



# 2025 City of Bloomington Budget and Tax Levy Public Hearing

Monday, December 16, 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

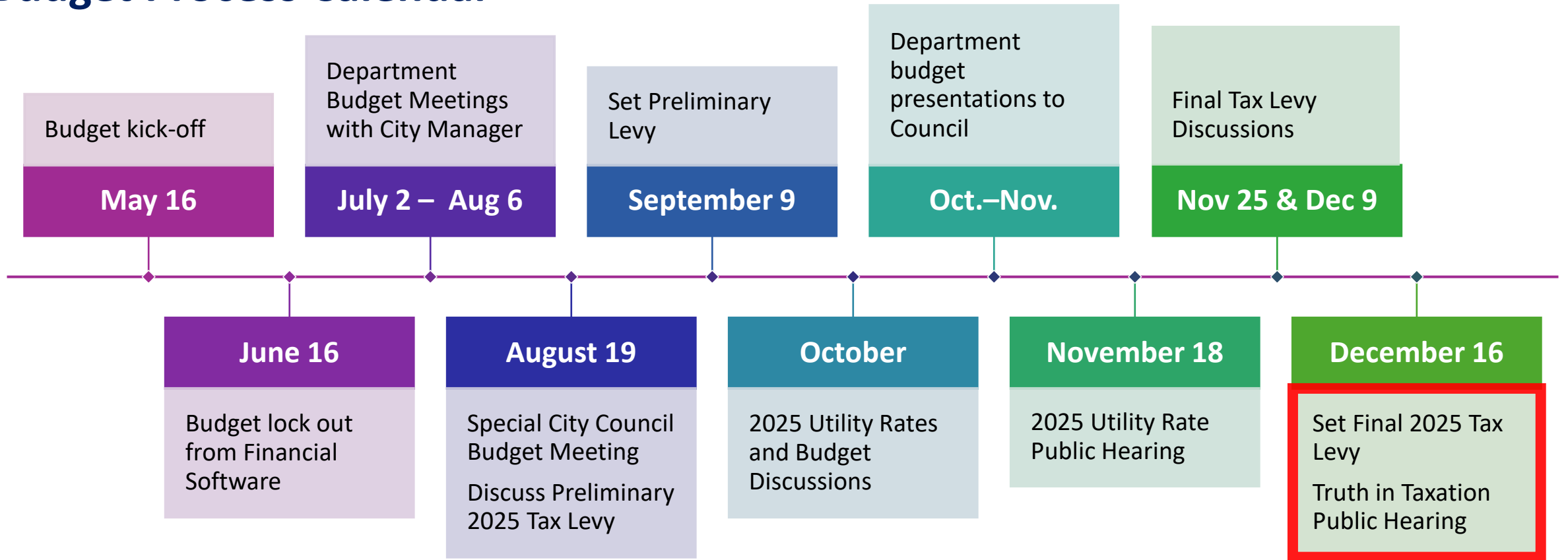


### A community with equitable economic growth

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



# 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

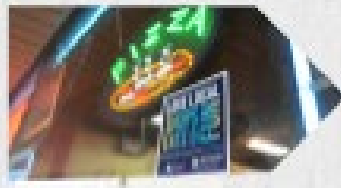
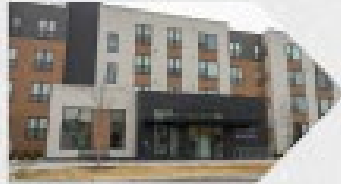


**659 chips**

**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%**

## 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	2.48
Public Safety	2.91
Parks, Arts, and Recreation	2.96
Equitable Economic Growth	3.91
Healthy Community	4.09
Connected, Welcoming Community	4.65



# 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](#)
- [About the deputy finance officer](#)

## 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.



## Key Investments in the 2025 Budget Request

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



## Proposed 2025 Tax Levy

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

## Impact on median value home of \$361,300 = 6.85%

9.18% increase to the tax levy is a  
**6.85%** increase for the median value  
home

**\$1.87 / week**

**\$8.12 / month**

**\$97.41 / year**





# 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.





## 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%
<b>Bloomington</b>	<b>9.18%</b>
St Louis Park	9.50%
Brooklyn Park	10.83%
Lakeville	12.05%
Edina	13.18%
Apple Valley	13.80%



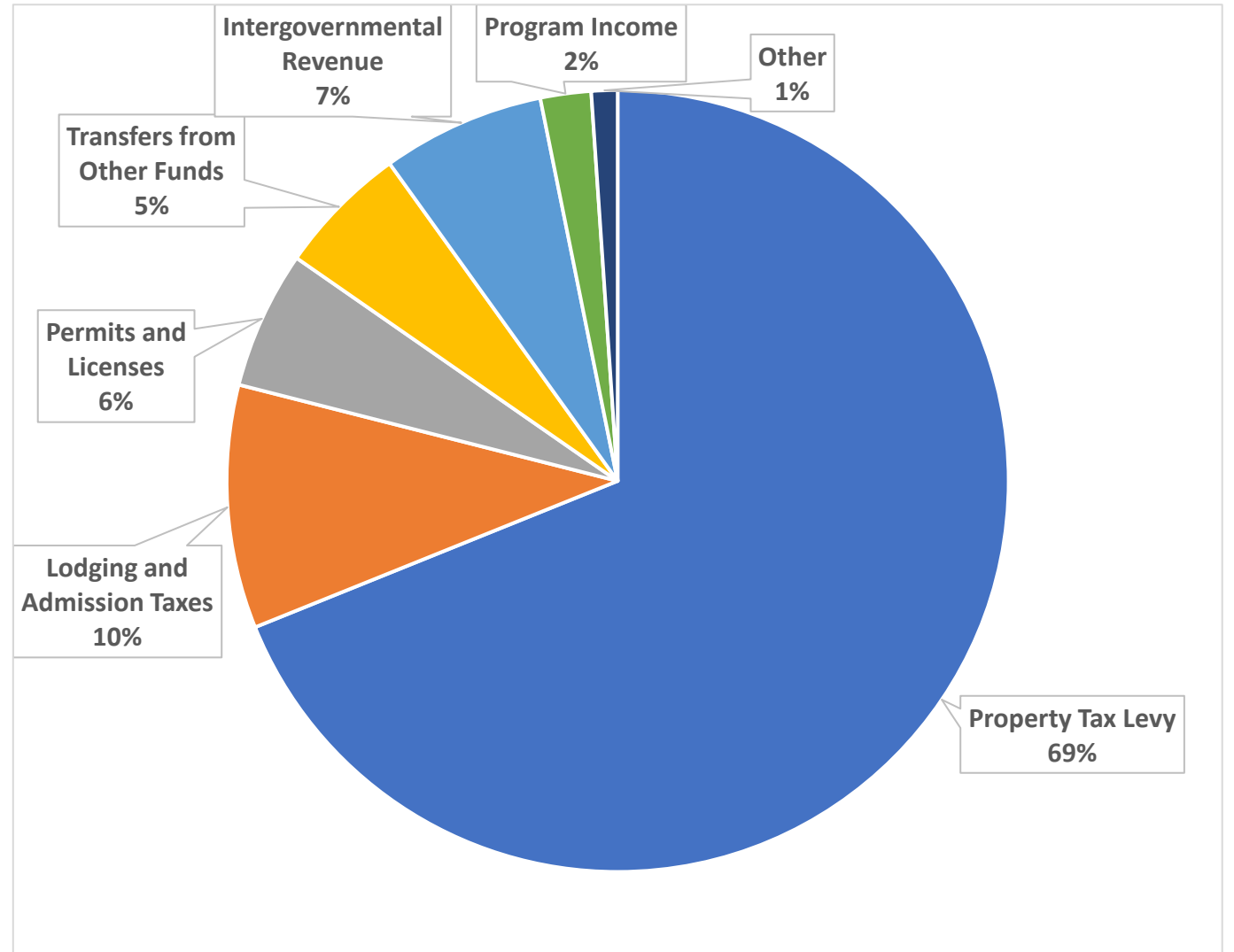
## Changes from 11.5% Preliminary Levy Increase down to 9.18%

Awarded 2 <sup>nd</sup> SAFER Grant to hire 18 Additional Firefighters	\$(564,798)
Increase in Lodging and Admission Tax Revenue	(495,398)
Transfer from Insurance Fund	(400,000)
Increase in Environmental Health Rental Inspection Fees	(290,000)
ARP Grant Revenue Available for Battalion Chiefs	(275,000)
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	(34,867)
Health Insurance Adjustment compared to Preliminary	650,000
3 Additional Positions (CHWC Recreation Manager, Crime Victim Liaison, Target Market Program Coordinator) starting in April and July of 2025	220,125
<b>Total Reduction from Preliminary Levy</b>	<b>(\$1,863,750)</b>



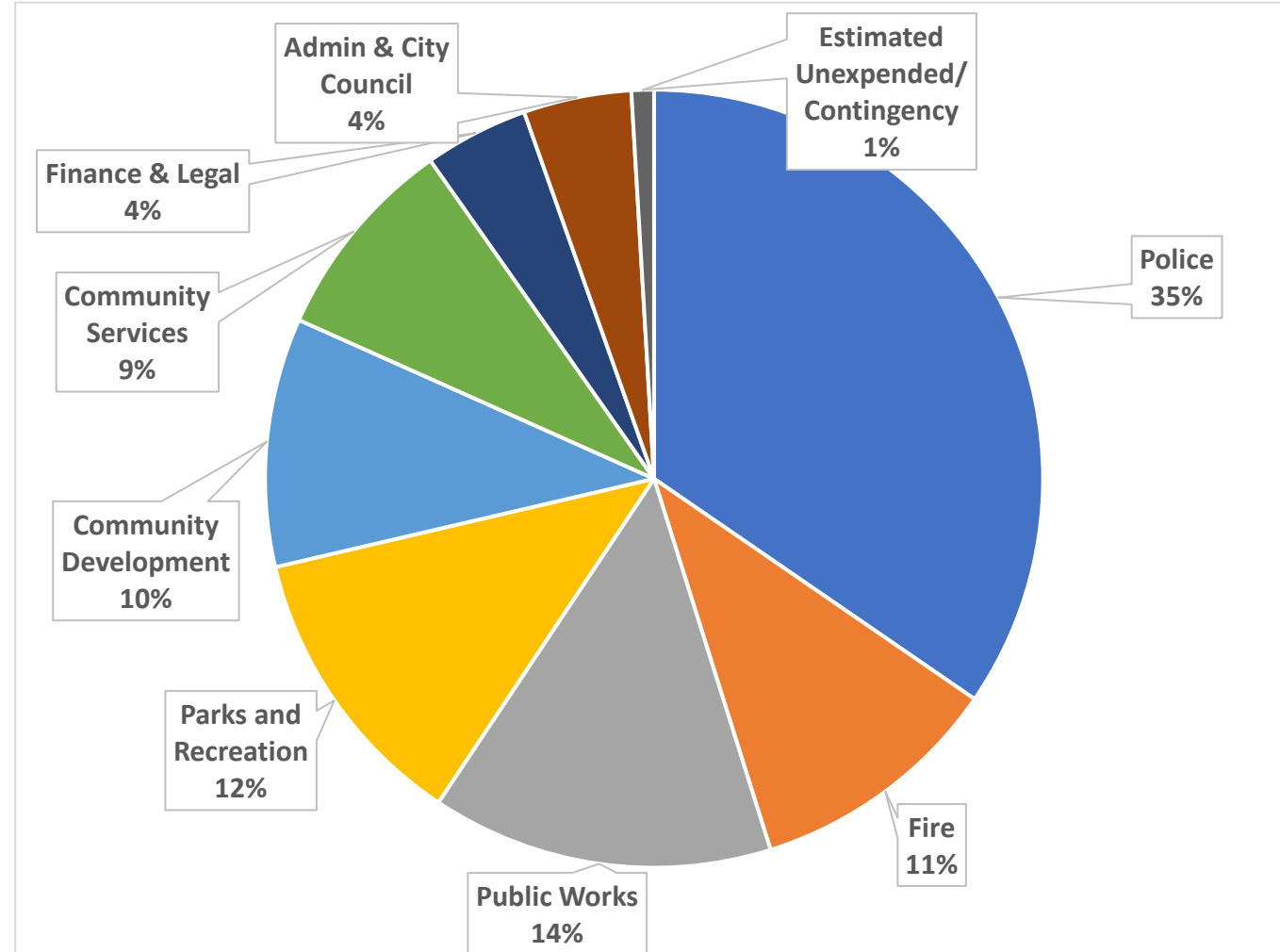
# ●●●● 2025 General Fund Revenues

	Recommended Final 2025 Budget
Property Tax Levy	\$75,657,500
Lodging and Admission Taxes	11,055,271
Permits and Licenses	6,259,861
Transfers from Other Funds	5,954,884
Intergovernmental Revenue	7,398,865
Program Income	2,300,753
Other	1,186,273
<b>Total</b>	<b>\$109,813,407</b>



# ●●●● 2025 General Fund Expenses

	Recommended Final 2025 Budget
Police	\$37,977,745
Fire	11,609,711
Public Works	15,590,419
Parks and Recreation	13,173,911
Community Development	11,353,677
Community Services	9,399,401
Finance & Legal	4,755,684
Admin & City Council	4,929,422
Estimated Unexpended/Contingency	1,023,437
<b>Total</b>	<b>\$109,813,407</b>



# General Fund 2025 Budget Request

	2024 Budget	2025 Budget	\$ from 2024	% from 2024
<b>Revenues</b>				
Program Income	\$ 2,173,972	\$ 2,300,753	\$ 126,781	5.83%
Permits and Licenses	6,219,054	6,259,861	\$ 40,807	0.66%
Intergovernmental	5,489,054	7,398,865	\$ 1,909,811	34.79%
Other Revenues	746,968	1,186,273	\$ 439,305	58.81%
Property Taxes	69,321,549	75,657,500	\$ 6,335,951	9.14%
Lodging and Admission Taxes	10,219,748	11,055,271	\$ 835,523	8.18%
Transfers from Other Funds	5,927,769	5,954,884	\$ 27,115	0.46%
<b>Total Revenues</b>	<b>100,098,114</b>	<b>109,813,407</b>	<b>9,715,293</b>	<b>9.71%</b>
<b>Expenditures</b>				
Salaries and Benefits	75,064,234	82,629,066	\$ 7,564,831	10.08%
Materials, Supplies, & Services	14,959,979	15,790,303	\$ 830,324	5.55%
Internal Charges	20,113,046	22,901,987	\$ 2,788,942	13.87%
Capital Outlay	196,500	153,000	\$ (43,500)	-22.14%
Less estimated unspent	(1,505,099)	(1,654,939)	\$ (149,840)	9.96%
Contingency	2,441,416	2,678,377	\$ 236,961	9.71%
Transfer to Other Funds	-	-	\$ -	0.00%
<b>Total Expenditures</b>	<b>\$ 111,270,076</b>	<b>\$ 122,497,795</b>	<b>\$ 11,227,718</b>	<b>10.09%</b>
Less Expenses Charged to Other Funds	(11,171,962)	(12,684,387)	\$ (1,512,425)	13.54%
<b>Net Total Expenditures</b>	<b>\$ 100,098,114</b>	<b>\$ 109,813,407</b>	<b>\$ 9,715,293</b>	<b>9.71%</b>
<b>Revenues less Expenditures</b>	<b>\$ (0)</b>	<b>\$ (0)</b>	<b>\$ 0</b>	<b>0.00%</b>





# Sample of 2025 Residential Property Tax Statement

## Preliminary 11.50% City Tax Levy Increase

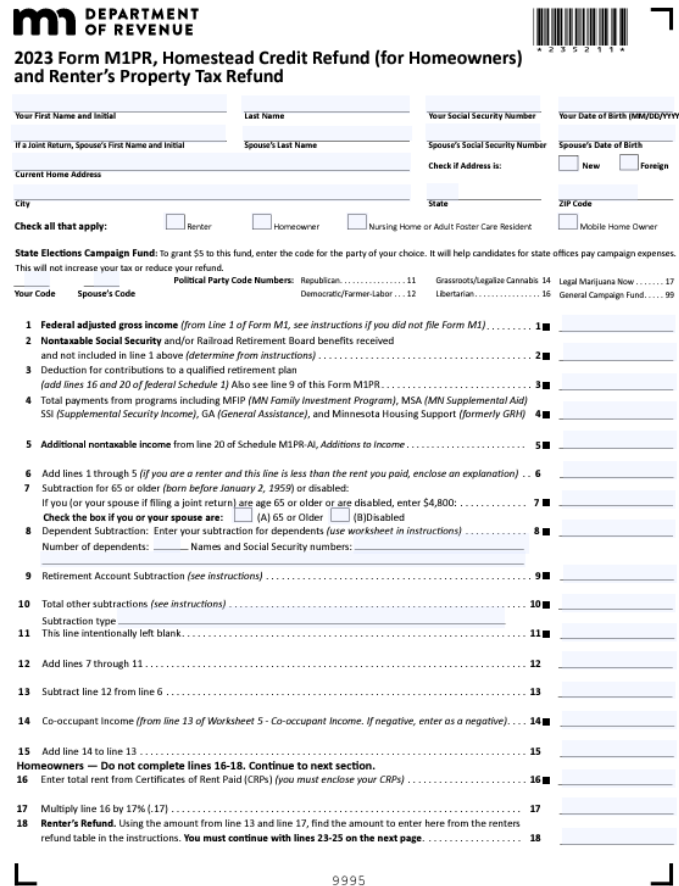
## Revised 9.18% City Tax Levy Increase

• City Property Tax	\$1,560.77
• County Property Tax	\$1,281.17
• School Property Tax	\$1,362.41
• <u>Other Property Tax</u>	<u>\$ 369.49</u>
<b>Total Property Tax</b>	<b>\$4,573.84</b>

City Property Tax	\$1,519.55
County Property Tax	\$1,281.17
School Property Tax	\$1,362.41
<u>Other Property Tax</u>	<u>\$ 369.49</u>
<b>Total Property Tax</b>	<b>\$4,532.62</b>



# State of Minnesota - Property Tax Refund (Form M1PR)



**mn DEPARTMENT OF REVENUE**

**2023 Form M1PR, Homestead Credit Refund (for Homeowners) and Renter's Property Tax Refund**

Your First Name and Initial \_\_\_\_\_ Last Name \_\_\_\_\_ Your Social Security Number \_\_\_\_\_ Your Date of Birth (MM/DD/YYYY) \_\_\_\_\_

If a Joint Return, Spouse's First Name and Initial \_\_\_\_\_ Spouse's Last Name \_\_\_\_\_ Spouse's Social Security Number \_\_\_\_\_ Spouse's Date of Birth \_\_\_\_\_

Current Home Address \_\_\_\_\_ Check if Address is:  New  Foreign

City \_\_\_\_\_ State \_\_\_\_\_ ZIP Code \_\_\_\_\_

Check all that apply:  Renter  Homeowner  Nursing Home or Adult Foster Care Resident  Mobile Home Owner

**State Elections Campaign Fund:** To grant \$5 to this fund, enter the code for the party of your choice. It will help candidates for state offices pay campaign expenses. This will not increase your tax or reduce your refund.

Political Party Code Numbers: Republican ..... 11 Grassroots/Upitalize Cannabis 14 Legal Marijuana Now ..... 17  
Democratic/Farmer-Labor ..... 12 Libertarian ..... 16 General Campaign Fund ..... 99

Your Code \_\_\_\_\_ Spouse's Code \_\_\_\_\_

1 Federal adjusted gross income (from Line 1 of Form M1, see instructions if you did not file Form M1) ..... 1 ■ \_\_\_\_\_

2 Nontaxable Social Security and/or Railroad Retirement Board benefits received and not included in line 1 above (determine from instructions) ..... 2 ■ \_\_\_\_\_

3 Deduction for contributions to a qualified retirement plan (add lines 16 and 20 of federal Schedule 1) Also see line 9 of this Form M1PR ..... 3 ■ \_\_\_\_\_

4 Total payments from programs including MFIP (MN Family Investment Program), MSA (MN Supplemental Aid) SSI (Supplemental Security Income), GA (General Assistance), and Minnesota Housing Support (formerly GRH) ..... 4 ■ \_\_\_\_\_

5 Additional nontaxable income from line 20 of Schedule M1PR-AI, Additions to Income ..... 5 ■ \_\_\_\_\_

6 Add lines 1 through 5 (if you are a renter and this line is less than the rent you paid, enclose an explanation) ... 6 \_\_\_\_\_

7 Subtraction for 65 or older (born before January 2, 1959) or disabled: If you (or your spouse if filing a joint return) are age 65 or older or are disabled, enter \$4,800: ..... 7 ■ \_\_\_\_\_  
Check the box if you or your spouse are:  (A) 65 or Older  (B) Disabled

8 Dependent Subtraction: Enter your subtraction for dependents (use worksheet in instructions) ..... 8 ■ \_\_\_\_\_  
Number of dependents: \_\_\_\_\_ Names and Social Security numbers: \_\_\_\_\_

9 Retirement Account Subtraction (see instructions) ..... 9 ■ \_\_\_\_\_

10 Total other subtractions (see instructions) ..... 10 ■ \_\_\_\_\_  
Subtraction type: \_\_\_\_\_

11 This line intentionally left blank ..... 11 ■ \_\_\_\_\_

12 Add lines 7 through 11 ..... 12 \_\_\_\_\_

13 Subtract line 12 from line 6 ..... 13 \_\_\_\_\_

14 Co-occupant Income (from line 13 of Worksheet 5 - Co-occupant Income. If negative, enter as a negative) ... 14 ■ \_\_\_\_\_

15 Add line 14 to line 13 ..... 15 \_\_\_\_\_

**Homeowners — Do not complete lines 16-18. Continue to next section.**

16 Enter total rent from Certificates of Rent Paid (CRPs) (you must enclose your CRPs) ..... 16 ■ \_\_\_\_\_

17 Multiply line 16 by 17% (.17) ..... 17 \_\_\_\_\_

18 Renter's Refund. Using the amount from line 13 and line 17, find the amount to enter here from the renters refund table in the instructions. You must continue with lines 23-25 on the next page. .... 18 \_\_\_\_\_

9995

Minnesota homeowners and renters may qualify for a Property Tax Refund.

**For more information-**  
Minnesota Department of Revenue:  
<https://www.revenue.state.mn.us/property-tax-refund>  
651-296-3781 or 1-800-652-9094



# State of Minnesota - Property Tax Refund (Form M1PR)

- Two types available:
  - Regular Property Tax Refund
    - Compares property taxes versus your total household income
    - Renter income less than \$73,270; Homeowner less than \$135,410
  - Special Property Tax Refund
    - Increase in taxes beyond State set level
    - Increase of 12% from previous year and at least \$100 increase.
- Due date is August 15 - you may file up to one year after the due date
- You must homestead the property to qualify for refund
- Beginning with tax year 2024, Renters will no longer need to file M1PR. The credit will be added to the income tax return.



# Senior Deferral Property Tax Program

- Caps property taxes a resident pays each year at 3% of previous year's income.
- Person must be 65 or older, if they are married, their spouse must be 62 or older.
- Household income needs to be less than \$96,000.
- Must have lived in home for the last 5 or more years.
- Must have homesteaded home for the last 5 or more years.
- When home is sold deferral is voluntarily cancelled, loan must be repaid with interest.
  - The interest rate varies but does not exceed 5%.
- *The City Assessors office is available to help residents who have questions about this program.*



**BLOOMINGTON.**

tomorrow.together. ●

**MOVING**  
BLOOMINGTON  
**Forward**  
creating our shared future

# Discussion







# Public Hearing

## 2025 Tax Levy





# Motions

Motion by \_\_\_\_\_, seconded by \_\_\_\_\_ to adopt Resolution No. 2024-\_\_\_\_\_, Establishing Final Tax Levies for the City of Bloomington for the Year 2025.

## ***AND***

Motion by \_\_\_\_\_, seconded by \_\_\_\_\_ to adopt Resolution No. 2024-\_\_\_\_\_, Adopting the Final 2025 General Fund Budget.