crime Center within the 911 Communications Center to provide immediate access to critical data and analytics that support effective emergency response and crime prevention.

# Enhanced 911 - Special Revenue Fund

## Financial Summary

	2024 Actual	2025 Projected	2026 Budget
<b>Revenues</b>			
Intergovernmental	\$ 230,690	\$ 230,690	\$ 230,690
Interest Income	9,444	17,708	100
Transfers from Other Funds			
<b>Total Revenues</b>	<b>240,134</b>	<b>248,398</b>	<b>230,790</b>
<b>Expenses</b>			
Materials, Supplies, & Services	102,336	164,523	156,684
Transfer to Other Funds	-	-	-
<b>Total Expenses</b>	<b>102,336</b>	<b>164,523</b>	<b>156,684</b>
<b>Working Capital</b>			
Net Change	137,798	83,875	74,106
Working Capital at Beginning of Year	220,754	358,552	442,427
<b>Working Capital at End of Year</b>	<b>\$ 358,552</b>	<b>\$ 442,427</b>	<b>\$ 516,533</b>

# Federal Department of Justice Drug Forfeiture

This fund accounts for equitable sharing proceeds received through the Department of Justice Equitable Sharing Program. Expenditures must comply with the *Guide to Equitable Sharing for State, Local, and Tribal Law Enforcement Agencies* issued by the U.S. Department of Justice and the U.S. Department of the Treasury. In accordance with federal guidelines, these forfeiture funds are maintained in a separate fund and bank account from other City funds.

## 2025 Accomplishments

- Officers assigned to the Drug Enforcement Administration investigated several cases that resulted in the seizure of assets connected to drug trafficking. The City of Bloomington received approximately \$134,092 for its participation.
- Removed illicit drugs with an estimated value of approximately \$1,406,599 from the community.

## 2025 Drug Seizure Activity

Drug Type	Grams Seized	Estimated Street Value
Marijuana	39,661	\$594,915
Methamphetamine	11,500	\$609,481
Fentanyl	975	\$107,271
Cocaine	1,276	\$86,780
Heroin	125	\$8,152
<b>Total</b>	<b>53,537</b>	<b>\$1,406,599</b>

## 2026 Goals and Objectives

- Use Department of Justice drug-forfeited equitable sharing funds to support eligible law enforcement expenditures.
- Continue specialized training for narcotics-related enforcement activities such as hotel and motel interdiction and motor vehicle interdiction.

# Federal DOJ Drug Forfeiture - Special Rev. Fund Financial Summary

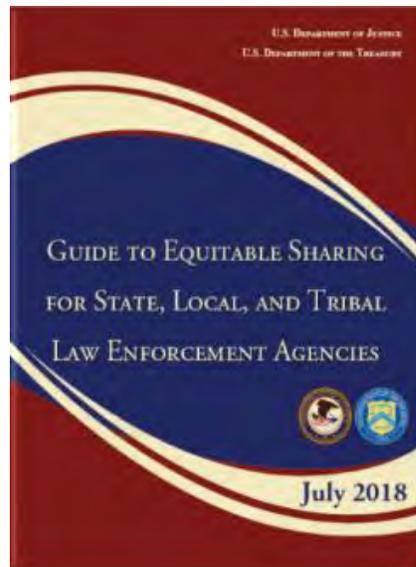
	2024 Actual	2025 Projected	2026 Budget
<b>Revenues</b>			
Forfeitures	\$ 84,045	\$ 134,092	\$ 20,000
Other Revenues	-	-	-
Transfers from Other Funds	-	-	-
<b>Total Revenues</b>	<b>84,045</b>	<b>134,092</b>	<b>20,000</b>
<b>Expenses</b>			
Salaries and Benefits	-	-	-
Materials, Supplies, & Services	6,114	76,876	15,000
Capital Outlay	-	30,309	-
Transfer to Other Funds	-	-	-
<b>Total Expenses</b>	<b>6,114</b>	<b>107,185</b>	<b>15,000</b>
<b>Working Capital</b>			
Net Change	77,931	26,907	5,000
Working Capital at Beginning of Year	90,796	168,727	195,634
<b>Working Capital at End of Year</b>	<b>\$ 168,727</b>	<b>\$ 195,634</b>	<b>\$ 200,634</b>

# Federal Treasury Drug Forfeiture

This fund accounts for equitable sharing proceeds received through the Treasury Equitable Sharing Program. Expenditures must comply with the *Guide to Equitable Sharing for State, Local, and Tribal Law Enforcement Agencies* issued by the U.S. Department of Justice and the U.S. Department of the Treasury. These forfeiture funds are maintained in a separate fund and bank account from other City funds in accordance with federal guidelines.

## 2025 Accomplishments

- No forfeiture proceeds were received in 2025 through the Treasury Equitable Sharing Program.



*Guide to Equitable Sharing for State, Local, and Tribal Law Enforcement Agencies  
(U.S. Department of Justice and U.S. Department of the Treasury, July 2018)*

## 2026 Goals and Objectives

- Use Treasury drug-forfeited equitable sharing funds to support eligible law enforcement expenditures.

# Fed. Treasury Drug Forfeiture - Special Rev. Fund Financial Summary

	2024 Actual	2025 Projected	2026 Budget
<b>Revenues</b>			
Forfeitures	\$ -	\$ -	\$ -
Interest Income	-	-	-
Other Revenues			
Transfers from Other Funds	-	-	-
<b>Total Revenues</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Expenses</b>			
Salaries and Benefits	-	-	-
Materials, Supplies, & Services	149	155	156
Capital Outlay			
Transfer to Other Funds			
<b>Total Expenses</b>	<b>149</b>	<b>155</b>	<b>156</b>
<b>Working Capital</b>			
Net Change	(149)	(155)	(156)
Working Capital at Beginning of Year	7,283	7,134	6,979
<b>Working Capital at End of Year</b>	<b>\$ 7,134</b>	<b>\$ 6,979</b>	<b>\$ 6,823</b>

# State Drug Forfeiture

The State Drug Forfeiture Special Revenue Fund accounts for proceeds from assets seized and forfeited in connection with drug-related offenses under Minnesota law. Property subject to forfeiture may include cash, vehicles, firearms, and other items determined to be proceeds of, or instrumentalities used in, controlled substance crimes.

Under State law, certain property may be subject to forfeiture when there is probable cause to believe it was used to facilitate the sale or distribution of controlled substances or represents proceeds from drug trafficking. Examples may include money believed to be connected to drug transactions, vehicles used to transport drugs intended for sale or distribution, and firearms found in proximity to felony-level drug offenses.

Proceeds from forfeited assets are restricted and must be used for legitimate law enforcement purposes. These funds help support specialized investigations, equipment purchases, training, and other activities aimed at preventing and disrupting drug trafficking and related criminal enterprises.

## 2025 Accomplishments

- State laws and procedural changes related to asset forfeiture review and processing have increased oversight and documentation requirements, resulting in fewer forfeiture proceeds collected compared to previous years.
- In 2025, the Bloomington Police Department received \$22,892 in revenue from State drug forfeiture cases.

## 2026 Goals and Objectives

- Use drug-forfeited assets to support law enforcement activities that enhance public safety without increasing the tax burden on residents.
- Continue to support drug enforcement and investigative efforts aimed at disrupting narcotics trafficking within the community.
- Ensure compliance with State forfeiture laws and reporting requirements related to the seizure and disposition of forfeited assets.

# State Drug Forfeiture - Special Revenue Fund Financial Summary

	2024 Actual	2025 Projected	2026 Budget
<b>Revenues</b>			
Forfeitures	\$ 61,851	\$ 22,893	\$ 15,000
Interest Income	1,096	5,779	500
Other Revenues	-	-	
Transfers from Other Funds			
<b>Total Revenues</b>	<b>62,947</b>	<b>28,672</b>	<b>15,500</b>
<b>Expenses</b>			
Materials, Supplies, & Services	-	3,742	10,000
Transfer to Other Funds	-	-	-
<b>Total Expenses</b>	<b>-</b>	<b>3,742</b>	<b>10,000</b>
<b>Working Capital</b>			
Net Change	62,947	24,930	5,500
Working Capital at Beginning of Year	36,932	99,879	124,809
<b>Working Capital at End of Year</b>	<b>\$ 99,879</b>	<b>\$ 124,809</b>	<b>\$ 130,309</b>

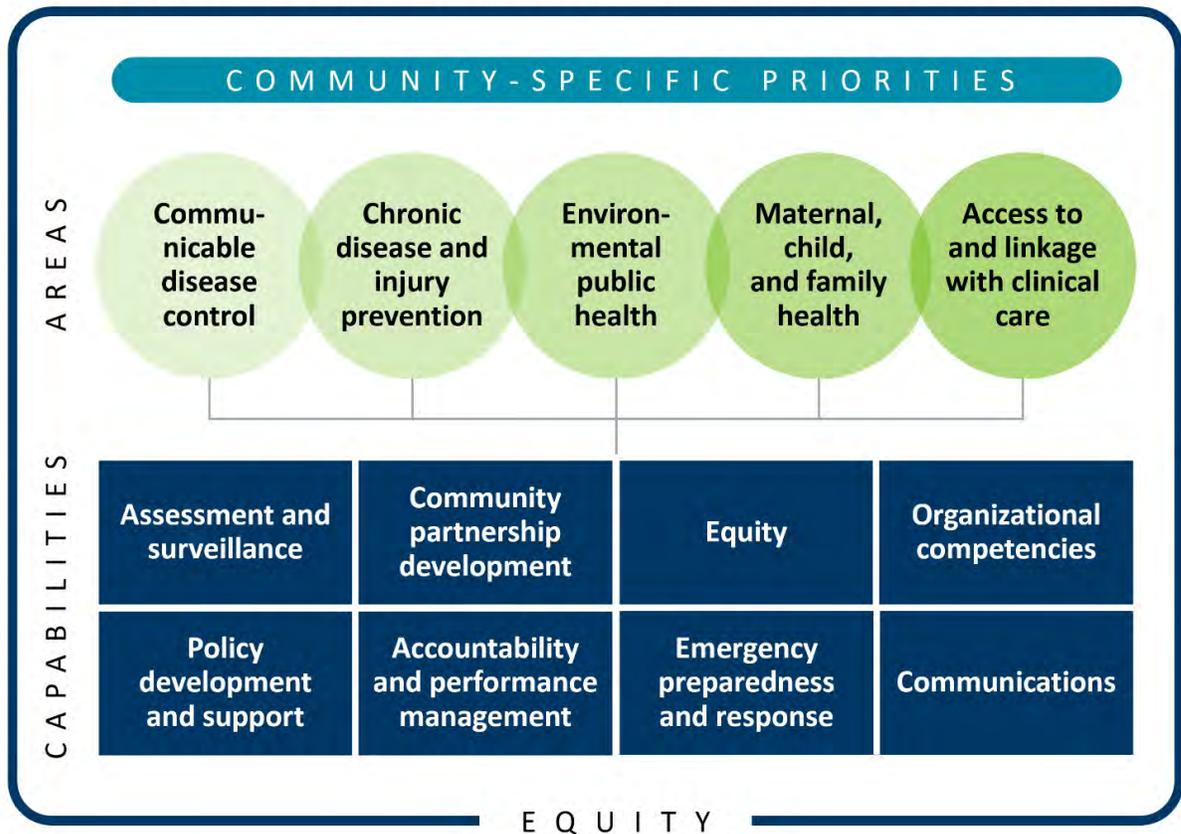
# Public Health

Mission – To engage the community in promoting, protecting, and improving the health of all.  
 Vision – A healthy community empowered by our locally based support and services.

The Bloomington Public Health Department (Public Health) provides health services across the cities of Bloomington, Edina and Richfield. This relationship has been in place for over 50 years.

Public Health is responsible for “administration and implementation of programs and services to address the areas of public health responsibility” as defined in the Local Public Health Act (Chapter 145A of Minnesota Statutes). How that is implemented in Minnesota is based on the framework below. Foundational public health services are mandated by law, only provided by governmental public health, and are population-based, focusing on disease prevention, protection and health promotion.

## Foundational Public Health Responsibilities



Source:

<https://www.health.state.mn.us/communities/practice/systemtransformation/foundationa/responsibilities.html>

The funding to fulfill these responsibilities comes from state and federal dollars as well as property tax dollars, fees, and insurance reimbursement. As a nationally accredited health

department, Public Health fulfills its statutory requirements through its many services and programs. It is organized into the following four areas:

- **Community Health Services:** Includes the Women, Infants and Children (WIC) Supplemental Nutrition Program, immunizations, follow-up investigations on infectious disease cases, and home visits for eligible families.
- **Population Health:** Includes health in all policies, emergency preparedness, Statewide Health Improvement Partnership (SHIP), substance use prevention, population-based support for older adults and follow-up on referrals for public health support.
- **Operations:** Includes insurance reimbursement, data support, informatics, and office administration.
- **Shared Services:** Includes contract/grant management, finance, communications, performance management, community health assessment/community health improvement plans and national accreditation.

A management team supporting the Department is comprised of leaders from these four areas and the Director of Public Health. An Advisory Board of Health studies issues affecting the health of residents and makes recommendations to City Council as they perform their duties as a Community Health Board.



Authorized Full-Time Position	2026 Budget
Director of Public Health	1
Assistant Director of Public Health	1
Operations Manager	1
Public Health Program Manager	2
Public Health Nurse Supervisor	1
Public Health Program Supervisor	5
Accountant	1
Public Health Nurse	7
Public Health Specialist	10
Dietitian	1
Contracts Coordinator	1
Communications Specialist	1
Public Health Billing Specialist	1
Public Health Data Technician	1
Community Health Worker	2
WIC Clerk/Interpreter	1
Office Assistant	1
<b>Grand Total</b>	<b>38</b>

### 2026 Goals and Objectives

- By the end of 2026, implement the 2026 Public Health Equity Capacity Building plan.
- Strengthen and enhance our Performance Management and Quality Improvement (PMQI) Plan to fully align with PHAB standards and ensure readiness to demonstrate LPHA performance-related accountability for calendar years 2026, 2027, and 2028.
- By December 2026, build a strong network of community partners within CHIP to improve coordination and strengthen the sharing and connection of mental health resources.

### Performance Measures

Strategic Priority	Performance Measure	2023 Actual	2024 Actual	2025 Actual	2026 Goal
<b>Healthy community (Human)</b>	Percentage of birth parents who are screened for maternal depression on a quarterly basis as part of prenatal home visits	85%	95%	85%	90%
	Percentage of authorized WIC caseload met by the City's WIC program on a quarterly basis	100%	97%	106%	100%

# Opioid Settlement Funds



The Opioid Settlement Funds Special Revenue Fund is established to account for the receipt and expenditure of National Opioid Settlement funds. Communities across the United States are receiving opioid recovery funding through multibillion-dollar legal settlements with opioid manufacturers and distributors related to their roles in the distribution and marketing of opioids.

In Minnesota, 75% of settlement proceeds are allocated directly to counties and cities to support opioid abatement activities. The City of Bloomington is expected to receive approximately \$1.9 million over an 18-year period, to be used in accordance with eligible opioid abatement strategies.

As part of this investment, the City has committed approximately \$300,000 in settlement funds to Fraser to provide school-based substance use prevention and education services within the Bloomington, Edina, and Richfield (BER) school districts. This funding supports evidence-based prevention programming, peer recovery supports, and trauma-informed education for students, families, and school staff in partnership with local school districts.

## 2026 Goals and Objectives

- Support implementation and oversight of school-based substance use prevention programming funded through opioid settlement resources, including services provided by Fraser within the Bloomington, Edina, and Richfield (BER) school districts.
- Invest opioid settlement funds in evidence-based prevention, treatment, harm reduction, and recovery strategies informed by community data and stakeholder input.
- Strengthen partnerships with school districts and community-based organizations to expand access to opioid education, early intervention, and recovery support services.

**Performance Measures**

<b>Strategic Priority</b>	<b>Performance Measure</b>	<b>2023 Actual</b>	<b>2024 Actual</b>	<b>2025 Actual</b>	<b>2026 Goal</b>
<b>Healthy community</b>	Students served through school-based substance use prevention programming funded by opioid settlement resources (BER school districts).	N/A	N/A	N/A	500
<b>Healthy community</b>	Stakeholder or advisory meetings held to guide opioid settlement funding priorities and monitor initiatives.	N/A	N/A	N/A	6
<b>Healthy community</b>	Opioid settlement funding opportunities issued through Requests for Proposals (RFPs) or similar processes.	N/A	N/A	N/A	1

# Opioid Settlement Fund Financial Summary

	2024 Actual	2025 Projected	2026 Budget
<b>Revenues</b>			
Interest Income	11,725	29,178	11,249
Other Revenues	335,464	156,598	211,627
Transfers from Other Funds	-	-	-
<b>Total Revenues</b>	<b>347,190</b>	<b>185,775</b>	<b>222,876</b>
<b>Expenses</b>			
Salaries and Benefits	29,039	111,517	89,472
Materials, Supplies, & Services	20,516	14,967	56,104
Capital Outlay			
Transfer to Other Funds			
<b>Total Expenses</b>	<b>49,555</b>	<b>126,484</b>	<b>145,576</b>
<b>Working Capital</b>			
Net Change	297,635	59,291	77,300
Working Capital at Beginning of Year	253,796	551,431	610,722
<b>Working Capital at End of Year</b>	<b>\$ 551,431</b>	<b>\$ 610,722</b>	<b>\$ 688,022</b>

# Public Works

The Public Works Department is responsible for maintaining the City of Bloomington's streets and public infrastructure. The department supports a safe and efficient transportation network, maintains City parks and facilities, and provides essential utility services to residents and businesses.

In addition to activities accounted for in the General Fund, Public Works operates four Utility Enterprise Funds: Water, Wastewater, Stormwater, and Solid Waste. The department also manages two Internal Service Funds, the Facilities and Park Maintenance Fund and the Fleet Equipment Fund.



# Public Works - General Fund Financial Summary

	2024 Actual	2025 Projected	2026 Budget
<b>Revenues</b>			
Permits and Licenses	\$ 261,655	\$ 373,237	\$ 505,700
Intergovernmental	7,575	11,928	-
Other Revenues	123,985	133,063	72,163
Transfers from Other Funds	1,989,769	1,463,974	1,691,546
<b>Total Revenues</b>	<b>2,382,984</b>	<b>1,982,202</b>	<b>2,269,409</b>
<b>Expenditures</b>			
Salaries and Benefits	8,670,359	9,086,717	9,729,852
Materials, Supplies, & Services	8,416,944	9,768,194	10,297,187
Capital Outlay	89,158	50,596	83,000
Transfer to Other Funds	326,096	658,873	-
<b>Total Expenditures</b>	<b>17,502,557</b>	<b>19,564,380</b>	<b>20,110,039</b>
Less Expenses Charged to Other Funds	(3,770,803)	(3,734,228)	(3,974,290)
<b>Net Total Expenditures</b>	<b>\$ 13,731,754</b>	<b>\$ 15,830,152</b>	<b>\$ 16,135,749</b>

# Public Works – Administration & Sustainability

Authorized Full-Time Position	2026 Budget
Sustainability Manager	1
Accountant	1
Sustainability Coordinator	1
Sustainability Specialist	1
Special Projects Coordinator/Executive Assistant	1
<b>Grand Total</b>	<b>5</b>

## 2026 Goals and Objectives

- Develop an annual workplan for City staff-led sustainability initiatives.
- Collaborate with staff across the City to maintain the GreenStep Cities Level 5 designation.
- Continue implementation of Time of Sale Energy Disclosure program.
- Continue providing energy efficiency rebates to small and medium-sized commercial and industrial properties.
- Implement a pilot program offering discounted energy audits for commercial and industrial properties.
- Connect residents with resources to improve energy efficiency, increase renewable energy use, support home electrification, and reduce energy costs.



**Performance Measures**

<b>Strategic Priority</b>	<b>Performance Measure</b>	<b>2023 Actual</b>	<b>2024 Actual</b>	<b>2025 Actual</b>	<b>2026 Goals</b>
<b>Healthy Community (Environment)</b>	Develop and administer an annual work plan for sustainability initiatives	2023 Work Plan developed and completed	2024 Work Plan developed and completed	Developed a 2025 work plan for sustainability initiatives	Develop a 2026 work plan for sustainability initiatives
	Earn GreenStep Cities designation	Maintained Level 5 designation	Maintained Level 5 designation	Maintained Level 5 designation	Maintain Level 5 designation
	Implement Time of Sale Energy Disclosure Program	Approximately 1,000 households tracked efficiency metrics through Time of Sale inspections.	Approximately 1,000 households tracked efficiency metrics through Time of Sale inspections.	Over 1,000 households tracked efficiency metrics through Time of Sale inspections.	
	Implement a pilot energy efficiency rebate program for commercial and industrial properties and provide discounted energy audits for qualifying buildings			Processed 18 lighting and 1 HVAC energy efficiency rebate projects. Provided three discounted gas energy audits to Bloomington commercial and industrial buildings. No electrical audits were completed due to contractor issues with the electric utility	Process ~20 energy efficiency rebates and provide ~50 discounted energy audits to Bloomington commercial and industrial buildings.
	Community engagement around energy efficiency, electrification, affordability, and renewable energy programs.			Held 11 tabling events and 309 conversations with residents about energy programs and resources.	Have ~900 in-person, one-on-one touch points with residents about energy programs and resources.

Sustainability initiatives resulted in:

- Increased energy data collection through the Time of Sale and Large Business Benchmarking programs.
- Promotion of the Energy Assistance Program, Weatherization Assistance Program, Home Energy Squad Program®, Renewable\*Connect® Flex Program, and business energy efficiency programs.
- Volunteer activities including the annual garlic mustard pull and Buckthorn Bust events.
- Maintenance of the GreenStep Cities Level 5 designation.
- A discounted rain barrel sale for residents.
- Ninety-nine residential water efficiency rebates issued.



# Public Works Admin. & Sustainability - Gen. Fund Financial Summary

	2024 Actual	2025 Projected	2026 Budget
<b>Revenues</b>			
Permits and Licenses	\$ 5,590	\$ 6,063	\$ 5,700
Intergovernmental	7,575	11,928	-
Other Revenues	1,962	-	-
Transfers from Other Funds	300,000	-	-
<b>Total Revenues</b>	<b>315,127</b>	<b>17,991</b>	<b>5,700</b>
<b>Expenditures</b>			
Salaries and Benefits	898,884	612,185	726,928
Materials, Supplies, & Services	276,776	301,701	366,843
Capital Outlay			
Transfer to Other Funds	57,096	-	
<b>Total Expenditures</b>	<b>1,232,756</b>	<b>913,886</b>	<b>1,093,771</b>
Less Expenses Charged to Other Funds	(508,845)	(594,456)	(609,316)
<b>Net Total Expenditures</b>	<b>\$ 723,911</b>	<b>\$ 319,430</b>	<b>\$ 484,455</b>

# Public Works – Engineering

The Engineering Division provides design and construction inspection for the City’s streets, bridges, water supply, sanitary and storm sewer systems, sidewalks, bikeways, trails, water resource projects, and traffic signal systems. The division manages more than 15,000 signs and 144 traffic signal systems, including those owned by the County and other agencies. It also oversees the reconstruction or overlay of approximately 12 to 13 miles of streets each year, along with other local and regional infrastructure projects.

Authorized Full-Time Position	2026 Budget
City Engineer	1
Assistant City Engineer	1
Traffic & Transportation Engineer	1
Assistant Traffic Engineer	1
Civil Engineer	3
Development Coordinator	1
Professional Land Surveyor	1
Senior Engineering Technician	3
Engineering Technician	11
Right-of-Way Technician	3
Office Support Specialist	2
<b>Grand Total</b>	<b>28</b>

## 2026 Goals and Objectives

- Renew the City’s transportation and utility infrastructure throughout 2026 in a cost-effective manner to accommodate forecasted growth and to keep costs affordable.
- Continue to pursue infrastructure improvements that support the Complete Streets Policy of the City by constructing appropriate facilities throughout 2026.
- Continue to engage the public by using Let’s Talk Bloomington and other methods like the Briefing.
- Continue to address ADA needs in the community by updating the ADA Transition Plan along with the installation and upgrading of existing right-of-way facilities with construction plans throughout 2026.



**Performance Measures**

Strategic Priority	Performance Measure	2023 Actual	2024 Actual	2025 Actual	2026 Goal
Core service	Average street pavement condition rating on the Pavement Condition Index (PCI)	78.2	78	80	80
Connected, welcoming community	Number of ADA Accessible Pedestrian Ramps Replaced	93	200	151	150
Connected, welcoming community	Number of Public Meetings/Attendees	33/603	19/689	20/729	14/600



- Under the Pavement Management Program (PMP) reconstructed 2.88 miles of pavement (at \$1.8 million per mile) and overlaid 8.39 miles of pavement (at \$535,000 per mile).
- Installed 33 accessible pedestrian ramps, upgraded 151 accessible pedestrian ramps.
- Installed 3,165 linear feet of sidewalk, replaced 7,056 linear feet of existing sidewalk. Installed 0 linear feet of trail-- The trail on 84<sup>th</sup> St from Old 17<sup>th</sup> Ave was delayed until 2026 due to Xcel poles), replaced 10 linear feet of existing trail.
- Bike/Ped Enhancements: Constructed a new 90<sup>th</sup> St walk from Old Cedar to East Terminus, Valley View Elementary School Bumpout, and Nine Mile Creek Parkway bike lanes)
- Held neighborhood project meetings including a series of proactive PMP meetings, participated at Park & Recreation engagement meetings. Staff continues to utilize Let's Talk Bloomington with two new pages created along with continued use of four that have been previously developed.



# Public Works Engineering Division - Gen. Fund Financial Summary

	2024 Actual	2025 Projected	2026 Budget
<b>Revenues</b>			
Permits and Licenses	\$ 256,065	\$ 367,174	\$ 500,000
Intergovernmental	-	-	-
Other Revenues	1,510	1,810	-
Transfers from Other Funds	26,500	-	-
<b>Total Revenues</b>	<b>284,075</b>	<b>368,984</b>	<b>500,000</b>
<b>Expenditures</b>			
Salaries and Benefits	3,809,854	4,279,634	4,634,743
Materials, Supplies, & Services	890,013	1,738,661	1,283,631
Capital Outlay	9,969	51,710	54,000
Transfer to Other Funds	269,000	68,000	-
<b>Total Expenditures</b>	<b>4,978,836</b>	<b>6,138,005</b>	<b>5,972,374</b>
Less Expenses Charged to Other Funds	(2,822,190)	(2,803,730)	(3,118,858)
<b>Net Total Expenditures</b>	<b>\$ 2,156,646</b>	<b>\$ 3,334,275</b>	<b>\$ 2,853,516</b>

# Public Works – Maintenance Admin.

Maintenance administration plans, schedules, and coordinates all maintenance programs and activities with other City departments, along with maintaining and managing traffic signals, signs, pavement markings and streetlights.

Authorized Full-Time Position	2026 Budget
Maintenance Superintendent	1
Office Support Specialist	2
<b>Grand Total</b>	<b>3</b>

## 2026 Goals and Objectives

- Repaint traffic markings on City roadways on an annual basis to meet MUTCD reflectivity standards.
- Replace traffic signage on City roadways to conform to retro reflectivity standards.
- Provide maintenance on traffic signal systems for the safety of the public.
- Yearly preventative sign and signal maintenance programs and responding to trouble calls.
- Provide streetlight services for the safety of the public by maintaining and responding to outages within three days.

## 2025 Performance Measures

- Repaired 756 traffic and street signs
- Installed 476 new traffic and street signs (Includes speed limit reduction and school zone signs)



# Public Works Maint. Admin. Div. - Gen. Fund Financial Summary

	2024 Actual	2025 Projected	2026 Budget
<b>Revenues</b>			
Permits and Licenses	\$ -	\$ -	\$ -
Intergovernmental			
Other Revenues	120,513	131,253	72,163
Transfers from Other Funds	102,769	-	
<b>Total Revenues</b>	<b>223,282</b>	<b>131,253</b>	<b>72,163</b>
<b>Expenditures</b>			
Salaries and Benefits	1,150,596	1,116,249	890,510
Materials, Supplies, & Services	1,555,193	1,809,246	1,726,112
Capital Outlay	79,189	(1,114)	29,000
Transfer to Other Funds			
<b>Total Expenditures</b>	<b>\$ 2,784,978</b>	<b>\$ 2,924,381</b>	<b>\$ 2,645,622</b>
Less Expenses Charged to Other Funds			
<b>Net Total Expenditures</b>	<b>2,784,978</b>	<b>2,924,381</b>	<b>2,645,622</b>

# Public Works – Street Maintenance

Street Maintenance provides street sweeping, snow plowing and street repair. This includes the Pavement Management Program which maximizes the life of streets by replacing and repairing pavement at the most beneficial time.

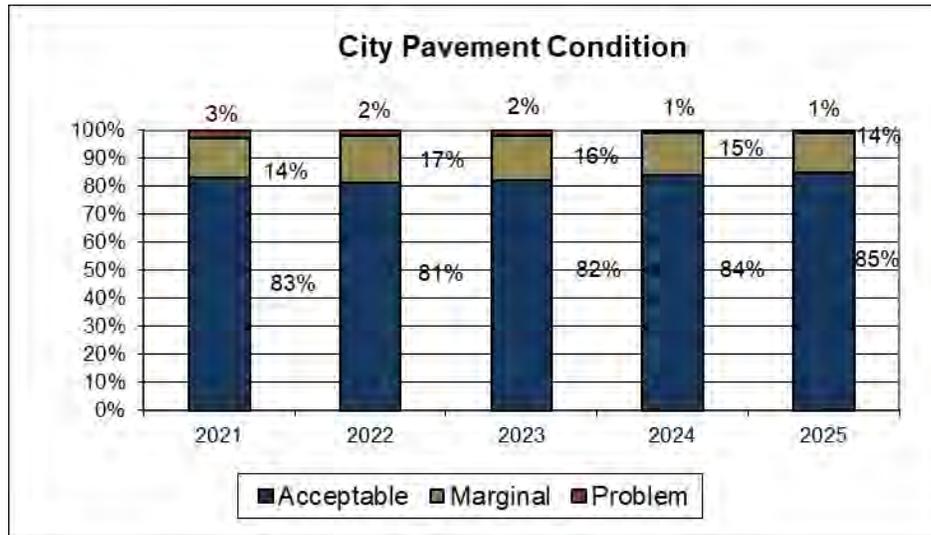
Authorized Full-Time Position	2026 Budget
Street and Traffic Manager	1
Street Maintenance Supervisor	3
Equipment Operator	29
<b>Grand Total</b>	<b>33</b>

## 2026 Goals and Objectives

- Maintain roadways such that at least 90 percent are rated above problem condition status, per the City’s Pavement Management Program condition rating system.

## 2025 Performance Measures

- For 2025, 99 percent of roadways are above problem condition.



# Public Works Street Maint. Div. - Gen. Fund Financial Summary

	2024 Actual	2025 Projected	2026 Budget
<b>Revenues</b>			
Permits and Licenses	\$ -	\$ -	\$ -
Intergovernmental			
Other Revenues	-	-	-
Transfers from Other Funds	1,560,500	1,463,974	1,691,546
<b>Total Revenues</b>	<b>1,560,500</b>	<b>1,463,974</b>	<b>1,691,546</b>
<b>Expenditures</b>			
Salaries and Benefits	2,811,025	3,078,649	3,477,671
Materials, Supplies, & Services	5,694,962	5,918,586	6,920,601
Capital Outlay	-	-	-
Transfer to Other Funds		590,873	
<b>Total Expenditures</b>	<b>8,505,987</b>	<b>9,588,108</b>	<b>10,398,272</b>
Less Expenses Charged to Other Funds	(439,768)	(336,042)	(246,116)
<b>Net Total Expenditures</b>	<b>\$ 8,066,219</b>	<b>\$ 9,252,066</b>	<b>\$ 10,152,156</b>

# Public Works – Water Utility

The Water Utility Fund is an Enterprise Fund that accounts for the revenues and costs associated with operating, maintaining, and renewing the City’s water system. The City strives to provide a reliable supply of water that meets or exceeds all federal and state quality standards, while maintaining rates that support the long-term sustainability of the system. Activities within the fund include administration, customer service, water supply and treatment, and distribution and storage.

Authorized Full-Time Position	2026 Budget
Utilities Superintendent	1
Assistant Utilities Superintendent	1
Civil Engineer	2
Infrastructure Systems Analyst	1
Utilities Supervisor	2
Utility Services Coordinator	1
Water Quality Supervisor	1
Utility Controls & Instrumentation Technician	1
Laboratory Analyst	2
Utility Services Specialist	1
Senior Utility Operator	10
Utility Operator	12
Office Support Specialist	3
<b>Grand Total</b>	<b>38</b>

## 2026 Goals and Objectives

- Provide an uninterrupted supply of softened potable water that meets or exceeds all state and federal standards at a rate that is affordable.
- Provide sustainable renewal of water system infrastructure, maximizing asset life and minimizing risk while maintaining established levels of service.
- Provide timely, state-certified analytical laboratory water testing services to the public and neighboring communities.

## Performance Measures

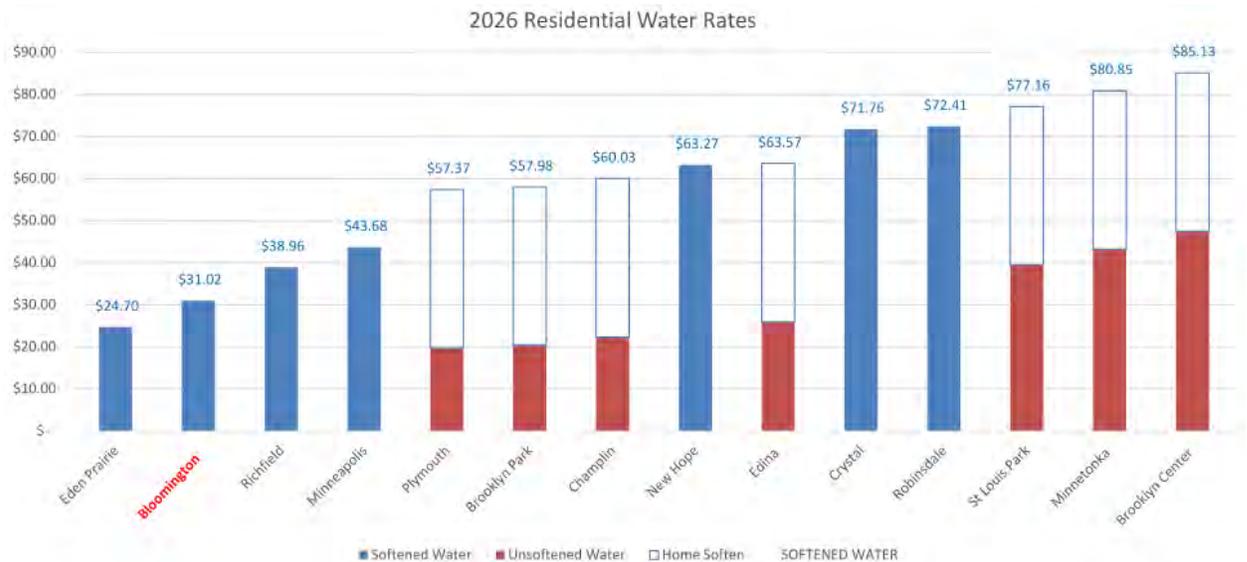


Strategic Priority	Performance Measure	2023 Actual	2024 Actual	2025 Actual	2026 Goal
Healthy community (Safety)	Fire Hydrants Inspected ensuring operation and availability	100%	100%	100%	100%
Healthy community (Environment)	Operating cost per 1 million gallons of water produced	\$1,700	\$1,929	\$1,683	\$1,733
	Water quality analyses performed	19,730	20,544	20,852	21,000
Healthy community (Environment)	Watermain break repairs	20	15	12	15

- Performed over 9,400 hydrant inspections ensuring proper operation and emergency availability.
- Repaired 12 watermain breaks with an average repair time of 3.8 hours.
- Produced 2.4 billion gallons of water and delivered a total of 3.5 billion gallons of high-quality softened water to customers meeting all federal and state regulations.
- Performed 20,852 laboratory tests to ensure water quality standards.

### Water Rate Comparisons

Bloomington’s costs to provide softened water for customers continue to be one of the lowest in the area. The comparison below is calculated based on usage of 6,000 gallons per month. Bloomington continues to provide high quality, award-winning, softened water at a relatively low cost.



# Water Utility - Enterprise Fund

## Financial Summary

	2024 Actual	2025 Projected	2026 Budget
<b>Revenues</b>			
Utility Fees	\$ 19,141,846	\$ 19,809,418	\$ 21,890,178
Other Revenue	948,669	1,936,412	459,374
Intergovernmental	5,895	6,000	-
Interest Income	607,878	986,131	100,000
Transfers from Other Funds	1,266,443	460,214	-
<b>Total Revenues</b>	<b>21,970,731</b>	<b>23,198,175</b>	<b>22,449,552</b>
<b>Expenses</b>			
Salaries and Benefits	4,662,609	4,624,643	5,072,518
Materials, Supplies, & Services	11,506,237	11,664,294	14,706,388
Capital Outlay	3,256,992	1,119,361	6,437,936
Debt Service	128,569	135,685	134,169
Transfer to Other Funds	-	-	-
<b>Total Expenses</b>	<b>19,554,407</b>	<b>17,543,983</b>	<b>26,351,011</b>
<b>Working Capital</b>			
Net Change	2,416,324	5,654,192	(3,901,459)
Working Capital at Beginning of Year	18,084,489	20,500,813	26,155,005
<b>Working Capital at End of Year</b>	<b>\$ 20,500,813</b>	<b>\$ 26,155,005</b>	<b>\$ 22,253,546</b>

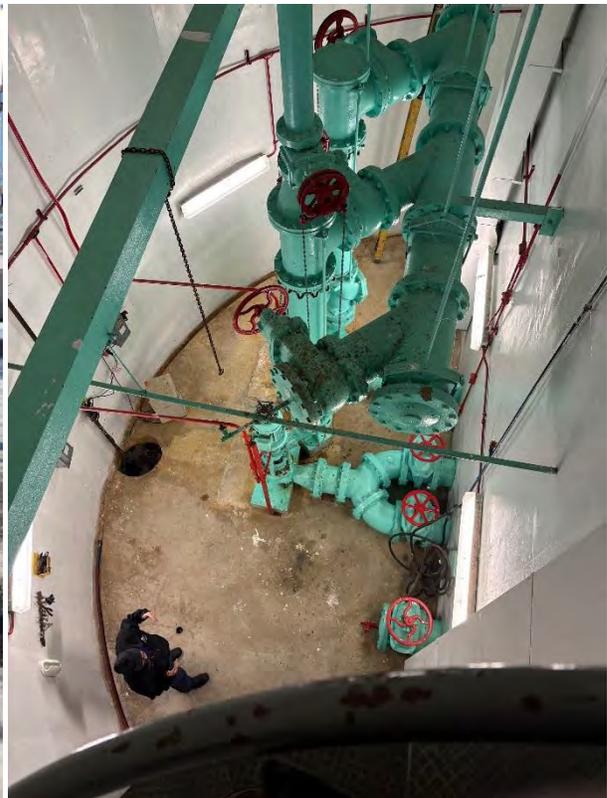
# Public Works – Wastewater Utility

The Wastewater Utility Fund is an Enterprise Fund that accounts for the City-owned wastewater collection system and the sewer interceptor and treatment charges from the Metropolitan Council Environmental Services (MCES). The objective of the Wastewater Utility is to provide sanitary service capacity and sufficient maintenance to minimize system blockages and infiltration/inflow. The sanitary sewer infrastructure spans 359 miles of pipe, includes 28 lift stations and thousands of manholes, and serves over 25,000 connections.

Authorized Full-Time Position	2026 Budget
Utilities Supervisor	2
Senior Utility Operator	3
Utility Operator	4
Maintenance Worker	4
<b>Grand Total</b>	<b>13</b>

## 2026 Goals and Objectives

- Provide needed sanitary sewer conveyance while minimizing system blockages and infiltration/inflow.
- Provide sustainable renewal of wastewater system infrastructure, maximizing asset life and minimizing risk while maintaining established levels of service.



## Performance Measures

Strategic Priority	Performance Measure	2023 Actual	2024 Actual	2025 Actual	2026 Goal
Healthy community (Environment)	Sanitary Sewer Inspection (miles)	29.7	37	46	35
Healthy community (Environment)	Sanitary Sewer Cleaning (miles)	185	203	222	200
Healthy community (Environment)	Number of public sewer system blockages per 10,000 connections	8.0	3.6	6.5	0

## 2025 Accomplishments

- Inspected over 46 miles of sanitary sewer main.
- Cleaned over 222 miles of sanitary sewer main.
- Responded to 17 mainline system blockages with five resulting in backups.



# Wastewater Utility - Enterprise Fund Financial Summary

	2024 Actual	2025 Projected	2026 Budget
<b>Revenues</b>			
Utility Fees	\$ 14,280,292	\$ 15,134,261	\$ 15,993,932
Other Revenue	584,524	69,418	62,755
Intergovernmental	-	-	-
Interest Income	468,752	625,562	146,000
Bond Proceeds	-	-	29,000,000
Transfers from Other Funds	-	-	-
<b>Total Revenues</b>	<b>15,333,568</b>	<b>15,829,241</b>	<b>45,202,687</b>
<b>Expenses</b>			
Salaries and Benefits	1,820,514	2,091,040	2,081,150
Materials, Supplies, & Services	11,302,920	11,687,487	12,606,230
Capital Outlay	318,984	5,747,414	31,002,581
Debt Service	-	-	500,000
Transfer to Other Funds	-	-	-
<b>Total Expenses</b>	<b>13,442,418</b>	<b>19,525,941</b>	<b>46,189,961</b>
<b>Working Capital</b>			
Net Change	1,891,150	(3,696,700)	(987,274)
Working Capital at Beginning of Year	14,918,511	16,809,661	13,112,961
<b>Working Capital at End of Year</b>	<b>\$ 16,809,661</b>	<b>\$ 13,112,961</b>	<b>\$ 12,125,687</b>

# Public Works - Stormwater Utility

The Stormwater Utility Fund is an Enterprise Fund that provides for the operations, maintenance, and improvements to the City-owned storm sewer system through a storm utility fee charged to property owners. Objectives of the stormwater utility include protecting structures and the public from stormwater damage caused by surface water runoff, providing wetland protection, and compliance with the Minnesota Pollution Control Agency’s municipal stormwater permitting program. The fee is intended to recover costs associated with meeting permit requirements and providing stormwater utility service to residents and commercial establishments in a fair and equitable manner. The stormwater infrastructure spans nearly 300 miles of mainline pipes and catch basin leads, with 5 lift stations, over 300 ponds, and thousands of maintenance holes and catch basins.

Authorized Full-Time Position	2026 Budget
Water Resources Manager	1
Civil Engineer	1
Water Resources Specialist	1
Senior Engineering Technician	2
Engineering Technician	1
<b>Grand Total</b>	<b>6</b>

## 2026 Goals and Objectives

- Respond and consult with city property and business owners as needed to provide guidance on drainage, erosion control, and pond aesthetics within 48 hours.
- Continue to engage with the public using Let’s Talk Bloomington, videos, printed materials, website, and social media outlets to provide surface water quality information and promote stormwater best management practices.
- Provide sustainable renewal of stormwater infrastructure, maximizing asset life and minimizing risk while maintaining or improving levels of service.



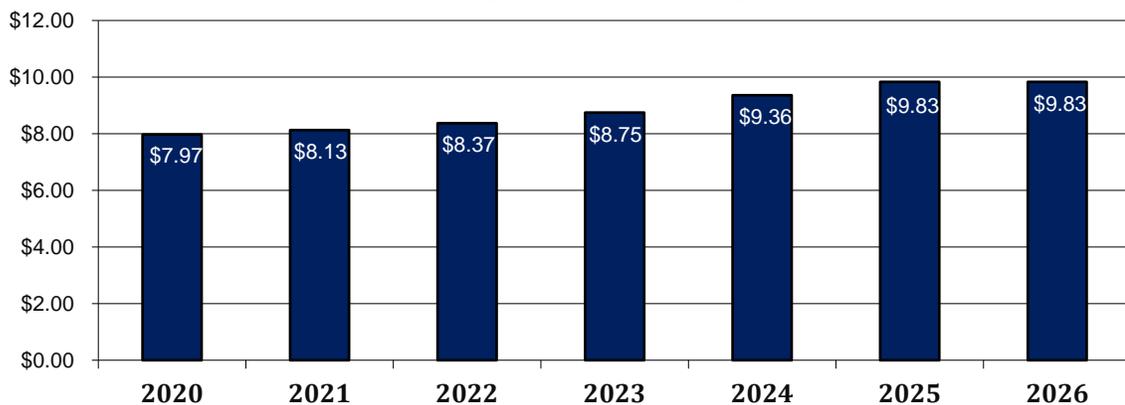
## Performance Measures

Strategic Priority	Performance Measure	2023 Actual	2024 Actual	2025 Actual	2026 Goal
Healthy community (Environment)	Storm sewer junctions (Catch basins and Maintenance holes) inspected ensuring operation and identifying maintenance needs	612	488	593	500
Healthy community (Environment)	Inspection, maintenance, and cleaning of structural stormwater best management practices	123	157	136	150
Healthy community (Environment) & Connected, welcoming community	New Adopt-a-Drain participants from the city	52	42	37	50
Healthy community (Environment)	Surface water bodies sampled for water quality parameters	29	30	24	25
Healthy community (Environment)	Miles of storm sewer mainline pipe inspected	10.5	9.2	13.9	8

- Completed construction of the annual Storm Sewer Maintenance Project and annual winter maintenance project
- Successfully used spent lime from the water treatment plant to improve water quality on Bryant Park Pond
- Completed construction of the East Bush Lake Road Wildlife Tunnel
- Completed work to significantly reduce the population of non-native cattail around Bush Lake
- Initiated work to restore the wetland area around Canterbury Oaks Pond to improve long term water quality and ecosystem health
- Partnered with the Nine Mile Creek Watershed District to remove 1,287 carp, 300 goldfish, and 156 carp/goldfish hybrids from Penn Lake



**Stormwater Utility Cost per Month for Single-Family Home**



# Stormwater Utility - Enterprise Fund

## Financial Summary

	2024 Actual	2025 Projected	2026 Budget
<b>Revenues</b>			
Utility Fees	\$ 8,076,465	\$ 8,453,947	\$ 8,409,997
Other Revenue	196,366	128,639	40,000
Intergovernmental	18,000	13,954	-
Interest Income	515,483	697,534	92,000
Bond Proceeds	52,507	52,507	-
Transfers from Other Funds	-	-	-
<b>Total Revenues</b>	<b>8,858,821</b>	<b>9,346,580</b>	<b>8,541,997</b>
<b>Expenses</b>			
Salaries and Benefits	1,792,509	1,782,022	1,821,155
Materials, Supplies, & Services	1,757,170	2,181,131	2,449,493
Capital Outlay	3,198,024	3,249,787	4,859,866
Debt Service	969,208	966,083	971,063
Transfer to Other Funds	-	-	-
<b>Total Expenses</b>	<b>7,716,911</b>	<b>8,179,023</b>	<b>10,101,577</b>
<b>Working Capital</b>			
Net Change	1,141,910	1,167,557	(1,559,580)
Working Capital at Beginning of Year	13,356,601	14,498,511	15,666,068
<b>Working Capital at End of Year</b>	<b>\$ 14,498,511</b>	<b>\$ 15,666,068</b>	<b>\$ 14,106,488</b>

# Public Works – Solid Waste Utility

The Solid Waste Utility is an Enterprise Fund that accounts for the operations and improvements of the citywide residential solid waste collection program. The residential solid waste program meets the City’s strategic objective of improving the indices measuring the community’s environmental and individual health by 2030. The City contracts for curbside collection of garbage (weekly), recycling (every-other-week), organics recycling (weekly), yard waste (weekly during yard waste season) and bulky items for single-family residential properties, which includes duplex housing and certain townhomes that have opted into the program. The fund also accounts for clean-ups after major storm events, and private property Environmental Health abatements.

Authorized Full-Time Position	2026 Budget
Solid Waste Program Coordinator	1
Solid Waste Sustainability Specialist	1
<b>Grand Total</b>	<b>2</b>

## 2026 Goals and Objectives

- Administer the residential solid waste collection program and continue to ensure residents receive excellent customer service.
- Provide robust outreach and education to residents regarding the City’s solid waste program services.
- Continue to divert more waste from incineration and landfilling through recycling and composting and encouraging waste reduction and reuse.



## Performance Measures

Strategic Priority	Performance Measure	2023 Actual	2024 Actual	2025 Actual	2026 Goal
Healthy community (Environment)	Number of households participating in organics recycling	28.16%	30.26%	33.23%	35%
Healthy community (Environment)	Tons residential organics collected	1,418 tons	1,835 tons	862* tons	1,200 tons
Healthy community (Environment)	Tons of residential recycling (single-sort recycling and bulky items) collected	4,752 tons	4,622 tons	4,042 tons	5,000 tons
Healthy community (Environment)	Tons of residential items collected for reuse	10 tons	13 tons	9 tons	15 tons
Healthy community (Environment)	Number of outreach events attended by solid waste staff	-	-	30	35

\* In 2025, it was identified that one of our haulers' organics tonnage data reported for 2023 and 2024 included material collected from both residential and commercial customers within Bloomington. As a result, prior-year totals were overstated relative to residential-only program performance. Beginning with 2025 reporting, tonnage reflects residential collections exclusively, resulting in a lower but more accurate representation of residential organics generation.

### Pay-As-You-Throw (PAYT) Rate Restructure and New Service Options

In 2025, City Council approved updated Pay-As-You-Throw (PAYT) garbage rates with strong financial incentives for waste reduction, along with a new Every-Other-Week small garbage service option, both effective in 2026. These changes were informed by a comprehensive solid waste Rate Study and extensive resident engagement through surveys and public meetings. Community feedback directly shaped the final service options and rate structure. The updated PAYT program connects behavior with impact—households that generate less garbage pay less—reinforcing waste reduction, reuse, and recycling. Together, these improvements support Bloomington's progress toward state and county waste diversion goals while reducing the environmental impacts of landfilling and incineration.

### New Smith Park Organics Drop-Off Site

In 2025, Hennepin County awarded Bloomington funding to develop a new organics recycling drop-off site at Smith Park, scheduled for construction in 2026. Smith Park was selected due to its proximity to large apartment communities, expanding convenient access to organics recycling for multifamily residents. The park is also located within an Environmental Justice Zone, where communities are expected to experience disproportionate impacts from climate change. This project advances the City's climate goals while supporting state and county waste diversion targets by reducing reliance on landfills and incineration.

### Monthly Solid Waste and Recycling Rates

Service	2025	2026
Garbage (65-gallon) + Recycling + Organics Recycling Collection Service, Including Taxes and Fees	\$31.36	\$35.98
Curbside Cleanup Fee	\$3.82	\$3.95

# Solid Waste Utility - Enterprise Fund Financial Summary

	2024 Actual	2025 Projected	2026 Budget
<b>Revenues</b>			
Property Taxes	\$ -	\$ -	\$ -
Utility Fees	9,895,821	10,103,012	10,587,303
Other Revenue	23,943	6,001	40,500
Intergovernmental	352,084	334,240	352,084
Interest Income	63,263	71,800	82,943
Transfers from Other Funds	-	-	-
<b>Total Revenues</b>	<b>10,335,111</b>	<b>10,515,053</b>	<b>11,062,830</b>
<b>Expenses</b>			
Salaries and Benefits	264,708	290,242	304,506
Materials, Supplies, & Services	10,356,227	9,679,948	11,664,155
Transfer to Other Funds	-	-	-
<b>Total Expenses</b>	<b>10,620,935</b>	<b>9,970,190</b>	<b>11,968,661</b>
<b>Working Capital</b>			
Net Change	(285,824)	544,863	(905,831)
Working Capital at Beginning of Year	2,177,912	1,892,088	2,436,951
<b>Working Capital at End of Year</b>	<b>\$ 1,892,088</b>	<b>\$ 2,436,951</b>	<b>\$ 1,531,120</b>

# Facilities Maintenance

The Facilities Fund is an Internal Service Fund that supports capital repair and maintenance for major City facilities, including City buildings, fire stations, and cemetery property. The fund is supported through internal service charges to City departments.

<b>Authorized Full-Time Position</b>	<b>2026 Budget</b>
Capital Project Manager	1
Assistant Capital Project Manager	1
Facilities Manager	1
Facilities Maintenance Supervisor	1
Service Technician	12
Facilities Attendant	1
<b>Grand Total</b>	<b>17</b>

## 2026 Goals and Objectives

- Support a connected and welcoming community through the efficient, sustainable operation and planned maintenance of City facilities by improving utilization and automation of the work order management system, implementing asset tracking for building improvements, and enhancing the organization and delivery of preventative maintenance activities.
- Guide the capital improvement process by prioritizing and costing facility improvements and preparing the Capital Improvement Plan for City Council consideration in March 2026. This includes delivering capital projects on time and within budget and supporting departments in the successful implementation of their facility-related capital projects.
- Advance environmentally sustainable maintenance practices by applying a sustainability lens to maintenance planning and promoting sustainable equipment replacement and repair decisions.
- Improve performance monitoring by enhancing key performance indicators related to work order management, including increasing the share of preventative maintenance work orders completed within established timeframes

## Performance Measures

Strategic Priority	Performance Measure	2023 Actual	2024 Actual	2025 Actual	2026 Goal
<b>Connected, Welcoming Community</b>	Work orders are entered and completed on time per their service level	78% of all WOs on-time. Goal was 80%	Non-PM 97% On Time. Goal was 80%	Non-PM 98% on-time.	85% of all WO's on-time
<b>Health Community (Env.)</b>	Preventative Maintenance work orders are completed and on time	n/a	PM 75% On-Time. Goal was 65%	PM 80% On-Time	PM 80% on-time
<b>Health Community (Human)</b>	Adjust building systems and procedures to maintain healthy buildings	Fire Station #4	In depth evaluation of one building per year	PW Solar Project	Civic Plaza Recommission
<b>Health Community (Environment)</b>	Review generator efficiency	Civic Plaza Generator in need of replacement	Civic Plaza Generator Replacement Planning Underway	PW Generator Service and Repair	Civic Plaza Generator Replacement Completion
<b>Connected, Welcoming Community</b>	Complete CIP projects	80%	80%	80%	80%
<b>Core service</b>	Onboard new Service Technicians	Civic Plaza Facilities Attendant Onboarded	New Service Technician Position Approved	Fully Staffed, no changes needed	Fully Staffed, no changes needed

## Facilities - Internal Service Fund Financial Summary

	2024 Actual	2025 Projected	2026 Budget
<b>Revenues</b>			
Departmental Charges	\$ 6,859,591	\$ 7,166,880	\$ 7,525,110
Intergovernmental	900	900	-
Interest Income	510,888	757,975	150,000
Other Revenues	1,557	18,782	1,000
Bond Proceeds	-	-	-
Transfers from Other Funds	773,019	4,182,312	-
<b>Total Revenues</b>	<b>8,145,955</b>	<b>12,126,849</b>	<b>7,676,110</b>
<b>Expenses</b>			
Salaries and Benefits	1,537,067	1,874,747	2,271,355
Materials, Supplies, & Services	3,265,990	3,765,684	4,136,101
Capital Outlay	1,296,045	3,622,039	4,050,043
Debt Service			
Transfer to Other Funds	-	-	-
<b>Total Expenses</b>	<b>6,099,102</b>	<b>9,262,470</b>	<b>10,457,499</b>
<b>Working Capital</b>			
Net Change	2,046,853	2,864,379	(2,781,389)
Working Capital at Beginning of Year	11,696,533	13,743,386	16,607,765
<b>Working Capital at End of Year</b>	<b>\$ 13,743,386</b>	<b>\$ 16,607,765</b>	<b>\$ 13,826,376</b>

# Fleet Maintenance Fund

The Fleet Maintenance Fund is an Internal Service Fund that supports the operation, maintenance, repair, and replacement of City vehicles and equipment. Departments are charged internal fees based on the vehicles and equipment assigned to their operations. A portion of these charges funds ongoing operating and maintenance costs, while the remaining portion is set aside for future vehicle and equipment replacement. New or additional fleet equipment is funded by the requesting department.

Authorized Full-Time Position	2026 Budget
Fleet Manager	1
Fleet Maintenance Supervisor	1
Fleet Technician	9
Office Support Specialist	1
<b>Grand Total</b>	<b>12</b>

## 2025 Accomplishments

- GPS technology installed on approximately half of the City’s vehicles and equipment, improving operational efficiency for supervisors, managers, and Fleet operations. Installation on remaining vehicles and equipment will be completed in 2026.
- Expanded the City’s electric vehicle infrastructure with the addition of three charging stations and six Ford F-150 Lightning vehicles, increasing the City’s electric fleet total to 15 vehicles.
- Replaced the City’s first hybrid patrol vehicle in 2025. The vehicle sold for nearly twice the value of comparable gas-powered patrol vehicles, demonstrated lower lifetime maintenance costs, saved \$7,809 in fuel expenses, and reduced emissions by 28.5 metric tons of CO<sub>2</sub>e. Based on these results, the Police Department is transitioning toward a hybrid patrol fleet

## 2026 Goals and Objectives

- Analyze fleet data to identify opportunities to right-size the City’s vehicle and equipment inventory.
- Identify opportunities for shared vehicle use across departments to improve efficiency and reduce overall fleet needs.
- Advance the new Fleet Repair Facility project, with design completed and construction scheduled to begin in 2026.

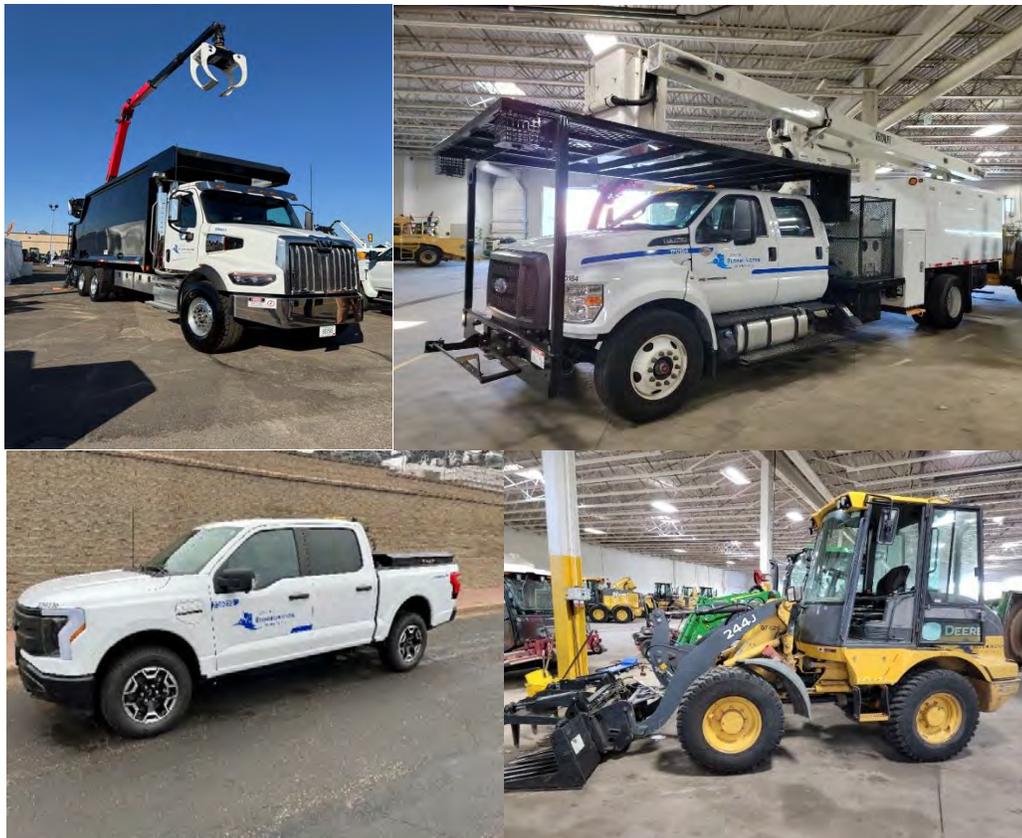
## By the Numbers

- Fleet serviced and maintained 577 vehicles and equipment units, supporting a total of 2.7 million miles traveled.
- Fuel consumption included over 103,000 gallons of diesel and over 194,000 gallons of unleaded gasoline.

- The division supported 120 different vehicle and equipment classes and completed nearly 4,000 services and repairs.
- A total of approximately \$1.3 million in parts was purchased to support maintenance activities, repairs, and stockroom inventory operations.

### Performance Measures

Strategic Priority	Performance Measure	2023 Actual	2024 Actual	2025 Actual	2026 Goal
Department specific	Turnaround Time - % of repairs completed in < 24hrs <i>Industry standard is 70%</i>	66%	67%	67%	70%
	Percentage of work orders that are proactive, not reactive	42%	77%	83%	85
Health Community (Environment)	Number of diesel units on last tier emissions	52	69	80	85



# Fleet Maintenance - Internal Service Fund

## Financial Summary

	2024 Actual	2025 Projected	2026 Budget
<b>Revenues</b>			
Departmental Charges	\$ 8,364,435	\$ 9,201,792	\$ 10,307,098
Intergovernmental	-	150,730	-
Interest Income	183,128	214,058	50,000
Other Revenues	714,023	334,115	220,000
Transfers from Other Funds	350,000	910,088	-
<b>Total Revenues</b>	<b>9,611,586</b>	<b>10,810,783</b>	<b>10,577,098</b>
<b>Expenses</b>			
Salaries and Benefits	1,387,632	1,430,419	1,581,172
Materials, Supplies, & Services	4,087,853	4,109,405	4,495,246
Capital Outlay	4,712,273	4,709,732	4,419,711
Transfer to Other Funds	-	-	-
<b>Total Expenses</b>	<b>10,187,758</b>	<b>10,249,556</b>	<b>10,496,129</b>
<b>Working Capital</b>			
Net Change	(576,172)	561,227	80,969
Working Capital at Beginning of Year	3,741,460	3,165,288	3,726,515
<b>Working Capital at End of Year</b>	<b>\$ 3,165,288</b>	<b>\$ 3,726,515</b>	<b>\$ 3,807,484</b>

# GLOSSARY





# Glossary

**Accrual Basis** – The basis of accounting under which revenues are recorded when earned and expenditures are recorded as soon as they result in liabilities for benefits received, regardless that the receipt of cash or the payment of cash may take place in another accounting period.

**Adopted Budget** – The financial plan of revenues and expenditures for a fiscal year as adopted by the City Council.

**Appropriation** – A specific amount of money authorized by the City Council, generally during adoption of the annual budget, used to make expenditures for specific purposes.

**Assessed Valuation** – A value established by the City Property Appraiser for all real or personal property for use as a basis for levying property taxes.

**Audit** – An official inspection of an individual's or organization's accounts, typically by an independent body.

**Balanced Budget** – When expenditures are exactly offset by an equal amount of revenue.

**BIPOC (Black, Indigenous, and People of Color)** - a term specific to the United States, intended to center the experiences of Black and Indigenous groups and demonstrate solidarity between communities of color. It acknowledges that people of color face varying types of discrimination and prejudice. Additionally, it emphasizes that systemic racism continues to oppress, invalidate, and deeply affect the lives of Black and Indigenous people in ways other people of color may not necessarily experience. Lastly and significantly, Black and Indigenous individuals and communities still bear the impact of slavery and genocide.

**Bond** – A written promise to pay a sum of money on a specific date at a specified interest rate as detailed in a bond resolution.

**Budget** – Line-item revenue estimates and appropriations adopted by City Council for the following year.

**Budget Adjustment** – A revision to the adopted budget occurring during the affected fiscal year as approved by the City Council by an amendment or a transfer.

**Budget Calendar** – The schedule of key dates involved in the process of adopting and executing an adopted budget.

**Capital Assets** – Purchases of fixed assets that have a value of \$10,000 or more, and a useful life of more than four years.

**Carryover** – Re-appropriation of budget authority for an expenditure to the following year to allow completion of a project. Carryovers require City Council approval.

**Certified Levy** – Total tax levy of a jurisdiction which is certified to the County Auditor.

**Capital Improvement Plan (CIP)** – A planning tool based on long-range physical planning and financial projections that forecast the City, the Bloomington Port Authority (Port), and Housing and Redevelopment Authority for the City of Bloomington (HRA) capital needs over a ten-year period as building blocks to help achieve the City's strategic vision and mission. The CIP includes a detailed description of every Capital Project anticipated to be initiated during the ten-year period. Find more at [blm.mn/cip](http://blm.mn/cip)

**City Council** – The elected body of members making up the legislative arm of local government in Bloomington.

**Contingency (or Undesignated Appropriations)** – Budget for expenditures which cannot be placed in departmental budgets, primarily due to uncertainty about the level or timing of expenditures when the budget is adopted. The contingency fund also serves as a hedge against shortfalls in revenue.

**Deficit** – The excess of expenditures over revenues.

**Department** – Basic organizational unit of City government responsible for carrying out related functions. Larger departments are subdivided into divisions.

**Department of Justice (DOJ)** – Federal executive department of the United States government responsible for the enforcement of the law and administration of justice.

**Depreciation** - A reduction in the value of an asset with the passage of time, due in particular to wear and tear.

**Division** – Basic organizational unit of City government that is functionally unique in its service delivery. Larger departments are subdivided into divisions.

**Encumbrance** – An account used to record the estimated amount of purchase orders or contracts chargeable to an appropriation. The account is credited when goods or services are received, and the actual expenditure of the appropriation is known and recorded.

**Enterprise Fund** – A fund in which the services provided are financed and operating similarly to those of a private business enterprise, i.e., through user fees.

**Estimated Market Value** - Represents the selling price of a property if it were on the market. Estimated market value is converted to tax capacity before property taxes are levied.

**Expenditure (Expense)** – Decreases in financial resources other than through interfund transfers.

**Fiscal Disparities** – The program created by the Metropolitan Fiscal Disparities Act which shares growth in the commercial-industrial tax base in the seven-county metropolitan area.

Forty percent of the value of new commercial-industrial development since 1971 is pooled and redistributed among 300 taxing districts to address uneven business development throughout the region.

**Five-Year Model** – A planning tool used to assess the opportunities and challenges of future budget years based on scenarios of the current budget year.

**Full-Time Equivalent (FTE)** – Equivalent of one employee working fulltime, or 2,080 hours per year. An FTE can be filled by any number of employees whose combined hours total 2,080 per year.

**Fund** – An independent fiscal and accounting entity which is segregated for the purpose of performing specific activities or achieving certain objectives.

**Fund Balance** – Difference between fund assets and fund liabilities (the equity) in governmental funds. Fund balances will be classified as reserved or unreserved.

Reserved Fund Balance - Legally segregated for a specific use. They are not available for discretionary appropriation.

Unreserved Fund Balance - The portion of fund balance that is not reserved. Represents resources that can be used for any purpose of the fund they are reported in.

Designated Funds - Establish tentative plans for, or restrictions on, the future use of financial resources.

Undesignated Fund Balance - The funds remaining after reduction for reserved and designated balances.

In addition, many of the special funds have restricted use, depending on the legal restrictions governing the levy of the funds they contain. Examples are the Debt Service Fund and the Capital Projects Fund.

**General Fund** – The governmental accounting fund supported by ad valorem (property) taxes, licenses and permits, service charges and other general revenues to provide city-wide operating services.

**Geographic Information Services (GIS)** – A computer system for capturing, storing, checking, and displaying data related to positions on Earth's surface.

**Government Financial Officers' Association (GFOA)** – The professional association of state and local finance officers in the United States who are dedicated to the sound management of government financial resources. The association sets program standards for the GFOA's Certificate of Achievement for Excellence in Financial Reporting.

**Governmental Accounting Standards Board (GASB)** – It is the highest source of accounting and financial reporting guidance for state and local governments.

**Governmental Fund** – A grouping used in accounting for tax-supported activities completed by the government.

**Indirectly Funded Amount** – The portion of appropriations not funded by program revenues such as fees and grants. This portion is funded from shared revenues such as property tax, intergovernmental revenues or a City-wide fee not directly attributable to any one program.

**Levy** – To impose taxes, special assessments, or service charges or the amount of those taxes, assessments or charges.

**Local Performance Aid** – A state program for cities and counties that is intended to provide an incentive for local governments to develop and maintain performance measurement systems.

**Let's Talk Bloomington** - The City of Bloomington's interactive website for community conversations.

**League of Minnesota Cities Insurance Trust (LMCIT)** - A self-insured membership cooperative formed by Minnesota cities.

**Light Rail Transit (LRT)** – Passenger transportation on rails with a current terminus at the Mall of America.

**Major Account Series** – Three classifications of expenditures made by the City include:

Salaries, wages and benefits - Costs relating to employees or temporary help, including fringe benefits.

Materials, supplies and services - Costs relating to articles of a non-durable nature such as office supplies, professional and technical services, utilities and maintenance, operations and City support services.

Capital Outlay - Costs of durable goods such as furniture and equipment.

**Major Program** – The eight departments in the City of Bloomington government: Legal, Human Resources, Finance, Police, Fire, Community Development, Community Services and Public Works and one Technical Services Group.

**Major Fund** – A fund whose revenues, expenditures/expenses, assets, or liabilities (excluding extraordinary items) are at least 10 percent of corresponding totals for all governmental or enterprise funds and at least 5 percent of the aggregate amount for all governmental and enterprise funds.

**Mall of America (MOA)** – Nation's largest retail and entertainment complex located in Bloomington.

**Metropolitan Council Environmental Services (MCES)** - The joint waste treatment facility for the metro area.

**Modified Accrual Basis** – Under the modified accrual basis of accounting, revenues are recognized in the period in which they become available and measurable, and expenditures are recognized at the time a liability is incurred pursuant to appropriation authority.

**National Community Survey™** - A benchmarking survey that provides a comprehensive picture of resident perspectives on community livability, performed by the National Research Center of Boulder, Colorado.

**Net Assets** – The equity associated with general government less liabilities.

**Operating Budget** – Financial plan for the fiscal year which authorizes proposed personnel complements, expenditures and the revenues to finance them.

**Pavement Management Program (PMP)** – This is an 80-year street overlay and construction plan that provides for the systematic maintenance and replacement of streets based on schedules that indicate the most cost-effective timeframe. The Council has adopted the first 20 years of the plan.

**Program** – Within each Department are several divisions or programs in the City, each charged with carrying out a specific function.

**Proprietary Fund** – A business-like fund of a state or local government. For example, enterprise fund and internal service fund.

**Proposed Budget** – Budget as submitted by the City Manager to the City Council.

**Public, Educational, and Governmental Fees (PEG)** –Public, Educational, and Governmental Access programming is supported by the PEG fee that is assessed to each cable subscriber. Funds can only be used to finance the production of PEG Access programming.

**Racial Equity Action Team (REAT)** - Staff-driven teams that advance racial equity work from the unique perspectives of individual departments and divisions.

**Ranked Choice Voting (RCV)** - An electoral system in which voters rank candidates by preference on their ballots.

**Request for Proposals (RFP)** – A request for proposal is a document that solicits proposal, often made through a bidding process, by an agency or company interested in procurement of a commodity, service, or valuable asset, to potential suppliers to submit business proposals.

**Retained Earnings** – The profits that a company has earned to date, less any dividends or other distributions to investors.

**Special Revenue Fund** – An account established by a government to collect money that must be used for a specific project. These funds provide an extra level of accountability and transparency to taxpayers that their tax dollars will go toward an intended purpose.

**Strategic Priorities** – Refers to the funds available for allocation to one-time or capital projects not funded through the budget process. These funds can be allocated from a direct levy or from any surplus that may result at the end of the budget year.

**Tax Capacity** – City tax base for the purpose of levying property taxes. Properties are multiplied by a Statutory rate which converts into the tax base (see also Tax Classification Rate).

**Tax Capacity Rate** – Tax rate applied to tax capacity in order to generate property tax revenue. The rate is obtained by dividing the property tax levy by the available tax capacity.

**Tax Classification Rate** – Rates at which estimated market values are converted into the property tax base. The classification rates are assigned to properties depending on their type (residential, commercial, farm, etc.) In some cases there are two tiers of classification rates with the rate increasing as the estimated market value increases.

**Tax Increment Financing (TIF)** – Financing tool originally intended to combat severe blight in areas which would not be redeveloped “but for” the availability of government subsidies derived from locally generated property tax revenues.

**Third Party Administrator (TPA)** – Claims processor for certain employee benefits.

**Truth-In-Taxation (TNT)** – Procedures adopted by the 1989 Minnesota Legislature intended to improve accountability in the adoption of the budget and property tax levy of local governments. These procedures are revised annually.

**Workers’ Compensation Reinsurance Association (WCRA)** – Insurance coverage that protects the City from catastrophic workers’ compensation losses.

**Working Capital** – Current assets minus current liabilities. This measure is used as a gauge in determining appropriate fund balances.