



Several years ago I lent my handprint to an Artistry mural called “We Are Bloomington.” The painting is full of handprints of different sizes and colors with messages about the people who made them written alongside each print. One reads “My name is Roy, 35 years in Bloomington.” Another reads “Viva Mexico! Love Bloomington, te amo.”

On the mural I wrote what I thought of Bloomington, which is of course “Great city. Center of the universe.”

There are more than 30 different handprints and stories on that canvas. It’s a snapshot of Bloomington’s history. The painting was part of a “leave your mark” activity led by local artist Sandra Muzzy at Heritage Days.

The piece reminds me how many people leave their mark on the fabric of Bloomington each day—residents, City employees, business owners, local artists and visitors. We all have different backgrounds, stories and ways we contribute to the community.

From providing fun recreation programs and beautiful parks to ensuring safe neighborhoods with the work of police officers and firefighters, providing high-quality services is one of the ways City employees make their mark in Bloomington. Responsible fiscal management also builds the foundation for the City to run smoothly and provide effective, innovative programs and services to residents.

In 2017, the City Council adopted a property tax levy increase of 4.5 percent to \$58,398,517 for 2018. The monthly cost of tax-supported services for the owner of a \$246,400 median-valued home is \$78.26. The 2017 amount was \$71.17 and the 2016 amount was \$74.64. The drop in 2017 was a result of tax

increment changes for Mall of America. From 2017 to 2018, the median-valued home increased from \$225,900 to \$246,400, a growth of 9.1 percent.

To effectively do our jobs as City representatives and employees, we need to know what residents think of our local government and the services it provides. For the past six years we have we conducted a National Citizen Survey™ in Bloomington to do just that.

This survey not only gives us insight into our own community, it allows us to compare our results to 500 communities nationwide. The polls were performed by the National Research Center of Boulder, Colorado.

The 960 residents who responded in 2017 delivered some of the highest ratings the City has ever seen. Out of the 129 areas surveyed, 55 received new record-high ratings or tied old ones and 39 areas improved from 2016.

The results show that Bloomington continues to have strong livability scores. Nine out of 10 respondents would recommend the city to others and plan on remaining here for the next five years. Ninety-five percent of respondents rated Bloomington as a place to live as excellent or good, up from 90 percent in 2016. Resident satisfaction with overall quality of life in Bloomington also improved from 85 percent in 2016 to 92 percent in 2017.

The “We are Bloomington” mural is still on display at Civic Plaza. Come check out the different stories and handprints that were collected. We as a community have many stories to tell. What’s your story? How will you make your mark in Bloomington?

*By Mayor Gene Winstead*



## FACES OF OUR CITY

Local students, artists, philanthropists, public employees, activists and residents were featured in a video, telling their stories as part of the 2018 State of the City address with the theme “We Are Bloomington.”

The videos started as a social media campaign with the goal of showcasing the wide range of people that spend their time in Bloomington and enrich our community. From there, the idea grew into the theme for the State of the City and this report.

“Bloomington is filled with exceptional people doing remarkable things. They are your neighbors, students and business owners. And everyone has a unique story to tell,” said City Manager Jamie Verbrugge.

### FINANCIAL REPORTS ONLINE

Check out the financial reports at [blm.mn/financialreports](http://blm.mn/financialreports). The 2017 estimated expenditures in this report will be changed to reflect actual expenditures after the City’s audit in June.

### THROUGHOUT THIS REPORT

The monthly expenses for City services described in this report are based on a median-priced home with monthly property taxes for City services of \$78.26 in 2018.

## Inside

Value for your dollar.  
Page CR 2.

Planning for Bloomington’s future.  
Pages CR 4 and CR 5.

Enterprise, Internal Service and Special Revenue Funds.  
Page CR 7.

Working to better Bloomington.  
Page CR 3.

General Fund.  
Page CR 6.

Capital Projects and Debt Service.  
Page CR 8.



Watch all the videos in the series at [blm.mn/obstory](http://blm.mn/obstory).



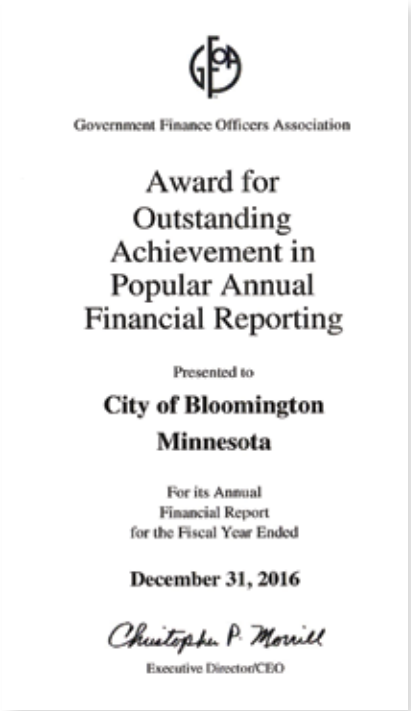


## CITY OF BLOOMINGTON ORGANIZATIONAL CHART

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

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

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



## PUTTING YOUR TAX DOLLARS TO WORK



## WHAT THE OWNER OF A MEDIAN-VALUED HOME PAYS

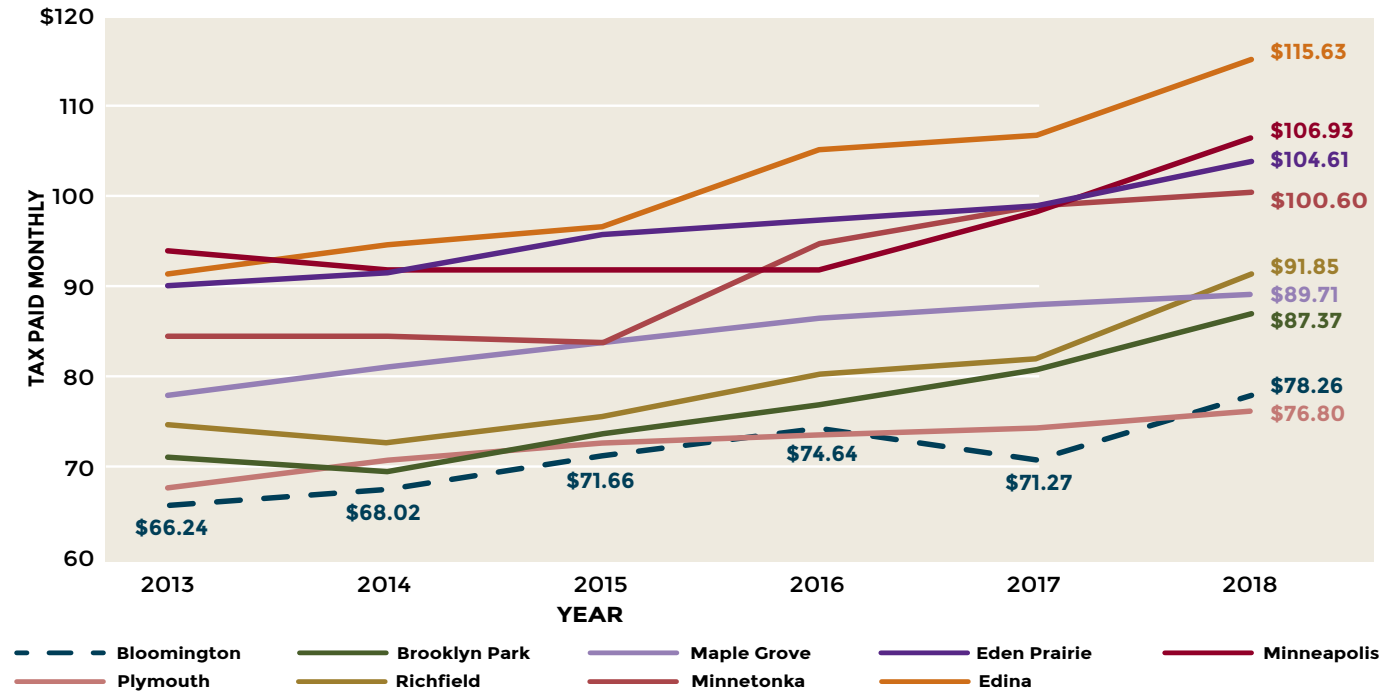
Residents receive a variety of City services at an affordable price. The cost of City services in 2018 for the owner of a median-priced, single-family home in Bloomington with an assessor’s market value of \$246,400 is \$78.26 per month. Tax-supported services are ranked by the City Council. Public safety services such as Police and Fire are ranked highest for funding. Community safety, planning, prevention and maintenance are the next level of services

to be funded. These include Engineering, Environmental Health, Planning, Parks Maintenance and Fire Prevention. The third category is quality of life services such as Parks and Recreation, Public Health, Aquatics, Special Events and the Center for the Arts. The tax cost per month of \$78.26 is the amount left for tax support after allocating grants, program fees, lodging and admission taxes and other non-property tax revenue to the appropriate services.

### MONTHLY COST OF UTILITIES

Based on an average water usage of 5,000 gallons per month and sewer usage of 3,400 gallons per month, the monthly cost of utilities for a home in Bloomington is \$43.67 in 2018. Services include water, sewer, storm water and solid waste.

*Note: Utility bills are mailed bimonthly and average \$87.34 for the two-month billing cycle.*



## BLOOMINGTON RANKS WELL IN SERVICE COST COMPARISON

The City continues to meet the needs of its residents while constantly looking for ways to improve quality and keep costs affordable. In a 2018 comparison of seven Hennepin County peer communities with more than 20,000 residents, the monthly cost of City services for a single-family home in Bloomington ranked second lowest at \$78.26.

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



## YOUR 2018 PROPERTY TAX DOLLAR

Your single-family residential tax dollar is divided among several governmental entities. As the graphic at left shows, for every dollar of taxes paid, 30 cents is for City services. The actual amount of taxes owed is based on a property’s market value, tax law and the levy. The levy for all local governmental entities is spread across properties within each entity’s respective boundaries using tax capacity, a function of market value and property type. While the City sets a total property tax dollar amount to be levied, as all local Minnesota jurisdictions do, the portion each property pays of that amount is solely a function of the State of Minnesota property tax law based on market value and tax classification. After applying educational aids, a Bloomington homeowner with a median-valued home pays \$3,093 in property taxes. Of that, \$939, or \$78.26 per month, goes to the City for services. The remaining \$2,154 or \$179.50 per month goes to other taxing districts.





# PROVIDING SAFE AND EFFICIENT SERVICES

Whether it's safe roads, neighborhoods or tap water, you don't have to look far to find signs of high-quality City services in Bloomington. Satisfaction with those services and the City overall is growing, according to a poll conducted by an independent research firm.

The 2017 National Citizen Survey™ of Bloomington residents found that out of the 129 areas surveyed, 55 received new record-high ratings or tied old ones and 39 areas improved from 2016. Read a little more about the City's highest-rated services and how they've been rated in previous years below.

## ENGAGING WITH THE COMMUNITY: POLICE AND FIRE

Residents continue to rate Bloomington Police and Fire Departments highly in the 2017 National Citizen Survey. Police received its highest rating yet and Fire held a 96 percent approval rating.

The high scores reflect the work Police and Fire do year round to engage community stakeholders. Fire hosts open houses at their stations annually so people can get an inside look. In 2017, Police hosted Coffee with a Cop in different locations throughout the city—something they began in 2016. Police officers and firefighters met local families, played games and served food at their second annual Safe Summer Nights Event last year. They also continue to visit National Night Out parties with police and fire equipment in different neighborhoods.

With 6,163 and 2,933 followers respectively, Police and Fire also make human connections regularly on Twitter.



## KEEPING STREETS SAFE: SNOW PLOWING

When the winter winds blow and snow is stacking up outside, Bloomington residents can rely on Public Works to keep streets clear and safe to travel.

In the 2017 National Citizen Survey, the City's snow-plowing service again ranked higher than the national average, as it has since the City first started administering the survey in 2012.

Last winter, Bloomington had 26 snowfalls where plows cleared the streets. Each time there is a measurable snowfall, crews clear 2,016 lane-miles of road, 250 miles of sidewalks, 530 culs-de-sac, 30 skating rinks and all municipal building parking lots and walkways. The cost for snow removal services for a median-valued home is \$2.95 per month.

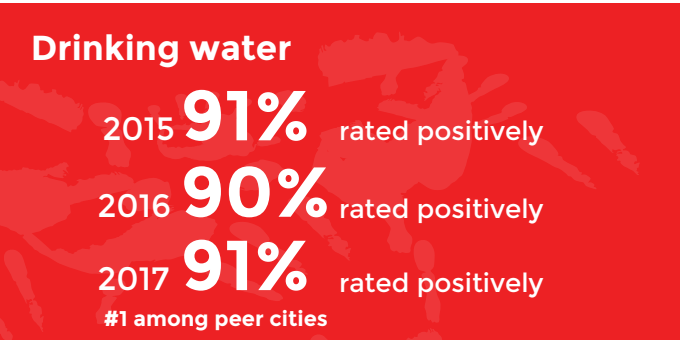
The City keeps its snow removal efforts sustainable, too. Staff makes and uses a low-salt, anti-ice brine to treat the streets, which reduces the amount of chloride runoff into area watersheds. The City was also awarded its third Safe and Sustainable Snowfighting Award from the Salt Institute in 2017.



## SIMPLY THE BEST: DRINKING WATER

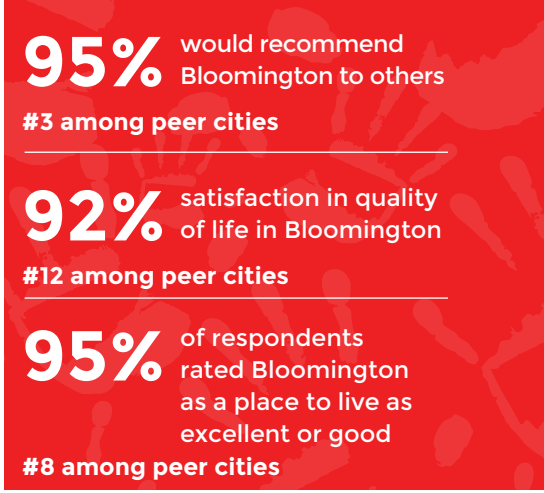
Bloomington's tap water is the best. It was awarded the title of "Best in Glass" twice in the last three years by the Minnesota Section American Water Works Association (AWWA) following blind taste tests. It was also named "Best of the Best" at the 2016 national AWWA conference by a judging panel that rated the flavor of each "Best in Glass" sample and came in third in the national contest in 2017. With a 91 percent approval rating in the 2017 National Citizen Survey, the City's tap water is ranked first among its peer cities for the sixth year in a row.

Not only does it taste good, it's safe, too. Each year Bloomington water meets or exceeds every federal and state water safety requirement. Bloomington's water supply has been in strict compliance with the Safe Drinking Water Act and Minnesota Department of Health regulations since monitoring requirements were established in 1991. Every three years, MDH requires extensive sampling and testing for lead or copper in the City's drinking water. These tests were last conducted in 2017.



## SURVEY SAYS...

Residents' overall opinion of Bloomington is at a new high, according to the 2017 National Citizen Survey™.



## WE ARE GIVING BACK

Fran Heitzman shows his dedication to the community by providing furniture and home furnishings to those in need. In 1987, Fran founded Bridging, a Bloomington nonprofit that now supplies home furnishings to more than 4,000 local households in need each year. It all started after a woman donated a crib to Fran's church that it didn't need. Heitzman found a new home for it. And the rest is history.

"I said to myself why can't we do this? Why can't we take things people no longer need and give it to someone who needs it? This is no rocket scientist idea—everybody's got stuff. Give it to somebody who needs it! So people started bringing me stuff and it just kept exploding. And I kept giving it away."







one  
BLOOMINGTON

CITY OF  
BLOOMINGTON  
MINNESOTA



## WE ARE STUDENTS

Luis Romero is an honors student at Kennedy High School, a lifelong Bloomington resident, the son of immigrant parents and has plans to be the first in his family to go to a four-year college. He learned English in elementary school, being pulled out of his regular classes to attend English as a Second Language (ESL) lessons. Luis said it was tough catching up at first, but all of his challenges have led him to where he is today. Last year, he traveled to Spain in an engineering and technology program. He worked with other students there to help design a park that would be built in the slums of Madrid. Luis says he hopes to major in engineering in college.

“Take every opportunity. No matter how rigorous, how scary or how time consuming it is, just take advantage of those opportunities because not everybody will get them.”



It's been one year since the City started work on the Council's strategic plan, One Bloomington, which guides the City's work from 2017 to 2020. The plan has six defined priorities:

equity and inclusion, environmental sustainability, community amenities, focused renewal, high-quality service delivery and community image. Take a look at some of the projects the City

completed in 2017 that moved each priority forward. For more information, or to see how the City is continuing to progress on its priority projects, visit [onebloomington.com](http://onebloomington.com).

## COMMUNITY AMENITIES

We are focused on preserving existing City amenities and planning for future needs. Residents have long expressed a desire for a more modern and comprehensive community center. Last year, the City entered into an agreement with the YMCA of the Greater Twin Cities to explore the possibility of partnering to build a community center in Bloomington. A stakeholder working group of representatives from the City and the YMCA has been working to move this project forward. Bloomington Public Schools is also a partner in the process.

After a site has been identified, the next step will be to conduct market research and identify key features and programming desired in a new facility.

Bloomington Ice Garden is also lined up to receive needed facility updates after winning the second-place prize in the 2017 Kraft Hockeyville competition. The \$75,000 in arena upgrades will include improvements to BIG's entry and locker rooms. Work on these projects is expected to begin in 2019.

### PROGRESS: HITTING IT OUT OF THE PARK

Thirteen of the City's parks and playgrounds were updated in 2017, including a new playground at Valley View Elementary that students had a hand in designing. The majority of the improvements replaced playground equipment originally installed in 1991. In 2018, the Running Park playground will be replaced, and each of the 14 improvement sites will receive picnic tables, benches and bike racks.

## COMMUNITY IMAGE

We want residents and visitors to like what they see and hear about Bloomington. The 2017 National Citizen Survey shows high resident satisfaction with respondents rating of overall quality of life in Bloomington up from 85 percent in 2016 to 92 percent. Scores for overall appearance, Bloomington as a place to raise children, and overall image also rose in 2017.

To engage residents to talk about Bloomington's image in 2017, community action groups were formed after the One Bloomington summit to discuss inclusion and equity, community amenities and community image. The goal of

these action groups is to bring fresh community voices to the forefront of the conversation.

To help tell more stories about all the good things happening in Bloomington, the City has also partnered with Bloomington Public Schools.

### PROGRESS: THE NEW 'KIDS' IN CLASS

Last year, there were some new kids (aka goats) at Oak Grove Elementary and Middle Schools with an important assignment—getting rid of buckthorn in the school forest. Goats provided a hands-on way for students to learn what invasive species do to native plants.

## ENVIRONMENTAL SUSTAINABILITY

We must be good stewards of our environment. In its first year of operation, the City's Sustainability Commission has made significant strides in making Bloomington more sustainable. In 2018, Bloomington launched an organics recycling program.

The organics residents drop off will be converted into nutrient-rich compost and used in development and road construction projects. The Commission and Xcel Energy have also worked together on a Partners in Energy program

that brings residents, commissioners and business people together to discuss ways to promote sustainable practices throughout Bloomington.

### PROGRESS: POLLINATOR PARTNERSHIP

In 2017, the City worked with Xcel Energy to amp up the acreage of pollinator-friendly plants in Bloomington. With help from Valley View Elementary students, the City and Xcel kicked off planting on six acres of land underneath power lines on Park Avenue between 90th and 93rd streets.





WE ARE | BLOOMINGTON

## PLANNING FOR BLOOMINGTON'S FUTURE

### FOCUSED RENEWAL

Keeping homes, streets and businesses looking good and functioning well is an important part of the quality of life in any city.

Bloomington is an aging community that we must continue to restore and enhance. As part of this strategic plan priority, neighborhood initiative programs focus City and Housing and Redevelopment Authority resources in a specific areas.

Continuing the progress made in 2016 and 2017, the focus neighborhood for 2018 is south of American Boulevard, west of Portland Avenue, north of 91st Street and east of Pleasant Avenue. The initiative provides resources for housing rehab, sidewalks and park improvements and loans for curb-appearance enhancements.

### PROGRESS: GETTING IT WRIGHT

In addition to the neighborhood initiative projects and park improvements, Wright's Lake Park will be home to a new mural later this summer—a Creative Placemaking and Artistry collaboration.

The mural will be installed on the 2,800-square-foot retaining wall adjacent to Highway 77 in August. In the design stage of the process, Artists from GoodSpace murals led three community visioning sessions across Bloomington.

The community-led process is intended to foster community pride, and deepen community engagement. Organizers hope the mural will create a stronger identity for the neighborhood, highlight the park and regional bike trail, beautify the area and discourage future graffiti. A celebration event and painting party will be held in the park June 23.

### HIGH-QUALITY SERVICE DELIVERY

We work hard to deliver top-notch services in all areas. Seventy three percent of respondents to the 2017 National Citizens survey rated the value of services for taxes paid as "excellent" or "good." That's higher than the national average and ranks in the top three in comparison to peer cities. The City is also taking steps to increase efficiency. Two hundred and forty employees have completed High Performance Organization (HPO) training with 80 more scheduled to complete it in

2018. HPO training is about empowering people at all levels of our organization to demonstrate leadership, participate in decisions and make improvements in their areas of expertise.

### PROGRESS: MAKING OUR MARK

With the "We Are Bloomington" mural in mind, it makes sense to ask how do City employees make their marks? Many divisions, departments and individuals were recognized for their work in 2017. Public Works was awarded

the "Best in Glass" title for the taste of Bloomington's tap water for the second time in the last three years. Finance received the GFOA Award for its annual report. Communications received local and national awards for its print, web and video content. The Police Department received the Bloomington Convention and Visitors Bureau 2017 Spirit of Hospitality Award for its outstanding contributions to the city's hospitality industry.

These awards reflect the level of excellence in service City staff strive to provide for residents.

### INCLUSION AND EQUITY

Bloomington is becoming more diverse, dynamic and vibrant. When you look at the big picture of our community, you'll see people of all ages, races, religions, abilities, languages, experiences and interests.

The City has been working to ensure that all community stakeholders have channels for their voices to be heard in the process of local governance. The City has been intentional in hiring new employees that reflect our diverse community and ensuring commissioners are representative of our community. A group of City staff graduated from a racial equity cohort along with 18 other state, county and local level organizations in 2017. Together they learned what other communities have done to advance racial equity. The City also started hosting

events meant to promote diversity, inclusivity and equity within the organization last year.

### PROGRESS: PATHWAYS TO POLICING

In 2017, the Bloomington Police Department explored new avenues to build a more diverse staff that better reflects the growing diversity of the community. A new program, Pathways to Policing, removes common barriers to nontraditional candidates. Pathways offers law enforcement training for candidates who have at least an associate's degree, allowing them to complete training in four months rather than two years. BPD hired three new officers through Pathways last year and will be recruiting more in 2018.



### WE ARE ARTISTS

Ken Dobratz is a painter, a Vietnam veteran, a retired salesperson and a Bloomington resident. He lost 95 percent of his sight nearly 15 years ago. It happened in a matter of days. He almost let that loss end his painting career. A psychologist at the VA Healthcare System helped him see a new path forward using the sight he had left and some "real powerful glasses."

"That was my beginning. I just came home, picked up some brushes and got some paint. I struggled for four years to learn how to paint with acrylics, but it was well worth it. Before I lost my sight, I never painted life. Suddenly I got more patience and I thought I'm going to try painting animals. Now I'm at the point where I could paint anything. All you can do is push through it. And once you get there it's euphoric."





2018 OPERATING REVENUE SOURCES

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

Property taxes	\$56,461,000
Fees/charges	40,840,000
Program income	7,698,000
Lodging/admissions	8,800,000
Transfers/other	17,448,000
Intergovernmental	4,535,000
Licenses/permits	5,667,000
Special assessments	3,430,000
Fines/forfeitures	1,000,000
Cable franchise fee	1,538,000
Total revenues	\$147,417,000

2018 BUDGETED EXPENDITURES

The City's budgeted expenditures for 2018 total \$148,200,000.\*

City Governance	\$8,821,000
Public Safety	33,134,000
Community Development	7,641,000
Community Services	23,385,000
Public Works	11,897,000
Utilities	51,826,000
Debt Service	9,381,000
Contingency/Transfers	2,115,000
Total expenditures	\$148,200,000

\* The \$783,000 difference between 2018 revenues and expenditures is the planned expenditures of reserves for Capital Projects, see page CR8.



WE ARE PROTECTING AND SERVING

Laura Mayerle moved to Bloomington at four months old from South Korea with her adoptive parents. She grew up here, moved back after college and has been a firefighter for more than a year—something she’s wanted to do since she was a kid.

“It’s really cool to be a part of the Bloomington community. It’s a total family here. We have each other’s backs in the station and outside the station no matter what, which is a pretty cool thing because everybody comes from such different walks of life ... It’s just like a melting pot of people coming together for the same purpose of giving back to the community.”



THE GENERAL FUND

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

	2016 ACTUAL EXPENDITURES	2017 BUDGET	2017 ESTIMATED EXPENDITURES	2018 BUDGET	ESTIMATED NET PROPERTY TAX*
POLICE	\$24,300,230	\$24,853,734	\$24,880,488	\$25,464,450	\$25.23
	The Police Department works with the community to make Bloomington a safe place to live and partners with residents and businesses to address their diverse needs.				
PUBLIC WORKS	10,832,428	12,613,441	11,427,239	12,224,728	14.84
	Public Works provides safe and efficient transportation routes throughout Bloomington, provides snowplowing services, maintains the City’s streets, parks, vehicles and public facilities, and reviews the impact construction and development projects will have on local and regional infrastructure.				
COMMUNITY SERVICES	13,798,390	14,156,305	13,607,956	14,326,627	13.63†
	Community Services offers human services programs, manages parks and recreational activities, produces communication materials and provides public health services.				
COMMUNITY DEVELOPMENT	6,706,421	7,121,742	6,884,123	7,317,711	3.96
	Community Development partners with the community to enhance Bloomington through planning, economic development and redevelopment activities. The department promotes health and safety by obtaining compliance with state and City codes.				
FIRE	4,578,051	4,850,524	4,707,752	5,121,898	6.16
	The Fire Department protects the community by performing rescues, responding to fires, emergencies and hazardous materials incidents, and conducting fire code inspections and fire cause investigations.				
TECHNICAL SERVICES	2,935,771	2,995,598	2,932,492	3,084,530	***
	Technical Services furnishes licensing, assessment, elections, records management and cemetery services to Bloomington’s residents as well as internal technology support to City departments.				
LEGAL	1,350,034	1,511,748	1,428,388	1,535,321	***
	The City Attorney’s Office prosecutes misdemeanors and advises the city manager, city council, City departments, and advisory boards and commissions.				
FINANCE	987,868	1,125,652	1,032,970	1,138,565	***
	Finance provides financial management and internal support services to other departments.				
HUMAN RESOURCES	588,383	801,717	646,141	866,463	***
	Human Resources recruits and assists in hiring staff, oversees employee benefit programs and conducts employee relations activities on behalf of the City.				
COUNCIL, COMMISSIONS, CITY MANAGER	1,166,312	3,091,689	1,175,558	3,116,271	***
	Legislative power is vested in an elected, part-time city council consisting of a mayor and six councilmembers, which appoints citizens to advisory commissions. A city manager administers City business, appoints all other employees and performs duties as directed by the council.				
TOTAL	67,243,888	73,122,150	68,723,107	74,196,564	

\* Net property tax is the portion of the levy allocated to these services per month for the median-valued home. For the net property tax calculation, departments with programs that generate fee revenue have that revenue applied to their budget before property tax. Out of the \$78.26 the owner of a median-valued home pays for City services, \$63.82 goes to the General Fund.

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

† Recreational facilities funding is \$3.20 of this total.

Transfers are not included above.

### A SIGNIFICANT ACHIEVEMENT—THREE TRIPLE-A RATINGS

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

Bloomington is one of only 37 cities out of more than 19,000 municipal governments in the U.S. that have achieved three triple-A ratings. Bloomington is currently the only Minnesota city to hold all three highest ratings.

According to the agencies, our triple-A status reflects the City’s conservative fiscal management, diverse economic base, central location, low unemployment rate that falls below state and national averages, and continued success in Mall of America tax increment district.

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

# ENTERPRISE FUNDS

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

		2016 OPERATING EXPENSES	2017 BUDGET	2017 OPERATING EXPENSES	2018 BUDGET	AVERAGE FEES PER MONTH
COMMUNITY SERVICES	Recreational Facilities	\$5,629,367	\$6,123,171	\$5,744,051	\$6,256,722	\$3.94*
PUBLIC SAFETY	Contractual Police	2,080,908	1,745,000	822,326	950,000	--
	Solid Waste Management	3,228,530	8,516,475	7,278,211	8,781,402	3.65
PUBLIC WORKS	Stormwater Utility	5,099,303	16,906,282	4,765,171	15,081,623	7.29
	Water/Wastewater Utility	22,937,783	32,439,703	25,396,650	27,962,679	32.73**
TECHNICAL SERVICES	Motor Vehicle Office	792,938	795,969	745,375	785,009	--

\* Included in the \$17.57 that the property owner of a median-valued home pays in property taxes for Community Services per month.  
\*\* Rates are based on Bloomington’s average winter use of 5,000 gallons per month for water and 3,400 gallons per month for sewer.

# INTERNAL SERVICE FUNDS

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

	2016 OPERATING EXPENSES	2017 BUDGET	2017 OPERATING EXPENSES	2018 BUDGET
BENEFIT ACCRUAL	\$1,878,633	\$1,949,238	\$1,948,854	\$1,877,073
FLEET MAINTENANCE FUND	6,979,901	7,824,697	9,353,807	8,390,480
FACILITIES MAINTENANCE AND REPLACEMENT	9,638,058	16,298,701	9,956,832	12,690,153
INFORMATION SYSTEMS	5,515,157	5,477,273	5,416,905	6,316,777
INSURED BENEFITS	9,975,665	9,499,351	9,578,055	10,527,068
PUBLIC SAFETY RADIO	972,026	1,123,599	969,381	756,602
SELF-INSURANCE	1,878,451	2,226,036	1,212,793	2,321,658
SUPPORT SERVICES	498,872	510,281	469,257	547,533

# SPECIAL REVENUE FUNDS

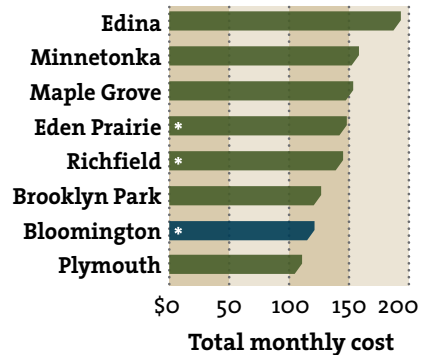
These funds account for revenues used for specific purposes including, housing and community development, communications, public health initiatives and law enforcement activities.

		2016 TOTAL EXPENDITURES	2017 BUDGET	2017 TOTAL EXPENDITURES	2018 BUDGET	FUNDING
COMMUNITY DEVELOPMENT	South Loop revolving fund	\$260,703	\$197,000	\$141,343	\$120,000	Environmental review fees
	Creative Placemaking	154,723	539,646	532,753	400,000	Transfer from South Loop Capital
COMMUNITY SERVICES	Communications	1,634,988	1,848,299	1,827,838	1,961,636	Franchise fee/ other fund charges
	Public Health Special Revenue	886,593	1,292,153	1,167,810	1,152,413	State grants
	Park Grants	61,192	165,000	46,910	72,000	State and federal grants
PUBLIC SAFETY	Public Safety Special Revenue	1,952,977	2,340,991	2,250,662	2,418,334	Forfeited assets and grants and one-time reimbursement*/ property taxes**
CITY CLERK	Cemetery trust	422,270	310,221	146,608	323,801	Lot/niche sales

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

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

In 2017, the monthly costs to residents in 12 cities for single-family property taxes plus water, sewer, water softening and franchise fees ranged from \$225 in Edina (including in-home, water-softening costs) to \$115 in Blaine. Bloomington has the second lowest cost at \$132.



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

\* Cities that soften water before distribution.



## WE ARE WORKING FOR CHANGE

When she was only four years old, Kennedy High School student Najma Dayib made the move from Kenya to the U.S. with her family. While she’s got strong roots in the Bloomington community, Najma is passionate about travel and understanding different cultures. She had the opportunity to spend six weeks in South Africa in 2017 studying the issues of peace, politics and human rights. Najma says that trip helped her decide to major in international studies in college with the goal of becoming a diplomat.

“Working for the State Department is my end goal—a very high end goal, but that’s what I want to end up doing. Getting my international studies degree will help me get there. Then I can help the entire country if I am able to do that—make a big change.”





## ABOUT THIS REPORT

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

**Mayor**

Gene Winstead, 952-888-1258;  
gwinstead@BloomingtonMN.gov

**Councilmembers**

Jack Baloga, 952-944-5194  
Tim Busse, 952-457-7506  
Nathan Coulter, 952-239-0531  
Dwayne Lowman, 952-479-0226  
Patrick Martin, 952-454-6657  
Shawn Nelson, 952-479-0471  
council@BloomingtonMN.gov

**City Manager**

Jamie Verbrugge, 952-563-8780  
citymanager@BloomingtonMN.gov

## COMPREHENSIVE ANNUAL FINANCIAL REPORT

The City of Bloomington reports financial year-end results in the approximately 200-page *Comprehensive Annual Financial Report* (CAFR). This *Corporate Report to the Community* summarizes significant data from the 2017 CAFR and the 2018 Annual Budget, and is consistent with Generally Accepted Accounting Principles. The report reflects the net tax cost by service expenditure developed by crediting related revenues against appropriate expenditures and allocating local taxes against the remaining balance.

The *Corporate Report* is unaudited. This popular report format has been used and improved for the past 16 years and is also available online at blm.mn/financialreports. Audited numbers will appear on our website in June.

Minnesota state law requires that “A city or county with a population of more than 15,000 must annually notify its residents of the positions and base salaries of its three highest-paid employees.” For the City, titles and salaries are: City Manager—\$172,730; Public Works Director—\$171,335; and Chief of Police—\$170,248.



## CAPITAL PROJECTS

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



### UTILITIES INFRASTRUCTURE

- Maintain and improve the storm water collection system: \$2,500,000.
- Rehabilitate wells and restore reservoirs: \$530,000.
- Construct project at northeast Penn Avenue to reduce neighborhood flooding: \$9.5 million.

### PARK IMPROVEMENTS

- Replace fencing at three parks; install warning tracks and repair backdrops at Valley View softball fields: \$610,000.
- Construct Nokomis Minnesota River Trail: \$2,403,000.
- Upgrade parking lot lighting at Valley View Park; install picnic shelter and shade structure for bocce court; install adult fitness equipment: \$480,000.
- Add lights to Normandale Lake trail: \$129,000.



### TRANSPORTATION

- Improve Normandale Boulevard from 86th Street to 94th Street: \$2,784,000. This project is funded through federal, state and county sources.
- Add westbound access to I-494 from East Bush Lake Road. This is a four-year project with construction in 2018 of \$13 million, funded through federal, state and county sources.

## PAVEMENT MANAGEMENT PROGRAM

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

Funding is provided through state aid, assessments, and franchise fees after needs are identified. In 2018, approximately \$9 million will be invested in street reconstruction, \$6.4 million will be funded through debt service. The overlay of City streets is budgeted at \$3.15 million.



## MANAGING DEBT AND MEETING COMMUNITY NEEDS

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

## OUTSTANDING DEBT

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