



City Council Special Meeting

2025 Tax Levy and Budget Discussion

November 25, 2024



CITY OF
BLOOMINGTON
MINNESOTA



OUR MISSION

OUR MISSION IS TO CULTIVATE AN ENDURING AND REMARKABLE COMMUNITY WHERE PEOPLE WANT TO BE.

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

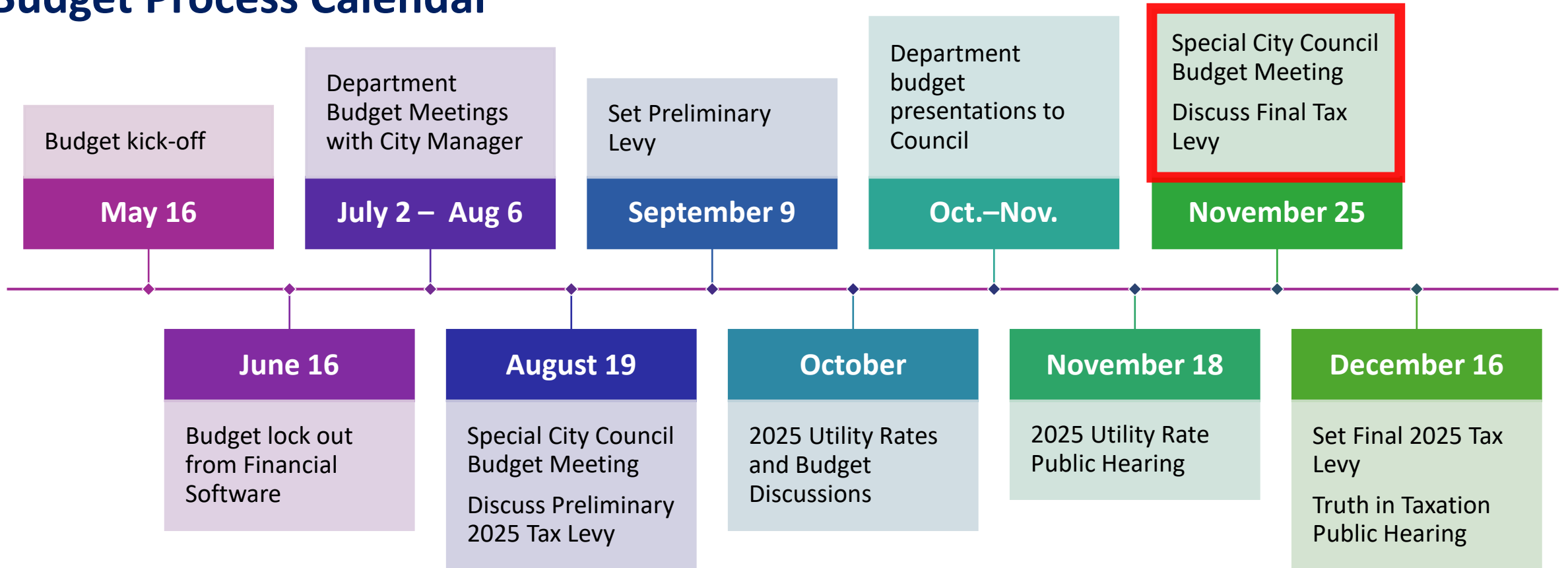
1. More equitably distributed
2. Expanded business diversity
3. More equitable job growth

City of Bloomington Budget Process

- Staff analyze service delivery and determine the cost of those services
- Departments submit requests
- City Manager reviews requests to ensure alignment with strategic plan and financial constraints
- Budget request reflects the City's mission to **cultivate** an **enduring** and **remarkable** community where people want to be.



Budget Process Calendar



Public Engagement

Let's Talk Bloomington and Budget Engagement Tables at Events
June – October 2024





Budget Engagement Calendar



Juneteenth
Celebration

Wednesday
Farmers
Market

Learning
Linkup

On the One
Music
Festival

June 15

July 17

August 17

August 17



Saturday
Farmers
Market

Pride
Festival

Fire
Department
Open House

September 14

September 22

October 12

Budget Engagement

CONNECTED, WELCOMING COMMUNITY

- People can connect with neighbors
- People are welcomed by the city into the community
- Residents are valued by the community



645 chips

14%

HEALTHY COMMUNITY

- Improved environmental health
- Improved human health

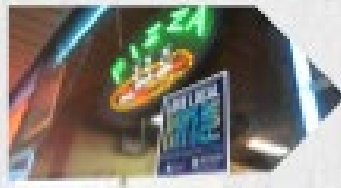
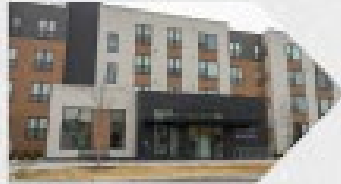


659 chips

14%

EQUITABLE ECONOMIC GROWTH

- Affordable housing
- Economic growth is more equitably distributed
- Expanded diversity in business ownership
- Equitable job growth for workers



749 chips

16%

PUBLIC SAFETY

- Increased safety and security
- Police
- Fire
- Dispatch
- Legal



848 chips

19%

FACILITIES AND INFRASTRUCTURE

- City facilities
- Roads and bridges
- Sewer and water



658 chips

14%

PARKS, ARTS, RECREATION AND NATURAL RESOURCES

- Playgrounds
- Trails
- Recreation programs
- Arts programs
- Protection of natural resources



1,071 chips

23%



First and Second Highest Rated by Category Event

Budget Engagement Event	First Highest Rated Category	Second Highest Rated Category
Juneteenth <i>June 15</i>	Equitable Economic Growth	Healthy Community
Midweek Music & Market <i>July 17</i>	Public Safety	Parks, Arts, Recreation, and Natural Resources
Learning Link-up <i>August 17</i>	Parks, Arts, Recreation, and Natural Resources	Facilities and Infrastructure
On the One Music Festival <i>August 17</i>	Parks, Arts, Recreation, and Natural Resources	Connected, Welcoming, Community
Farmers Market <i>September 14</i>	Parks, Arts, Recreation, and Natural Resources	Public Safety
Pride Festival <i>September 22</i>	Parks, Arts, Recreation, and Natural Resources	Equitable Economic Growth
Fire Open House <i>October 12</i>	Public Safety	Parks, Arts, Recreation, and Natural Resources

Let's Talk Bloomington Survey Results to Date



Voice your opinion at [Let's Talk Bloomington](#), the City's website for community conversations.

Category	Ranking from 1 to 6 with 1 being the highest priority
Facilities and Infrastructure	2.55
Public Safety	2.86
Parks, Arts, and Recreation	2.95
Equitable Economic Growth	3.86
Healthy Community	4.18
Connected, Welcoming Community	4.59



Budget Website & Let's Talk Bloomington

Finance Links

- [Finance Department](#)
- [Capital Improvement Plan \(CIP\)](#)
- [City budget](#)**
- [Fee schedules](#)
- [Financial reports](#)
- [Local option sales tax](#)
- [Liquor, lodging, admission local sales tax](#)
- [Pay my utility bill](#)
- [Purchasing](#)
- [Property tax information](#)
- [Utility Billing](#)

City budget

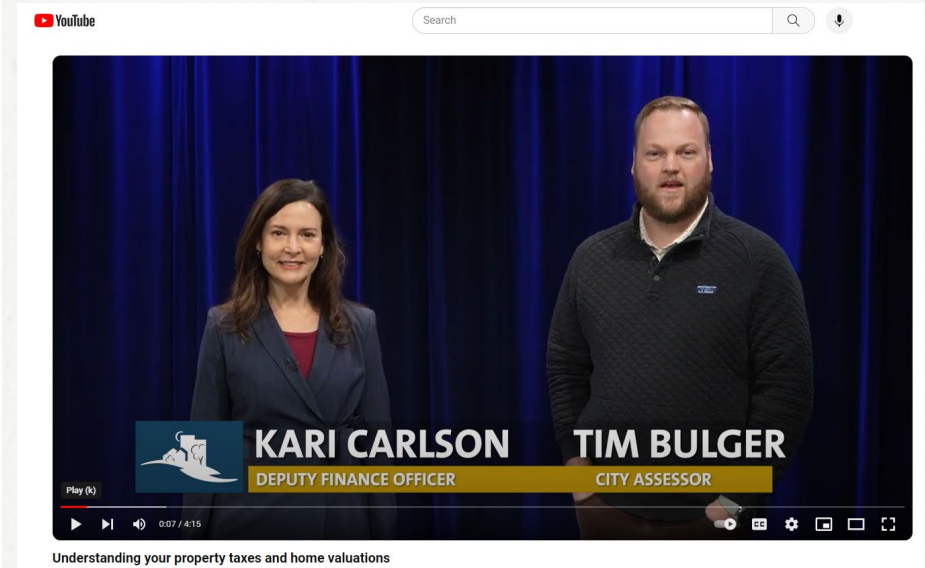
On this page

- [Understanding your property taxes and home valuations](#)
- [Community outreach](#)
- [Annual budget books and budget in brief](#)
- [Council Minute videos and City Council presentations](#)

Understanding your property taxes and home valuations



Bloomington's deputy finance officer and city assessor help you understand two important documents that arrive in mailboxes in March - your property taxes and home valuations.



Voice your opinion at [Let's Talk Bloomington](#), the City's website for community conversations.

Investments in Public Safety and Parks

Planned Police Succession Staffing

Temporary increase, for planned retirements; reduces overtime

Bryant Park Construction

Fully inclusive playground, park shelter redesign

Tretbaugh Park Development

Bike skills park with all-wheel track and gravel course

Fire Department Long-Term Strategy



Transitioning to a combination model

- Full-time and part-time firefighters

Goals

- Improved response times, enhanced community safety

Staffing Plan

- 75 full-time, 65 part-time, and 15 command staff & inspectors

Fire Station Updates

- Targeting completion by 2030

2nd SAFER Grant

- 18 additional Full-Time Firefighters

Revenue and Budget Efficiency Highlights



Secured an additional SAFER grant to fund 18 additional firefighters over three years.



Leveraged grant funding for 9 new Public Health positions meeting foundational Public Health responsibilities.



Eliminated property tax subsidy for Dwan Golf Course for 2025 – has seen 80% increase in revenue over the last five years.



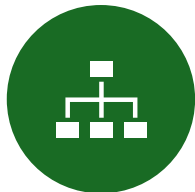
Legislative Action Team working on State and Federal grant opportunities for targeted initiatives



Restructured City contributions to health insurance premiums to provide financial sustainability while still maintaining our investment in employees



Executed cooperative agreement with Three Rivers Park District to take over the operation and management of the City-owned portions of the Metropolitan Regional Park System



Reorganizations within the City Executive Leadership Team, City Clerk, and IT Departments have streamlined operations, enhanced efficiency, and improved collaboration across teams, ensuring more effective service delivery to the community.



2025 Full-Time Staffing Requests (General Fund)

CHWC Recreation Manager

Crime Victim Liaison

**Target Market Program
Coordinator**

Assistant Fire Chiefs (2)
Starting in April 2025

Fire Fighters (18)
Starting in April 2025
Funded with new SAFER Grant



2025 Full-Time Staffing Requests (Non-General Fund)

**Center for the Arts Assistant
Manager**

**Maintenance & Production
Superintendent**

*Change from PT to FT
Center for the Arts Fund*

**Arena Specialist – Ice Garden
Fund**

Start in September 2025

**Service Technician
Facilities Fund**



Average Preliminary 2025 Tax Levy increase for Minnesota Cities 8.8%



Cities

The 2025 preliminary property tax levies for cities will total approximately \$3.737 billion compared with a final levy of \$3.434 billion in 2024, an 8.8% increase.

Counties

The 2025 preliminary property tax levies for counties will total approximately \$4.216 billion compared with a final levy of \$3.962 billion in 2024, a 6.4% increase.

Townships

The 2025 preliminary property tax levies for townships will total approximately \$333 million compared with a final levy of \$314 million in 2024, a 6.3% increase.

Schools

The 2025 preliminary property tax levies for schools will total approximately \$4.156 billion compared with a final levy of \$3.979 billion in 2024, a 4.4% increase.

Special Taxing Districts

The 2025 preliminary property tax levies for special taxing districts will total approximately \$522 million compared with a final levy of \$494 million in 2024, a 5.7% increase.



2025 Preliminary Tax Levy

- September 9, 2024
- Increase of 11.50% from 2024
- Cannot increase before final adoption but may decrease

2025 Final Tax Levy

- Recommended increase of 9.97% from 2024

Proposed Preliminary 2025 Tax Levy

	2024 Tax Levy	2025 Tax Levy	Tax Levy \$ Change	Tax Levy % Change
General Revenues:				
General Fund	\$69,321,549	\$76,293,262	\$6,971,713	
Communications	\$400,000	\$700,000	\$300,000	
Forestry	\$185,000	\$185,000	\$0	
Fire Pension	\$1,050,000	\$1,050,000	\$0	
Aquatics	\$500,000	\$335,000	(\$165,000)	
Art Center	\$1,000,000	\$1,500,000	\$500,000	
Golf	\$105,565	\$0	(\$105,565)	
Ice Garden	\$125,000	\$200,000	\$75,000	
Strategic Priorities	\$0	\$0	\$0	
Tax Abatement	\$400,000	\$400,000	\$0	
Total General Revenues	\$73,087,114	\$80,663,262	\$7,576,148	9.41%
Debt Service	\$7,397,156	\$7,848,711	\$451,555	0.56%
Total Tax Levy	\$80,484,270	\$88,511,973	\$8,027,703	9.97%

Proposed Final 2025 Tax Levy Increase compared to other Cities *Preliminary* (by percentage)

City	Increase
Plymouth	5.27%
Richfield	5.45%
Eden Prairie	6.03%
Burnsville	6.73%
Maple Grove	6.96%
Minnetonka	7.23%
Woodbury	7.76%
St Paul	7.90%

City	Increase
Eagan	8.25%
Minneapolis	8.40%
St Louis Park	9.50%
Bloomington	9.97%
Brooklyn Park	10.83%
Lakeville	12.05%
Edina	13.18%
Apple Valley	13.80%

Impact on median value home of \$361,300 = 7.68%

9.97% increase to the tax levy is a
7.68% increase for the median value
home

\$2.10 / week

\$9.10 / month

\$127.60 / year

Changes from Preliminary Levy

Awarded 2 nd SAFER Grant to hire 18 Additional Firefighters	\$(564,798)
Increase in Lodging and Admission Tax Revenue	(495,398)
Increase in Environmental Health Rental Inspection Fees	(290,000)
ARP Grant Revenue Available for Battalion Chiefs	(217,688)
Increase to interest revenue	(200,000)
Three Rivers Park District Managing Bush Lake Beach and Normandale	(165,000)
Decrease for Galaxy Program	(148,812)
Reduction for no primary needed since no Rank Choice Voting Change	(85,000)
Parks & Recreation Fee Increases	(75,000)
Additional reductions	(19,293)
Health Insurance Adjustment compared to Preliminary	650,000
3 Additional Positions (CHWC Recreation Manager, Crime Victim Liaison, Target Market Program Coordinator)	383,000



2025 Preliminary General Fund Budget

Revenues

Property Tax Levy	\$76,293,262
Less Estimated Delinquencies	-915,519
Lodging and Admissions Tax	11,055,271
Business Licenses	2,295,500
Permits	3,964,361
Fines	435,000
Program Income	2,300,753
Intergovernmental Revenue	7,398,865
Interest	350,000
Transfers from Other Funds	5,447,572
Other	1,309,163
TOTAL REVENUES	\$109,934,228





2025 Preliminary General Fund Budget

Expenditures

City Council	\$638,171
Administration	4,291,251
Legal	3,113,043
Finance	1,736,216
Police	37,932,745
Fire	11,609,711
Community Development	11,353,677
Community Services	9,399,401
Parks and Recreation	13,243,211
Public Works	15,590,419
Contingency / Est. Unexpended	1,026,383
TOTAL Expenditures	\$109,934,228



Potential impacts on 2026 Tax Levy

2025 Increase	2026 Increase <i>includes 3.35% increase for Debt</i>
8.00%	17.60%
8.50%	17.06%
9.00%	16.52%
9.50%	15.99%
9.97%	15.49%
10.00%	15.46%
10.50%	14.94%
11.00%	14.42%
11.50%	13.91%

GFOA Risk Based Reserve Analysis Project

Obtaining loss run information from the League of Minnesota Cities Insurance Trust

Analyzing capital spending, the City's Hazard Mitigation Plan, workers compensation loss run history, capital improvement plans, cash flow history, and debt information

Reviewing Employee Benefits Fund and the impact of recent City Contribution changes

Reviewing the Accrued Benefits Fund and potential changes to paid time off benefits for new employees that have been proposed to the Employee Benefits Committee

2025 Preliminary

tax levy and budget



The Bloomington City Council will hold a public hearing on Monday, December 16, at 6:30 p.m., to gather input on the City's proposed 2025 tax levy and budget. The hearing will take place in the City Council Chambers at Bloomington Civic Plaza, 1800 West Old Shakopee Road. For details on how to participate in person or by phone, visit blm.mn/cc-1216 or call 952-563-8790.

On September 9, 2024, the City Council set the preliminary tax levy for 2025 at \$89,739,962, reflecting an 11.50% increase from the 2024 levy. The levy amount may be reduced before final adoption but cannot be increased. For more information on the City's budget and details from the Budget Public Engagement events held this summer and fall, visit blm.mn/budget.

BLOOMINGTON.

tomorrow. together.

OUR MISSION

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

The 2025 proposed budget aligns with the Bloomington. Tomorrow. Together. mission and the three key priorities of the plan:



A connected, welcoming community



A healthy community



A community with equitable economic growth

INVESTING IN OUR PRIORITIES

Residents have made it clear how much they value Bloomington's parks and public safety through the National Community Survey™ and at budget engagement events through the year. Here are a few ways we are investing in those priorities:

- The City Council has approved temporarily over-staffing the authorized number of Police Officers to address planned retirements. This will decrease the amount of required overtime and meet full-force staffing needs.
- The proposed 2025 tax levy also includes funding to complete the construction of the new Bryant Park, Bloomington's first fully inclusive playground along with a redesigned park shelter.
- Funds to complete the new Tretbaugh Park, which will be a bike skills park that features a paved all-wheel track and gravel course for mountain bike skills development, are also included in the proposed 2025 tax levy.

El consejo municipal de la ciudad de Bloomington convocará una audiencia pública para escuchar de usted sobre la propuesta de recaudación de impuestos y el presupuesto de la ciudad para el año 2025, el día lunes, 16 de diciembre a las 6:30 p.m. Para más información en español, por favor visite la página de la red del internet blm.mn/property-tax.

Dawlada Hoose ee Bloomington waway qaban doontaa kulan lagu dhegeysanayo dadwaynaha Isniinta, Disambar 16 markay tahay saacada 6:30 fidnimo si lagaaga dhegaysto adiga arrinta ku saabsan cashuur saarida iyo miisaaniyada Magaalada 2025 ee la soo jeediya. Waxii maclu- maad dheeraad ah ee ku qoran Af Soomaali, fadlan booqo blm.mn/property-tax.

Hội Đồng Thành Phố Bloomington sẽ tổ chức một buổi điều trần công cộng vào thứ Hai, ngày 16 tháng Mười hai, lúc 6:30 giờ tối để nghe ý kiến của quý vị về đề xuất ngân sách và vấn đề đánh thuế năm 2025 của Thành Phố. Để tìm hiểu thêm bằng tiếng Việt, vui lòng truy cập trang mạng blm.mn/property-tax.

FIRE DEPARTMENT LONG-TERM STRATEGY



- Advancing the long-term transformation initiated by the City Council in 2022 to evolve from a paid-on-call fire department to a combination model with full-time and part-time firefighters to enhance fire response times and improve community safety.
- Continuing to add additional firefighters each year toward the goal of a combination department (75 full-time firefighters, 65 part-time firefighters, 15 command staff and fire inspectors)
- Updating six fire stations to support the combination model, addressing critical needs in stations from the 1960s. Two have been rebuilt, with plans to finish the rest by 2030.



City staff hosting one of the seven 2025 budget information tables

General Fund Budget & Tax Levy

2025 Truth in Taxation Public Hearing

Date & Time

Monday, December 16, 6:30 p.m.

Location

City Council Chambers, Bloomington Civic Plaza

Participate

In-person or by phone

Details

Visit blm.mn/cc-1216 or call 952-563-8790



MOVING
BLOOMINGTON
Forward
creating our shared future

Discussion

