



Comprehensive Annual Financial Report

For the fiscal year ended December 31, 2019

Thomas Harmening – City Manager
Prepared by: Finance Division

Member of the Government Finance Officers'
Association
Of the United States and Canada

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CITY OF ST. LOUIS PARK, MINNESOTA

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I. INTRODUCTORY SECTION

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June 9, 2020

Honorable Mayor and Members of the City Council
City of St. Louis Park, Minnesota

Minnesota statutes require all cities to issue an annual report on its financial position and activity prepared in accordance with generally accepted accounting principles (GAAP), and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants, or the Office of the State Auditor. Pursuant to that requirement, we hereby issue the comprehensive annual financial report of the City of St. Louis Park for the fiscal year ended December 31, 2019.

This report consists of management's representations concerning the finances of the City of St. Louis Park. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the City of St. Louis Park established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation for the City of St. Louis Park's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City of St. Louis Park's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The City of St. Louis Park's financial statements have been audited by Redpath and Company Ltd., a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City of St. Louis Park for the fiscal year ended December 31, 2019, are free of any material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City of St. Louis Park's financial statements for the fiscal year ended December 31, 2019, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

Management's Discussion and Analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it.

Profile of the Government

The City of St. Louis Park, established in 1886, is a first ring community located immediately west of Minneapolis. Thanks to its convenient location, St. Louis Park combines all the cultural amenities of a large metropolitan area with small town friendliness. The City of St. Louis Park currently occupies a land area of 10.8 square miles and serves a population of 48,910. The City of St. Louis Park is empowered to levy a property tax on both real and personal properties located within its boundaries. While it also is empowered by state statutes to extend its corporate limits by annexation, St. Louis Park is a completely developed community and is bordered on all sides by other incorporated communities.

St. Louis Park operates under the council/manager form of government. Policy-making and legislative authority are vested in a City Council consisting of a mayor, two at-large council members, and four ward council members. The City Council is responsible, among other things, for passing ordinances, adopting the budget, appointing committees, and hiring the City Manager. The City Manager is responsible for carrying out the policies and ordinances of the council, for overseeing the day-to-day operations of the City government, and for appointing the heads of the various departments. The council is elected on a non-partisan basis. Council members serve four-year staggered terms.

The City of St. Louis Park provides a full range of services, including police and fire protection; redevelopment, the construction and maintenance of highways, streets, and other infrastructure; water, sewer, storm water, and refuse services, as well as recreational activities and cultural events.

The annual budget serves as the foundation for the City of St. Louis Park's financial planning and control. All departments and agencies of the City of St. Louis Park submit requests for appropriation to the City Manager in June of each year. The City Manager uses these requests as the starting point for developing a proposed budget. The City Manager then presents this proposed budget to the council for review prior to adoption of a preliminary tax levy by September 30. The council is required to hold a public hearing on the proposed budget and to adopt a final budget no later than December 28.

The appropriated budget is prepared by fund, (e.g. General), function (e.g., public safety), and department (e.g., police). Department directors may make transfers of appropriation within a department, but not between personnel and non-personnel categories. Transfers of appropriations between funds, however, require the approval of the City Council. Budget to actual comparisons are provided in this report for the general fund for which an appropriated annual budget has been adopted. These comparisons are presented starting on page 94 as part of the basic financial statements for the governmental funds.

Factors Affecting Financial Condition

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the City of St. Louis Park operates.

Local economy

The City of St. Louis Park currently enjoys a durable economic environment and local indicators point to continued stability versus other communities in the Twin City Metro Area. The City of St. Louis Park has a well-diversified tax base, with a sizeable full valuation that includes retail, manufacturing, and health care components, as well as diverse housing stock. Redevelopment, development, and reinvestment efforts remain very strong in St Louis Park.

Redevelopment/Development

The City of St. Louis Park is committed to evaluating, preserving, and improving the housing stock available within the community. It is important that a wide variety of housing alternatives be available within the community. Redevelopment projects over the past ten years have provided a mix of apartment, co-op, condominium, town-home, and single family units. Many of these housing developments contain a commercial component including both retail and services to support the new housing and create more livable neighborhoods. The City has used its tax increment financing authority in many of these projects in order to meet specific community and economic development objectives.

Some of the larger projects include:

Bridgewater Corporate Center

Bridgewater Bank redeveloped an obsolete strip mall at the corner of Monterey Avenue and Excelsior Blvd with a four-story, 84,000 square foot class A office building. The project includes 57,000 square feet of bank offices, a 7,000 square foot bank branch, 7,000 square feet of commercial/restaurant space and three levels of structured parking.

10 West End

10 West End is phase IV of the Central Park West Redevelopment project. It is an eleven story, 343,000 square foot Class A office building, with 3,500 square feet of ground floor commercial space, 5,000 square feet of shared outdoor amenity space and a 1,214 stall parking structure.

Elan West End

Elan West End is Phase II of the Central Park West Redevelopment project at 1325 Utica Ave S. Elan West End is a six-story apartment building with 164 residential units adjacent to Central Park West and the AC Hotel by Marriott. The development includes five affordable units at 60 percent area median income.

Urban Park Apartments Phase II

Urban Park Apartments, located at 3601 Phillips Parkway, is the second apartment building in the project and consists of 61 market rate apartments, two community rooms and a fitness center. A pool and improved outdoor amenity space will also be added as part of the project.

The Elmwood

The Elmwood, located at 5605 W. 36th St., is a five story, 70-unit mixed-use, mixed-income senior development (53 market and 17 affordable units) with 4,400 square feet of leasable ground floor office/commercial space.

The City also sponsors a comprehensive rehabilitation loan program available to single-family and multi-family homeowners. The first programs were started in the mid 1970's and have evolved into a comprehensive set of programs to ensure the preservation and enhancement of the City's housing stock.

Finally, the City has a Convention and Visitors Bureau, which markets the desirability of St. Louis Park for both business and recreational opportunities. This continues to be a very strong partner with the City of St. Louis Park which has brought increased business and activities to the City.

Long-term Financial Planning

The City maintains a 10 year Long Range Financial Management Plan that incorporates anticipated revenues, expenditures, capital outlay, and tax impacts for all relevant funds. The plan anticipates opportunities or challenges, allows for changes to then be made, with the goal of achieving long-term sustainability. The plan is used in conjunction with the annual budget process and Capital Improvement Plan, which then allows the City Council to evaluate various budget decisions prior to adoption. This plan has proven its value by playing a significant role in maintaining the City's AAA bond rating from Standard & Poor's, which assists in keeping the cost of borrowing for the City of St. Louis Park at a low rate.

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of St. Louis Park for its comprehensive annual financial report for the fiscal year ended December 31, 2018. This was the thirty-sixth consecutive year that the government received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. The report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

Acknowledgements

The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of the Finance Division and other key City of St. Louis Park personnel. We would like to express our appreciation to all members of the organization who assisted and contributed to the preparation of the report. Credit also must be given to the Mayor and the City Council for their unfailing support for maintaining the highest standards of professionalism in the management of the City of St. Louis Park's finances.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Tom Harmening", with a long horizontal flourish extending to the right.

Thomas Harmening
City Manager

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Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**City of St. Louis Park
Minnesota**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

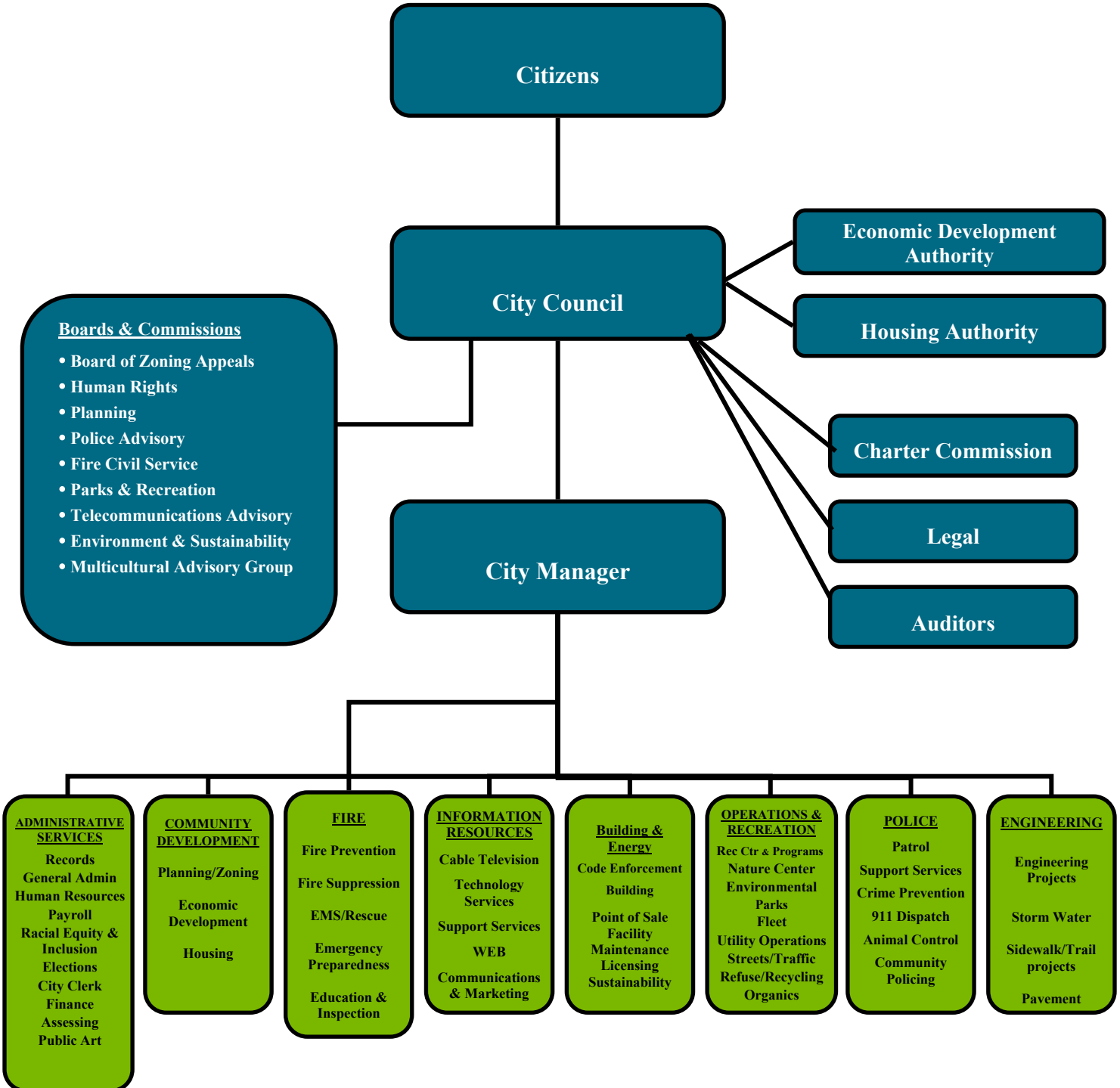
December 31, 2018

Christopher P. Morill

Executive Director/CEO

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SERVICES CHART



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OFFICIALS OF THE CITY OF ST. LOUIS PARK

Council

Jake Spano

Mayor
EDA Commissioner
Term Expires 1/2020

Steve Hallfin

At-Large A Councilmember
EDA President
Term Expires 1/2020

Thom Miller

At-Large B Councilmember
EDA Commissioner
Term Expires 1/2020

Margaret Rog

Ward 1 Councilmember
EDA Treasurer
Term Expires 1/2022

Anne Mavity

Ward 2 Councilmember
EDA Commissioner
Term Expires 1/2022

Rachel Harris

Ward 3 Councilmember
EDA Commissioner
Term Expires 1/2022

Tim Brausen

Ward 4 Councilmember
EDA Vice President
Term Expires 1/2022

Executive Staff

Thomas Harmening, *City Manager*

Nancy Deno, *Deputy City Manager/Human Resources Director*

Mike Harcey, *Police Chief*

Steve Koering, *Fire Chief*

Karen Barton, *Community Development Director*

Brian Hoffman, *Inspections Director*

Timothy Simon, *Chief Financial Officer*

Debra Heiser, *Engineering Director*

Clint Pires, *Chief Information Officer*

Cindy Walsh, *Operations & Recreation Director*

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II. FINANCIAL SECTION

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INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and
Members of the City Council
City of St. Louis Park, Minnesota

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of St. Louis Park, Minnesota, as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the City of St. Louis Park, Minnesota's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of St. Louis Park, Minnesota, as of December 31, 2019, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of St. Louis Park, Minnesota's basic financial statements. The introductory section, combining fund financial statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules, are fairly stated in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 9, 2020, on our consideration of the City of St. Louis Park, Minnesota's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of St. Louis Park, Minnesota's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of St. Louis Park, Minnesota's internal control over financial reporting and compliance.

Redpath and Company, Ltd.

REDPATH AND COMPANY, LTD.
St. Paul, Minnesota

June 9, 2020

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City of St. Louis Park Management's Discussion and Analysis

As management of the City of St. Louis Park, we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended December 31, 2019. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which starts on page 3 of this report.

Financial Highlights

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$171,206,692 (*net position*). Of this amount, \$18,364,462 (*unrestricted net position*) may be used to meet the government's ongoing obligations to citizens and creditors.
- The City's total net position decreased by \$5,155,214 as a result of expenses in excess of revenues. \$2,076,369 was a result of an increase of net position within business-type activities, and \$7,231,583 from a decrease of net position within governmental activities.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$74,184,533, an increase of \$15,188,152 in comparison with the prior year. The increase was primarily related to the issuance of bonds. Approximately 38 percent of this total amount, \$28,618,951 is either nonspendable or restricted for specific purposes. The remaining fund balance was committed by City Council, assigned or unassigned.
- At the end of the current fiscal year, unassigned fund balance for the General fund was \$18,762,374 (45percent) of the total subsequent year budgeted General fund expenditures.
- The City's total bonded debt increased \$26,855,000 during 2019. New debt issued, and principal paid during the year was \$32,005,000 and \$5,150,000 respectively.

Overview of the Financial Statements

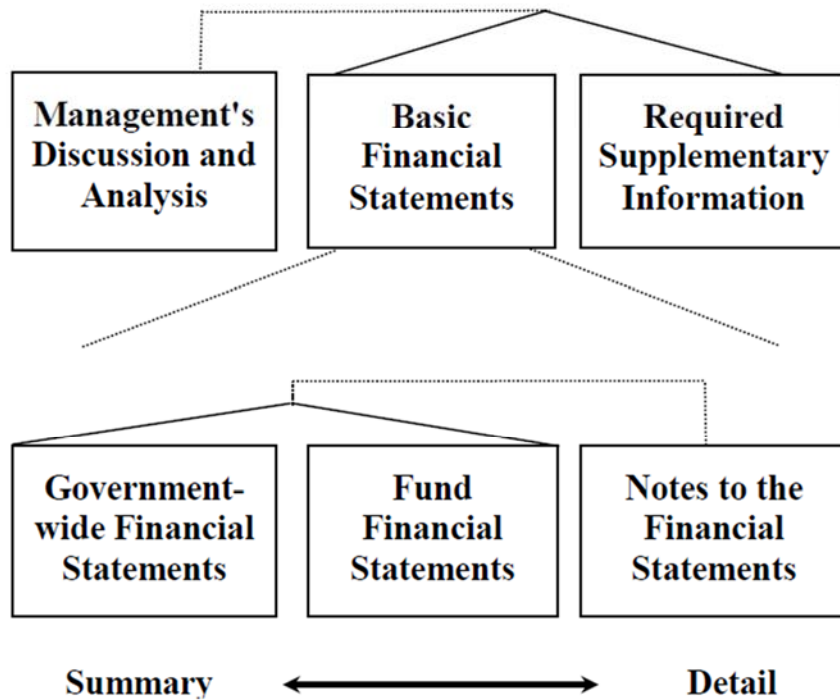
This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplemental information in addition to the basic financial statements themselves. The following chart on page 22 shows how the various parts of this annual report are arranged and related to one another.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of combining fund financial statements and schedules that further explains and supports the information in the financial statements. Figure 1 shows how the required parts of this annual report are arranged and relate to one another. In addition to these required elements, we have included a section with combining fund financial statements and schedules that provide details about nonmajor governmental funds, which are added together and presented in single columns in the basic financial statements. Internal service funds

City of St. Louis Park Management's Discussion and Analysis

statements are also included, reflecting balances prior to their elimination from the government-wide financial statements, to avoid “doubling-up” effect within the governmental and business-type activities columns of said statements.

**Figure 1
Required Components of the
City's Annual Financial Report**



City of St. Louis Park Management’s Discussion and Analysis

Figure 2 summarizes the major features of the City’s financial statements, including the portion of the City government they cover and the types of information they contain. The remainder of this overview section of management’s discussion and analysis explains the structure and contents of each of the statements.

Figure 2
Major features of the Government-wide and Fund Financial Statements

	Fund Financial Statements		
	Government-wide Statements	Governmental Funds	Proprietary Funds
Scope	Entire City government and the City’s component units	The activities of the City that are not proprietary, such as police, fire and parks	Activities the City operates similar to private businesses, such as the water and sewer system
Required financial statements	<ul style="list-style-type: none"> • Statement of Net Position • Statement of Activities 	<ul style="list-style-type: none"> • Balance Sheet • Statement of Revenues, Expenditures and Changes in Fund Balances 	<ul style="list-style-type: none"> • Statement of Net Position • Statement of Revenues, Expenses and Changes in Net Position • Statement of Cash Flows
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, and short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets included	All assets and liabilities, both financial and capital, and short-term and long-term
Type of deferred outflows/inflows of resources information	All deferred outflows/inflows of resources, regardless of when cash is received or paid	Only deferred outflows of resources expected to be used up and deferred inflows of resources that come due during the year or soon thereafter; no capital assets included	All deferred outflows/inflows of resources, regardless of when cash is received or paid
Type of inflow/outflow information	All revenues and expenses during the year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and payment is due during the year or soon thereafter	All revenues and expenses during the year, regardless of when cash is received or paid

City of St. Louis Park Management's Discussion and Analysis

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

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

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

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenue (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City include general government, public safety, public information, operations and recreation, engineering, housing and rehabilitation, housing maintenance, social and economic development, and interest on long-term debt. The business-type activities of the City include water, sewer, solid waste, and storm water operations.

The government-wide financial statements include not only the City itself (known as the *primary government*), but also a legally separate Economic Development Authority (EDA) for which the City is financially accountable. Financial information for this *component unit* is not reported separately from the financial information presented for the primary government itself.

The government-wide financial statements start on page 39 of this report.

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

Governmental funds – *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on

City of St. Louis Park Management's Discussion and Analysis

balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

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

The City maintains seven individual major governmental funds. Information is presented separately in the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Housing Rehabilitation, Debt Service, Development EDA, Redevelopment District, Streets Capital Projects, and Westwood Hills Nature Center Construction Project all of which are considered to be major funds. Data from the other ten governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of *combining statements* elsewhere in this report.

The City adopts annual appropriated budgets for the General Fund. Budgetary comparison statements are provided for the General Fund to demonstrate compliance with this budget.

The basic governmental fund financial statements start on page 41 of this report.

Proprietary funds – The City maintains two different types of proprietary funds.

Enterprise funds are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City uses enterprise funds to account for its water, sewer, solid waste, and storm water operations. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the water, sewer, solid waste and storm water operations, all of which are considered to be major funds of the City.

Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for maintaining its fleet of vehicles, management information systems, replacement of City equipment, employee benefits, compensated absences, pension benefit and uninsured losses. Because all of these services predominately benefit governmental rather than business-type functions, they have been included within *governmental activities* in the government-wide financial statements. All internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of *combining statements* elsewhere in this report.

City of St. Louis Park Management's Discussion and Analysis

The basic proprietary fund financial statements start on page 44 of this report.

Notes to the financial statements – The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements start on page 49 of this report.

Other Supplementary Information - In addition to the basic financial statements and accompanying notes, Required Supplementary Information, presents a detailed budgetary comparison schedule for the General Fund to demonstrate compliance with the budget. In accordance with the requirements of GASB Statement No. 75, it also includes other post-employment benefit plan schedule of changes in total OPEB liability and related ratios. In accordance with the requirements of GASB Statement No. 68, also included is defined benefit pension plan information: a) schedules of the City's contributions and b) schedules of the City's proportionate share of net pension liability. These schedules can be found in the Required Supplementary Information section of this report. The combining statements and schedules referred to earlier in connection with nonmajor governmental funds and internal service funds are presented immediately following the required supplementary information starting on page 94 of this report.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$171,206,692 at the close of the most recent fiscal year.

A portion of the City's net position (76 percent) reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment); less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

City of St. Louis Park Management's Discussion and Analysis

City of St. Louis Park's Net Position

	Governmental Activities			Business-type Activities		
	2019	2018	Increase (Decrease)	2019	2018	Increase (Decrease)
Assets						
Current and other assets	\$ 99,904,951	\$ 83,718,324	\$ 16,186,627	\$ 12,846,723	\$ 11,425,279	\$ 1,421,444
Capital assets	149,334,573	141,268,586	8,065,987	49,978,011	43,327,483	6,650,528
Total assets	249,239,524	224,986,910	24,252,614	62,824,734	54,752,762	8,071,972
Total deferred outflows of resources	12,367,362	13,978,083	(1,610,721)	-	-	-
Liabilities						
Other liabilities	12,775,662	10,706,234	2,069,428	1,665,609	2,268,442	(602,833)
Noncurrent liabilities	95,299,784	65,520,989	29,778,795	26,926,472	20,328,036	6,598,436
Total liabilities	108,075,446	76,227,223	31,848,223	28,592,081	22,596,478	5,995,603
Total deferred inflows of resources	16,557,401	18,532,148	(1,974,747)	-	-	-
Net position						
Net investment in capital assets	102,644,391	107,090,668	(4,446,277)	27,805,955	25,992,377	1,813,578
Restricted	22,391,884	13,200,855	9,191,029	-	-	-
Unrestricted	11,937,764	23,914,099	(11,976,335)	6,426,698	6,163,907	262,791
Total net position	\$ 136,974,039	\$ 144,205,622	\$ (7,231,583)	\$ 34,232,653	\$ 32,156,284	\$ 2,076,369

An additional portion of the City's net position \$22,391,884 represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net position* \$18,364,462 may be used to meet the City's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the City is able to report positive balances in all three categories of net position, both for the City as a whole, as well as for its separate governmental and business-type activities.

City of St. Louis Park Management's Discussion and Analysis

Analysis of the City's Operations – The following table provides a summary of the City's operations for the year ended December 31, 2019. Overall, both the governmental and business-type activities revenue and expenses remained stable. Governmental activities decreased the City's net position by \$7,231,583. Business-type activities increased the City's net position by \$2,076,369.

City of St. Louis Park's Changes in Net Position

	Governmental Activities			Business-type Activities		
	2019	2018	Increase (Decrease)	2019	2018	Increase (Decrease)
Revenues						
Program revenues						
Charges for services	\$ 9,386,456	\$ 8,765,915	\$ 620,541	\$ 21,141,348	\$ 20,066,320	\$ 1,075,028
Operating grants and contributions	3,360,346	2,666,090	694,256	196,100	174,250	21,850
Capital grants and contributions	2,693,816	3,526,377	(832,561)	556,508	429,928	126,580
General revenues						
Property taxes and TIF	45,593,759	43,715,743	1,878,016	-	-	-
Franchise fees	1,074,002	3,804,678	(2,730,676)	-	-	-
Lodging taxes	4,212,728	1,021,855	3,190,873	-	-	-
Grants and contributions not restricted to specific programs	319,322	618,645	(299,323)	-	-	-
Unrestricted investment earnings	1,669,916	739,130	930,786	271,026	159,537	111,489
Gain on disposal of capital assets	178,509	1,751,339	(1,572,830)	-	-	-
Miscellaneous	1,619,458	491,591	1,127,867	-	-	-
Total revenues	70,108,312	67,101,363	3,006,949	22,164,982	20,830,035	1,334,947
Expenses						
General government	\$ 12,022,082	11,051,775	970,307	-	-	-
Public safety	18,868,900	17,621,109	1,247,791	-	-	-
Public information	594,521	642,350	(47,829)	-	-	-
Operations	20,692,741	7,491,753	13,200,988	-	-	-
Parks and recreation	7,463,862	15,146,290	(7,682,428)	-	-	-
Housing and rehabilitation	2,011,975	530,192	1,481,783	-	-	-
Housing maintenance	89,828	19,768	70,060	-	-	-
Social and economic development	15,526,279	12,549,378	2,976,901	-	-	-
Interest on long-term debt	2,139,962	1,456,241	683,721	-	-	-
Water	-	-	-	5,922,733	5,445,760	476,973
Sewer	-	-	-	6,387,860	6,083,196	304,664
Solid waste	-	-	-	3,527,810	3,463,412	64,398
Storm water	-	-	-	2,179,955	2,372,829	(192,874)
Total expenses	79,410,150	66,508,856	12,901,294	18,018,358	17,365,197	653,161
Increase (decrease) in net position before transfers	(9,301,838)	592,507	(9,894,345)	4,146,624	3,464,838	681,786
Transfers	2,070,255	2,004,593	65,662	(2,070,255)	(2,004,593)	(65,662)
Change in net position	(7,231,583)	2,597,100	(9,828,683)	2,076,369	1,460,245	616,124
Net position, January 1	144,205,622	141,608,522	2,597,100	32,156,284	30,696,039	1,460,245
Net position, December 31	<u>\$ 136,974,039</u>	<u>\$ 144,205,622</u>	<u>\$ (7,231,583)</u>	<u>\$ 34,232,653</u>	<u>\$ 32,156,284</u>	<u>\$ 2,076,369</u>

City of St. Louis Park Management's Discussion and Analysis

Governmental Activities

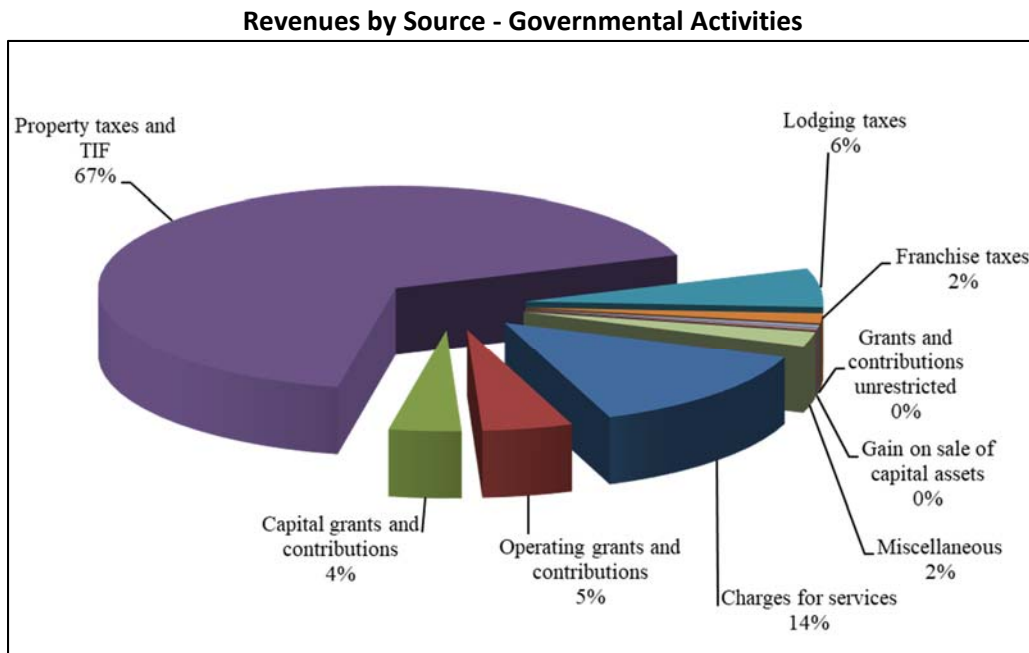
Governmental activities decreased the City's net position by \$7,231,583. Overall the governmental activities in 2019 were stable, with a slight increase in both revenues and expenses. Revenues increased by \$3.0 million, primarily related lodging tax general revenues, while expenses increased by \$12 million, with the largest increase in operations (\$13.2 million) and the largest decrease in parks and recreation (\$7.7 million) due to maintenance projects.

Business-type Activities

Business-type activities increased the City's net position by \$2,076,369. Revenues increased by \$1.3 million, expenses increased \$585 thousand, and net transfers were comparable to prior year. The increase in revenues was the result of increased utility rates and the increase in expenses was a result of increased operating expenses to provide services.

Governmental Activities

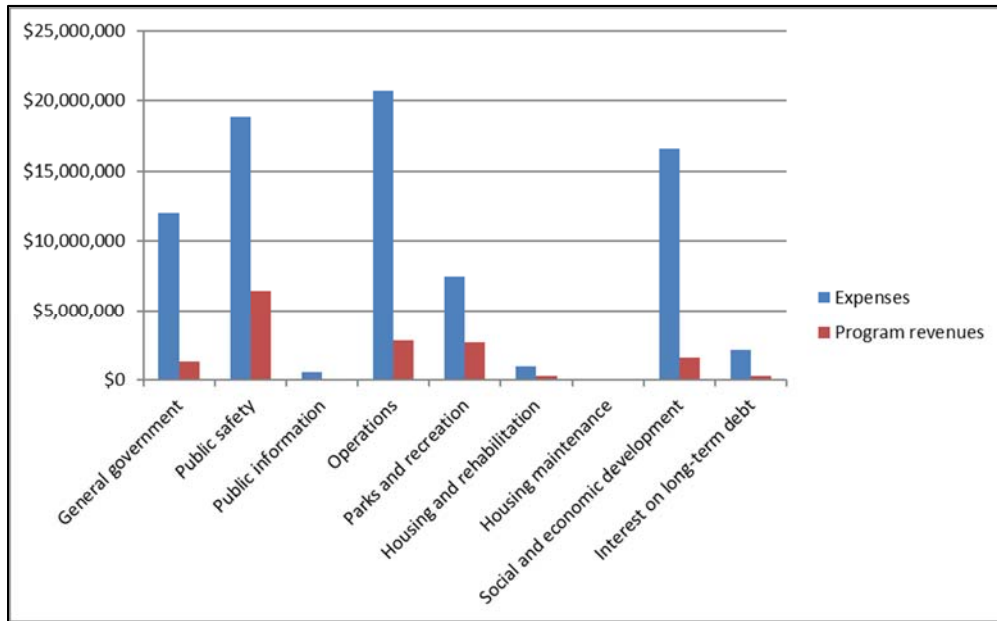
Revenues - The following chart illustrates the City's revenue by source for its governmental activities:



City of St. Louis Park Management's Discussion and Analysis

Expenses - The following chart illustrates the City's expenses and program revenues for its governmental activities:

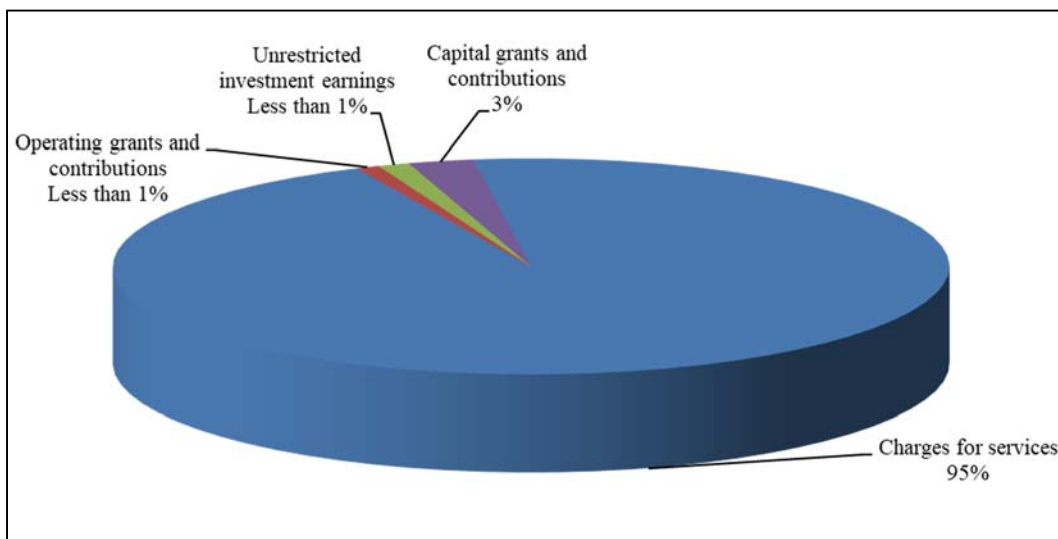
Expenses and Program Revenues - Governmental Activities



Business-type Activities

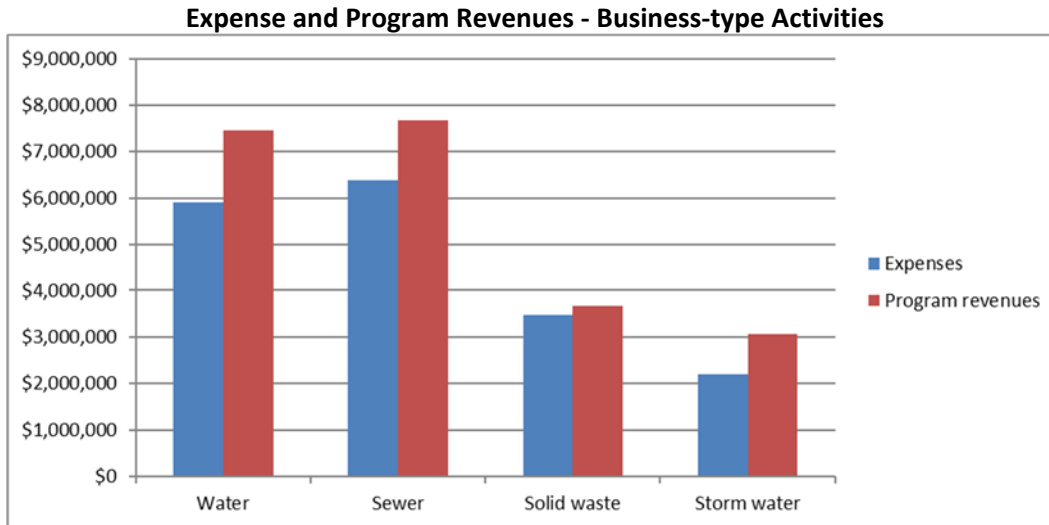
Revenues - The following chart illustrates the City's revenue by source for its business-type activities:

Revenue Sources - Business-type Activities



City of St. Louis Park Management's Discussion and Analysis

Expenses - The following chart illustrates the City's expenses and program revenues for its business-type activities:



Financial Analysis of the Government's Funds

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the year.

City of St. Louis Park Management's Discussion and Analysis

Governmental funds – As of the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$74,184,533 an increase of \$15,188,152 in comparison with the prior year. Approximately 15 percent of this total amount, \$11,451,542, constitutes unassigned fund balance, which is available for spending at the City's discretion. The remainder of fund balance (\$62,732,991) is not available for new spending because it is either 1) nonspendable (\$347,046), 2) restricted (\$28,271,905), 3) committed (\$913,497) or 4) assigned (\$33,200,543) for specific purposes.

Major Funds	Fund Balances December 31,		Increase (Decrease)
	2019	2018	
General	\$ 20,831,827	\$ 19,254,384	\$ 1,577,443
The City's General Fund balanced increased \$1,577,443 during the current fiscal year. Greater than anticipated revenues in licenses and permits of \$1,161,235 contributed to the majority of the increase.			
Housing Rehabilitation	\$ 5,751,062	\$ 5,193,532	\$ 557,530
The Housing Rehabilitation fund balance increased \$557,350 as a result of special assessment and miscellaneous revenues exceeding expenditures by \$737,917 prior to net transfers out of \$181,000.			
Debt Service	\$ 13,443,508	\$ 3,738,092	\$ 9,705,416
The fund balance of the Debt Service fund increased \$9,705,416 due to current refunding bonds issued for which the payment on the refunded bonds occurred after year-end.			
Development EDA	\$ 21,949,658	\$ 24,888,020	\$ (2,938,362)
The Development EDA fund balance decreased \$2,938,362 as a result of project expenditures. Although the fund has \$21 million in fund balance, approximately \$9.7 million is made up of loans receivable and land held for resale.			
Redevelopment District	\$ 3,992,143	\$ 1,737,245	\$ 2,254,898
The Redevelopment District fund is comprised of all tax increment districts in the City. The increase in fund balance of \$2,254,898 is due to collection of property taxes and tax increments in excess of expenditures and transfers out.			
Streets Capital Projects	\$ (1,760,551)	\$ (1,403,203)	\$ 357,348
The Street Capital Projects fund balance increased \$357,348 as a result of receiving state aids, transfers in, and the issuance of bonds to support on-going projects.			
Westwood Hills Nature Center Construction Project	\$ 5,259,677	\$ (1,086,169)	\$ 6,345,846
The Westwood Hills Nature Center Construction fund is used to account for the construction of a new nature center. The fund balance increased as a result of unspent bond proceeds.			

City of St. Louis Park Management's Discussion and Analysis

Proprietary funds – The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. At the end of the year, unrestricted net position of the Water, Sewer, Solid Waste, and Storm Water funds amounted to \$6,426,698. Total net position increased by \$2,076,369. This increase was primarily a result of a planned increase in fees to cover infrastructure replacement.

General Fund Budgetary Highlights

Actual revenues were \$1,779,274 over budget and expenditures were \$457,750 under budget; along with transfers and other financing sources, the end result was an increase in fund balance of \$1,671,697. Favorable revenue and expenditure variances accounted for the increase in fund balance. The largest favorable revenue variance was in licenses and permits (\$1,161,235). The largest favorable expenditure variance was in the general government function (\$305,430).

Capital Asset and Debt Administration

The City's investment in capital assets for its governmental and business type activities as of December 31, 2019 was \$199,312,584 (net of accumulated depreciation). This investment in capital assets includes land, buildings and system improvements, machinery and equipment, park facilities, roads, highways, and bridges. The total increase in the City's investment in capital assets for the current fiscal year was 8.0 percent.

Major capital asset events during the current fiscal year included the following:

- Westwood Hills Nature Center project
- Street Rehab projects
- Connect the park trail, sidewalk and bike improvements
- Completion of Wooddale Bridge widening project

For the year ending December 31, 2019, the City has elected to use the modified approach as defined in GASB Statement No. 34 for infrastructure reporting for its Pavement Management Program, which includes streets. Under GASB Statement No. 34, eligible infrastructure capital assets are not required to be depreciated under the following requirements:

- 1) The City manages the eligible infrastructure capital assets using an asset management system with characteristics of (a) an up to-date inventory; (b) perform condition assessments and summarize the results using a measurement scale; and (c) estimate annual amount to maintain and preserve at the established condition assessment level.
- 2) The City documents that the eligible infrastructure capital assets are being preserved approximately at or above the established and disclosed condition assessment level.

City of St. Louis Park Management's Discussion and Analysis

The City's policy is to achieve an average rating of good (70) for all streets.

Over the course of 2015, 2017 and 2019, all areas were assessed, providing a new overall condition rating. Going forward, two areas will be assessed every year. The City increased the number of areas and frequency assessed each year to get more comparative data and more thoroughly analyze the street infrastructure system.

As of the last complete assessment, the City's street system was rated at an Overall Condition Index (OCI) of 62.44 which is slightly below the City's policy level.

The city has developed a 10 year capital improvement plan that is expected to increase this number to the policy level.

This plan includes the pavement rehabilitation for commercial and industrial roads that were not a part of the plan in the past and performing mill and overlay as an additional maintenance strategy.

The City's streets are constantly deteriorating resulting from the following factors:

- (1) traffic using the system;
- (2) the sun's ultra-violet rays drying out and breaking down the top layer of pavement;
- (3) utility company/private development trenching operations;
- (4) water damage from natural precipitation; and
- (5) frost heave.

The City is continuously taking actions to prolong the life of the system through short-term maintenance activities such as pothole patching, crack sealing, and mill and overlay. The City expended \$5,379,721 on street maintenance for the year ending December 31, 2019. The physical condition assessment completed in 2012 was the first assessment that reported on the entire system. The City has estimated that the amount of annual expenditures required maintaining the City's street system at the average OCI rating of good is approximately \$4,399,000. The annual expenditures will vary from year to year, depending on the area of the City being targeted that year. The estimate for the year ending December 31, 2019 of \$4,848,000 was lower than the actual expenditures during the year of \$5,379,721 by approximately \$1 million. This was a result of the planning to increase the annual improvements to get condition back to policy level.

City of St. Louis Park Management's Discussion and Analysis

City of St. Louis Park's Capital Assets (net of accumulated depreciation)

	Governmental Activities			Business-type Activities		
	2019	2018	Increase (Decrease)	2019	2018	Increase (Decrease)
Land	\$ 16,991,835	\$ 16,991,835	\$ -	\$ 515,083	\$ 515,083	\$ -
Permanent easements	1,429,976	1,429,976	-	-	-	-
Buildings and structures	38,688,258	39,920,316	(1,232,058)	174,413	301,850	(127,437)
Improvements other than buildings	25,760,723	25,925,478	(164,755)	3,340,272	3,611,066	(270,794)
Machinery and equipment	5,357,417	4,396,460	960,957	4,700,714	5,124,355	(423,641)
Fleet	5,300,186	6,564,770	(1,264,584)	-	-	-
Infrastructure - Streets	26,011,544	26,011,544	-	-	-	-
Infrastructure - Other	21,207,296	15,845,445	5,361,851	37,124,628	33,775,129	3,349,499
Construction in progress	8,587,338	4,182,762	4,404,576	4,122,901	-	4,122,901
Total	\$ 149,334,573	\$ 141,268,586	\$ 8,065,987	\$ 49,978,011	\$ 43,327,483	\$ 6,650,528

Additional information on the City's capital assets can be found in Note 5 on pages 65-66 of this report.

Debt administration

At the end of the current fiscal year, the City had total bonded debt outstanding of \$88,560,000. Of this amount, \$59,620,000 comprises debt issued for improvement and capital projects, of which \$11,165,000 will be repaid by ad valorem tax levies and \$3,170,000 will be repaid through the collection of special assessments. In addition, \$2,560,000 is general obligation tax increment debt which financed redevelopment projects and will be repaid from the tax increments resulting from increased tax capacity of the redevelopment properties. The remaining \$26,380,000 of the City's bonded debt represents general obligation revenue bonds with \$24,900,000 to be repaid by the Water, Sewer, and Storm Water fund user charges and \$1,480,000 from revenues collected from the benefitting property. Furthermore, the City has long-term debt of \$121,005 for capital leases payable, \$4,027,810 for compensated absences, \$3,823,756 for other postemployment benefits payable and \$21,343,936 for the net pension liability.

City of St. Louis Park Management's Discussion and Analysis

City of St. Louis Park's Outstanding Debt General Obligation Bonds, Revenue Bonds, and other Debt

	Governmental Activities			Business-type Activities		
	2019	2018	Increase (Decrease)	2019	2018	Increase (Decrease)
G.O. Improvement	\$ 56,450,000	\$ 28,975,000	\$ 27,475,000	\$ 24,900,000	\$ 19,475,000	\$ 5,425,000
G.O. Tax Increment	2,560,000	2,995,000	(435,000)	-	-	-
G.O. Special Assessment	3,170,000	3,315,000	(145,000)	-	-	-
G.O. Revenue Bonds	1,480,000	1,520,000	(40,000)	-	-	-
Bond issuance premium/discount	2,323,277	445,293	1,877,984	1,853,981	677,443	1,176,538
Capital leases	121,005	180,382	(59,377)	-	-	-
Compensated absences	4,027,810	4,095,604	(67,794)	172,491	175,593	(3,102)
Other postemployment benefits	3,823,756	3,500,643	323,113	-	-	-
Net pension liability	21,343,936	20,494,066	849,870	-	-	-
Total	\$ 95,299,784	\$ 65,520,988	\$ 29,778,796	\$ 26,926,472	\$ 20,328,036	\$ 6,598,436

Principal payments during 2019 totaled \$7,245,000. The City maintains an "AAA" rating from Standard & Poor's for general obligation debt.

State statutes limit the amount of general obligation debt a governmental entity may issue to 3 percent of its total assessed valuation. The current debt limitation for the City is \$216,158,715 which is significantly more than the City's outstanding general obligation debt. Additional information on the City's long-term debt can be found in Note 6 on pages 67-72 of this report.

Economic Factors, Subsequent Year Budgets, Rates and Changes in Structure

The City estimates that the demand for City services will continue to grow as the economy improves. The property tax levy is set annually and is adjusted as necessary to fund the cost of providing services to our citizens and customers. Charges for services are evaluated each year and adjusted to support operations and capital outlay. All of these factors were considered in preparing the City's budget for the 2020 fiscal year.

Requests for Information

This financial report is designed to provide our citizens, customers, and creditors with a general overview of the City of St. Louis Park's finances and to show the City's accountability for the resources it is entrusted. Questions concerning any of the information provided in the report, or requests for additional financial information, can be directed to the City of St. Louis Park Finance Department at 5005 Minnetonka Boulevard, St. Louis Park, Minnesota, 55416, 952-924-2500.

BASIC FINANCIAL STATEMENTS

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	Governmental Activities	Business-Type Activities	Totals
Assets			
Cash and investments	\$ 73,240,426	\$ 9,250,676	\$ 82,491,102
Accrued interest receivable	115,032	-	115,032
Due from other governments	2,483,108	17,209	2,500,317
Accounts receivable	1,704,458	4,306,840	6,011,298
Taxes receivable	359,022	-	359,022
Prepaid items	663,018	33,939	696,957
Inventories	-	43,788	43,788
Deposits receivable	227,677	700	228,377
Internal balances	1,668,866	(1,668,866)	-
Special assessments receivable	5,596,391	862,437	6,458,828
Loans receivable	8,795,903	-	8,795,903
Pledges receivable	1,150,000	-	1,150,000
Land held for resale	3,901,050	-	3,901,050
Capital assets			
Nondepreciable assets	53,020,693	4,637,983	57,658,676
Depreciable assets (net of accumulated depreciation)	96,313,880	45,340,028	141,653,908
Total assets	<u>249,239,524</u>	<u>62,824,734</u>	<u>312,064,258</u>
Deferred outflows of resources			
Related to pensions	12,038,538	-	12,038,538
Related to OPEB	328,824	-	328,824
Total deferred outflows of resources	<u>12,367,362</u>	<u>-</u>	<u>12,367,362</u>
Liabilities			
Accounts payable	2,326,508	456,514	2,783,022
Salaries payable	2,145,931	160,763	2,306,694
Due to other governments	548,423	73,412	621,835
Contracts payable	3,488,518	237,690	3,726,208
Accrued interest payable	985,235	233,784	1,219,019
Deposits payable	2,090,466	138,746	2,229,212
Unearned revenue	1,190,581	364,700	1,555,281
Noncurrent liabilities			
Due within one year	14,850,346	2,177,119	17,027,465
Due in more than one year	80,449,438	24,749,353	105,198,791
Total liabilities	<u>108,075,446</u>	<u>28,592,081</u>	<u>136,667,527</u>
Deferred inflows of resources related to pensions			
Related to pensions	16,406,789	-	16,406,789
Related to OPEB	150,612	-	150,612
Total deferred outflows of resources	<u>16,557,401</u>	<u>-</u>	<u>16,557,401</u>
Net position			
Net investment in capital assets	102,644,391	27,805,955	130,450,346
Restricted for			
Economic development	6,135,339	-	6,135,339
Affordable housing	4,515	-	4,515
E-911 purposes	107,683	-	107,683
Fire Donations	19,000	-	19,000
Community development	510,241	-	510,241
Debt service	13,942,465	-	13,942,465
Cable TV equipment	262,666	-	262,666
Police and fire purposes	1,409,975	-	1,409,975
Unrestricted	<u>11,937,764</u>	<u>6,426,698</u>	<u>18,364,462</u>
Total net position	<u>\$ 136,974,039</u>	<u>\$ 34,232,653</u>	<u>\$ 171,206,692</u>

The accompanying notes are an integral part of these financial statements.

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges For Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental	Business-Type	Total
					Activities	Activities	
Governmental activities							
General government	\$ 12,022,082	\$ 1,231,454	\$ 97,870	\$ -	\$ (10,692,758)	\$ -	\$ (10,692,758)
Public safety	18,868,900	5,212,202	1,134,495	55,227	(12,466,976)	-	(12,466,976)
Public information	594,521	-	-	-	(594,521)	-	(594,521)
Operations	20,692,741	2,566,014	258,582	-	(17,868,145)	-	(17,868,145)
Parks and recreation	7,463,862	156,330	635,524	1,920,928	(4,751,080)	-	(4,751,080)
Housing and rehabilitation	1,001,834	3,467	60,000	224,657	(713,710)	-	(713,710)
Housing maintenance	89,828	-	-	-	(89,828)	-	(89,828)
Social and economic development	16,536,420	216,989	946,454	444,190	(14,928,787)	-	(14,928,787)
Interest on long-term debt	2,139,962	-	227,421	48,814	(1,863,727)	-	(1,863,727)
Total governmental activities	79,410,150	9,386,456	3,360,346	2,693,816	(63,969,532)	-	(63,969,532)
Business-Type activities							
Water	5,922,733	6,908,538	-	533,576	-	1,519,381	1,519,381
Sewer	6,387,860	7,634,597	6,872	22,932	-	1,276,541	1,276,541
Solid waste	3,527,810	3,538,931	189,228	-	-	200,349	200,349
Storm water	2,179,955	3,059,282	-	-	-	879,327	879,327
Total business-type activities	18,018,358	21,141,348	196,100	556,508	-	3,875,598	3,875,598
Total	\$ 97,428,508	\$ 30,527,804	\$ 3,556,446	\$ 3,250,324	(63,969,532)	3,875,598	(60,093,934)
			General revenues				
			Taxes				
			Property taxes		34,566,143	-	34,566,143
			Tax increment		11,027,616	-	11,027,616
			Franchise taxes		4,212,728	-	4,212,728
			Lodging taxes		1,074,002	-	1,074,002
			Grants and contributions not restricted to specific programs		319,322	-	319,322
			Unrestricted investment earnings		1,669,916	271,026	1,940,942
			Gain on sale of capital assets		178,509	-	178,509
			Miscellaneous		1,619,458	-	1,619,458
			Transfers		2,070,255	(2,070,255)	-
			Total general revenues and transfers		56,737,949	(1,799,229)	54,938,720
			Change in net position		(7,231,583)	2,076,369	(5,155,214)
			Net position - January 1		144,205,622	32,156,284	176,361,906
			Net position - December 31		\$ 136,974,039	\$ 34,232,653	\$ 171,206,692

The accompanying notes are an integral part of these financial statements.

	Special Revenue Fund		Capital Projects Funds						Other Governmental Funds	Total Governmental Funds
	General	Housing Rehabilitation	Debt Service	Development EDA	Redevelopment District	Streets Capital Projects	Westwood Hills Nature Center Construction Project			
Assets										
Cash and investments	\$ 25,146,113	\$ 2,065,845	\$ 13,710,469	\$ 12,329,641	\$ 7,197,849	\$ -	\$ 7,947,022	\$ 3,493,742	\$ 71,890,681	
Accrued interest receivable	115,032	-	-	-	-	-	-	-	115,032	
Due from other governments	272,694	-	74,130	-	-	1,934,086	157,278	22,351	2,460,539	
Accounts receivable	452,605	74,432	-	13,482	-	14,620	-	1,149,043	1,704,182	
Taxes receivable - unremitted	-	-	-	-	30,211	-	-	-	30,211	
Taxes receivable - delinquent	317,264	-	-	-	11,547	-	-	-	328,811	
Prepaid items	112,570	-	-	299	-	-	-	6,500	119,369	
Inventories	227,677	-	-	-	-	-	-	-	227,677	
Special assessments receivable - delinquent	-	18,415	-	-	-	-	-	4,748	23,163	
Special assessments receivable - deferred	-	4,742,373	-	-	-	-	-	830,855	5,573,228	
Interfund loan receivable	-	-	-	3,512,883	-	-	-	-	3,512,883	
Loans receivable - current	-	-	45,000	1,233,186	-	-	-	-	1,278,186	
Loans receivable - noncurrent	-	3,447,313	1,435,000	1,385,745	756,604	-	-	493,055	7,517,717	
Pledges receivable - current	-	-	-	-	-	-	-	100,000	100,000	
Pledges receivable - noncurrent	-	-	-	-	-	-	-	1,050,000	1,050,000	
Land held for resale	-	249,000	-	3,652,050	-	-	-	-	3,901,050	
Total assets	\$ 26,643,955	\$ 10,597,378	\$ 15,264,599	\$ 22,127,286	\$ 7,996,211	\$ 1,948,706	\$ 8,104,300	\$ 7,150,294	\$ 99,832,729	
Liabilities										
Accounts payable	\$ 682,131	\$ 50,058	\$ 150	\$ 124,988	\$ 13,332	\$ 1,123,020	\$ 141,224	\$ 65,989	\$ 2,200,892	
Salaries payable	2,080,178	6,434	-	17,344	-	-	-	25,275	2,129,231	
Due to other governments	60,949	27,518	-	12,139	352,708	2,793	-	63,064	519,171	
Contracts payable	-	1,519	-	-	-	426,843	2,703,399	356,757	3,488,518	
Due to other funds	-	-	-	-	-	1,799,253	-	-	1,799,253	
Interfund loan payable	-	-	-	-	3,512,883	-	-	-	3,512,883	
Deposits payable	1,761,880	-	328,586	-	-	-	-	-	2,090,466	
Unearned revenue	909,726	-	12,355	23,157	-	-	-	245,343	1,190,581	
Total liabilities	5,494,864	85,529	341,091	177,628	3,878,923	3,351,909	2,844,623	756,428	16,930,995	
Deferred inflows of resources										
Unavailable revenue	317,264	4,760,787	1,480,000	-	125,145	-	-	2,034,005	8,717,201	
Fund balances										
Nonspendable	340,247	-	-	299	-	-	-	6,500	347,046	
Restricted	126,683	-	13,443,508	-	6,010,191	-	5,089,375	3,602,148	28,271,905	
Committed	-	39,775	-	241,193	-	-	-	632,529	913,497	
Assigned	1,602,523	5,711,287	-	21,708,166	-	-	170,302	4,008,265	33,200,543	
Unassigned	18,762,374	-	-	-	(2,018,048)	(1,403,203)	-	(3,889,581)	11,451,542	
Total fund balances	20,831,827	5,751,062	13,443,508	21,949,658	3,992,143	(1,403,203)	5,259,677	4,359,861	74,184,533	
Total liabilities, deferred inflows of resources, and fund balances	\$ 26,643,955	\$ 10,597,378	\$ 15,264,599	\$ 22,127,286	\$ 7,996,211	\$ 1,948,706	\$ 8,104,300	\$ 7,150,294	\$ 99,832,729	
Total Fund balances reported above									\$ 74,184,533	
Amounts reported for governmental activities in the statement of net position are different because:										
Capital assets used in governmental activities are not financial resources, and therefore, are not reported in the funds									128,716,111	
Other long-term assets are not available to pay for current-period expenditures and, therefore, are reported as unavailable revenue in the funds:										
Receivables not available soon enough to pay for the current period's expenditures									8,717,201	
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds:										
Bonds payable and unamortized bond premium									(65,983,277)	
Accrued interest payable									(985,235)	
Internal service funds are used by management to charge the cost of certain services to individual funds.										
The assets and liabilities are included in the governmental statement of net position									(7,675,294)	
Net position of governmental activities									\$ 136,974,039	

	Special Revenue Fund			Capital Projects Funds				Other Governmental Funds	Total Governmental Funds
	General	Housing Rehabilitation	Debt Service	Development EDA	Redevelopment District	Streets Capital Projects	Westwood Hills Nature Center Construction Project		
Revenues									
Property taxes	\$ 27,028,744	\$ 100,000	\$ 3,420,557	\$ 19,835	\$ 1,218,880	\$ -	\$ -	\$ 810,000	\$ 32,598,016
Tax increments	-	-	-	-	11,368,332	-	-	-	11,368,332
Abatement of property taxes	(94,254)	-	-	-	(246,462)	-	-	-	(340,716)
Franchise taxes	-	-	-	-	-	-	-	4,212,728	4,212,728
Lodging tax	-	-	-	1,074,002	-	-	-	-	1,074,002
License and permits	5,264,659	-	-	-	-	-	-	-	5,264,659
Intergovernmental	1,760,714	-	267,420	1,172,453	-	1,920,928	157,278	104,702	5,383,495
Charges for services	3,617,152	3,467	-	192,774	-	-	-	34,065	3,847,458
Fines and forfeits	274,339	-	-	-	-	-	-	-	274,339
Special assessments	-	763,989	48,814	-	-	-	-	370,705	1,183,508
Interest income	523,124	45,501	197,000	340,429	83,193	28,833	170,304	228,251	1,616,635
Miscellaneous	120,201	620,970	119,342	219,542	-	-	-	621,403	1,701,458
Total revenues	38,494,679	1,533,927	4,053,133	3,019,035	12,423,943	1,949,761	327,582	6,381,854	68,183,914
Expenditures									
Current									
General government	9,372,448	-	-	-	-	-	-	-	9,372,448
Public safety	17,543,217	-	-	-	-	-	-	107,834	17,651,051
Public information	-	-	-	-	-	-	-	477,150	477,150
Operations	5,192,198	-	-	-	-	-	-	9,256,534	14,448,732
Parks and recreation	6,401,978	-	-	-	-	-	-	169,757	6,571,735
Housing and rehabilitation	-	796,010	-	-	-	-	-	-	796,010
Housing maintenance	-	-	-	-	-	-	-	60,315	60,315
Social and economic development	-	-	368,075	6,289,163	8,439,075	-	-	299,957	15,396,270
Miscellaneous	26,282	-	-	-	-	-	-	-	26,282
Capital outlay									
Public safety	93,819	-	-	-	-	-	-	180,556	274,375
Public information	-	-	-	-	-	-	-	18,323	18,323
Operations	-	-	-	-	-	7,126,576	-	11,011	7,137,587
Parks and recreation	-	-	-	-	-	-	6,328,512	1,550,776	7,879,288
Social and economic development	-	-	-	1,547,891	-	-	-	-	1,547,891
Debt service									
Principal	-	-	2,990,000	-	-	-	-	-	2,990,000
Interest and other	-	-	1,300,175	-	168,445	-	-	-	1,468,620
Bond issuance costs	-	-	126,857	11,455	-	38,645	109,931	23,057	309,945
Total expenditures	38,629,942	796,010	4,785,107	7,848,509	8,607,520	7,165,221	6,438,443	12,155,270	86,426,022
Revenues over (under) expenditures	(135,263)	737,917	(731,974)	(4,829,474)	3,816,423	(5,215,460)	(6,110,861)	(5,773,416)	(18,242,108)
Other financing sources (uses)									
Transfers in	2,012,706	160,000	1,260,865	-	-	690,750	-	-	4,124,321
Transfers out	(300,000)	(340,387)	-	(40,000)	(1,561,525)	-	-	(262,536)	(2,504,448)
Payment to refunded bond escrow agent	-	-	(2,160,000)	-	-	-	-	-	(2,160,000)
Refunding bonds issued	-	-	9,785,000	-	-	-	-	-	9,785,000
Bonds issued	-	-	440,567	1,801,460	-	4,690,000	12,153,051	3,134,923	22,220,001
Premium on bonds issued	-	-	1,110,958	129,652	-	192,058	303,656	229,062	1,965,386
Total other financing sources (uses)	1,712,706	(180,387)	10,437,390	1,891,112	(1,561,525)	5,572,808	12,456,707	3,101,449	33,430,260
Net change in fund balances	1,577,443	557,530	9,705,416	(2,938,362)	2,254,898	357,348	6,345,846	(2,671,967)	15,188,152
Fund balances - January 1	19,254,384	5,193,532	3,738,092	24,888,020	1,737,245	(1,760,551)	(1,086,169)	7,031,828	58,996,381
Fund balances - December 31	\$ 20,831,827	\$ 5,751,062	\$ 13,443,508	\$ 21,949,658	\$ 3,992,143	\$ (1,403,203)	\$ 5,259,677	\$ 4,359,861	\$ 74,184,533

The accompanying notes are an integral part of these financial statements.

CITY OF ST. LOUIS PARK, MINNESOTA
 RECONCILIATION OF THE STATEMENT OF REVENUES,
 EXPENDITURES AND CHANGES IN FUND BALANCES OF
 GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
 For The Year Ended December 31, 2019

Statement 5

Amounts reported for governmental activities in the statement of activities (Statement 2) are different because:

Net changes in fund balances - total governmental funds (Statement 4) \$ 15,188,152

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.

Capital outlay	16,857,464
Capital outlay not capitalized	(4,886,787)
Depreciation expense	(3,941,383)

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of issuance costs, premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.

Proceeds from long term debt	(32,005,001)
Principal repayments on long term debt	5,150,000

Interest on long-term debt in the statement of activities differs from the amount reported in the governmental fund because interest is recognized as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the statement of activities, however, interest expense is recognized as the interest accrues, regardless of when it is due.

(441,567)

Governmental funds report debt issuance premiums and discounts as an other financing source or use at the time of issuance. Premiums and discounts are reported as an unamortized asset or liability in the City-wide financial statements.

(1,877,982)

Certain revenues are recognized as soon as they are earned. Under the modified accrual basis of accounting certain revenues cannot be recognized until they are available to liquidate liabilities of the current period.

Special assessments	(636,619)
Property taxes	50,427
Pledges	(82,000)
Loans	(40,000)

Internal service funds are used by management to charge the costs for equipment, information system, equipment replacement, employee benefits and major losses incurred by individual funds. The net revenue of certain activities of internal service funds is reported with governmental activities.

(566,287)

Change in net position of governmental activities (Statement 2) \$ (7,231,583)

The accompanying notes are an integral part of these financial statements.

	Business-Type Activities Enterprise Funds					Governmental
	Water	Sewer	Storm Water	Non-Major Fund Solid Waste	Totals	Activities Internal Service Funds
Assets						
Current assets						
Cash and investments	\$ 4,013,261	\$ 2,804,820	\$ 719,010	\$ 1,713,585	\$ 9,250,676	\$ 1,349,745
Due from other governments	-	-	17,209	-	17,209	22,569
Accounts receivable	1,583,321	1,416,421	495,350	811,748	4,306,840	276
Prepaid items	11,313	11,313	-	11,313	33,939	543,649
Deposits receivable	700	-	-	-	700	-
Inventories	43,788	-	-	-	43,788	-
Special assessments receivable - delinquent	85,219	216	-	-	85,435	-
Special assessments receivable - deferred	585,283	191,719	-	-	777,002	-
Due from other funds	-	-	1,799,253	-	1,799,253	-
Total current assets	<u>6,322,885</u>	<u>4,424,489</u>	<u>3,030,822</u>	<u>2,536,646</u>	<u>16,314,842</u>	<u>1,916,239</u>
Noncurrent assets						
Capital assets, at cost						
Land	114,844	60,000	340,239	-	515,083	818,094
Buildings and structures	4,761,612	6,111	-	-	4,767,723	9,451,756
Improvements other than buildings	951,045	22,278	6,182,215	-	7,155,538	2,517,832
Infrastructure	27,092,899	21,198,582	20,530,331	-	68,821,812	1,313,801
Machinery, furniture and equipment	8,677,710	262,040	89,099	-	9,028,849	9,387,687
Fleet	-	-	-	-	-	10,414,604
Construction in progress	2,223,446	610,808	1,288,647	-	4,122,901	193,950
Total capital assets, at cost	<u>43,821,556</u>	<u>22,159,819</u>	<u>28,430,531</u>	<u>-</u>	<u>94,411,906</u>	<u>34,097,724</u>
Less: accumulated depreciation	<u>(17,241,003)</u>	<u>(16,456,417)</u>	<u>(10,736,475)</u>	<u>-</u>	<u>188,308,729</u>	<u>(13,479,262)</u>
Total noncurrent assets	<u>26,580,553</u>	<u>5,703,402</u>	<u>17,694,056</u>	<u>-</u>	<u>282,720,635</u>	<u>20,618,462</u>
Total assets	<u>32,903,438</u>	<u>10,127,891</u>	<u>20,724,878</u>	<u>2,536,646</u>	<u>299,035,477</u>	<u>22,534,701</u>
Deferred outflows of resources						
Related to pensions	-	-	-	-	-	12,038,538
Related to OPEB	-	-	-	-	-	328,824
Total deferred outflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>12,367,362</u>
Liabilities						
Current liabilities						
Accounts payable	110,317	88,993	45,497	211,707	456,514	125,616
Salaries payable	79,856	39,833	22,952	18,122	160,763	-
Accrued flex spending	-	-	-	-	-	16,700
Due to other governments	13,109	3,351	-	56,952	73,412	29,252
Contracts payable	224,319	13,371	-	-	237,690	-
Deposits payable	39,163	-	99,583	-	138,746	-
Accrued interest payable	195,077	27,517	11,190	-	233,784	-
Compensated absences payable - current	43,745	49,968	13,195	5,211	112,119	2,661,698
Capital lease payable - current	-	-	-	-	-	59,378
Bonds payable - current	1,760,650	133,000	171,350	-	2,065,000	-
Unearned revenue	364,700	-	-	-	364,700	-
Total current liabilities	<u>2,830,936</u>	<u>356,033</u>	<u>363,767</u>	<u>291,992</u>	<u>3,842,728</u>	<u>2,892,644</u>
Noncurrent liabilities						
Compensated absences payable	23,555	26,906	7,105	2,806	60,372	1,366,112
Capital lease payable	-	-	-	-	-	61,627
Bonds payable	20,489,241	2,177,518	2,022,222	-	24,688,981	-
Other postemployment benefits payable	-	-	-	-	-	3,609,486
Net pension liability	-	-	-	-	-	21,343,936
Total noncurrent liabilities	<u>20,512,796</u>	<u>2,204,424</u>	<u>2,029,327</u>	<u>2,806</u>	<u>24,749,353</u>	<u>26,381,161</u>
Total liabilities	<u>23,343,732</u>	<u>2,560,457</u>	<u>2,393,094</u>	<u>294,798</u>	<u>28,592,081</u>	<u>29,273,805</u>
Deferred inflows of resources						
Related to pensions	-	-	-	-	-	16,406,789
Related to OPEB	-	-	-	-	-	150,612
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>16,557,401</u>
Net position						
Net investment in capital assets	8,647,632	3,657,839	15,500,484	-	27,805,955	20,497,457
Unrestricted	912,074	3,909,595	2,831,300	2,241,848	9,894,817	(31,640,870)
Total net position	<u>\$ 9,559,706</u>	<u>\$ 7,567,434</u>	<u>\$ 18,331,784</u>	<u>\$ 2,241,848</u>	<u>37,700,772</u>	<u>\$ (11,143,413)</u>
					(3,468,119)	
					<u>\$ 34,232,653</u>	

Adjustment to reflect consolidation of Internal Service fund activities (3,468,119)
Net position of business-type activities \$ 34,232,653

The accompanying notes are an integral part of these financial statements.

CITY OF ST. LOUIS PARK, MINNESOTA
STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
For The Year Ended December 31, 2019

Statement 7

	Business-Type Activities Enterprise Funds					Governmental
	Water	Sewer	Storm Water	Non-Major Fund	Total	Activities
				Solid Waste		Internal
						Service Funds
Operating revenues						
Charges for services	\$ 6,385,026	\$ 7,634,597	\$ 3,059,282	\$ 3,537,351	\$ 20,616,256	\$ 4,154,848
Other	47,401	-	-	1,580	48,981	372,674
Rent	476,111	-	-	-	476,111	-
Total operating revenues	6,908,538	7,634,597	3,059,282	3,538,931	21,141,348	4,527,522
Operating expenses						
Personal services	1,459,477	879,477	628,077	541,191	3,508,222	4,497,397
Supplies	351,822	18,963	5,585	114,096	490,466	722,942
Professional services	515,495	342,015	85,186	20,986	963,682	153,547
Insurance	24,079	53,762	7,867	5,026	90,734	184,688
Utilities	407,023	48,774	42,660	-	498,457	-
Repairs and maintenance	1,234,819	216,918	123,343	-	1,575,080	-
Depreciation	997,758	133,105	635,918	-	1,766,781	1,964,595
Disposal charges	5,673	4,268,178	-	2,668,594	6,942,445	-
Other	385,773	273,611	469,469	161,108	1,289,961	881,018
Total operating expenses	5,381,919	6,234,803	1,998,105	3,511,001	17,125,828	8,404,187
Operating income (loss)	1,526,619	1,399,794	1,061,177	27,930	4,015,520	(3,876,665)
Nonoperating revenues (expenses)						
Interest income	45,432	86,991	92,478	46,125	271,026	53,281
Property taxes	-	-	-	-	-	1,917,700
Intergovernmental revenue	-	6,872	-	189,228	196,100	483,100
Miscellaneous expense	(11,347)	-	(120,562)	-	(131,909)	-
Amortization of bond premiums	50,350	16,470	5,150	-	71,970	-
Gain on disposal of capital assets	-	-	-	-	-	178,509
Interest expense	(439,877)	(66,703)	(19,313)	-	(525,893)	(7,234)
Bond issuance costs	(57,690)	-	(14,368)	-	(72,058)	-
Total nonoperating revenues (expenses)	(413,132)	43,630	(56,615)	235,353	(190,764)	2,625,356
Income (loss) before contributions and transfers	1,113,487	1,443,424	1,004,562	263,283	3,824,756	(1,251,309)
Capital contributions						
Connection fees and special assessments	533,576	22,932	-	-	556,508	-
Capital assets	-	-	-	-	-	15,478
Transfers in	-	-	-	-	-	434,904
Transfers out	(620,789)	(876,244)	(332,165)	(241,057)	(2,070,255)	-
Change in net position	1,026,274	590,112	672,397	22,226	2,311,009	(800,927)
Net position - January 1	8,533,432	6,977,322	17,659,387	2,219,622	35,389,763	(10,342,486)
Net position - December 31	\$ 9,559,706	\$ 7,567,434	\$ 18,331,784	\$ 2,241,848	\$ 37,700,772	\$ (11,143,413)
Change in net position as reported above					2,311,009	
Adjustment to reflect consolidation of Internal Service fund activities					(234,640)	
Change in net position of business-type activities					\$ 2,076,369	

The accompanying notes are an integral part of these financial statements.

	Business-Type Activities Enterprise Funds					Governmental
	Water	Sewer	Non-Major Fund Solid Waste	Storm Water	Total	Activities Internal Service Funds
Cash flows from operating activities						
Receipts from customers and users	\$ 6,776,306	\$ 7,589,894	\$ 3,462,085	\$ 3,026,269	\$ 20,854,554	\$ -
Receipts from interfund services provided	-	-	-	-	-	4,154,848
Other operating cash receipts	47,401	-	1,580	-	48,981	372,674
Payments to suppliers	(3,385,315)	(5,176,581)	(2,960,723)	(868,994)	(12,391,613)	(2,769,546)
Payments to employees	(1,456,931)	(878,128)	(545,183)	(623,450)	(3,503,692)	(3,980,017)
Miscellaneous expense	(11,346)	-	-	(120,562)	(131,908)	-
Net cash flows provided (used) by operating activities	1,970,115	1,535,185	(42,241)	1,413,263	4,876,322	(2,222,041)
Cash flows from noncapital financing activities						
Transfers out	(586,308)	(814,609)	(207,331)	(298,439)	(1,906,687)	-
Property taxes	-	-	-	-	-	1,917,700
Cash loaned to other funds	-	-	-	(1,799,253)	(1,799,253)	-
Intergovernmental receipts	-	6,872	189,228	-	196,100	461,490
Net cash flows provided (used) by noncapital financing activities	(586,308)	(807,737)	(18,103)	(2,097,692)	(3,509,840)	2,379,190
Cash flows from capital and related financing activities						
Transfers in	-	-	-	-	-	434,904
Transfers out	(34,481)	(61,635)	(33,726)	(33,726)	(163,568)	-
Connection fees/special assessments received	533,576	22,932	-	-	556,508	-
Acquisition of capital assets	(5,160,198)	(610,809)	-	(2,646,303)	(8,417,310)	(2,213,576)
Proceeds from sale of capital assets	-	-	-	-	-	403,644
Proceeds from issuance of bonds, net	7,055,174	-	-	1,641,276	8,696,450	-
Principal paid						
Bonds	(1,789,800)	(137,500)	-	(167,700)	(2,095,000)	-
Capital lease	-	-	-	-	-	(59,377)
Interest paid						
Bonds	(455,361)	(73,759)	-	(14,268)	(543,388)	-
Capital lease	-	-	-	-	-	(7,234)
Net cash flows provided (used) by capital and related financing activities	148,910	(860,771)	(33,726)	(1,220,721)	(1,966,308)	(1,441,639)
Cash flows from investing activities						
Interest received	49,236	91,478	50,997	102,266	293,977	58,986
Net increase (decrease) in cash and cash equivalents	1,581,953	(41,845)	(43,073)	(1,802,884)	(305,849)	(1,225,504)
Cash and cash equivalents - January 1	2,431,308	2,846,665	1,756,658	2,521,894	9,556,525	2,360,979
Cash and cash equivalents - December 31	\$ 4,013,261	\$ 2,804,820	\$ 1,713,585	\$ 719,010	\$ 9,250,676	\$ 1,135,475

The accompanying notes are an integral part of these financial statements.

	Business-Type Activities Enterprise Funds					Governmental
	Water	Sewer	Non-Major Fund Solid Waste	Storm Water	Totals	Internal Service Funds
Reconciliation of operating income (loss) to net cash provided (used) by operating activities						
Operating income (loss)	\$ 1,526,619	\$ 1,399,794	\$ 27,930	\$ 1,061,177	\$ 4,015,520	\$ (3,876,665)
Adjustments to reconcile operating income (loss) to net cash flows from operating activities						
Miscellaneous expense	(11,346)	-	-	(120,562)	(131,908)	-
Depreciation	997,758	133,105	-	635,918	1,766,781	1,964,595
(Increase) decrease in assets/deferred outflows						
Accounts receivable	(102,447)	(70,854)	(75,266)	(39,701)	(288,268)	-
Special assessments	85,840	26,151	-	-	111,991	-
Prepaid items	(2,187)	(2,187)	(2,187)	-	(6,561)	(55,958)
Inventories	(2,793)	-	-	-	(2,793)	-
Deferred outflows of resources	-	-	-	-	-	1,610,721
Increase (decrease) in liabilities/deferred inflows						
Accounts payable	(118,148)	39,708	1,877	5,933	(70,630)	(731,932)
Due to other governments	(82,315)	(5,252)	9,397	(139,617)	(217,787)	(39,461)
Contracts payable	(255,188)	13,371	-	(1,200)	(243,017)	-
Deposits payable	1,203	-	-	6,688	7,891	-
Accrued salaries payable	7,350	(184)	(3,141)	3,607	7,632	-
Unearned revenue	(69,427)	-	-	-	(69,427)	-
Accrued flex spending	-	-	-	-	-	(9,513)
Compensated absences payable	(4,804)	1,533	(851)	1,020	(3,102)	(67,794)
Other postemployment benefits	-	-	-	-	-	108,843
Net pension liability	-	-	-	-	-	849,870
Deferred inflows of resources	-	-	-	-	-	(1,974,747)
Net cash provided (used) by operating activities	<u>\$ 1,970,115</u>	<u>\$ 1,535,185</u>	<u>\$ (42,241)</u>	<u>\$ 1,413,263</u>	<u>\$ 4,876,322</u>	<u>\$ (2,222,041)</u>
Noncash capital and related financing activities						
Amortization of bond premiums	\$ 50,350	\$ 16,470	\$ -	\$ 5,150	\$ 71,970	\$ -
Disposal of capital assets	-	-	-	-	-	1,291,037

The accompanying notes are an integral part of these financial statements.

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Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of St. Louis Park, Minnesota (the City) was incorporated in 1886 and operates a council-manager form of government under the “Home Rule Charter” concept according to applicable Minnesota laws and statutes. The governing body consists of a seven-member City Council elected by the voters of the City.

The financial statements of the City have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to governmental units by the Governmental Accounting Standards Board (GASB). The following is a summary of the significant accounting policies.

A. FINANCIAL REPORTING ENTITY

As required by generally accepted accounting principles, the financial statements of the reporting entity include those of the City (the primary government) and its component units, entities for which the City is considered to be financially accountable. Blended component units, although legally separate entities, are in substance, part of the City’s operations and so data from these units are combined with data of the City.

BLENDED COMPONENT UNITS

The Economic Development Authority (EDA) is an entity legally separate from the City. However, for financial reporting purposes, the EDA is reported as if it were part of the City’s operations because the members of the City Council serve as EDA Board Members and the City has the ability to access EDA resources. Separate financial statements are not prepared for the EDA.

The following funds are maintained by the EDA: *Debt Service Funds* –2008B General Obligation Tax Increment Bonds, and Hoigaard’s 2010A & B TIF Notes; *Capital Project Funds* – Development EDA and Redevelopment District.

RELATED ORGANIZATION

The Housing Authority (HA) is an entity legally separate from the City. The HA is governed by a Board of Commissioners appointed by the City Council. However, the City’s accountability for the HA does not extend beyond making the appointments.

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or business-type activity is offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or business-type activity. *Program revenues* include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or business-type activity and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or business-type activity. Taxes and other items not included among program revenues are reported instead as *general revenues*.

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers all revenues, except reimbursement grants, to be available if they are collected within 60 days of the end of the current fiscal period. Reimbursement grants are considered available if they are collected within one year of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, special assessments, intergovernmental revenue, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the City.

The City reports the following major governmental funds:

The *General Fund* is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The *Housing Rehabilitation Fund* is used to account for revenues from revenue bond fees and expenditures related to preventing deterioration of multi-unit housing.

The *Debt Service Fund* account for the resources accumulated and payments made for principal and interest on long-term general obligation debt of the government.

The *Development EDA Fund* accounts for transactions related to redevelopment efforts in the City; financing is provided by investment income, grants, and developer reimbursements.

The *Redevelopment District Fund* accounts for transactions relative to acquisition and development in the City's tax increment redevelopment districts; financing is provided by the sale of general obligation tax increment bonds along with tax increment property tax payments.

The *Streets Capital Project Fund* accounts for street construction projects. Revenues are provided by the General Fund for maintenance expenditures or by the issuance of general obligation bonds.

The *Westwood Hills Nature Center Construction Project Fund* is used to account for the construction of a new nature center. Revenues will be provided by the issuance of bonds.

The City reports the following major enterprise funds:

The *Water Fund* accounts for the provisions of water services to residents of the City. All activities necessary to provide such services are accounted for in this fund, including administration, operations, maintenance, billing and collection.

The *Sewer Fund* accounts for the provisions of sewer services to residents of the City. All activities necessary to provide such services are accounted for in this fund, including administration, operations, maintenance, billing and collection.

The *Storm Water Fund* accounts for the revenue and expenses related to providing storm water to the residents of the City. All activities necessary to provide such services are accounted for in this fund, including administration, operations, construction, maintenance, billing and collection.

The City reports the following non-major enterprise funds:

The *Solid Waste Fund* accounts for the revenue and expense related to collection, disposal, and recycling of residential solid waste. Financing is provided by charging each property owner a predetermined service fee.

Additionally, the government reports the following fund types:

Internal Service Funds account for the financing of goods or services provided by one department or agency to other departments or agencies of the City, or to other governments on a cost reimbursement basis. The City's internal service funds account for employee benefits including postemployment benefits and pensions, uninsured loss, capital replacement.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are transactions that would be treated as revenues, expenditures or expenses if they involved external organizations, such as buying goods and services or payments in lieu of taxes, are similarly treated when they involve other funds of the City. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as *program revenues* include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the water, sewer, solid waste and storm water enterprise funds are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

D. BUDGETARY INFORMATION

Budgets are legally adopted on a basis consistent with generally accepted accounting principles. Annual appropriated budgets are legally adopted for the General Fund. A budget is not presented for the Housing Rehabilitation Fund since the City does not legally require to adopt a budget for the fund.

Budgeted amounts are reported as originally adopted, or as amended by the City Council. Budgeted expenditure appropriations lapse at year end.

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the appropriation, is not employed by the City because it is as present not considered necessary to assure effective budgetary control or to facilitate effective cash management.

E. LEGAL COMPLIANCE - BUDGETS

The City follows these procedures in establishing the budgetary data reflected in the financial statements:

1. The City Manager submits to the City Council a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.
2. The City Council reviews the proposed budget and makes appropriate changes.
3. Public hearings are conducted to obtain taxpayer comments.
4. The budget is legally enacted through passage of a resolution on a departmental/divisional basis and can be expended by each department based upon detailed budget estimates for individual expenditure accounts in accordance with the provisions of Section 6.05 of the City Charter.
5. After the budget resolution is approved, the City Council can increase the budget only by resolution if actual receipts exceed the estimated, or from accumulated fund balance in the amount of unexpended appropriations from the previous fiscal year. During the year 2019, the budget was not amended.
6. Formal budgetary integration is employed as a management control device during the year for the General Fund.
7. Legal debt obligation indentures determine the appropriation level and debt service tax levies for the Debt Service Funds. Supplementary budgets are adopted for the Proprietary Funds to determine and calculate user charges. These debt service and budget amounts represent general obligation bond indenture provisions and net income for operation and capital maintenance and are not reflected in the financial statements.
8. A capital improvement program is reviewed annually by the City Council for the Capital Project Funds. However, appropriations for major projects are not adopted until the actual bid award of the improvement. The appropriations are not reflected in the financial statements.
9. The legal level of budgetary control is at the fund level. Expenditures may not legally exceed budgeted appropriations at the total fund level. The City Council must approve all expenditures at fund level either by resolution or through the disbursement process.

10. Monitoring of budgets is maintained at the expenditure category level (i.e., personal services, supplies, and other services and charges, and capital outlay) within each program. Management can exceed appropriations at the department level without City Council approval. Approval must be received for exceeding budgeted appropriations at the fund level.
11. The City Council may authorize transfer of budgeted amounts between City funds.

F. CASH AND INVESTMENTS

Cash and investment balances from all funds are pooled and invested to the extent available in authorized investments. Investment income is allocated to individual funds on the basis of average monthly cash balances. The City's investment policy dictates that the General fund is to receive the first three percent of all interest earnings as an administrative fee. The administrative fee does not apply to the Economic Development Authority.

Investments are stated at fair value, based upon quoted market prices, except for investments in 2a7-like external investment pools, which are stated at amortized cost. Investment income is accrued at the balance sheet date.

For purposes of the statement of cash flows, the Proprietary Funds consider all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. All of the cash and investments allocated to the Proprietary Fund types have original maturities of 90 days or less. Therefore the entire balance in such fund types is considered cash equivalents.

It is the City's policy to invest in a manner that seeks to ensure preservation of capital in the overall portfolio. Safety of principal is the foremost objective, but liquidity and yield are also important considerations. The objective will be to mitigate credit risk by purchasing only highly rated securities with adequate collateral and interest rate risk by matching maturities to cash flow needs and holding securities to maturity.

G. ACCOUNTS RECEIVABLE

Property taxes and special assessment receivables have been reported net of estimated uncollectible accounts (See Note 1 I and J). The City annually certifies delinquent water and sewer accounts to the County for collection in the following year. Because utility bills are considered liens on property, no estimated uncollectible amounts are established. Uncollectible amounts are not material for other receivables and have not been reported.

H. INTERFUND RECEIVABLES AND PAYABLES

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "interfund loan receivable/payable" (i.e., the noncurrent portion of interfund loans). Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

I. PROPERTY TAX REVENUE RECOGNITION

The City Council annually adopts a tax levy and certifies it to the County in December (levy/assessment date) of each year for collection in the following year. The County is responsible for billing and collecting all property taxes for itself, the City, the local School District and other taxing authorities. Such taxes become a lien on January 1 and are recorded as receivables by the City at that date. Real property taxes are payable (by property owners) on May 15 and October 15 of each calendar year. Personal property taxes are payable by taxpayers on February 28 and June 30 of each year. These taxes are collected by the County and remitted to the City on or before July 7 and December 2 of the same year. Delinquent collections for November and December are received the following January. The City has no ability to enforce payment of property taxes by property owners. The County possesses this authority.

The City recognizes property tax revenue when it becomes both measurable and available to finance expenditures of the current period. In practice, current and delinquent taxes and State credits received by the City in July, December and January are recognized as revenue for the current year. Taxes collected by the County by December 31 (remitted to the City the following January) and taxes and credits not received at year end are classified as delinquent and due from County taxes receivable. The portion of delinquent taxes not collected by the City in January is fully offset by deferred inflow of resources because they are not available to finance current expenditures.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The City recognizes property tax revenue in the period for which the taxes were levied. Uncollectible property taxes are not material and have not been reported.

GOVERNMENTAL FUND FINANCIAL STATEMENTS

The City's property tax revenue includes payment from the Metropolitan Revenue Distribution (Fiscal Disparities Formula) per Minnesota Statute 473F. This statute provides a means of spreading a portion of the taxable valuation of commercial/industrial real property to various taxing authorities within the defined metropolitan area. The valuation "shared" is a portion of commercial/industrial property valuation growth since 1971. Property taxes paid to the City through this formula for 2019 totaled \$2,481,990. Receipt of property taxes from this "fiscal disparities pool" does not increase or decrease total tax revenue.

J. SPECIAL ASSESSMENT REVENUE RECOGNITION

Special assessments are levied against benefited properties for the cost or a portion of the cost of special assessment improvement projects in accordance with State Statutes. These assessments are collectible by the City over a term of years usually consistent with the term of the related bond issue. Collection of annual installments (including interest) is handled by the County Auditor in the same manner as property taxes. Property owners are allowed to (and often do) prepay future installments without interest or prepayment penalties.

Once a special assessment roll is adopted, the amount attributed to each parcel is a lien upon that property until full payment is made or the amount is determined to be excessive by the City Council or court action. If special assessments are allowed to go delinquent, the property is subject to tax forfeit sale and the first proceeds of that sale (after costs, penalties and expenses of sale) are remitted to the City in payment of delinquent special assessments. Pursuant to State Statutes, a property shall be subject to a tax forfeit sale after three years unless it is homesteaded, agricultural or seasonal recreational land in which event the property is subject to such sale after five years.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The City recognizes special assessment revenue in the period that the assessment roll was adopted by the City Council. Uncollectible special assessments are not material and have not been reported.

GOVERNMENTAL FUND FINANCIAL STATEMENTS

Revenue from special assessments is recognized by the City when it becomes measurable and available to finance expenditures of the current fiscal period. In practice, current and delinquent special assessments received by the City are recognized as revenue for the current year. Special assessments that are collected by the County by December 31 (remitted to the City the following January) and are also recognized as revenue for the current year. All remaining delinquent, deferred and special deferred assessments receivable in governmental funding are completely offset by deferred inflow of resources.

K. INVENTORIES

Inventory is valued at cost using the first-in, first out (FIFO) method. Inventory consists mainly of expendable supplies held for consumption. Inventories of the governmental funds are recorded as expenditures when consumed rather than when purchased.

L. PREPAID ITEMS

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

M. CAPITAL ASSETS

Capital assets, which include property, plant, equipment, infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), and intangible assets such as easements and computer software, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an estimated useful life in excess of three years and an initial individual cost of more than the following:

Capitalization Threshold	
Land	All
Buildings	\$5,000
Other Improvements	\$25,000
Machinery and equipment	\$10,000
Vehicles	\$10,000
Infrastructure	\$250,000
Other assets	\$5,000
Construction in progress	Accumulate all costs and capitalize if over \$100,000 when completed

Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are recorded at estimated acquisition value at the date of donation. The City uses the modified

approach for reporting street and trail system capital assets. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized

Major outlays for capital assets and improvements are capitalized as projects are constructed.

Property, plant and equipment of the primary government, as well as the component units, is depreciated using the straight line method over the following estimated useful lives:

Buildings and structures	5 – 30 years
Improvements other than buildings	5 – 30 years
Infrastructure	5 – 100 years
Machinery, furniture and equipment (including software)	3 – 30 years
Fleet	3 – 25 years
Temporary easements	3 – 5 years

Capital assets of the water utility and sewer utility operations include the water distribution system and sewer collection system. These systems have been wholly (or substantially) financed by non-operating funds (special assessments, general taxes, federal and state grants, and other sources) and contribution to the Water and Sewer operating funds. City policy is to finance these assets by the sources indicated rather than by user charges. Accordingly, the water and sewer user rates are not established at levels sufficient to cover depreciation on these assets.

The City implemented GASB 51, *Accounting and Financial Reporting for Intangible Assets* effective January 1, 2010, which required the City to capitalize and amortize intangible assets. Pursuant to GASB Statement No. 51, the retroactive reporting of permanent easements is not required and therefore, the City has elected not to report permanent easements acquired in years prior to 2010. The City had already accounted for computer software at historical cost and therefore retroactive reporting was not necessary.

The City elects to use the modified approach as defined by GASB Statement No. 34 for infrastructure reporting of its streets. The City conducted a physical assessment in the summer of 2017 of the condition of the streets. This condition assessment will be performed every 2 years. Each segment of City owned street was assigned a physical condition based on potential defects. An Overall Condition Index (OCI) was assigned to each segment. The index is expressed in a continuous scale from 0 to 100, where 0 is assigned to the least acceptable physical condition and 100 is assigned to those segments that have the characteristic of a new street. The following conditions were defined:

Range	Description
86 - 100	Excellent
71 - 85	Very good
56 - 70	Good
41 - 55	Fair
26 - 40	Poor
11 - 25	Very poor
0 - 10	Failed

The City's policy relative to maintaining the street and trail assets is to achieve an average rating of "Good" for all segments. This acceptable rating allows minor cracking and patching of the pavement along with minor roughness that could be noticeable to the users of the system.

N. COMPENSATED ABSENCES

It is the City's policy to permit employees to accumulate earned but unused vacation, sick pay and flex leave benefits. No liability is recorded for unpaid accumulated sick leave, except for that portion that is payable as severance. All liabilities for vacation leave, flex leave and severance, both current and long-term, are recorded in the Employee Benefits Fund, an Internal Service Fund for governmental funds, and in the individual enterprise funds when incurred. The personnel ordinance limits the annual accumulation of benefits that can be accumulated from year-to-year. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

O. LONG-TERM OBLIGATIONS

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method.

In the fund financial statements, governmental fund types recognize bond premiums and discounts during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses.

P. FUND BALANCE CLASSIFICATIONS

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

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

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

Committed - consists of amounts that are constrained for specific purposes that are internally imposed by formal action (resolution) of the City Council. Those committed amounts cannot be used for any other purpose unless City Council removes or changes the specified use by taking the same type of action it employed to previously commit those amounts.

Assigned - consists of internally imposed constraints. These constraints reflect the specific purpose for which it is the City's intended use. These constraints are established by the City Council and/or management. Pursuant to City Council Resolution, the City's Chief Financial Officer and/or City Manager is authorized to establish assignments of fund balance.

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

When both restricted and unrestricted resources are available for use, it is the City's policy to first use restricted resources, then use unrestricted resources as they are needed.

When committed, assigned or unassigned resources are available for use, it is the City's policy to use resources in the following order; 1) committed 2) assigned and 3) unassigned.

Q. INTERFUND TRANSACTIONS

Interfund services provided and used are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed. Interfund loans are reported as an interfund loan receivable or payable which offsets the movement of cash between funds. All other interfund transactions are reported as transfers.

R. RECLASSIFICATIONS

Certain amounts presented in the prior year data has been reclassified in order to be consistent with the current year's presentation.

S. NET POSITION

Net position represents the difference between assets/deferred outflows and liabilities/deferred inflows. Net position is displayed in three components.

- a) Net investment in capital assets – consists of capital assets, net of accumulated depreciation reduced by any outstanding debt attributable to acquire capital assets.
- b) Restricted net position – consist of net position restricted when there are limitations imposed on their use through external restrictions imposed by creditors, grantors, laws or regulations of other governments.
- c) Unrestricted net position – all other net position that do not meet the definition of "restricted" or "net investment in capital assets".

T. USE OF ESTIMATES

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

U. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The government has two items that qualify for reporting in this

category. They are the pension and OPEB related deferred outflows of resources reported in the government-wide statement of net position and the proprietary funds statement of net position.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The government has pension related deferred inflows of resources reported in the government-wide statement of net position and the proprietary funds statement of net position. The government also has a type of item, which arises only under a modified accrual basis of accounting, that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental fund balance sheet. The governmental funds report unavailable revenues from the following sources: property taxes, special assessments, bond reimbursement payments not yet due and other miscellaneous unavailable revenue.

V. PENSION PLANS

COST SHARING MULTIPLE – EMPLOYER PLANS

For purposes of measuring the net pension liability, deferred outflows/inflows of resources, and pension expense, information about the fiduciary net position of the Public Employees Retirement Association (PERA) and additions to/deductions from PERA’s fiduciary net position have been determined on the same basis as they are reported by PERA except that PERA’s fiscal year end is June 30. For this purpose, plan contributions are recognized as of employer payroll paid dates and benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Note 2 DEPOSITS AND INVESTMENTS

A. DEPOSITS

In accordance with Minnesota Statutes, the City maintains deposits at those depository banks authorized by the City Council, all of which are members of the Federal Reserve System.

Minnesota Statutes require that securities pledged as collateral be held in safekeeping by the City Treasurer or in a financial institution other than that furnishing the collateral. Authorized collateral includes the following:

1. United States government treasury bills, treasury notes, treasury bonds;
2. Issues of United States government agencies and instrumentalities as quoted by a recognized industry quotation service available to the government entity;
3. General obligation securities of any state or local government with taxing powers which is rated “A” or better by a national bond rating service, or revenue obligation securities of any state or local government with taxing powers which is rated “AA” or better by a national bond rating service;
4. General obligation securities of a local government with taxing powers may be pledged as collateral against funds deposited by that same local government entity;
5. Irrevocable standby letters of credit issued by Federal Home Loan Banks to a municipality accompanied by written evidence that the bank’s public debt is rated “AA” or better by Moody’s Investors Service, Inc. or

Standard & Poor's Corporation; and

6. Time deposits that are fully insured by any federal agency.

Custodial Credit Risk - deposits – Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. Minnesota Statutes require that insurance, surety bonds or collateral protect all City deposits. The fair value of collateral pledged must equal 110% of deposits not covered by insurance or bonds. The City has no additional deposit policies addressing custodial credit risk. As of December 31, 2019, the bank balance of the City's deposits was \$2,468,402 all of which was covered by federal depository insurance or by collateral pledged and held in the City's name.

B. INVESTMENTS

The City is authorized by Minnesota Statute Chapter 118A, and the City's investment policy, to invest in the following:

1. Direct obligations or obligations guaranteed by the United States or its agencies, its instrumentalities, or organizations created by an act of congress, excluding mortgage-backed securities defined as high risk.
2. Shares of investment companies registered under the Federal Investment Company Act of 1940 and whose only investments are in securities described in (a) above, general obligation tax-exempt securities, or repurchase or reverse repurchase agreements, and is rated one of the two highest rating categories for money market funds by at least one nationally recognized rating organization.
3. State and local securities as follows:
 - a) any security which is a general obligation of any state or local government with taxing powers which is rated "A" or better by a national bond rating service;
 - b) any security which is a revenue obligation of any state or local government with taxing powers which is rated "AA" or better by a national bond rating service; and
 - c) a general obligation of the Minnesota Housing Finance Agency which is a moral obligation of the State of Minnesota and is rated "A" or better by a national bond rating agency.
4. Bankers acceptance of United States banks.
5. Commercial paper, with a maturity of 270 days or less, issued by United States corporations or their Canadian subsidiaries, of the highest quality, and maturing in 270 days or less.

CITY OF ST. LOUIS PARK, MINNESOTA
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December 31, 2019

At December 31, 2019, the City had the following investments and maturities:

Investment Type	Rating	Investment Maturities (in Years)				
		Fair Value	Less Than 1	1-5	6-10	11-15
4M Fund	NR	\$ 29,486,135	\$ 29,486,135	\$ -	\$ -	\$ -
Money market funds	NR	3,819,817	3,819,817	-	-	-
Commercial paper	A-1	12,960,910	12,960,910	-	-	-
Brokered Certificates of Deposit	NR	1,402,031	1,402,031	-	-	-
Municipal Bonds	A - AAA	2,320,868	1,002,420	1,318,448	-	-
US Treasury	N/A	22,735,853	1,499,838	21,236,015	-	-
Federal National Mortgage Association	N/A	4,171,150	1,248,838	2,922,312	-	-
Federal Home Loan Bank Notes	N/A	4,107,424	1,905,484	2,201,940	-	-
Total		\$ 81,004,188	\$ 53,325,473	\$ 27,678,715	\$ -	\$ -
Total investments						\$ 81,004,188
Deposits						1,481,929
Petty cash						4,985
Total cash and investments						<u>\$ 82,491,102</u>

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. The hierarchy has three levels. Level 1 investments are valued using inputs that are based on quoted market prices. Level 2 investments are valued using inputs that are based on matrix pricing models. Level 3 investments are valued using inputs that are unobservable.

The City has the following recurring fair value measurements as of December 31, 2019:

Investment Type	12/31/2019	Fair Value Measurement Using		
		Level 1	Level 2	Level 3
Investments at fair value:				
Commercial paper	\$ 12,960,910	\$ -	\$ 12,960,910	\$ -
Brokered Certificates of Deposit	1,402,031	-	1,402,031	-
Municipal Bonds	2,320,868	-	2,320,868	-
US Treasury	22,735,853	-	22,735,853	-
Federal National Mortgage Association	4,171,150	-	4,171,150	-
Federal Home Loan Bank Notes	4,107,424	-	4,107,424	-
Total/Subtotal	47,698,236	\$ -	\$ 47,698,236	\$ -
Investments not categorized:				
External investment pool - 4M Fund	29,486,135			
Money market funds	3,819,817			
Total	\$ 81,004,188			

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

The 4M Liquid Asset Fund has no redemption requirements. The 4M Plus Fund requires funds to be deposited for a minimum of 14 calendar days. Withdrawals prior to the 14-day restriction period are subject to a penalty equal to 7 days interest on the amount withdrawn.

C. INVESTMENT RISKS

Custodial credit risk – investments – For investments in securities, custodial credit risk is the risk that in the event of failure of the counterparty to a transaction, the City will not be able to recover the value of its investment securities that are in the possession of an outside party. Investments in investment pools and money markets are not evidenced by securities that exist in physical or book entry form, and therefore are not subject to custodial credit risk disclosures. The City’s investment policy requires the City’s security broker/dealers to provide its audited financial statements, proof of NASD certification, proof of state registration, and certification of having read, understood and agreed to comply with the City’s investment policy. Investments in securities are held by the City’s broker-dealer of which \$500,000 is insured through SIPC. Each broker-dealer has provided additional protection by providing additional insurance. This insurance is subject to aggregate limits applied to all of the broker-dealers accounts.

Interest rate risk – Interest rate risk is the risk that changes in interest rates of debt investments could adversely affect the fair value of an investment. The City’s investment policy states the investment portfolio will remain sufficiently liquid to enable the City to meet all operating and capital requirements that might be reasonably anticipated. The maximum maturity of investments shall not extend beyond five years, unless related to specific cash flow needs.

Credit risk – Credit risk is the risk that an issuer or other counterparty to an investment will be unable to fulfill its obligation to the holder of the investment. State law limits investments to commercial paper to those rated in the highest quality category by at least two nationally recognized rating agencies; in any security of the State of Minnesota or any of its municipalities which is rated “A” or better by a national bond rating service for general obligation and rated “AA” or better for a revenue obligation; a general obligation of the Minnesota Housing Finance Agency to those rated “A” or better by a national bond rating agency; mutual funds or money market funds whose investments are restricted to securities described in MS 118A.04. The City’s investment policy does not place further restrictions on investment options.

Concentration of credit risk – Concentration of credit risk is the risk of loss that may be attributed to the magnitude of a government’s investment in a single issuer. The City’s investment policy states no more than 50% of its investment portfolio can be invested in municipal bonds or MHFA securities. Investments in a single issuer exceeding 5% of the City’s overall cash and investment portfolio are in various holdings as follows:

Federal National Mortgage Assn.	5.15%
Federal Home Loan Bank	5.07%
US Treasury	28.07%

Note 3 RECEIVABLES

A. LOANS RECEIVABLE

The City has made loans to local businesses and individuals that qualify for various loan programs. The businesses and individuals pay varying installments on the loans. Depending on the loan program, some of the loans are secured by an interest in the property.

Also, some of the loans are forgivable after 30 years if certain criteria are met. As of December 31, 2019, any forgiveness of loans would not occur for another 20 – 30 years. At this time, information is not available to develop an estimate for any loans which may be forgiven. Therefore, no allowance has been recorded. As loan maturity dates approach, the City will evaluate whether an allowance for forgivable loans should be recorded in the financial statements.

As of December 31, 2019, the loans receivable balance was \$8,795,903.

Significant receivable balances not expected to be collected within one year of December 31, 2019 are as follows:

	Loans Receivable	Special Assessments Receivable	Property Taxes	Interfund Loans Receivable	Pledges Receivable	Total
Major Funds:						
General Fund	\$ -	\$ -	\$ 285,537	\$ -	\$ -	\$ 285,537
Housing Rehabilitation Fund	3,447,313	27,412	-	-	-	3,474,725
Debt Service Funds	1,435,000	-	-	-	-	1,435,000
Development EDA Fund	1,385,745	-	-	3,512,883	-	4,898,628
Redevelopment District Fund	756,604	-	10,393	-	-	766,997
Water Fund	-	65,894	-	-	-	65,894
Sewer Fund	-	1,234	-	-	-	1,234
Nonmajor Governmental Funds	493,055	12,393	-	-	1,050,000	1,555,448
Total	\$ 7,517,717	\$ 106,933	\$ 295,930	\$ 3,512,883	\$ 1,050,000	\$ 12,483,463

Note 4 UNAVAILABLE REVENUE

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

	<u>Unavailable</u>
Delinquent property taxes receivable (General Fund)	\$ 317,264
Delinquent property taxes receivable (Redevelopment District)	11,547
Special assessments not yet due (Housing Rehabilitation)	4,760,787
Special assessments not yet due (Nonmajor Funds)	835,603
Bond reimbursement payments not yet due (Debt Service Funds)	1,480,000
Other miscellaneous (Redevelopment District)	113,598
Other miscellaneous (Nonmajor Funds)	<u>1,198,402</u>
 Total unavailable revenue for governmental funds	 <u>\$ 8,717,201</u>

CITY OF ST. LOUIS PARK, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
December 31, 2019

Note 5 CAPITAL ASSETS

The City has elected to use the modified approach as defined by GASB Statement No. 34 for reporting of street infrastructure. As a result, no accumulated depreciation or depreciation expense has been recorded for street infrastructure. Additional information of the modified approach is presented in the Notes to Required Supplementary Information section of this report. All other capital assets including other infrastructure systems were reported using the basic approach whereby accumulated depreciation and depreciation expense have been recorded. Modified approach adjustments represent the changes due to implementation of the modified approach for infrastructure reporting. Capital asset activity for the year ended December 31, 2019 is as follows:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Governmental activities:					
Capital assets, not being depreciated:					
Land	\$ 16,991,835	\$ -	\$ -	\$ -	\$ 16,991,835
Infrastructure - streets	26,011,544	-	-	-	26,011,544
Permanent easements	1,429,976	-	-	-	1,429,976
Construction in progress	4,182,762	11,337,008	6,932,432	-	8,587,338
Total capital assets, not being depreciated	<u>48,616,117</u>	<u>11,337,008</u>	<u>6,932,432</u>	<u>-</u>	<u>53,020,693</u>
Capital assets, being depreciated:					
Buildings and structures	56,471,752	153,849	-	-	56,625,601
Improvements other than buildings	41,827,137	1,581,925	-	-	43,409,062
Infrastructure	35,450,455	5,813,843	-	-	41,264,298
Machinery, furniture and equipment	11,580,413	1,983,652	596,802	-	12,967,263
Fleet	11,052,118	260,213	699,610	-	10,612,721
Total capital assets, being depreciated	<u>156,381,875</u>	<u>9,793,482</u>	<u>1,296,412</u>	<u>-</u>	<u>164,878,945</u>
Less accumulated depreciation for:					
Buildings and structures	16,551,436	1,385,907	-	-	17,937,343
Improvements other than buildings	15,901,659	1,746,680	-	-	17,648,339
Infrastructure	19,095,078	961,924	-	-	20,057,002
Machinery, furniture and equipment	7,183,953	860,796	434,903	-	7,609,846
Fleet	4,997,280	951,229	635,974	-	5,312,535
Total accumulated depreciation	<u>63,729,406</u>	<u>5,906,536</u>	<u>1,070,877</u>	<u>-</u>	<u>68,565,065</u>
Total capital assets being depreciated - net	<u>92,652,469</u>	<u>3,886,946</u>	<u>225,535</u>	<u>-</u>	<u>96,313,880</u>
Governmental activities capital assets - net	<u>\$ 141,268,586</u>	<u>\$ 15,223,954</u>	<u>\$ 7,157,967</u>	<u>\$ -</u>	<u>\$ 149,334,573</u>

CITY OF ST. LOUIS PARK, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
December 31, 2019

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Business-type activities:					
Capital assets, not being depreciated:					
Land	\$ 515,083	\$ -	\$ -	\$ -	\$ 515,083
Construction in progress	-	8,417,309	4,294,408	-	4,122,901
Total capital assets, not being depreciated	515,083	8,417,309	4,294,408	-	4,637,984
Capital assets, being depreciated:					
Buildings and structures	4,767,723	-	-	-	4,767,723
Improvements other than buildings	7,155,538	-	-	-	7,155,538
Infrastructure	64,527,404	4,294,408	-	-	68,821,812
Machinery, furniture and equipment	9,028,849	-	-	-	9,028,849
Total capital assets, being depreciated	85,479,514	4,294,408	-	-	89,773,922
Less accumulated depreciation for:					
Buildings and structures	4,465,873	127,437	-	-	4,593,310
Improvements other than buildings	3,544,472	270,794	-	-	3,815,266
Infrastructure	30,752,276	944,908	-	-	31,697,184
Machinery, furniture and equipment	3,904,493	423,642	-	-	4,328,135
Total accumulated depreciation	42,667,114	1,766,781	-	-	44,433,895
Total capital assets being depreciated - net	42,812,400	2,527,627	-	-	45,340,027
Business-type activities capital assets - net	\$ 43,327,483	\$ 10,944,936	\$ 4,294,408	\$ -	\$ 49,978,011

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental activities:	
General government	\$ 100,140
Public safety	474,383
Engineering	8,393
Operations and recreation	3,172,464
Public information	56,552
Social and economic development	130,009
Internal service	1,964,595
Total depreciation expense - governmental activities	\$ 5,906,536
Business-type activities:	
Water	\$ 997,758
Sewer	133,105
Storm water	635,918
Total depreciation expense - business-type activities	\$ 1,766,781

CITY OF ST. LOUIS PARK, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
December 31, 2019

Note 6 CITY INDEBTEDNESS

The City issues general obligation bonds, to provide funds for the acquisition and construction of major capital facilities. The reporting entity's long-term debt is segregated between the amounts to be repaid from governmental activities and amounts to be repaid from business-type activities. General obligation bonds are direct obligations and pledge the full faith and credit of the City.

As of December 31, 2019, long-term debt of the City consisted of the following:

	Issue Date	Final Maturity Date	Interest Rates	Authorized And Issued	Outstanding 12/31/19
<u>Governmental Activities:</u>					
General Long-Term Debt:					
General Improvement Bonds:					
G.O. Improvement Bonds Series 2010D (BABS)	12/29/2010	2/1/2032	1.25 - 5.15%	\$ 13,025,000	\$ 9,200,000
G.O. Improvement Bonds Series 2014A	12/18/2014	2/1/2026	2.00%	5,070,000	3,650,000
G.O. Improvement Bonds Series 2016A	7/14/2016	2/1/2027	1.375 - 2.375%	10,000,000	8,645,000
G.O. Improvement Bonds Series 2017A	7/13/2017	2/1/2028	2.125 - 3%	3,430,000	3,130,000
G.O. Improvement Bonds Series 2018A	6/14/2018	2/1/2033	3.00 - 4.00%	2,020,000	2,020,000
G.O. Improvement Bonds Series 2019A	4/10/2019	2/1/2035	2.00 - 4.00%	22,220,000	22,220,000
G.O. Improvement Bonds Series 2019B	11/26/2019	2/1/2032	3.00 - 5.00%	7,585,000	7,585,000
Total General Improvement Bonds				<u>63,350,000</u>	<u>56,450,000</u>
Tax Increment Bonds:					
Tax Increment Refunding Bonds Series 2008B	12/1/2008	2/1/2024	3.25 - 4.625%	5,490,000	2,560,000
G.O. Special Assessment Bonds:					
G.O. Improvement Bonds Series 2010A HIA	5/7/2010	2/1/2031	1.25 - 5.7%	3,105,000	-
G.O. Improvement Bonds Series 2012A HIA	10/17/2012	2/1/2033	0.75 - 3.90%	1,290,000	970,000
G.O. Improvement Bonds Series 2019C HIA	11/26/2019	2/1/2028	2.00 - 2.20%	2,200,000	2,200,000
Total G.O. Special Assessment Bonds				<u>6,595,000</u>	<u>3,170,000</u>
G.O. Revenue bonds:					
G.O. Improvement Refunding Bonds Series 2010C	12/29/2010	2/1/2040	3.00 - 5.65%	1,770,000	1,480,000
Issuance premiums (discounts)	N/A	N/A	N/A	N/A	2,323,277
Total - bonded indebtedness				<u>77,205,000</u>	<u>65,983,277</u>
Capital lease payable - vehicles	5/1/2016	5/1/2021	4.53%	222,149	121,005
Compensated absences payable	N/A	N/A	N/A	N/A	4,027,810
Total governmental activities				<u>77,427,149</u>	<u>70,132,092</u>
<u>Business-Type Activities:</u>					
General Obligation Revenue Bonds:					
Utility Crossover Refunding Bonds Series 2013A	7/10/2013	8/1/2023	1.0 - 1.9%	4,170,000	1,610,000
Utility Revenue Bonds Series 2014A	12/18/2014	2/1/2026	2.00%	4,930,000	3,550,000
Utility G.O. Improvement Bonds Series 2017A	7/13/2017	2/1/2033	2.125 - 3%	4,985,000	4,715,000
Utility Refunding Revenue Bonds Series 2017A	7/13/2017	2/1/2025	2.125 - 3%	1,485,000	1,145,000
Utility G.O. Revenue Bonds Series 2018A	6/14/2018	2/1/2033	3.00 - 4.00%	6,780,000	6,360,000
Utility G.O. Revenue Bonds Series 2019B	11/26/2019	2/1/3030	3.00 - 5.00%	7,520,000	7,520,000
Total General Obligation Revenue Bonds				29,870,000	24,900,000
Issuance premiums (discounts)	N/A	N/A	N/A	N/A	1,853,981
Total - bonded indebtedness				<u>29,870,000</u>	<u>26,753,981</u>
Compensated absences payable	N/A	N/A	N/A	N/A	172,491
Total business-type activities				<u>29,870,000</u>	<u>26,926,472</u>
Total long-term debt				<u>\$ 107,297,149</u>	<u>\$ 97,058,564</u>

CITY OF ST. LOUIS PARK, MINNESOTA
 NOTES TO FINANCIAL STATEMENTS
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GOVERNMENTAL ACTIVITIES

Annual debt service requirements to maturity for the governmental activities long-term debt are as follows:

Year Ending December 31	G.O. Improvement Bonds		G.O. Tax Increment Bonds		G.O. Special Assessment Bonds		G.O. Revenue Bonds	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2020	\$ 11,165,000	\$ 1,735,002	\$ 460,000	\$ 105,563	\$ 245,000	\$ 58,574	\$ 45,000	\$ 74,805
2021	2,650,000	1,336,238	485,000	84,300	315,000	67,143	45,000	72,983
2022	3,320,000	1,244,066	510,000	61,913	320,000	60,613	45,000	71,104
2023	3,425,000	1,134,675	535,000	38,400	320,000	53,913	50,000	69,048
2024	3,535,000	1,027,116	570,000	13,181	335,000	46,920	50,000	66,823
2025	3,655,000	929,513	-	-	340,000	39,585	55,000	64,433
2026	3,745,000	836,063	-	-	345,000	32,085	55,000	61,875
2027	3,460,000	734,266	-	-	355,000	24,200	60,000	59,143
2028	3,555,000	610,288	-	-	195,000	17,558	60,000	56,233
2029	3,300,000	483,781	-	-	75,000	13,718	65,000	53,138
2030	3,180,000	379,531	-	-	75,000	11,036	65,000	49,855
2031	2,640,000	294,575	-	-	80,000	8,130	70,000	46,378
2032	2,710,000	219,075	-	-	85,000	4,973	75,000	42,589
2033	1,975,000	152,441	-	-	85,000	1,658	75,000	38,633
2034	2,035,000	93,525	-	-	-	-	80,000	34,505
2035	2,100,000	31,500	-	-	-	-	85,000	30,070
2036	-	-	-	-	-	-	90,000	25,323
2037	-	-	-	-	-	-	95,000	20,258
2038	-	-	-	-	-	-	100,000	14,870
2039	-	-	-	-	-	-	105,000	9,155
2040	-	-	-	-	-	-	110,000	3,108
Total	\$ 56,450,000	\$ 11,241,655	\$ 2,560,000	\$ 303,357	\$ 3,170,000	\$ 440,106	\$ 1,480,000	\$ 964,329

It is not practicable to determine the specific year for payment of long-term accrued compensated absences.

BUSINESS-TYPE ACTIVITIES

Annual debt service requirements to maturity for the business-type long-term debt are as follows:

Year Ending December 31	G.O. Revenue Bonds	
	Principal	Interest
2020	\$ 2,065,000	\$ 697,129
2021	2,135,000	743,925
2022	2,280,000	670,880
2023	2,360,000	592,715
2024	2,150,000	518,300
2025	2,225,000	446,375
2026	2,085,000	367,725
2027	1,605,000	298,688
2028	1,670,000	235,913
2029	1,740,000	169,725
2030	1,805,000	109,563
2031	900,000	69,900
2032	930,000	42,450
2033	950,000	14,250
Total	<u>\$ 24,900,000</u>	<u>\$ 4,977,538</u>

It is not practicable to determine the specific year for payment of long-term accrued compensated absences.

CITY OF ST. LOUIS PARK, MINNESOTA
 NOTES TO FINANCIAL STATEMENTS
 December 31, 2019

CHANGE IN LONG-TERM LIABILITIES

Long-term liability activity for the year ended December 31, 2019 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Bonds payable:					
G.O. improvement bonds	\$ 28,975,000	\$ 29,805,000	\$ 2,330,000	\$ 56,450,000	\$ 11,165,000
G.O. tax increment bonds	2,995,000	-	435,000	2,560,000	460,000
G.O. special assessment bonds	3,315,000	2,200,000	2,345,000	3,170,000	245,000
G.O. revenue bonds	1,520,000	-	40,000	1,480,000	45,000
Add:					
Premiums on bonds	541,808	1,965,389	113,380	2,393,817	-
Total bonds payable	37,250,293	33,970,389	5,237,405	65,983,277	11,915,000
Capital lease payable	180,382	-	59,378	121,005	59,378
Compensated absences	4,095,604	2,883,222	2,951,016	4,027,810	2,661,698
Total governmental activity long-term debt	<u>\$ 41,526,279</u>	<u>\$ 36,853,611</u>	<u>\$ 8,247,799</u>	<u>\$ 70,132,092</u>	<u>\$ 14,636,076</u>
Business-type activities:					
Bonds payable:					
G.O. revenue bonds	\$ 19,475,000	\$ 7,520,000	\$ 2,095,000	\$ 24,900,000	\$ 2,065,000
Add:					
Premiums on bonds	677,443	1,248,508	71,970	1,853,981	-
Total bonds payable	20,152,443	8,768,508	2,166,970	26,753,981	2,065,000
Compensated absences	175,593	191,914	195,016	172,491	112,119
Total business-type activity long-term debt	<u>\$ 20,328,036</u>	<u>\$ 8,960,422</u>	<u>\$ 2,361,986</u>	<u>\$ 26,926,472</u>	<u>\$ 2,177,119</u>

For governmental activities, compensated absences are paid out of the Employee benefits internal service fund.

\$22,220,000 GENERAL OBLIGATION BONDS, SERIES 2019A

On April 10, 2019, the City issued General Obligation Bonds in the amount of \$22,220,000 to finance construction of a new Westwood Hills Nature Center, the City's portion of various improvements for the Southwest Light Rail Transit line, improvements to the City's fiber system, the costs of sidewalks and trails including reconstruction costs of sidewalks and trails along Cedar Lake Road related to the City's Connect the Park Initiative, and the cost of reconstruction to Cedar Lake Road. The G.O. Bonds will have a term of 10 years, with an interest rate between 2.00% - 4.00%, and will be repaid with property tax levies.

\$15,105,000 GENERAL OBLIGATION BONDS, SERIES 2019B

On November 26, 2019, the City issued General Obligation Bonds in the amount of \$15,105,000. \$8,610,000 was issued to refund the 2010D Taxable General Obligation Build America Bonds on February 1, 2020. (current refunding). The G.O. Refunding Bonds will have a term of 10 years, with an interest rate between 3.00% - 5.00% and will be repaid with property tax levies. The remaining \$6,495,000 was issued to finance the construction of various utility system improvements. The G.O. Bonds will have a term of 10 years, with an interest rate between 3.00% - 5.00%, and will be repaid with utility revenues.

The refunding portion of the transaction will reduce debt service payments related to the refunded bonds by \$866,256, with a net present value (economic gain) of \$781,746.

\$2,200,000 TAXABLE GENERAL OBLIGATION HOUSING IMPROVEMENT AREA REFUNDING BONDS, SERIES 2019C

On November 26, 2019, the City issued Taxable General Obligation Housing Improvement Area Refunding Bonds in the amount of \$2,200,000 to refund the 2010A Taxable General Obligation Housing Improvement Area Bonds on December 10, 2019 (current refunding). The G.O. Refunding Bonds will have a term of 10 years, with an interest rate between 2.00% - 2.20%, and will be repaid with property tax levies.

The refunding portion of the transaction will reduce debt service payments related to the refunded bonds by \$503,253, with a net present value (economic gain) of \$376,329.

CAPITAL LEASE PAYABLE

A. VEHICLES

In 2016, the City entered into a lease agreement for ten vehicles. The agreement calls for total monthly payments of \$4,145 maturing on May 1, 2021, with an interest rate of 4.53 percent. Depreciation in the amount of \$44,481 has been recorded as depreciation expense during 2019.

In 2018, the City entered into a lease agreement for three vehicles. The agreement calls for total monthly payments of \$1,406 maturing on May 1, 2023, with an interest rate of 5.00 percent. Depreciation in the amount of \$11,154 has been recorded as depreciation expense during 2019.

The net book value of assets under the capital lease at December 31, 2019 is as follows:

Equipment	\$ 313,475
Accumulated depreciation	<u>(210,886)</u>
Net book value	<u>\$ 102,589</u>

The following is a schedule of future minimum lease payments under the capital lease:

Year Ending December 31,	Payment
2020	\$ 66,612
2021	37,584
2022	16,877
2023	<u>7,026</u>
Total minimum lease payments	128,099
Less: amount representing interest	<u>(7,095)</u>
Present value of minimum lease payments	<u>\$ 121,004</u>

CITY OF ST. LOUIS PARK, MINNESOTA
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REVENUE PLEDGED

Future revenue pledged for the payment of long-term debt is as follows:

Bond Issue	Use of Proceeds	Revenue Pledged				Remaining Principal and Interest	Current Year	
		Type	Percent of total debt service	Debt service as a % of net revenues	Pledged Through		Principal and Interest paid	Pledged Revenue received
G.O. Improvement Bonds Series 2012A	Housing Improvement Area	Fee	100%	58%	2033	1,224,367	86,238	147,805
G.O. Improvement Bonds Series 2010A / Refunding 2019C	Housing Improvement Area	Fee	100%	93%	2028	2,385,736	284,583	306,206
Tax Increment Refunding Bonds Series 2008B	Street Improvements	TIF	100%	100%	2024	2,863,356	559,613	559,613
G.O. Improvement Refunding Bonds Series 2010C	Louisiana Court Project	Operating revenues of Louisiana Court	100%	98%	2040	2,444,323	116,455	119,342
Utility Crossover Refunding Bonds Series 2013A	Utility Infrastructure Projects	Utility charges	100%	100%	2023	1,666,658	795,512	795,512
Utility Revenue Bonds Series 2013	Utility Infrastructure Projects	Utility charges	100%	100%	2026	3,804,300	545,700	545,700
Utility Revenue Bonds Series 2013	Utility Infrastructure Projects	Utility charges	100%	100%	2033	5,686,138	406,275	406,275
Utility Refunding Revenue Bonds Series 2017A	Utility Infrastructure Projects	Utility charges	100%	100%	2025	1,250,975	211,975	211,975
Utility Revenue Bonds Series 2018A	Utility Infrastructure Projects	Utility charges	100%	100%	2033	7,905,300	677,846	677,846
Utility Revenue Bonds Series 2019B	Utility Infrastructure Projects	Utility charges	100%	n/a	2030	9,564,167	-	-

Note 7 DEFINED BENEFIT PENSION PLANS

A. PLAN DESCRIPTION

The City participates in the following cost-sharing multiple-employer defined benefit pension plans administered by the Public Employees Retirement Association of Minnesota (PERA). PERA's defined benefit pension plans are established and administered in accordance with Minnesota Statutes, Chapters 353 and 356. PERA's defined benefit pension plans are tax qualified plans under Section 401 (a) of the Internal Revenue Code.

1. General Employees Retirement Fund (GERF)

All full-time (with the exception of employees covered by PEPFF) and certain part-time employees of the City are covered by the General Employees Retirement Fund (GERF). GERF members belong to the Coordinated Plan. Coordinated Plan members are covered by Social Security.

2. Public Employees Police and Fire Fund (PEPFF)

The PEPFF, originally established for police officers and firefighters not covered by a local relief association, now covers all police officers and firefighters hired since 1980. Effective July 1, 1999, the PEPFF also covers police officers and firefighters belonging to a local relief association that elected to merge with and transfer assets and administration to PERA.

B. BENEFITS PROVIDED

PERA provides retirement, disability, and death benefits. Benefit provisions are established by state statute and can only be modified by the state legislature. Vested terminated employees who are entitled to benefits, but are not receiving them yet, are bound by the provisions in effect at the time they last terminated their public service.

1. GERF Benefits

Benefits are based on a member's highest average salary for any five successive years of allowable service, age, and years of credit at termination of service. Two methods are used to compute benefits for PERA's Coordinated Plan members. Members hired prior to July 1, 1989, receive the higher of Method 1 or Method 2 formulas. Only Method 2 is used for members hired after June 30, 1989. Under Method 1, the accrual rate for a Coordinated Plan members is 1.2% for each of the first ten years and 1.7% for each additional year. Under Method 2, the accrual rate for Coordinated members is 1.7% for all years of service. The accrual for Minneapolis Employees Retirement Fund (MERF) members is 2% for each of the first 10 years of service and 2.5% for each additional year. For members hired prior to July 1, 1989, a full annuity is available when age plus years of service equal 90 and normal retirement age is 65. For members hired on or after July 1, 1989, normal retirement age is the age for unreduced Social Security benefits, capped at 66.

Annuities, disability benefits, and survivor benefits are increased effective every January 1. Beginning January 1, 2019, the postretirement increase will be equal to 50 percent of the cost-of-living adjustment (COLA) announced by the SSA, with a minimum increase of at least 1 percent and a maximum of 1.5 percent. Recipients that have been receiving the annuity or benefit for at least a full year as of the June 30 before the effective date of the increase will receive the full increase. For recipients receiving the annuity or benefit for

at least one month but less than a full year as of the June 30 before the effective date of the increase will receive a reduced prorated increase. For members retiring on January 1, 2024 or later, the increase will be delayed until normal retirement age (age 65 if hired prior to July 1, 1989, or age 66 for individuals hired on or after July 1, 1989). Members retiring under Rule of 90 are exempt from the delay to normal retirement.

PEPFF Benefits

Benefits for the PEPFF members first hired after June 30, 2010, but before July 1, 2014, vest on a prorated basis from 50% after five years up to 100% after ten years of credited service. Benefits for PEPFF members first hired after June 30, 2014, vest on a prorated basis from 50% after ten years up to 100% after twenty years of credited service. The annuity accrual rate is 3% of average salary for each year of service. For PEPFF members who were first hired prior to July 1, 1989, a full annuity is available when age plus years of service equal at least 90.

Annuities, disability benefits, and survivor benefits are increased effective every January 1. Beginning January 1, 2019, the postretirement increase will be fixed at 1 percent. Recipients that have been receiving the annuity or benefit for at least 36 months as of the June 30 before the effective date of the increase will receive the full increase. For recipients receiving the annuity or benefit for at least 25 months but less than 36 months as of the June 30 before the effective date of the increase will receive a reduced prorated increase.

C. CONTRIBUTIONS

Minnesota Statutes Chapter 353 sets the rates for employer and employee contributions. Contribution rates can only be modified by the state legislature.

1. GERS Contributions

Coordinated Plan members were required to contribute 6.50% of their annual covered salary in fiscal year 2019. The City was required to contribute 7.50% for Coordinated Plan members. The City's contributions to the GERS for the year ended December 31, 2019, were \$1,270,160. The City's contributions were equal to the required contributions as set by state statute.

2. PEPFF Contributions

Police and Fire member's contribution rates increased from 10.8 percent of pay to 11.3 percent and employer rates increased from 16.2 percent to 16.95 percent on January 1, 2019. The City's contributions to the PEPFF for the year ended December 31, 2019, were \$1,433,661. The City's contributions were equal to the required contributions as set by state statute.

D. PENSIONS COST

1. GERF Pension Costs

At December 31, 2019, the City reported a liability of \$13,036,854 for its proportionate share of the GERF's net pension liability. The City's net pension liability reflected a reduction due to the State of Minnesota's contribution of \$16 million to the fund in 2019. The State of Minnesota is considered a non-employer contributing entity and the state's contribution meets the definition of a special funding situation. The State of Minnesota's proportionate share of the net pension liability associated with the City totaled \$405,149. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportion of the net pension liability was based on the City's contributions received by PERA during the measurement period for employer payroll paid dates from July 1, 2018, through June 30, 2019, relative to the total employer contributions received from all of PERA's participating employers. At June 30, 2019 the City's proportion was .2358% which was an increase of .0051% from its proportion measured as of June 30, 2018.

City's proportionate share of the net pension liability	\$13,036,854
State of Minnesota's proportionate share of the net pension liability associated with the City	<u>405,149</u>
Total	<u>\$13,442,003</u>

For the year ended December 31, 2019, the City recognized pension expense of \$1,783,511 for its proportionate share of the GERF's pension expense. In addition, the City recognized an additional \$30,342 as pension expense (and grant revenue) for its proportionate share of the State of Minnesota's contribution of \$16 million to the General Employees Fund.

At December 31, 2019, the City reported its proportionate share of the GERF's deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual economic experience	\$ 363,085	\$ -
Changes in actuarial assumptions	7,103	1,030,142
Difference between projected and actual investment earnings	-	1,311,978
Changes in proportion	444,896	86,928
Contributions paid to PERA subsequent to the measurement date	<u>627,520</u>	<u>-</u>
Total	<u>\$ 1,442,604</u>	<u>\$ 2,429,048</u>

\$627,520 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2020. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31,	Pension Expense Amount
2020	(573,932)
2021	(879,111)
2022	(181,928)
2023	21,007
2024	-
Thereafter	-

2. PEPFF Pension Costs

At December 31, 2019, the City reported a liability of \$8,307,082 for its proportionate share of the PEPFF's net pension liability. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportion of the net pension liability was based on the City's contributions received by PERA during the measurement period for employer payroll paid dates from July 1, 2018, through June 30, 2019, relative to the total employer contributions received from all of PERA's participating employers. At June 30, 2019, the City's proportion was .7803%, which was an increase of .0583% from its proportion measured as of June 30, 2018. The City also recognized \$105,340 for the year ended December 31, 2019, as revenue and an offsetting reduction of net pension liability for its proportionate share of the State of Minnesota's on-behalf contributions to the PEPFF. Legislation passed in 2013 required the State of Minnesota to begin contributing \$9 million to the PEPFF each year, until the plan is 90 percent funded or until the State Patrol Plan (administered by the Minnesota State Retirement System) is 90 percent funded, whichever occurs later. In addition, the state will pay \$4.5 million on October 1, 2018 and October 1, 2019 in direct state aid. Thereafter, by October 1 of each year, the state will pay \$9 million until full funding is reached or July 1, 2048, whichever is earlier.

For the year ended December 31, 2019, the City recognized pension expense of \$1,476,202 for its proportionate share of the PEPFF's pension expense.

At December 31, 2019, the City reported its proportionate share of the PEPFF's deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 355,430	\$ 1,356,307
Changes in actuarial assumptions	7,283,310	9,493,929
Difference between projected and actual investment earnings	-	1,696,051
Changes in proportion	2,236,629	1,431,454
Contributions paid to PERA subsequent to the measurement date	720,565	-
Total	<u>\$ 10,595,934</u>	<u>\$ 13,977,741</u>

\$720,565 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2020. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31,	Pension Expense Amount
2020	(370,275)
2021	(1,055,685)
2022	(3,306,612)
2023	514,132
2024	116,068
Thereafter	-

E. ACTUARIAL ASSUMPTIONS

The total pension liability in the June 30, 2019, actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.50% per year
Active Member Payroll Growth	3.25% per year
Investment Rate of Return	7.50%

Salary increases were based on a service-related table. Mortality rates for active members, retirees, survivors, and disabilitants for all plans were based on RP 2014 tables for males or females, as appropriate, with slight adjustments to fit PERA's experience. Cost of living benefit increases after retirement for retirees are assumed to be 1.25 percent per year for the General Employees Plan, 1.0 percent per year for the Police and Fire Plan.

Actuarial assumptions used in the June 30, 2019 valuation were based on the results of actuarial experience studies. The most recent four-year experience study in the General Employees Plan was completed in 2019. The most recent four-year experience study for Police and Fire Plan was completed in 2016. The following changes in actuarial assumptions and plan provisions occurred in 2019:

General Employees Fund

Changes in Actuarial Assumptions:

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

Changes in Plan Provisions:

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

Police and Fire Fund

Changes in Actuarial Assumptions

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

Changes in the Plan Provisions

- There have been no changes since the prior valuation

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

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	35.5%	5.10%
International Equity	17.5%	5.90%
Fixed Income	20%	0.75%
Private Markets	25%	5.90%
Cash Equivalents	2%	0.00%
Total	100%	

F. DISCOUNT RATE

The discount rate used to measure the total pension liability in 2019 was 7.50%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and employers will be made at rates set in Minnesota Statutes. Based on these assumptions, the fiduciary net position of the General Employees Fund and the Police and Fire Fund was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

G. PENSION LIABILITY SENSITIVITY

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

	<u>1% Decrease in Discount Rate (6.5%)</u>	<u>Discount Rate (7.5%)</u>	<u>1% Increase in Discount Rate (8.5%)</u>
City's proportionate share of the GERF net pension liability	\$ 21,431,886	\$ 13,036,854	\$ 6,105,086
City's proportionate share of the PEPFF net pension liability	\$ 18,157,737	\$ 8,307,082	\$ 161

The net pension liability is generally liquidated by the Employee Benefits Internal Service Fund.

H. PENSION PLAN FIDUCIARY NET POSITION

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

I. PENSION EXPENSE

Pension expense recognized by the City for the fiscal year ended December 31, 2019 is as follows:

GERF	\$ 1,783,511
PEPFF	<u>1,476,202</u>
Total	<u>\$ 3,259,713</u>

Note 8 DEFINED CONTRIBUTION PLAN

Four council members of the City of St. Louis Park, Minnesota, are covered by the Public Employees Defined Contribution Plan (PEDCP), a multiple-employer deferred compensation plan administered by PERA. The PEDCP is a tax qualified plan under Section 401(a) of the Internal Revenue Code and all contributions by or on behalf of employees are tax deferred until time of withdrawal.

Plan benefits depend solely on amounts contributed to the plan plus investment earnings, less administrative expenses. Minnesota Statutes, Chapter 353D.03, specifies plan provisions, including the employee and employer contribution rates for those qualified personnel who elect to participate. An eligible elected official who decides to participate contributes 5% of salary which is matched by the elected official’s employer. For ambulance service personnel, employer contributions are determined by the employer, and for salaried employees must be a fixed percentage of salary. Employer contributions for volunteer personnel may be a unit value for each call or period of alert duty. Employees who are paid for their services may elect to make member contributions in an amount not to exceed the employer share. Employer and employee contributions are combined and used to purchase shares in one or more of the seven accounts of the Minnesota

Supplemental Investment Fund. For administering the plan, PERA receives 2% of employer contributions and twenty-five hundredths of 1% (.0025) of the assets in each member’s account annually.

Total contributions made by the City during fiscal year 2019 were:

Contribution Amount		Percentage of Covered Payroll		Required
Employee	Employer (Pension Expense)	Employee	Employer	Rate
\$ 2,989	\$ 2,989	5%	5%	5%

Note 9 POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

A. PLAN DESCRIPTION

In addition to providing the pension benefits described in Notes 7 and 8, the City provides post-employment health care benefits, as defined in paragraph B, through its group health insurance plan (the plan). The plan is a single-employer defined benefit OPEB plan administered by the City. The authority to provide these benefits is established in Minnesota Statutes Sections 471.61 Subd. 2a and 299A.465. The benefits, benefit levels, employee contributions and employer contributions are governed by the City and can be amended by the City through its personnel manual and collective bargaining agreements with employee groups. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

B. BENEFITS PROVIDED

The City is required by State Statute to allow retirees to continue participation in the City’s group health insurance plan if the individual terminates service with the City through service retirement or disability retirement. Police officers, firefighters, sergeants, and dispatchers age 50 and over with 3 years of service, or age 65 with 1 year of service, may continue medical and dental coverage at their own expense. Non-union and 49ers union employees age 55 with 3 years of service, age 65 with 1 year of service, any age with 30 years of service, or those whose age plus service is at least 90 may continue medical and dental coverage at their own expense. Employees may obtain dependent coverage at retirement only if the employee was receiving dependent coverage immediately prior to retirement. The surviving spouse of an active employee may continue coverage in the group health insurance plan after the employee’s death.

All health care coverage is provided through the City’s group health insurance plans. The retiree is required to pay 100% of their premium cost for the City-sponsored group health insurance plan in which they participate. The premium is a blended rate determined on the entire active and retiree population. Since the projected claims costs for retirees exceed the blended premium paid by retirees, the retirees are receiving an implicit rate subsidy (benefit). The coverage levels are the same as those afforded to active employees. Upon a retiree reaching age 65, Medicare becomes the primary insurer.

C. PARTICIPANTS

As of the December 31, 2019 actuarial valuation, participants of the plan consisted of:

Active employees electing coverage	276
Active employees waiving coverage	1
Retirees electing coverage	<u>26</u>
Total	<u><u>303</u></u>

D. TOTAL OPEB LIABILITY AND CHANGES IN TOTAL OPEB LIABILITY

The City’s total OPEB liability of \$3,823,756 was measured as of December 31, 2018, and was determined by an actuarial valuation as of December 31, 2019. Changes in the total OPEB liability during 2019 were:

Changes for the year:	
Service cost	\$ 312,898
Interest cost	122,728
Changes of benefit terms	-
Differences between expected and actual experience	269,604
Changes in assumptions	(170,614)
Benefit payments	<u>(211,503)</u>
Net changes	323,113
Balance - beginning of year	<u>3,500,643</u>
Balance - end of year	<u><u>\$ 3,823,756</u></u>

There were no plan changes since the measurement date of December 31, 2019.

E. ACTUARIAL ASSUMPTIONS AND OTHER INPUTS

The total OPEB liability in the December 31, 2019 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.50%
Salary increases	Based on most recently disclosed assumptions for the pension plan in which the employee participates
Discount rate	3.71%
20-year municipal bond yield	3.71%
Healthcare cost trend rates	6.40% in 2019 gradually decreasing over several decades to an ultimate rate of 4.00% in 2076 and later years
Retirees' share of benefit-related costs	100%

Since the plan is funded on a pay-as-you-go basis, both the discount rate and the investment rate of return were based on published rate information for 20-year, tax exempt, municipal bonds as of the measurement date. (Fidelity 20-year Municipal G.O. AA Index)

Mortality rates for general employees and for Police and Fire were based on the RP-2014 mortality tables with projected mortality improvements based on scale MP-2017, and other adjustments.

The actuarial assumptions used in the December 31, 2018 valuation are similar to those used to value pension liabilities for Minnesota public employees. The state pension plans base their assumptions on periodic experience studies.

Changes in assumptions and other inputs since the prior measurement date reflect an increase in the discount rate from 3.31% to 3.71%.

F. SENSITIVITY OF THE TOTAL OPEB LIABILITY TO CHANGES IN THE DISCOUNT RATE

The following table presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1% lower (2.71%) or 1% higher (4.71%) than the current discount rate:

	1% Decrease (2.71%)	Discount Rate (3.71%)	1% Increase (4.71%)
Total OPEB liability	\$ 4,168,286	\$ 3,823,756	\$ 3,516,366

G. SENSITIVITY OF THE TOTAL OPEB LIABILITY TO CHANGES IN THE HEALTHCARE COST TREND RATES

The following table presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1% lower (5.40% decreasing to 3.00%) or 1% higher (7.40% decreasing to 5.00%) than the current healthcare cost trend rates:

	1% Decrease	Current Healthcare Cost Trend Rates	1% Increase
Total OPEB liability	\$ 3,405,719	\$ 3,823,756	\$ 4,316,474

H. OPEB EXPENSE AND DEFERRED OUTFLOWS AND INFLOWS OF RESOURCES RELATED TO OPEB

For the year ended December 31, 2019, the City recognized \$461,928 of OPEB expense. At December 31, 2019, the City reported deferred outflows and inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual liability	\$ 237,997	\$ -
Contributions subsequent to the measurement date	90,827	150,612
Changes in assumption	<u>146,323</u>	<u>-</u>
Total	<u>\$ 475,147</u>	<u>\$ 150,612</u>

\$146,332 of the deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date will be recognized as a reduction of the OPEB liability in the year ending December 31, 2020. Other amounts reported as deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Year Ended December 31,</u>	<u>OPEB Expense</u>
2020	\$ 172,634
2021	26,302
2022	26,302
2023	26,302
2024	26,302
Thereafter	<u>46,702</u>
	<u>\$ 324,544</u>

Note 10 INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

The City has established interfund loans to finance infrastructure improvements, project reimbursements, housing rehabilitation loans and to provide initial financing for TIF districts. A summary at December 31, 2019 is as follows:

	Interfund Loan Receivable	Interfund Loan Payable
Major Funds:		
Development EDA	\$ 3,512,883	\$ -
Redevelopment District	-	3,512,883
	<u> </u>	<u> </u>
Total	<u>\$ 3,512,883</u>	<u>\$ 3,512,883</u>

The City provides temporary advances to funds that have insufficient cash balances by means of an advance from another fund shown as due from other funds in the advancing fund, and a due to other fund in the fund with the deficit, until adequate resources are received. A summary at December 31, 2019 is as follows:

	Due From Other Funds	Due To Other Funds
Major Funds:		
Storm Water	\$ 1,799,253	\$ -
Other:		
Capital Projects	-	1,799,253
	<u> </u>	<u> </u>
Total	<u>\$ 1,799,253</u>	<u>\$ 1,799,253</u>

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Interfund Transfers

Interfund transfers at December 31, 2019 are as follows:

Fund	Transfers in					Totals
	General	Housing Rehabilitation	Debt Service	Streets Capital Project	Internal Service Funds	
Transfers out:						
General	\$ -	\$ -	\$ -	\$ -	\$ 300,000	\$ 300,000
Housing Rehabilitation	8,684	-	331,703	-	-	340,387
Redevelopment District	-	160,000	929,162	472,363	-	1,561,525
Development EDA	40,000	-	-	-	-	40,000
Nonmajor Special Revenue	34,506	-	-	-	-	34,506
Nonmajor Capital Projects	22,829	-	-	205,201	-	228,030
Water	586,308	-	-	755	33,726	620,789
Sewer	814,609	-	-	12,431	49,204	876,244
Solid Waste	207,331	-	-	-	33,726	241,057
Storm Water	298,439	-	-	-	33,726	332,165
Total transfers in	<u>\$ 2,012,706</u>	<u>\$ 160,000</u>	<u>\$ 1,260,865</u>	<u>\$ 690,750</u>	<u>\$ 450,382</u>	<u>\$ 4,574,703</u>

Generally, transfers are used to (1) move revenues from the fund that collects them to the fund that the budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to a debt service fund in accordance with bond documents, (3) move funds in accordance with the City’s adopted capital improvement plan to support project costs, and (4) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with City policy.

Note 11 FUND BALANCE

A. CLASSIFICATIONS

At December 31, 2019, a summary of the governmental fund balance classifications are as follows:

Fund/Description	Nonspendable	Restricted	Committed	Assigned
General Fund				
Prepaid items	\$ 112,570	\$ -	\$ -	\$ -
Inventories	227,677	-	-	-
E-911 purposes	-	107,683	-	-
Fire donation	-	19,000	-	-
Inspections	-	-	-	550,000
DWI enforcement	-	-	-	195,651
Race data survey	-	-	-	50,000
Tax court petitions	-	-	-	200,000
Communnity survey	-	-	-	25,000
COVID 19	-	-	-	581,872
Housing Rehabilitation	-	-	39,775	5,711,287
Debt service	-	13,443,508	-	-
Development EDA				
Prepaid items	299	-	-	-
Economic development	-	-	241,193	-
Redevelopment efforts	-	-	-	21,708,164
Redevelopment districts	-	6,010,191	-	-
Streets Capital Projects	-	-	-	-
Westwood Nature Center construction	-	5,089,375	-	170,304
Other governmental funds				
Prepaid items	6,500	-	-	-
Capital improvements	-	1,463,152	-	2,872,261
Affordable housing	-	4,515	-	-
Community development	-	461,840	-	-
Cable TV equipment purchases	-	262,666	632,529	691,398
Police and fire purposes	-	1,409,975	-	-
Light pole replacement	-	-	-	370,000
Special service districts	-	-	-	74,606
Total	\$ 347,046	\$ 28,271,905	\$ 913,497	\$ 33,200,543

Unless separately displayed, constraints are not more specific than the purpose of the fund.

B. MINIMUM FUND BALANCE POLICY

The City Council has formally adopted a fund balance policy for the General Fund.

The policy establishes a year-end target of unassigned fund balance amount for cash flow timing needs in the range of 40-50% of the subsequent years budget expenditures. At December 31, 2019, the unassigned fund balance for the General Fund was 45% of the subsequent year’s budgeted expenditures.

Note 12 DEFICIT FUND BALANCE/NET POSITION

At December 31, 2019, individual funds with deficit fund balance/net position are as follows:

	Amount	Future Financing Source
Redevelopment District:		
Elmwood Village	\$ (1,986,765)	Future tax increment
Hard Coat TIF District	(31,283)	Future tax increment
Other Governmental Funds:		
Park Improvement	(708,721)	Future property taxes
Sidewalks and Trails	(433,880)	Future bonding
Streets Capital Projects	(1,403,203)	Future bonding/MSA reimbursement
Pavement Management	(1,277,328)	Future bonding/franchise taxes
Internal Service Funds:		
Employee Benefits	(32,873,567)	Future pension contributions and investment earnings
Total	\$ (38,714,747)	

Note 13 COMMITMENTS AND CONTINGENCIES

A. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City continues to carry commercial insurance for risks of loss, including workers compensation, property and general liability and employee health and accident insurance. There were no significant reductions in insurance from the previous year or settlements in excess of insurance coverage for any of the past three fiscal years.

PROPERTY AND CASUALTY INSURANCE

Property and casualty insurance coverage is provided through the League of Minnesota Cities Insurance Trust (LMCIT), a public entity risk pool currently operating as a common risk management and insurance program for Minnesota cities: general liability, excess liability property, automobile, marine, crime, employee dishonesty, boiler and open meeting law.

The City pays an annual premium to the LMCIT for its insurance coverage. The LMCIT is self-sustaining through member premiums and reinsures through commercial companies for claims in excess of various amounts. The City

retains risk for the deductible portions of the insurance policies. The deductible amounts are \$50,000 for each occurrence and a \$150,000 annual aggregate.

Current State Statute (Minnesota Statute subd. 466.04) provides limits of liability for the City. These limits are that the combination of defense expense and indemnification expense shall not exceed \$500,000 in the case of one claimant or \$1,500,000 for any number of claims arising out of a single occurrence.

B. LITIGATION

The City attorney has indicated that existing and pending lawsuits, claims and other actions in which the City is a defendant are either covered by insurance; of an immaterial amount; or, in the judgment of the City attorney, remotely recoverable by plaintiffs.

C. FEDERAL AND STATE FUNDS

The City receives financial assistance from federal and state governmental agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with the terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the applicable fund. However, in the opinion of management, any such disallowed claims will not have a material effect on any of the financial statements of the individual fund types included herein or on the overall financial position of the City at December 31, 2019.

D. TAX ABATEMENTS – PAY-AS-YOU-GO TAX INCREMENT

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

The City has numerous tax increment pay-as-you-go agreements. The agreements are not a general obligation of the City and are payable solely from available tax increment. Accordingly, these agreements are not reflected in the financial statements of the City. The pay-as-you-go note provides for payment to the developer a percentage of all tax increment received in the prior six months. The payment reimburses the developer for public improvements. Principal and interest shall be paid on February 1 and August 1. Payments are payable solely from available tax increment derived from the developed/redeveloped property and paid to the City. The City shall have no obligation to pay any unpaid balance of principal or accrued interest that may remain after the final payment.

CITY OF ST. LOUIS PARK, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
December 31, 2019

Details of the pay-as-you-go notes are as follows:

District Name / Note Description	Issue Date	Principal Amount	Interest Rate	First Note Pymt	Final Note Pymt	% TIF Available	2019 Payments	12/31/2019 Balance
Zarthan/16th Ave TIF District								
Rottlund - Town Homes/Condos	11/06/2000	\$1,395,547	8.00%	08/01/2003	02/01/2023	89.75%	252,421	695,170
CSM - Town Place Suites	10/25/2000	1,101,362	8.00%	08/01/2003	02/01/2022	89.75%	91,930	1,218,476
CSM - Spring Hill Suites	10/25/2000	1,448,088	8.00%	08/01/2003	02/01/2022	89.75%	<u>118,621</u>	1,750,836
							462,972	
Mill City TIF District								
MSP SLP Apartments	11/20/2000	3,431,137	8.75%	08/1/2002	02/01/2023	94.75%	553,865	3,294,816
Park Commons TIF District								
Excelsior & Grand Phase I	07/01/2003	3,500,000	8.50%	08/05/2005	08/01/2022	97.00%	1,035,706	2,339,940
Excelsior & Grand Phase NE	06/05/2006	4,668,633	8.50%	08/01/2006	02/01/2028	97.00%	480,190	4,570,336
Excelsior & Grand Phase NW	06/05/2006	4,079,105	8.50%	08/01/2007	02/01/2028	97.00%	465,105	4,405,731
Excelsior & Grand Phase E	06/05/2006	3,300,715	8.50%	08/01/2006	02/01/2028	97.00%	<u>299,242</u>	4,072,502
							2,280,243	
Edgewood TIF District								
Real Estate Recycling / Edgewood Investors	02/01/2004	600,000	1.70%	08/01/2006	08/01/2019	95.00%	48,883	-
Wolfe Lake TIF District								
Belt Line Industrial Park	01/20/2006	996,000	7.50%	08/01/2006	02/01/2020	95.00%	118,185	46,698
Elmwood Village TIF District								
Webster LLC / Adagio Senior Apts	07/29/2013	820,000	4.00%	08/01/2014	08/01/2019	95.00%	165,029	-
Medley Row Town Homes	07/29/2013	200,000	4.00%	08/01/2014	02/01/2020	95.00%	66,848	-
Hoigaard Village 2010A TIF Revenue Bonds	10/21/2010	3,495,000	1.5-5%	02/01/2011	02/01/2023	95.00%	<u>367,500</u>	1,330,000
							599,377	
Highway 7 Corporate Center TIF District								
Highway 7 Business Center Note A	07/24/2008	2,100,000	1.00%	08/01/2008	08/01/2027	95.00%	114,768	854,736
Highway 7 Business Center Note B	07/24/2008	360,000	1.00%	08/01/2008	08/01/2027	95.00%	19,674	146,526
Highway 7 Business Center Note C	07/24/2008	72,000	1.00%		08/01/2028	95.00%	-	80,363
Highway 7 Business Center Note D	07/24/2008	23,000	1.00%		08/01/2028	95.00%	<u>-</u>	25,672
							134,442	
West End TIF District								
Duke Realty Limited Partnership	11/01/2010	21,100,000	6.75%	02/01/2012	08/01/2031	95.00%	1,919,765	20,909,528
Ellipse on Excelsior TIF District								
Bader Development / Ellipse II	08/01/2015	686,195	5.60%	08/01/2015	02/01/2021	95.00%	157,300	156,169
Eliot Park TIF District								
Weidner / Siena Apartment Homes	05/18/2016	1,100,000	5.50%	08/01/2016	08/01/2020	95.00%	309,043	365,725
The Shoreham TIF District								
Bader Development / Shoreham Apts LLC	05/14/2019	1,200,000	3.75%	09/06/2019	08/01/2021	95.00%	620,441	589,434
4900 Excelsior TIF District								
Weidner / 4900 Excelsior Apts LLC	03/05/2019	2,800,000	4.50%	08/01/2019	02/01/2027	95.00%	211,547	2,640,603

E. LOUISIANA COURT PROJECT

The City of St. Louis Park has entered into an agreement with Project for Pride in Living Louisiana Court Limited Partnership to issue \$4,505,000 in General Obligation Bonds – Series 2000A for the purpose of acquiring and renovating certain rental housing facilities within the City of St. Louis Park intended primarily for low and moderate income persons and their families. During 2010, the 2000A bonds were refunded by the \$1,770,000 General Obligation Refunding Bonds, Series 2010C. The City of St. Louis Park will receive monthly principal and interest payments from Project for Pride in Living Louisiana Court Limited Partnership to cover all debt service obligations of the City of St. Louis Park on a semi-annual basis. In the event that the City of St. Louis Park does not receive payment from Project for Pride in Living, the City of St. Louis Park is still under obligation to make all debt service payments. At such time, the City of St. Louis Park would pursue collection of above referenced principal and interest payments per the agreement dated May 1, 2000. As of December 31, 2019, the outstanding principal on the bonds is \$1,480,000.

F. CONSTRUCTION COMMITMENTS

The City has active construction projects as of December 31, 2019. The projects include street construction in areas with newly developed housing, widening and construction of existing streets and bridges, and the construction of additional storm sewer and utility improvements. At year end the City’s commitments with contractors are as follows:

Project	Remaining Commitment
SCADA system replacement	\$ 999,311
2019 pavement management	998,760
HVAC, joint sealant, and louvers	499,747
Roofing	476,570
Windows and doors	331,511
Carpentry	271,793
2019 Cedar Lake Road MSA project	259,636
Electrical	258,922
Plumbing systems	223,647
Historic Walker Lake Reconstruction - phase 1	211,967
Drywall	174,890
Cementitious cladding (building siding)	171,090
Interior finish carpentry and cabinets	169,226
Landscaping	146,763
Earthwork	136,038
Photovoltaic collectors	129,019
Painting	87,200
Exhibit fabrication	85,425
Doors, frames, and hardware	83,649
Concrete and decorative concrete	69,594
Multi-media AV system	60,441
Pavement markings, traffic control, asphalt	55,281
Air/vapor barrier	54,595
Sec sys, access-controlled doors, cameras for IP Video	52,642
	\$ 6,007,717

Note 14 CONDUIT DEBT OBLIGATIONS

From time to time, the City has issued industrial, hospital or housing revenue bonds to provide financial assistance to private-sector entities for the acquisition and construction of industrial, commercial or housing facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. Neither the City, the State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. As of December 31, 2019, there were 16 revenue bonds issued. The aggregate principal amount payable as of December 31, 2019 is \$178,414,810.

Note 15 RECENTLY ISSUED ACCOUNTING STANDARDS

The Governmental Accounting Standards Boards (GASB) recently approved the following statements which were not implemented for these financial statements:

Statement No. 83 *Certain Asset Retirement Obligations*. The provisions of this Statement are effective for reporting periods beginning after June 15, 2019.

Statement No. 84 *Fiduciary Activities*. The provisions of this Statement are effective for reporting periods beginning after December 15, 2019.

Statement No. 87 *Leases*. The provisions of this Statement are effective for reporting periods beginning after June 15, 2021.

Statement No. 88 *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*. The provisions of this Statement are effective for reporting periods beginning after June 15, 2019.

Statement No. 89 *Accounting for Interest Cost Incurred before the End of a Construction Period*. The provisions of this Statement are effective for reporting periods beginning after December 15, 2020.

Statement No. 90 *Majority Equity Interests – an amendment of GASB Statements No. 14 and No. 61*. The provisions of this Statement are effective for reporting periods beginning after December 15, 2019.

Statement No. 91 *Conduit Debt Obligations*. The provisions of this Statement are effective for reporting periods beginning after December 15, 2021.

Statement No. 92 *Omnibus 2020*. The provisions of this Statement are effective for reporting periods beginning after June 15, 2021.

Statement No. 93 *Replacement of Interbank Offered Rates*. The provisions of this Statement contain multiple effective dates, the first being for reporting periods beginning after June 15, 2020.

Statement No. 94 *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. The provisions of this Statement are effective for reporting periods beginning after June 15, 2022.

The effect these standards may have on future financial statements is not determinable at this time, but it is expected that Statement No. 87 may have a material impact.

Note 16 SUBSEQUENT EVENTS AND UNCERTAINTIES

The COVID-19 pandemic continues to cause rapidly changing disruptions world-wide. Management has evaluated these conditions and believes that it is not possible to reasonably estimate the financial impact, if any, of COVID-19 on the City's financial statements at December 31, 2019.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF ST. LOUIS PARK, MINNESOTA
 REQUIRED SUPPLEMENTARY INFORMATION
 BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
 For The Year Ended December 31, 2019

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	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues				
Property taxes	\$ 26,880,004	\$ 26,880,004	\$ 27,028,744	\$ 148,740
Abatement of property taxes	-	-	(94,254)	(94,254)
Total property taxes	26,880,004	26,880,004	26,934,490	54,486
Licenses and permits				
Business regulatory licenses	705,466	705,466	772,626	67,160
Non-business licenses and permits	3,397,958	3,397,958	4,492,033	1,094,075
Total licenses and permits	4,103,424	4,103,424	5,264,659	1,161,235
Intergovernmental				
Federal	83,500	83,500	23,366	(60,134)
State shared taxes				
Highway user tax	725,000	725,000	635,524	(89,476)
Insurance premium tax	725,225	725,225	768,987	43,762
State of Minnesota				
Other	73,970	73,970	175,827	101,857
PERA	45,205	45,205	45,205	-
Police training reimbursement	45,000	45,000	52,691	7,691
School district	58,700	58,700	56,602	(2,098)
Other local governments	2,800	2,800	2,512	(288)
Total intergovernmental	1,759,400	1,759,400	1,760,714	1,314
Charges for services				
General government	794,419	794,419	800,631	6,212
Public safety	197,600	197,600	150,156	(47,444)
Public works - signals/lighting	11,500	11,500	9,000	(2,500)
Culture and rec	1,183,800	1,183,800	1,201,611	17,811
Rent of City property	1,332,062	1,332,062	1,455,754	123,692
Total charges for services	3,519,381	3,519,381	3,617,152	97,771
Fines and forfeits				
Municipal court	240,000	240,000	185,098	(54,902)
Liquor violations	12,000	12,000	5,500	(6,500)
Property forfeits	25,000	25,000	75,709	50,709
Miscellaneous violations	2,700	2,700	8,032	5,332
Total fines and forfeits	279,700	279,700	274,339	(5,361)
Interest income	180,000	180,000	523,124	343,124
Miscellaneous				
Other	67,750	67,750	120,201	52,451
Total miscellaneous	67,750	67,750	120,201	52,451
Total revenues	36,789,659	36,789,659	38,494,679	1,799,274

See accompanying notes to the required supplementary information.

Expenditures	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
General government				
Administration				
Current				
Personal services	\$ 1,139,675	\$ 1,139,675	\$ 1,050,140	\$ 89,535
Supplies	15,125	15,125	6,524	8,601
Other services and charges	757,170	757,170	742,787	14,383
Total administration	1,911,970	1,911,970	1,799,451	112,519
Finance				
Current				
Personal services	643,716	643,716	647,371	(3,655)
Materials and supplies	3,000	3,000	2,380	620
Other services and charges	387,483	387,483	428,541	(41,058)
Total finance	1,034,199	1,034,199	1,078,292	(44,093)
Assessing				
Current				
Personal services	754,821	754,821	719,339	35,482
Materials and supplies	1,600	1,600	1,901	(301)
Other services and charges	16,325	16,325	30,496	(14,171)
Total assessing	772,746	772,746	751,736	21,010
Human resources				
Current				
Personal services	633,520	633,520	639,798	(6,278)
Supplies	2,000	2,000	2,217	(217)
Other services and charges	170,100	170,100	114,751	55,349
Total human resources	805,620	805,620	756,766	48,854
Community development				
Current				
Personal services	1,487,721	1,487,721	1,456,676	31,045
Materials and supplies	1,300	1,300	1,784	(484)
Other services and charges	13,500	13,500	57,211	(43,711)
Total community development	1,502,521	1,502,521	1,515,671	(13,150)
Facilities maintenance				
Current				
Personal services	486,509	486,509	472,535	13,974
Materials and supplies	78,000	78,000	73,225	4,775
Other services and charges	605,702	605,702	663,719	(58,017)
Total facilities maintenance	1,170,211	1,170,211	1,209,479	(39,268)

Expenditures (continued)	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
General government (continued)				
Communications and marketing				
Current				
Personal services	\$ 413,424	\$ 413,424	\$ 454,142	\$ (40,718)
Materials and supplies	22,500	22,500	15,061	7,439
Other services and charges	369,750	369,750	317,245	52,505
Total communications, etc.	805,674	805,674	786,448	19,226
Information resources				
Current				
Personal services	915,037	915,037	878,108	36,929
Materials and supplies	24,500	24,500	11,785	12,715
Other services and charges	735,400	735,400	584,712	150,688
Total information services	1,674,937	1,674,937	1,474,605	200,332
Total general government	9,677,878	9,677,878	9,372,448	305,430
Public safety				
Police				
Current				
Personal services	9,420,699	9,420,699	9,386,274	34,425
Materials and supplies	168,600	168,600	165,741	2,859
Other services and charges	746,198	746,198	806,208	(60,010)
Capital outlay	-	-	93,819	(93,819)
Total police	10,335,497	10,335,497	10,452,042	(116,545)
Fire protection				
Current				
Personal services	4,276,884	4,276,884	4,153,461	123,423
Materials and supplies	129,500	129,500	102,284	27,216
Other services and charges	406,694	406,694	498,778	(92,084)
Total fire protection	4,813,078	4,813,078	4,754,523	58,555
Building				
Current				
Personal services	2,432,881	2,432,881	2,253,127	179,754
Materials and supplies	12,000	12,000	7,978	4,022
Other services and charges	110,454	110,454	169,366	(58,912)
Total building	2,555,335	2,555,335	2,430,471	124,864
Total public safety	17,703,910	17,703,910	17,637,036	66,874

Expenditures (continued)	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Operations				
Public works administration				
Current				
Personal services	\$ 267,303	\$ 267,303	\$ 201,009	\$ 66,294
Materials and supplies	4,500	4,500	1,750	2,750
Other services and charges	18,950	18,950	11,682	7,268
Total public works administration	290,753	290,753	214,441	76,312
Public works operations				
Current				
Personal services	1,588,652	1,588,652	1,574,318	14,334
Materials and supplies	428,500	428,500	457,160	(28,660)
Other services and charges	1,094,329	1,094,329	1,068,015	26,314
Total public works operations	3,111,481	3,111,481	3,099,493	11,988
Vehicle maintenance				
Current				
Personal services	624,812	624,812	621,658	3,154
Materials and supplies	426,912	426,912	486,767	(59,855)
Other services and charges	190,512	190,512	160,274	30,238
Total vehicle maintenance	1,242,236	1,242,236	1,268,699	(26,463)
Engineering				
Current				
Personal services	410,224	410,224	446,525	(36,301)
Materials and supplies	8,000	8,000	4,229	3,771
Other services and charges	152,153	152,153	158,811	(6,658)
Total engineering	570,377	570,377	609,565	(39,188)
Total operations	5,214,847	5,214,847	5,192,198	22,649
Parks and recreation				
Organized recreation				
Current				
Personal services	1,043,569	1,043,569	997,266	46,303
Materials and supplies	55,400	55,400	30,870	24,530
Other services and charges	480,600	480,600	470,327	10,273
Total organized recreation	1,579,569	1,579,569	1,498,463	81,106
Recreation Center				
Current				
Personal services	1,205,106	1,205,106	1,272,698	(67,592)
Materials and supplies	195,250	195,250	164,044	31,206
Other services and charges	549,301	549,301	604,645	(55,344)
Total recreation center	1,949,657	1,949,657	2,041,387	(91,730)
Park maintenance				
Current				
Personal services	1,231,221	1,231,221	1,212,716	18,505
Materials and supplies	106,555	106,555	115,976	(9,421)
Other services and charges	495,521	495,521	491,759	3,762
Total park maintenance	1,833,297	1,833,297	1,820,451	12,846

CITY OF ST. LOUIS PARK, MINNESOTA
 REQUIRED SUPPLEMENTARY INFORMATION
 BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
 For The Year Ended December 31, 2019

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Expenditures (continued)	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Parks and recreation (continued)				
Westwood hills nature center				
Current				
Personal services	574,736	574,736	559,007	15,729
Materials and supplies	28,950	28,950	18,575	10,375
Other services and charges	40,064	40,064	34,688	5,376
Total westwood hills nature center	643,750	643,750	612,270	31,480
Natural Resources				
Current				
Personal services	153,484	153,484	136,156	17,328
Materials and supplies	21,200	21,200	36,967	(15,767)
Other services and charges	310,100	310,100	256,284	53,816
Total natural resources	484,784	484,784	429,407	55,377
Total parks and recreation	6,491,057	6,491,057	6,401,978	89,079
Other				
Sustainability				
Current				
Personal services	-	-	25,794	(25,794)
Other services and charges	-	-	488	(488)
Total Sustainability	-	-	26,282	(26,282)
Total other	-	-	26,282	(26,282)
Total expenditures	39,087,692	39,087,692	38,629,942	457,750
Revenues over (under) expenditures	(2,298,033)	(2,298,033)	(135,263)	2,257,024
Other financing sources (uses)				
Transfers in	1,999,877	1,999,877	2,012,706	12,829
Transfers out	-	-	(300,000)	(300,000)
Total other financing sources (uses)	1,999,877	1,999,877	1,712,706	(287,171)
Net change in fund balances	<u>\$ (298,156)</u>	<u>\$ (298,156)</u>	1,577,443	<u>\$ 1,969,853</u>
Fund balance - January 1			19,254,384	
Fund balance - December 31			<u>\$ 20,831,827</u>	

See accompanying notes to the required supplementary information.

CITY OF ST. LOUIS PARK, MINNESOTA
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY AND RELATED RATIOS
 For The Year Ended December 31, 2019

Statement 10

	<u>2019</u>	<u>2018</u>
Total OPEB Liability:		
Service cost	\$ 312,898	\$ 273,798
Interest cost	122,728	126,654
Changes in benefit terms	-	-
Differences between expected and actual experience	269,604	-
Changes in assumptions	(170,614)	120,221
Benefit payments	<u>(211,503)</u>	<u>(140,966)</u>
Net change in total OPEB liability	323,113	379,707
Total OPEB liability - beginning	<u>3,500,643</u>	<u>3,120,936</u>
Total OPEB liability - ending	<u><u>\$ 3,823,756</u></u>	<u><u>\$ 3,500,643</u></u>
Covered-employee payroll	\$23,867,837	\$22,206,835
Total OPEB liability as a percentage of covered-employee payroll	16.0%	15.8%

The schedule is provided prospectively beginning with the City's fiscal year ended December 31, 2018 and is intended to show a ten year trend. Additional years will be added as they become available.

See accompanying notes to the required supplementary information.

CITY OF ST. LOUIS PARK, MINNESOTA

REQUIRED SUPPLEMENTARY INFORMATION

Statement 11

SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY -

GENERAL EMPLOYEES RETIREMENT FUND

Last Ten Years

Measurement Date June 30	Fiscal Year Ending December 31	City's Proportionate Share (Percentage) of the Net Pension Liability	City's Proportionate Share (Amount) of the Net Pension Liability (a)	State's Proportionate Share (Amount) of the Net Pension Liability Associated with City (b)	City's Proportionate Share of the Net Pension Liability and the State's Proportionate Share of the Net Pension Liability Associated with City (a+b)	Covered Payroll (c)	City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll ((a+b)/c)	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2015	2015	0.2263%	\$ 11,728,040	\$ -	\$ 11,728,040	\$ 13,317,871	88.1%	78.2%
2016	2016	0.2258%	18,333,840	239,395	18,573,235	14,027,206	132.4%	68.9%
2017	2017	0.2269%	14,485,146	182,131	14,667,277	14,714,583	99.7%	75.9%
2018	2018	0.2307%	12,798,290	419,668	13,217,958	15,513,575	85.2%	79.5%
2019	2019	0.2358%	13,036,854	405,149	13,442,003	16,684,548	80.6%	80.2%

The schedule is provided prospectively beginning with the City's fiscal year ended December 31, 2015 and is intended to show a ten year trend. Additional years will be reported as they become available.

See accompanying notes to the required supplementary information.

CITY OF ST. LOUIS PARK, MINNESOTA

REQUIRED SUPPLEMENTARY INFORMATION

Statement 12

SCHEDULE OF PENSION CONTRIBUTIONS - GENERAL EMPLOYEES RETIREMENT FUND

Last Ten Years

Fiscal Year Ending	Statutorily Required Contribution (a)	Contributions in Relation to the Statutorily Required Contribution (b)	Contribution Deficiency (Excess) (a-b)	Covered Payroll (c)	Contributions as a Percentage of Covered Payroll (b/c)
December 31, 2015	\$ 1,026,806	\$ 1,026,806	\$ -	\$ 13,690,747	7.50%
December 31, 2016	1,076,319	1,076,319	-	14,350,435	7.50%
December 31, 2017	1,122,359	1,122,359	-	14,965,469	7.50%
December 31, 2018	1,206,070	1,206,070	-	16,080,867	7.50%
December 31, 2019	1,270,160	1,270,160	-	16,935,462	7.50%

The schedule is provided prospectively beginning with the City's fiscal year ended December 31, 2015 and is intended to show a ten year trend. Additional years will be reported as they become available.

See accompanying notes to the required supplementary information.

CITY OF ST. LOUIS PARK, MINNESOTA

REQUIRED SUPPLEMENTARY INFORMATION

Statement 13

SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY -

PUBLIC EMPLOYEES POLICE AND FIRE FUND

Last Ten Years

Measurement Date June 30	Fiscal Year Ending December 31	Proportion (Percentage) of the Net Pension Liability	Proportionate Share (Amount) of the Net Pension Liability (a)	Covered Payroll (b)	Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll (a/b)	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2015	2015	0.7170%	\$ 8,146,798	\$ 6,568,763	124.0%	86.6%
2016	2016	0.7090%	28,453,404	6,826,711	416.8%	63.9%
2017	2017	0.7010%	9,464,334	7,214,850	131.2%	85.4%
2018	2018	0.7220%	7,695,776	7,675,241	100.3%	88.8%
2019	2019	0.7803%	8,307,082	8,227,972	101.0%	89.3%

The schedule is provided prospectively beginning with the City's fiscal year ended December 31, 2015 and is intended to show a ten year trend. Additional years will be reported as they become available.

See accompanying notes to the required supplementary information.

CITY OF ST. LOUIS PARK, MINNESOTA

REQUIRED SUPPLEMENTARY INFORMATION

Statement 14

SCHEDULE OF PENSION CONTRIBUTIONS - PUBLIC EMPLOYEES POLICE AND FIRE FUND

Last Ten Years

Fiscal Year Ending	Statutorily Required Contribution (a)	Contributions in Relation to the Statutorily Required Contribution (b)	Contribution Deficiency (Excess) (a-b)	Covered Payroll (c)	Contributions as a Percentage of Covered Payroll (b/c)
December 31, 2015	\$ 1,087,225	\$ 1,087,225	\$ -	\$ 6,711,265	16.20%
December 31, 2016	1,127,487	1,127,487	-	6,959,796	16.20%
December 31, 2017	1,210,648	1,210,648	-	7,473,136	16.20%
December 31, 2018	1,284,219	1,284,219	-	7,927,279	16.20%
December 31, 2019	1,433,661	1,433,661	-	8,458,178	16.95%

The schedule is provided prospectively beginning with the City's fiscal year ended December 31, 2015 and is intended to show a ten year trend. Additional years will be reported as they become available.

See accompanying notes to the required supplementary information.

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Note A LEGAL COMPLIANCE – BUDGETS

The General Fund budget is legally adopted on a basis consistent with accounting principles generally accepted in the United States of America. The legal level of budgetary control is at the department level for the major funds.

Note B MODIFIED APPROACH FOR CITY STREETS AND TRAILS INFRASTRUCTURE CAPITAL ASSETS

In accordance with GASB Statement No. 34, the City is required to account for and report infrastructure capital assets. The City defines infrastructure as the basic physical assets including the street and trail system; water treatment and distribution system; wastewater collection system; park and recreation lands and improvement system; storm water conveyance system; and building combined with site amenities such as parking and landscape areas used by the City in the conduct of its business. Each major infrastructure can be divided into subsystems. For example, the street and trail system can be divided into pavement widths, curb type and sidewalk. City owned streets could further be classified as collector or local. Subsystem detail is not presented in these basic financial statements; however, the City maintains detailed information on these subsystems.

The City elects to use the modified approach as defined in GASB Statement No. 34 for infrastructure reporting for its Pavement Management Program. Under GASB Statement No. 34, eligible infrastructure capital assets are not required to be depreciated under the following requirements:

- 1) The City manages the eligible infrastructure capital assets using an asset management system with characteristics of (1) an up to-date inventory; (2) perform condition assessments and summarize the results using a measurement scale; and (3) estimate annual amount to maintain and preserve at the established condition assessment level.

- 2) The City documents that the eligible infrastructure capital assets are being preserved approximately at or above the established and disclosed condition assessment level.

The City's policy relative to maintaining the street and trail assets is to achieve an average rating of "Good" for all segments. This acceptable rating allows minor cracking and patching of the pavement along with minor roughness that could be noticeable to the users of the system.

CITY OF ST. LOUIS PARK
 REQUIRED SUPPLEMENTARY INFORMATION
 NOTES TO RSI
 December 31, 2019

In 2017, the City conducted a physical condition assessment of four of eight areas of the City. Going forward two areas will be assessed each year. Each street segment was assigned a physical condition based on potential defects. An Overall Condition Index (OCI) was assigned to each street and expressed in a continuous scale from 0 to 100, where 0 is assigned to the least acceptable physical condition and 100 is assigned the physical characteristics of a new street. The following conditions were defined:

<u>Range</u>	<u>Description</u>
86 - 100	Excellent
71 - 85	Very good
56 - 70	Good
41 - 55	Fair
26 - 40	Poor
11 - 25	Very poor
0 - 10	Failed

As of December 31, 2019, the City's street and trail system was rated at an OCI index of 64 on the average with detail condition as follows:

<u>Condition</u>	<u>% of Streets and Trails</u>
Excellent to Good	59.5%
Fair	14.2%
Poor to Substandard	26.3%

The City's streets are constantly deteriorating resulting from the following factors: (1) traffic using the system; (2) the sun's ultra-violet rays drying out and breaking down the top layer of pavement; (3) utility company/private development trenching operations; (4) water damage from natural precipitation; and (5) frost heave. The City is continuously taking actions to prolong the life of the system through short-term maintenance activities such as pothole patching, crack sealing, seal coating and overlaying. The City expended \$5,379,721 on street maintenance for the year ending December 31, 2019. These expenditures delayed deterioration; however, the overall condition of the system was not improved through these maintenance expenditures. The City has estimated that the amount of annual expenditures through 2028 required to maintain the City's street system at the average OCI rating of "good" is approximately \$4,399,000.

<u>Year</u>	<u>Maintenance Estimate</u>	<u>Actual Expenditures</u>	<u>OCI Rating</u>
2017	\$ 4,255,000	\$ 4,494,315	67%
2018	4,839,000	4,201,721	67%
2019	4,399,000	5,379,721	64%

Note C PENSION INFORMATION

PERA – General Employees Retirement Fund

2019 Changes

Changes in Actuarial Assumptions

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

Changes in the Plan Provisions

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

2018 Changes

Changes in Actuarial Assumptions:

- The mortality projection scale was changed from MP-2015 to MP-2017.
- The assumed benefit increase was changed from 1.00 percent per year through 2044 and 2.50 percent per year thereafter to 1.25 percent per year.

2017 Changes

Changes in Actuarial Assumptions:

- The Combined Service Annuity (CSA) loads were changed from 0.8 percent for active members and 60 percent for vested and non-vested deferred members. The revised CSA loads are now 0.0 percent for active member liability, 15.0 percent for vested deferred member liability and 3.0 percent for non-vested deferred member liability.
- The assumed post-retirement benefit increase rate was changed from 1.0 percent per year for all years to 1.0 percent per year through 2044 and 2.5 percent per year thereafter.

2016 Changes

Changes in Actuarial Assumptions:

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

PERA – Public Employees Police and Fire Fund

2019 Changes

Changes in Actuarial Assumptions

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

Changes in the Plan Provisions

- There have been no changes since the prior valuation.

CITY OF ST. LOUIS PARK
REQUIRED SUPPLEMENTARY INFORMATION
NOTES TO RSI
December 31, 2019

2018 Changes

Changes in Actuarial Assumptions:

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

2017 Changes

Changes in Actuarial Assumptions:

- The single discount rate was changed from 5.6% to 7.5%.
- Assumed salary increases were changed as recommended in the June 30, 2016 experience study. The net effect is proposed rates that average 0.34 percent lower than the previous rates.
- Assumed rates of retirement were changed, resulting in fewer retirements.
- The Combined Service Annuity (CSA) load was 30 percent for vested and non-vested deferred members. The CSA has been changed to 33 percent for vested members and 2 percent for non-vested members.
- The base mortality table for healthy annuitants was changed from the RP-2000 fully generational table to the RP-2014 fully generational table (with a base year of 2006), with male rates adjusted by a factor of 0.96. The mortality improvement scale was changed from Scale AA to Scale MP-2016. The base mortality table for disabled annuitants was changed from the RP-2000 disabled mortality table to the mortality tables assumed for healthy retirees.
- Assumed termination rates were decreased to 3.0 percent for the first three years of service. Rates beyond the select period of three years were adjusted, resulting in more expected terminations overall.
- Assumed percentage of married female members was decreased from 65 percent to 60 percent.
- Assumed age difference was changed from separate assumptions for male members (wives assumed to be three years younger) and female members (husbands assumed to be four years older) to the assumption that males are two years older than females.
- The assumed percentage of female members electing Joint and Survivor annuities was increased.
- The assumed post-retirement benefit increase rate was changed from 1.00 percent for all years to 1.00 percent per year through 2064 and 2.50 percent thereafter.

2016 Changes

Changes in Actuarial Assumptions:

- The assumed post-retirement benefit increase rate was changed from 1.0% per year through 2037 and 2.5% thereafter to 1.0% per year for all future years.
- The assumed investment return was changed from 7.9% to 7.5%. The single discount rate changed from 7.9% to 5.6%.
- The assumed future salary increases, payroll growth, and inflation were decreased by 0.25% to 3.25% for payroll growth and 2.50% for inflation.

CITY OF ST. LOUIS PARK
REQUIRED SUPPLEMENTARY INFORMATION
NOTES TO RSI
December 31, 2019

Note D OPEB INFORMATION

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75 to pay related benefits. There are no factors that affect trends in the amounts reported, such as changes in benefit terms or assumptions.

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COMBINING FUND STATEMENTS AND SCHEDULES

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NONMAJOR GOVERNMENTAL FUNDS

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SPECIAL REVENUE FUNDS

The Special Revenue Funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.

CAPITAL PROJECTS FUNDS

The Capital Projects Funds account for financial resources that are restricted, committed, or assigned to expenditure for capital outlays including the acquisition or construction of capital facilities and other capital assets.

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CITY OF ST. LOUIS PARK, MINNESOTA

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

December 31, 2019

Statement 15

	Special Revenue	Capital Projects	Total
Assets			
Cash and investments	\$ 1,629,151	\$ 1,864,591	\$ 3,493,742
Due from other governments	-	22,351	22,351
Accounts receivable	140,031	1,009,012	1,149,043
Prepaid items	-	6,500	6,500
Special assessments receivable - delinquent	-	4,748	4,748
Special assessments receivable - deferred	212,672	618,183	830,855
Loans receivable - noncurrent	493,055	-	493,055
Pledges receivable - current	-	100,000	100,000
Pledges receivable - noncurrent	-	1,050,000	1,050,000
Total assets	\$ 2,474,909	\$ 4,675,385	\$ 7,150,294
Liabilities			
Accounts payable	\$ 61,006	\$ 4,983	\$ 65,989
Salaries payable	25,275	-	25,275
Due to other governments	-	63,064	63,064
Contracts payable	-	356,757	356,757
Due to other funds	-	-	-
Unearned revenue	-	245,343	245,343
Total liabilities	86,281	670,147	756,428
Deferred inflows of resources			
Unavailable revenue	261,074	1,772,931	2,034,005
Fund balances			
Nonspendable	-	6,500	6,500
Restricted	729,021	2,873,127	3,602,148
Committed	632,529	-	632,529
Assigned	766,004	3,242,261	4,008,265
Unassigned	-	(3,889,581)	(3,889,581)
Total fund balances	2,127,554	2,232,307	4,359,861
Total liabilities, deferred inflows of resources, and fund balances	\$ 2,474,909	\$ 4,675,385	\$ 7,150,294

CITY OF ST. LOUIS PARK, MINNESOTA

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 For The Year Ended December 31, 2019

Statement 16

	Special Revenue	Capital Projects	Total
Revenues			
Property taxes	\$ -	\$ 810,000	\$ 810,000
Franchise taxes	571,416	3,641,312	4,212,728
Intergovernmental	60,000	44,702	104,702
Charges for services	24,215	9,850	34,065
Special assessments	207,240	163,465	370,705
Interest income	41,961	186,290	228,251
Miscellaneous	16,896	604,507	621,403
Total revenues	921,728	5,460,126	6,381,854
Expenditures			
Current			
Public safety	-	107,834	107,834
Public information	477,150	-	477,150
Parks and recreation	-	169,757	169,757
Operations	-	9,256,534	9,256,534
Housing maintenance	60,315	-	60,315
Social and economic development	299,957	-	299,957
Capital outlay			
Public safety	-	180,556	180,556
Public information	18,323	-	18,323
Parks and recreation	-	1,550,776	1,550,776
Operations	-	11,011	11,011
Debt service			
Bond issuance costs	-	23,057	23,057
Total expenditures	855,745	11,299,525	12,155,270
Revenues over (under) expenditures	65,983	(5,839,399)	(5,773,416)
Other financing sources (uses)			
Transfers in	-	(205,201)	(205,201)
Transfers out	(34,506)	(22,829)	(57,335)
Bonds issued	-	3,134,923	3,134,923
Premiums on bonds issue	-	229,062	229,062
Total other financing sources (uses)	(34,506)	3,135,955	3,101,449
Net change in fund balances	31,477	(2,703,444)	(2,671,967)
Fund balances - January 1	2,096,077	4,935,751	7,031,828
Fund balances - December 31	\$ 2,127,554	\$ 2,232,307	\$ 4,359,861

NONMAJOR SPECIAL REVENUE FUNDS

Cable Television Fund – used to account for revenues received from franchise fees and expenditures related to regulation of the privately owned cable television company.

Community Development Fund – used to account for funds received under Title I of the Housing and Community Development Act of 1974.

Special Service Districts Fund – used to account for the operations of Special Service Districts. Revenues are received from each district's property owners and are used to provide additional services, primarily snow removal, within each District.

Affordable Housing Trust – used to account for the operations related to supporting and expanding efforts to maintain and support naturally occurring affordable housing and other housing opportunities.

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	Cable Television	Community Development	Special Service Districts	Affordable Housing Trust	Total
Assets					
Cash and investments	\$ 1,475,507	\$ 17,187	\$ 131,942	\$ 4,515	\$ 1,629,151
Accounts receivable	140,031	-	-	-	140,031
Special assessments receivable - deferred	-	-	212,672	-	212,672
Loans receivable - noncurrent	-	493,055	-	-	493,055
Total assets	\$ 1,615,538	\$ 510,242	\$ 344,614	\$ 4,515	\$ 2,474,909
Liabilities					
Accounts payable	\$ 3,670	\$ -	\$ 57,336	\$ -	\$ 61,006
Salaries payable	25,275	-	-	-	25,275
Total liabilities	28,945	-	57,336	-	86,281
Deferred inflows of resources					
Unavailable revenue	-	48,402	212,672	-	261,074
Fund balances					
Restricted	262,666	461,840	-	4,515	729,021
Committed	632,529	-	-	-	632,529
Assigned	691,398	-	74,606	-	766,004
Total fund balances	1,586,593	461,840	74,606	4,515	2,127,554
Total liabilities, deferred inflows of resources, and fund balances	\$ 1,615,538	\$ 510,242	\$ 344,614	\$ 4,515	\$ 2,474,909

CITY OF ST. LOUIS PARK, MINNESOTA
 COMBINING SCHEDULE OF REVENUES,
 EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 For The Year Ended December 31, 2019

Statement 18

	Cable Television	Community Development	Special Service Districts	Affordable Housing Trust	Total
Revenues					
Franchise taxes	\$ 571,416	\$ -	\$ -	\$ -	\$ 571,416
Intergovernmental	-	60,000	-	-	60,000
Charges for services	-	-	24,215	-	24,215
Special assessments	-	-	207,240	-	207,240
Interest income	39,432	327	2,085	117	41,961
Miscellaneous	10,505	-	1,993	4,398	16,896
Total revenues	621,353	60,327	235,533	4,515	921,728
Expenditures					
Current					
Public information					
Personal services	412,648	-	-	-	412,648
Supplies	337	-	-	-	337
Other services and charges	64,165	-	-	-	64,165
Housing maintenance					
Other services and charges	-	60,315	-	-	60,315
Social and economic development					
Supplies	-	-	19,398	-	19,398
Other services and charges	-	-	280,559	-	280,559
Capital outlay					
Public information	18,323	-	-	-	18,323
Total expenditures	495,473	60,315	299,957	-	855,745
Revenues over (under) expenditures	125,880	12	(64,424)	4,515	65,983
Other financing sources (uses)					
Transfers out	(34,506)	-	-	-	(34,506)
Net change in fund balances	91,374	12	(64,424)	4,515	31,477
Fund balances - January 1	1,495,219	461,828	139,030	-	2,096,077
Fund balances - December 31	\$ 1,586,593	\$ 461,840	\$ 74,606	\$ 4,515	\$ 2,127,554

NONMAJOR CAPITAL PROJECTS FUNDS

Police and Fire Pension Fund – used to account for pension refunds received by the police and fire departments. These funds must be used for specific police and fire purposes.

Permanent Improvement Revolving Fund – used to account for the resources and expenditures required for capital improvements which will provide a direct or significant indirect benefit to individual property owners. Financing of these projects is provided by shared costs with other organizations, Municipal State Aid and special assessments.

Park Improvement Fund – used to account for the financing of land acquisition and development for park purposes. Revenues are provided by park dedication fees, a school district contribution, rent and a property tax levy.

Sidewalks and Trails Fund – used to account for Connect The Park projects to construct sidewalks, trails and bikeways. Revenues will be provided by the issuance of general obligation bonds.

Pavement Management Fund – used to account for the financing of street rehabilitation. Revenues are provided by a franchise fee and transfers from the Sanitary Sewer Utility and Water Utility Funds.

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	Police and Fire Pensions	Permanent Improvement Revolving	Park Improvement	Sidewalks and Trails	Pavement Management	Interfund Eliminations	Total
Assets							
Cash and investments	\$ 1,409,975	\$ 453,014	\$ -	\$ 1,602	\$ -	\$ -	\$ 1,864,591
Due from other governments	-	-	22,351	-	-	-	22,351
Accounts receivable	-	1,863	850	-	1,006,299	-	1,009,012
Prepaid items	-	-	-	-	6,500	-	6,500
Special assessments receivable - delinquent	-	4,748	-	-	-	-	4,748
Special assessments receivable - deferred	-	618,183	-	-	-	-	618,183
Due from other funds	-	2,787,748	-	-	-	(2,787,748)	-
Pledges receivable - current	-	-	100,000	-	-	-	100,000
Pledges receivable - noncurrent	-	-	1,050,000	-	-	-	1,050,000
Total assets	\$ 1,409,975	\$ 3,865,556	\$ 1,173,201	\$ 1,602	\$ 1,012,799	\$ (2,787,748)	\$ 4,675,385
Liabilities							
Accounts payable	\$ -	\$ -	\$ 3,683	\$ 1,300	\$ -	\$ -	\$ 4,983
Due to other governments	-	364	62,700	-	-	-	63,064
Contracts payable	-	-	-	-	356,757	-	356,757
Due to other funds	-	-	420,196	434,182	1,933,370	(2,787,748)	-
Unearned revenue	-	-	245,343	-	-	-	245,343
Total liabilities	-	364	731,922	435,482	2,290,127	(2,787,748)	\$670,147
Deferred inflows of resources							
Unavailable revenue	-	622,931	1,150,000	-	-	-	1,772,931
Fund balances							
Nonspendable	-	-	-	-	6,500	-	6,500
Restricted	1,409,975	-	-	1,463,152	-	-	2,873,127
Assigned	-	3,242,261	-	-	-	-	3,242,261
Unassigned	-	-	(708,721)	(1,897,032)	(1,283,828)	-	(3,889,581)
Total fund balances	1,409,975	3,242,261	(708,721)	(433,880)	(1,277,328)	-	2,232,307
Total liabilities, deferred inflows of resources, and fund balances	\$ 1,409,975	\$ 3,865,556	\$ 1,173,201	\$ 1,602	\$ 1,012,799	\$ (2,787,748)	\$4,675,385

CITY OF ST. LOUIS PARK, MINNESOTA
 COMBINING SCHEDULE OF REVENUES,
 EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR CAPITAL PROJECTS FUNDS
 For The Year Ended December 31, 2019

Statement 20

	Police and Fire Pensions	Permanent Improvement Revolving	Park Improvement	Sidewalks and Trails	Pavement Management	Inter-Fund Eliminations	Total
Revenues							
Property taxes	\$ -	\$ -	\$ 810,000	\$ -	\$ -	\$ -	\$ 810,000
Franchise taxes	-	-	-	-	3,641,312	-	3,641,312
Intergovernmental	-	-	44,702	-	-	-	44,702
Charges for services	-	-	9,850	-	-	-	9,850
Special assessments	-	163,465	-	-	-	-	163,465
Interest income	39,703	87,643	539	60,461	(2,056)	-	186,290
Miscellaneous	550	2,614	601,343	-	-	-	604,507
Total revenues	40,253	253,722	1,466,434	60,461	3,639,256	-	5,460,126
Expenditures							
Current							
Public safety	104,243	3,591	-	-	-	-	107,834
Parks and recreation	-	-	169,757	-	-	-	169,757
Operations	-	-	-	4,055,384	5,201,150	-	9,256,534
Capital outlay							
Public safety	180,556	-	-	-	-	-	180,556
Parks and recreation	-	1,772	1,549,004	-	-	-	1,550,776
Operations	-	-	-	11,011	-	-	11,011
Debt service							
Bond issuance costs	-	-	-	23,057	-	-	23,057
Total expenditures	284,799	5,363	1,718,761	4,089,452	5,201,150	-	11,299,525
Revenues over (under) expenditures	(244,546)	248,359	(252,327)	(4,028,991)	(1,561,894)	-	(5,839,399)
Other financing sources (uses)							
Transfers in							
Transfers in	-	-	-	-	-	-	-
Transfers out							
Transfers out	-	(22,829)	-	(26,630)	(178,571)	-	(228,030)
Bonds issued							
Bonds issued	-	-	-	3,134,923	-	-	3,134,923
Premiums on bonds issue							
Premiums on bonds issue	-	-	-	229,062	-	-	229,062
Total other financing sources (uses)	-	(22,829)	-	3,337,355	(178,571)	-	3,135,955
Net change in fund balances	(244,546)	225,530	(252,327)	(691,636)	(1,740,465)	-	(2,703,444)
Fund balances - January 1	1,654,521	3,016,731	(456,394)	257,756	463,137	-	4,935,751
Fund balances - December 31	\$ 1,409,975	\$ 3,242,261	\$ (708,721)	\$ (433,880)	\$ (1,277,328)	\$ -	\$ 2,232,307

Reconciliation of beginning fund balance to prior year ending fund balance:	
Prior year ending fund balance for nonmajor Capital Project Funds	\$ 2,089,031
Less prior year ending fund balance for non-major funds reported as major in current year:	
Westwood Hills Nature Center Construction Project	(1,086,169)
Streets Capital Projects	(1,760,551)
Current year beginning fund balance	<u>\$ 4,935,751</u>

FUNDS INCLUDED IN DEBT SERVICE FUND

2010A General Obligation Bonds
2012A General Obligation HIA Bonds
2014A General Obligation Bonds
2010D General Obligation Fire Station Bonds
2016A General Obligation Bonds
2000 General Obligation Bond Reserve
2010C General Obligation Bonds
2010C General Obligation Bond Reserve Fund
Hoigaard's 2010 A & B TIF Notes
2008B General Obligation Tax Increment Bonds
2017A General Obligation Bonds
2018A General Obligation Bonds
2019A General Obligation Bonds

CITY OF ST. LOUIS PARK, MINNESOTA
COMBINING BALANCE SHEET
DEBT SERVICE FUND
December 31, 2019

	2010A General Obligation Bond	2010D General Obligation Fire Station Bond	2014A General Obligation Bonds	2016A General Obligation Bonds
Assets				
Cash and investments	\$ 20,522	\$ 9,734,864	\$ 645,010	\$ 1,249,079
Due from other governments	-	74,130	-	-
Loans receivable - current	-	-	-	-
Loans receivable - noncurrent	-	-	-	-
Total assets	\$ 20,522	\$ 9,808,994	\$ 645,010	\$ 1,249,079
Liabilities				
Accounts payable	\$ -	\$ 150	\$ -	\$ -
Deposits payable	-	-	-	-
Unearned revenue	-	12,355	-	-
Total liabilities	-	12,505	-	-
Deferred inflows of resources				
Unavailable revenue	-	-	-	-
Fund balances				
Restricted	20,522	9,796,489	645,010	1,249,079
Total liabilities, deferred inflows of resources, and fund balances	\$ 20,522	\$ 9,808,994	\$ 645,010	\$ 1,249,079

2000 General Obligation Bond Reserve	2010C General Obligation Bond	2010C General Obligation Bond Reserve	2017A General Obligation Bonds	2018A General Obligation Bonds	2019A General Obligation Bonds	Total
\$ 121,105	\$ 75,919	\$ 341,341	\$ 344,321	\$ 216,144	\$ 962,164	\$ 13,710,469
-	-	-	-	-	-	74,130
-	45,000	-	-	-	-	45,000
-	1,435,000	-	-	-	-	1,435,000
<u>\$ 121,105</u>	<u>\$ 1,555,919</u>	<u>\$ 341,341</u>	<u>\$ 344,321</u>	<u>\$ 216,144</u>	<u>\$ 962,164</u>	<u>\$ 15,264,599</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 150
-	-	328,586	-	-	-	328,586
-	-	-	-	-	-	12,355
-	-	328,586	-	-	-	341,091
-	1,480,000	-	-	-	-	1,480,000
<u>121,105</u>	<u>75,919</u>	<u>12,755</u>	<u>344,321</u>	<u>216,144</u>	<u>962,164</u>	<u>13,443,508</u>
<u>\$ 121,105</u>	<u>\$ 1,555,919</u>	<u>\$ 341,341</u>	<u>\$ 344,321</u>	<u>\$ 216,144</u>	<u>\$ 962,164</u>	<u>\$ 15,264,599</u>

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CITY OF ST. LOUIS PARK, MINNESOTA
 COMBINING SCHEDULE OF REVENUES,
 EXPENDITURES AND CHANGES IN FUND BALANCES
 DEBT SERVICE FUND
 For The Year Ended December 31, 2019

	2010A General Obligation Bond	2012A General Obligation HIA Bonds	2014A General Obligation Bonds	2010D General Obligation Fire Station Bond
Revenues				
Taxes				
Property taxes	\$ -	\$ -	\$ 591,150	\$ 926,735
Intergovernmental	-	-	-	148,555
Special assessments	48,814	-	-	-
Interest income	12,887	-	8,748	120,556
Miscellaneous	-	-	-	-
Total revenues	61,701	-	599,898	1,195,846
Expenditures				
Social and economic development				
Developer assistance	-	-	-	-
Debt service				
Principal	130,000	55,000	480,000	575,000
Interest and other	155,270	31,713	78,790	464,078
Bond issuance costs	45,779	-	-	81,078
Total expenditures	331,049	86,713	558,790	1,120,156
Revenues over (under) expenditures	(269,348)	(86,713)	41,108	75,690
Other financing sources (uses)				
Transfers in	244,990	86,713	-	-
Transfers out	-	-	-	-
Payment to refunded bond escrow agent	(2,160,000)	-	-	-
Refunding bonds issued	2,200,000	-	-	7,585,000
Bonds issued	-	-	-	-
Premium on bonds	4,880	-	-	1,106,078
Total other financing sources (uses)	289,870	86,713	-	8,691,078
Net change in fund balances	20,522	-	41,108	8,766,768
Fund balances - January 1	-	-	603,902	1,029,721
Fund balances - December 31	\$ 20,522	\$ -	\$ 645,010	\$ 9,796,489

CITY OF ST. LOUIS PARK, MINNESOTA
COMBINING SCHEDULE OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
DEBT SERVICE FUND
For The Year Ended December 31, 2019

	2016A General Obligation Bonds	2000 General Obligation Bond Reserve	2010C General Obligation Bond	2010C General Obligation Bond Reserve
Revenues				
Taxes				
Property taxes	\$ 1,234,255	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Interest income	15,694	2,344	665	6,064
Miscellaneous	-	-	119,342	-
Total revenues	1,249,949	2,344	120,007	6,064
Expenditures				
Social and economic development				
Developer assistance	-	-	-	-
Debt service				
Principal	975,000	-	40,000	-
Interest and other	188,453	-	77,382	-
Bond issuance costs	-	-	-	-
Total expenditures	1,163,453	-	117,382	-
Revenues over (under) expenditures	86,496	2,344	2,625	6,064
Other financing sources (uses)				
Transfers in	-	-	2,344	-
Transfers out	-	(2,344)	-	-
Payment to refunded bond escrow agent	-	-	-	-
Refunding bonds issued	-	-	-	-
Bonds issued	-	-	-	-
Total other financing sources (uses)	-	(2,344)	2,344	-
Net change in fund balances	86,496	-	4,969	6,064
Fund balances - January 1	1,162,583	121,105	70,950	6,691
Fund balances - December 31	\$ 1,249,079	\$ 121,105	\$ 75,919	\$ 12,755

Hoigaard's 2010 A & B TIF Notes	2008B General Obligation Tax Increment Bond	2017A General Obligation Bonds	2018A General Obligation Bonds	2019A General Obligation Bonds	Interfund Eliminations	Total
\$ -	\$ -	\$ 417,572	\$ 250,845	\$ -	\$ -	\$ 3,420,557
-	-	-	-	118,865	-	267,420
-	-	-	-	-	-	48,814
-	-	3,579	2,513	23,950	-	197,000
-	-	-	-	-	-	119,342
-	-	421,151	253,358	142,815	-	4,053,133
368,075	-	-	-	-	-	368,075
-	435,000	300,000	-	-	-	2,990,000
-	126,087	92,955	84,229	1,218	-	1,300,175
-	-	-	-	-	-	126,857
368,075	561,087	392,955	84,229	1,218	-	4,785,107
(368,075)	(561,087)	28,196	169,129	141,597	-	(731,974)
368,075	561,087	-	-	-	(2,344)	1,260,865
-	-	-	-	-	2,344	-
-	-	-	-	-	-	(2,160,000)
-	-	-	-	-	-	9,785,000
-	-	-	-	440,567	-	440,567
-	-	-	-	-	-	1,110,958
368,075	561,087	-	-	440,567	-	10,437,390
-	-	28,196	169,129	582,164	-	9,705,416
-	-	316,125	47,015	380,000	-	3,738,092
\$ -	\$ -	\$ 344,321	\$ 216,144	\$ 962,164	\$ -	\$ 13,443,508

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FUNDS INCLUDED IN REDEVELOPMENT DISTRICT FUND

Duke West End TIF
Eliot Park TIF
Ellipse TIF District
HRA Levy
Victoria Ponds
Park Center Housing
CSM TIF District
Mill City TIF District
Park Commons TIF District
Edgewood TIF District
Elmwood Village
Wolfe Lake TIF District
Aquila Commons
Highway 7 Business Center
Hard Coat TIF District
Shoreham TIF District
Excelsior Blvd TIF District
Elmwood Apartments TIF District

CITY OF ST. LOUIS PARK, MINNESOTA
COMBINING BALANCE SHEET
REDEVELOPMENT DISTRICT FUND
December 31, 2019

	Duke West End TIF	Eliot Park TIF	Ellipse TIF District	HRA Levy
Assets				
Cash and investments	\$ 1,680,461	\$ 273,655	\$ 629,742	\$ 767
Taxes receivable - unremitted	-	-	-	-
Taxes receivable - delinquent	-	-	-	11,547
Interfund loan receivable	-	-	-	-
Loans receivable - noncurrent	-	-	-	-
Total assets	\$ 1,680,461	\$ 273,655	\$ 629,742	\$ 12,314
Liabilities				
Accounts payable	\$ 644	\$ 644	\$ 3,644	\$ -
Due to other governments	328,663	1,085	1,333	-
Interfund loan payable	497,457	-	-	-
Total liabilities	826,764	1,729	4,977	-
Deferred inflows of resources				
Unavailable revenue	-	-	-	11,547
Fund balances				
Restricted	853,697	271,926	624,765	767
Unassigned	-	-	-	-
Total fund balances	853,697	271,926	624,765	767
Total liabilities, deferred inflows of resources, and fund balances	\$ 1,680,461	\$ 273,655	\$ 629,742	\$ 12,314

Victoria Ponds	Park Center Housing	CSM TIF District	Mill City TIF District	Park Commons TIF District
\$ 70,581	\$ 238,655	\$ 280,681	\$ 327,217	\$ 1,444,053
-	-	3,301	-	19,142
-	-	-	-	-
56,944	-	-	-	-
-	756,604	-	-	-
<u>\$ 127,525</u>	<u>\$ 995,259</u>	<u>\$ 283,982</u>	<u>\$ 327,217</u>	<u>\$ 1,463,195</u>
\$ -	\$ 297	\$ 644	\$ 644	\$ 644
571	752	1,467	1,231	6,406
-	-	-	-	-
<u>571</u>	<u>1,049</u>	<u>2,111</u>	<u>1,875</u>	<u>7,050</u>
-	113,598	-	-	-
126,954	880,612	281,871	325,342	1,456,145
-	-	-	-	-
<u>126,954</u>	<u>880,612</u>	<u>281,871</u>	<u>325,342</u>	<u>1,456,145</u>
<u>\$ 127,525</u>	<u>\$ 995,259</u>	<u>\$ 283,982</u>	<u>\$ 327,217</u>	<u>\$ 1,463,195</u>

CITY OF ST. LOUIS PARK, MINNESOTA
COMBINING BALANCE SHEET
REDEVELOPMENT DISTRICT FUND
December 31, 2019

	Edgewood TIF District	Elmwood Village	Wolfe Lake TIF District	Aquila Commons
Assets				
Cash and investments	\$ 11,268	\$ 1,026,265	\$ 120,359	\$ 387,292
Taxes receivable - unremitted	-	7,768	-	-
Taxes receivable - delinquent	-	-	-	-
Interfund loan receivable	-	-	-	-
Loans receivable - noncurrent	-	-	-	-
Total assets	\$ 11,268	\$ 1,034,033	\$ 120,359	\$ 387,292
Liabilities				
Accounts payable	\$ -	\$ 297	\$ 3,644	\$ 297
Due to other governments	611	5,075	716	1,153
Interfund loan payable	-	3,015,426	-	-
Total liabilities	611	3,020,798	4,360	1,450
Deferred inflows of resources				
Unavailable revenue	-	-	-	-
Fund balances				
Restricted	10,657	-	115,999	385,842
Unassigned	-	(1,986,765)	-	-
Total fund balances	10,657	(1,986,765)	115,999	385,842
Total liabilities, deferred inflows of resources, and fund balances	\$ 11,268	\$ 1,034,033	\$ 120,359	\$ 387,292

Highway 7 Business Center	Hard Coat TIF District	Shoreham TIF District	Excelsior Blvd TIF District	Elmwood Apartments TIF District	Interfund Eliminations	Total
\$ 74,028	\$ 25,661	\$ 345,348	\$ 257,341	\$ 4,475	\$ -	\$ 7,197,849
-	-	-	-	-	-	30,211
-	-	-	-	-	-	11,547
-	-	-	-	-	(56,944)	-
-	-	-	-	-	-	756,604
<u>\$ 74,028</u>	<u>\$ 25,661</u>	<u>\$ 345,348</u>	<u>\$ 257,341</u>	<u>\$ 4,475</u>	<u>\$ (56,944)</u>	<u>\$ 7,996,211</u>
\$ 644	\$ -	\$ 644	\$ 645	\$ -	\$ -	\$ 13,332
711	-	1,252	1,138	544	-	352,708
-	56,944	-	-	-	(56,944)	3,512,883
<u>1,355</u>	<u>56,944</u>	<u>1,896</u>	<u>1,783</u>	<u>544</u>	<u>(56,944)</u>	<u>3,878,923</u>
-	-	-	-	-	-	125,145
72,673	-	343,452	255,558	3,931	-	6,010,191
-	(31,283)	-	-	-	-	(2,018,048)
<u>72,673</u>	<u>(31,283)</u>	<u>343,452</u>	<u>255,558</u>	<u>3,931</u>	<u>-</u>	<u>3,992,143</u>
<u>\$ 74,028</u>	<u>\$ 25,661</u>	<u>\$ 345,348</u>	<u>\$ 257,341</u>	<u>\$ 4,475</u>	<u>\$ (56,944)</u>	<u>\$ 7,996,211</u>

CITY OF ST. LOUIS PARK, MINNESOTA
 COMBINING SCHEDULE OF REVENUES,
 EXPENDITURES AND CHANGES IN FUND BALANCES
 REDEVELOPMENT DISTRICT FUND
 For The Year Ended December 31, 2019

	Duke West End TIF	Eliot Park TIF	Ellipse TIF District	HRA Levy
Revenues				
Taxes				
Property taxes	\$ -	\$ -	\$ -	\$ 1,218,880
Tax increments	2,501,579	451,586	666,760	-
Abatement of property taxes	(140,785)	(99,889)	-	(3,320)
Interest income	15,302	2,362	8,705	1,518
Miscellaneous	-	-	-	-
Total revenues	<u>2,376,096</u>	<u>354,059</u>	<u>675,465</u>	<u>1,217,078</u>
Expenditures				
Current				
Social and economic development	2,033,899	316,214	183,233	15,199
Debt service				
Interest and other	19,086	-	-	28,778
Total expenditures	<u>2,052,985</u>	<u>316,214</u>	<u>183,233</u>	<u>43,977</u>
Revenues over (under) expenditures	323,111	37,845	492,232	1,173,101
Other financing (uses)				
Transfers out	(561,087)	-	-	(64,493)
Net change in fund balances	(237,976)	37,845	492,232	1,108,608
Fund balances - January 1	<u>1,091,673</u>	<u>234,081</u>	<u>132,533</u>	<u>(1,107,841)</u>
Fund balances - December 31	<u>\$ 853,697</u>	<u>\$ 271,926</u>	<u>\$ 624,765</u>	<u>\$ 767</u>

Victoria Ponds	Park Center Housing	CSM TIF District	Mill City TIF District	Park Commons TIF District	Edgewood TIF District
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	180,010	520,653	580,635	2,760,182	60,395
-	-	-	-	(2,406)	-
3,893	7,438	1,319	1,935	10,137	-
-	-	-	-	-	-
<u>3,893</u>	<u>187,448</u>	<u>521,972</u>	<u>582,570</u>	<u>2,767,913</u>	<u>60,395</u>
250,609	5,053	954,763	692,913	2,571,776	49,738
-	-	-	-	-	-
<u>250,609</u>	<u>5,053</u>	<u>954,763</u>	<u>692,913</u>	<u>2,571,776</u>	<u>49,738</u>
(246,716)	182,395	(432,791)	(110,343)	196,137	10,657
-	(160,000)	-	-	-	-
(246,716)	22,395	(432,791)	(110,343)	196,137	10,657
<u>373,670</u>	<u>858,217</u>	<u>714,662</u>	<u>435,685</u>	<u>1,260,008</u>	<u>-</u>
<u>\$ 126,954</u>	<u>\$ 880,612</u>	<u>\$ 281,871</u>	<u>\$ 325,342</u>	<u>\$ 1,456,145</u>	<u>\$ 10,657</u>

CITY OF ST. LOUIS PARK, MINNESOTA
 COMBINING SCHEDULE OF REVENUES,
 EXPENDITURES AND CHANGES IN FUND BALANCES
 REDEVELOPMENT DISTRICT FUND
 For The Year Ended December 31, 2019

	<u>Elmwood Village</u>	<u>Wolfe Lake TIF District</u>
Revenues		
Taxes		
Property taxes	\$ -	\$ -
Tax increments	2,014,165	146,024
Abatement of property taxes	-	-
Interest income	9,830	1,634
Miscellaneous	-	-
Total revenues	<u>2,023,995</u>	<u>147,658</u>
Expenditures		
Current		
Social and economic development	245,350	128,273
Debt service		
Interest and other	<u>115,978</u>	<u>-</u>
Total expenditures	<u>361,328</u>	<u>128,273</u>
Revenues over (under) expenditures	1,662,667	19,385
Other financing (uses)		
Transfers out	<u>(775,945)</u>	<u>-</u>
Net change in fund balances	886,722	19,385
Fund balances - January 1	<u>(2,873,487)</u>	<u>96,614</u>
Fund balances - December 31	<u>\$ (1,986,765)</u>	<u>\$ 115,999</u>

Aquila Commons	Highway 7 Business Center	Hard Coat TIF District	Shoreham TIF District	Excelsior Blvd TIF District	Elmwood Apartments TIF District	Total
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,218,880
210,340	142,195	23,823	600,991	504,580	4,414	11,368,332
(62)	-	-	-	-	-	(246,462)
7,865	423	894	7,488	2,389	61	83,193
-	-	-	-	-	-	-
<u>218,143</u>	<u>142,618</u>	<u>24,717</u>	<u>608,479</u>	<u>506,969</u>	<u>4,475</u>	<u>12,423,943</u>
5,868	140,406	25	626,954	218,258	544	8,439,075
-	-	3,152	269	1,182	-	168,445
<u>5,868</u>	<u>140,406</u>	<u>3,177</u>	<u>627,223</u>	<u>219,440</u>	<u>544</u>	<u>8,607,520</u>
212,275	2,212	21,540	(18,744)	287,529	3,931	3,816,423
-	-	-	-	-	-	(1,561,525)
212,275	2,212	21,540	(18,744)	287,529	3,931	2,254,898
<u>173,567</u>	<u>70,461</u>	<u>(52,823)</u>	<u>362,196</u>	<u>(31,971)</u>	<u>-</u>	<u>1,737,245</u>
<u>\$ 385,842</u>	<u>\$ 72,673</u>	<u>\$ (31,283)</u>	<u>\$ 343,452</u>	<u>\$ 255,558</u>	<u>\$ 3,931</u>	<u>\$ 3,992,143</u>

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INTERNAL SERVICE FUNDS

The City has three Internal Service Funds to account for the financing of goods or services provided by one department or agency to other departments or agencies of the City, or to other governments on a cost reimbursement basis. The City's internal service funds account for employee benefits including pensions and other postemployment benefits, uninsured loss and capital replacement.

	Employee Benefits	Uninsured Loss	Capital Replacement	Total
Assets				
Current assets				
Cash and investments	\$ 138,239	\$ 541,542	\$ 669,964	\$ 1,349,745
Accrued interest receivable	-	-	-	-
Due from other governments	21,610	-	959	22,569
Accounts receivable	-	-	276	276
Prepaid items	390,635	80,821	72,193	543,649
Deposits receivable	-	-	-	-
Inventories	-	-	-	-
Total current assets	550,484	622,363	743,392	1,916,239
Noncurrent assets				
Capital assets, at cost				
Land	-	-	818,094	818,094
Building and structures	-	-	9,451,756	9,451,756
Improvements other than buildings	-	-	2,517,832	2,517,832
Infrastructure	-	-	1,313,801	1,313,801
Machinery, furniture and equipment	-	-	9,387,687	9,387,687
Fleet	-	-	10,414,604	10,414,604
Construction in progress	-	-	193,950	193,950
Total capital assets, at cost	-	-	34,097,724	34,097,724
Less: accumulated depreciation	-	-	(13,479,262)	(13,479,262)
Total noncurrent assets	-	-	20,618,462	20,618,462
Total assets	550,484	622,363	21,361,854	22,534,701
Deferred outflows of resources				
Related to pensions	12,038,538	-	-	12,038,538
Related to OPEB	328,824	-	-	328,824
Total deferred outflows of resources	12,367,362	-	-	12,367,362
Liabilities				
Current liabilities				
Accounts payable	20,022	16,327	89,267	125,616
Salaries payable	-	-	-	-
Accrued flex spending	16,700	-	-	16,700
Due to other governments	1,788	-	27,464	29,252
Contracts payable	-	-	-	-
Compensated absences payable - current	2,661,698	-	-	2,661,698
Capital lease payable - current	-	-	59,378	59,378
Other postemployment benefits payable	214,270	-	-	214,270
Total current liabilities	2,914,478	16,327	176,109	2,892,644
Noncurrent liabilities				
Compensated absences payable	1,366,112	-	-	1,366,112
Capital lease payable	-	-	61,627	61,627
Other postemployment benefits payable	3,609,486	-	-	3,609,486
Net pension liability	21,343,936	-	-	21,343,936
Total noncurrent liabilities	26,319,534	-	61,627	26,381,161
Total liabilities	29,234,012	16,327	237,736	29,273,805
Deferred inflows of resources				
Related to pensions	16,406,789	-	-	16,406,789
Related to OPEB	150,612	-	-	150,612
Total deferred inflows of resources	16,557,401	-	-	16,557,401
Net position				
Net investment in capital assets	-	-	20,497,457	20,497,457
Unrestricted	(32,873,567)	606,036	626,661	(31,640,870)
Total net position	\$ (32,873,567)	\$ 606,036	\$ 21,124,118	\$ (11,143,413)

CITY OF ST. LOUIS PARK, MINNESOTA
 COMBINING STATEMENT OF REVENUES, EXPENSES AND
 CHANGES IN FUND NET POSITION
 INTERNAL SERVICE FUNDS
 For The Year Ended December 31, 2019

Statement 26

	Employee Benefits	Uninsured Loss	Capital Replacement	Total
Operating revenues				
Charges for services	\$ 2,703,821	\$ -	\$ 1,451,027	\$ 4,154,848
Other	264,374	53,379	54,921	372,674
Total operating revenues	2,968,195	53,379	1,505,948	4,527,522
Operating expenses				
Personal services	4,465,465	31,932	-	4,497,397
Supplies	-	-	722,942	722,942
Professional services	76,646	-	76,901	153,547
Insurance, deductibles and uninsured losses	-	184,688	-	184,688
Depreciation	-	-	1,964,595	1,964,595
Other	27,526	397	853,095	881,018
Total operating expenses	4,569,637	217,017	3,617,533	8,404,187
Operating income (loss)	(1,601,442)	(163,638)	(2,111,585)	(3,876,665)
Nonoperating revenues (expenses)				
Interest income	39,772	11,672	1,837	53,281
Property taxes	150,000	-	1,767,700	1,917,700
Intergovernmental revenue	157,292	-	325,808	483,100
Gain on disposal of capital assets	-	-	178,509	178,509
Interest expense	-	-	(7,234)	(7,234)
Total nonoperating revenues (expenses)	347,064	11,672	2,266,620	2,625,356
Income (loss) before transfers	(1,254,378)	(151,966)	155,035	(1,251,309)
Capital contributions - capital assets	-	-	15,478	15,478
Transfers in	150,000	150,000	134,904	434,904
Change in net position	(1,104,378)	(1,966)	305,417	(800,927)
Net position - January 1	(31,769,189)	608,002	20,818,701	(10,342,486)
Net position - December 31	\$ (32,873,567)	\$ 606,036	\$ 21,124,118	\$ (11,143,413)

CITY OF ST. LOUIS PARK, MINNESOTA
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
For The Year Ended December 31, 2019

	Employee Benefits	Uninsured Loss	Capital Replacement	Total
Cash flows from operating activities				
Receipts from interfund services provided	\$ 2,703,821	\$ -	\$ 1,451,027	\$ 4,154,848
Other operating cash receipts	264,374	53,379	54,921	372,674
Payments to suppliers	(406,490)	(204,713)	(2,158,343)	(2,769,546)
Payments to employees	(3,948,085)	(31,932)	-	(3,980,017)
Net cash flows provided (used) by operating activities	<u>(1,386,380)</u>	<u>(183,266)</u>	<u>(652,395)</u>	<u>(2,222,041)</u>
Cash flows from noncapital financing activities				
Property taxes	150,000	-	1,767,700	1,917,700
Intergovernmental receipts	135,682	-	325,808	461,490
Net cash flows provided (used) by noncapital financing activities	<u>285,682</u>	<u>-</u>	<u>2,093,508</u>	<u>2,379,190</u>
Cash flows from capital and related financing activities				
Transfers in	150,000	150,000	134,904	434,904
Acquisition of capital assets	-	-	(2,213,576)	(2,213,576)
Proceeds from sale of capital assets	-	-	403,644	403,644
Principal paid on capital lease	-	-	(59,377)	(59,377)
Interest paid on capital lease	-	-	(7,234)	(7,234)
Net cash flows provided (used) by and related financing activities	<u>150,000</u>	<u>150,000</u>	<u>(1,741,639)</u>	<u>(1,441,639)</u>
Cash flows from investing activities				
Interest received	44,126	13,023	1,837	58,986
Net increase in cash and cash equivalents	(906,572)	(20,243)	(298,689)	(1,225,504)
Cash and cash equivalents - January 1	<u>830,541</u>	<u>561,785</u>	<u>968,653</u>	<u>2,360,979</u>
Cash and cash equivalents - December 31	<u>\$ (76,031)</u>	<u>\$ 541,542</u>	<u>\$ 669,964</u>	<u>\$ 1,135,475</u>

	Employee Benefits	Uninsured Loss	Capital Replacement	Total
Reconciliation of operating income (loss) to net cash provided (used) by operating activities				
Operating income (loss)	\$ (1,601,442)	\$ (163,638)	\$ (2,111,585)	\$ (3,876,665)
Adjustments to reconcile operating income (loss) to net cash flows from operating activities				
Depreciation	-	-	1,964,595	1,964,595
(Increase) decrease in assets/deferred outflows				
Accounts receivable	-	-	-	-
Prepaid items	2,725	(5,075)	(53,608)	(55,958)
Inventories	-	-	-	-
Deferred outflows of resources	1,610,721	-	-	1,610,721
Increase (decrease) in liabilities/deferred inflows				
Accounts payable	(306,052)	(14,553)	(411,327)	(731,932)
Accrued flex spending	(9,513)	-	-	(9,513)
Due to other governments	1,009	-	(40,470)	(39,461)
Accrued salaries payable	-	-	-	-
Compensated absences payable	(67,794)	-	-	(67,794)
Other postemployment benefits	108,843	-	-	108,843
Net pension liability	849,870	-	-	849,870
Deferred inflows of resources	(1,974,747)	-	-	(1,974,747)
Net cash provided (used) by operating activities	<u>\$ (1,386,380)</u>	<u>\$ (183,266)</u>	<u>\$ (652,395)</u>	<u>\$ (2,222,041)</u>
Noncash capital and related financing activities				
Disposal of capital assets	\$ -	\$ -	\$ 1,291,037	\$ 1,291,037

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III. STATISTICAL SECTION (UNAUDITED)

CITY OF ST. LOUIS PARK, MINNESOTA
STATISTICAL SECTION (UNAUDITED)
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS

	Fiscal Year			
	2010	2011	2012	2013
Governmental activities				
Net investment in capital assets	\$ 94,326,512	\$ 99,835,484	\$ 95,020,700	\$ 96,480,493
Restricted	21,692,426	17,695,996	18,941,172	13,560,965
Unrestricted	<u>40,581,189</u>	<u>43,929,086</u>	<u>46,413,200</u>	<u>45,688,600</u>
Total governmental activities net position	<u>\$ 156,600,127</u>	<u>\$ 161,460,566</u>	<u>\$ 160,375,072</u>	<u>\$ 155,730,058</u>
Business-type activities				
Net investment in capital assets	\$ 21,717,923	\$ 22,347,266	\$ 22,906,086	\$ 19,127,309
Unrestricted	<u>8,433,915</u>	<u>8,524,086</u>	<u>9,829,024</u>	<u>11,540,303</u>
Total business-type activities net position	<u>\$ 30,151,838</u>	<u>\$ 30,871,352</u>	<u>\$ 32,735,110</u>	<u>\$ 30,667,612</u>
Total primary government				
Net investment in capital assets	\$ 116,044,435	\$ 122,182,750	\$ 117,926,786	\$ 115,607,802
Restricted	21,692,426	17,695,996	18,941,172	13,560,965
Unrestricted	<u>49,015,104</u>	<u>52,453,172</u>	<u>56,242,224</u>	<u>57,228,903</u>
Total primary government	<u>\$ 186,751,965</u>	<u>\$ 192,331,918</u>	<u>\$ 193,110,182</u>	<u>\$ 186,397,670</u>

Note:

GASB 65 was implemented in 2013. Net position was restated for 2012 to reflect the expenses of bond issuance costs in the year of issuance. Net position for years prior to 2012 was not restated.

GASB 68 was implemented in 2015. Net position was restated for 2014 to reflect the reporting of net pension liability and pension related deferred outflows of resources. Net position for years prior to 2014 was not restated.

Table 1

Fiscal Year					
2014	2015	2016	2017	2018	2019
\$ 94,891,625	\$ 96,286,131	\$ 96,458,787	\$ 103,279,857	\$ 107,090,668	\$ 102,644,391
10,971,995	10,608,709	10,658,889	11,439,977	13,200,855	22,391,884
49,971,778	31,667,135	31,751,796	26,888,688	23,914,099	11,937,764
<u>\$ 155,835,398</u>	<u>\$ 138,561,975</u>	<u>\$ 138,869,472</u>	<u>\$ 141,608,522</u>	<u>\$ 144,205,622</u>	<u>\$ 136,974,039</u>
\$ 22,818,382	\$ 22,753,326	\$ 23,030,284	\$ 25,716,982	\$ 25,992,377	\$ 27,805,955
4,783,696	4,620,302	5,849,650	4,979,057	6,163,907	6,426,698
<u>\$ 27,602,078</u>	<u>\$ 27,373,628</u>	<u>\$ 28,879,934</u>	<u>\$ 30,696,039</u>	<u>\$ 32,156,284</u>	<u>\$ 34,232,653</u>
\$ 117,710,007	\$ 119,039,457	\$ 119,489,071	\$ 128,996,839	\$ 133,083,045	\$ 130,450,346
10,971,995	10,608,709	10,658,889	11,439,977	13,200,855	22,391,884
54,755,474	36,287,437	37,601,446	31,867,745	30,078,006	18,364,462
<u>\$ 183,437,476</u>	<u>\$ 165,935,603</u>	<u>\$ 167,749,406</u>	<u>\$ 172,304,561</u>	<u>\$ 176,361,906</u>	<u>\$ 171,206,692</u>

CITY OF ST. LOUIS PARK, MINNESOTA
 STATISTICAL SECTION (UNAUDITED)
 CHANGES IN NET POSITION
 LAST TEN FISCAL YEARS
 (accrual basis of accounting)

	Fiscal Year			
	2010	2011	2012	2013
Expenses				
Governmental activities				
General government	\$ 7,192,652	\$ 7,247,716	\$ 7,387,354	\$ 10,085,905
Public safety	12,256,272	12,535,793	13,264,220	13,365,297
Public works	19,446,758	7,513,833	-	-
Public information	435,050	803,885	524,012	466,043
Culture and recreation	7,792,614	7,882,789	-	-
Parks and recreation	-	-	-	-
Operations	-	-	-	-
Operations and recreation	-	-	15,209,548	13,487,238
Engineering	-	-	5,253,969	16,046,665
Housing and rehabilitation	4,150,595	794,935	3,914,261	1,774,657
Housing maintenance	241,345	79,786	116,949	141,250
Social and economic development	4,861,518	6,171,527	7,810,635	9,040,280
General services	-	-	-	-
Interest on long-term debt	1,453,555	1,695,758	1,245,294	1,295,298
Total governmental activities expenses	<u>57,830,359</u>	<u>44,726,022</u>	<u>54,726,242</u>	<u>65,702,633</u>
Business-type activities				
Water	3,904,801	3,839,592	3,890,860	5,747,116
Sewer	4,193,191	4,572,869	4,593,166	5,272,646
Solid Waste	2,116,949	2,319,099	2,562,985	3,614,118
Refuse	-	-	-	-
Storm Water	1,325,803	1,373,546	1,485,390	1,390,235
Wireless	-	-	-	-
Total business-type activities expenses	<u>11,540,744</u>	<u>12,105,106</u>	<u>12,532,401</u>	<u>16,024,115</u>
Total expenses	<u>\$ 69,371,103</u>	<u>\$ 56,831,128</u>	<u>\$ 67,258,643</u>	<u>\$ 81,726,748</u>
Program revenues				
Governmental activities				
Charges for services				
General government	\$ 1,065,209	\$ 1,059,527	\$ 1,060,679	\$ 1,024,253
Public safety	2,898,634	2,917,525	3,344,449	3,109,813
Public works	601,890	315,163	-	-
Public information	-	200,000	-	-
Culture and recreation	1,959,556	2,111,348	2,438,841	-
Operations and recreation	-	-	-	2,035,715
Engineering	-	-	-	1,032
Housing and rehabilitation	8,833	62,191	8,162	8,606
Housing maintenance	-	-	-	-
Social and economic development	588,757	316,935	281,002	250,015
Interest on long-term debt	-	-	-	-
Operating grants and contributions	1,735,926	2,065,312	2,360,465	2,709,644
Capital grants and contributions	14,908,522	1,878,697	6,290,076	11,881,109
Total governmental activities program revenue	<u>23,767,327</u>	<u>10,926,698</u>	<u>15,783,674</u>	<u>21,020,187</u>
Business-type activities				
Charges for services				
Water	4,148,394	4,475,068	5,109,446	5,037,067
Sewer	5,277,473	5,768,266	5,959,931	5,822,085
Solid Waste	2,719,376	2,894,726	2,858,930	2,912,415
Refuse	-	-	-	-
Storm Water	1,829,792	1,904,587	1,977,663	2,054,915
Wireless	-	-	-	-
Operating grants and contributions	103,342	103,166	105,976	135,642
Capital grants and contributions	2,890	-	-	-
Total business-type activities program revenue	<u>14,081,267</u>	<u>15,145,813</u>	<u>16,011,946</u>	<u>15,962,124</u>
Total program revenues	<u>\$ 37,848,594</u>	<u>\$ 26,072,511</u>	<u>\$ 31,795,620</u>	<u>\$ 36,982,311</u>

		Fiscal Year									
		2014	2015	2016	2017	2018	2019				
\$	9,161,922	\$	10,712,749	\$	11,182,348	\$	10,648,181	\$	11,051,775	\$	12,022,082
	13,954,604		15,336,854		20,091,787		17,870,131		17,621,109		18,868,900
	-		-		-		-		-		-
	507,928		3,057,509		549,940		647,316		642,350		594,521
	-		-		-		-		-		-
	-		-		-		-		-		7,463,862
	-		-		-		-		-		20,692,741
	13,318,552		9,996,885		13,352,637		13,448,470		15,146,290		-
	21,045,392		10,185,956		5,091,818		7,859,907		7,491,753		-
	909,051		707,661		528,467		480,911		530,192		1,001,834
	130,534		84,505		144,204		72,244		19,768		89,828
	8,058,914		8,872,479		8,826,281		10,987,654		12,549,378		16,536,420
	-		-		-		-		-		-
	1,185,975		1,233,107		1,620,489		1,511,329		1,456,241		2,139,962
	68,272,872		60,187,705		61,387,971		63,526,143		66,508,856		79,410,150
	4,609,579		4,684,190		4,773,624		4,786,816		5,445,760		5,922,733
	4,885,748		5,333,887		6,002,088		6,227,919		6,083,196		6,387,860
	2,813,587		2,917,214		3,256,804		3,390,874		3,463,412		3,527,810
	-		-		-		-		-		-
	1,422,645		1,400,975		1,514,761		1,611,785		2,372,829		2,179,955
	-		-		-		-		-		-
	13,731,559		14,336,266		15,547,277		16,017,394		17,365,197		18,018,358
\$	82,004,431	\$	74,523,971	\$	76,935,248	\$	79,543,537	\$	83,874,053	\$	97,428,508
\$	1,142,294	\$	1,185,881	\$	1,184,122	\$	1,143,220	\$	1,214,710	\$	1,231,454
	3,477,244		4,237,819		4,354,793		3,962,306		4,049,914		5,212,202
	-		-		-		-		-		-
	-		10,000		-		-		-		-
	-		-		-		-		576		-
	2,089,052		2,344,863		2,122,730		2,308,221		2,516,191		2,566,014
	318,873		144,151		97,688		134,508		136,648		156,330
	7,537		6,315		7,607		4,514		633,932		3,467
	241		-		-		-		-		-
	224,252		256,557		259,910		255,109		213,944		216,989
	-		-		-		-		-		-
	2,024,171		3,586,440		2,512,011		3,670,054		2,666,090		3,360,346
	12,066,132		3,178,294		3,960,739		5,205,879		3,526,377		2,693,816
	21,349,796		14,950,320		14,499,600		16,683,811		14,958,382		15,440,618
	5,188,065		5,766,601		5,674,239		6,089,295		6,469,268		6,908,538
	5,841,377		6,112,024		6,663,731		7,261,014		7,360,679		7,634,597
	3,179,732		3,189,566		2,905,899		3,237,506		3,348,948		3,538,931
	-		-		-		-		-		-
	2,246,201		2,472,134		2,642,860		2,816,349		2,887,425		3,059,282
	-		-		-		-		-		-
	127,742		128,610		181,525		159,376		174,250		196,100
	-		-		799,894		279,801		429,928		556,508
	16,583,117		17,668,935		18,868,148		19,843,341		20,670,498		21,893,956
\$	37,932,913	\$	32,619,255	\$	33,367,748	\$	36,527,152	\$	35,628,880	\$	37,334,574

CITY OF ST. LOUIS PARK, MINNESOTA
 STATISTICAL SECTION (UNAUDITED)
 CHANGES IN NET POSITION
 LAST TEN FISCAL YEARS
 (accrual basis of accounting)

	Fiscal Year			
	2010	2011	2012	2013
Net (expenses) revenues				
Governmental activities	\$ (34,063,032)	\$ (33,799,324)	\$ (38,942,568)	\$ (44,682,446)
Business-type activities	2,540,523	3,040,707	3,479,545	(61,991)
Total primary government	<u>\$ (31,522,509)</u>	<u>\$ (30,758,617)</u>	<u>\$ (35,463,023)</u>	<u>\$ (44,744,437)</u>
General Revenues and Other Changes in Net Position				
Governmental activities				
Taxes				
Property taxes	\$ 29,642,090	\$ 23,527,322	\$ 24,625,789	\$ 26,963,176
Tax increment	-	7,222,976	6,446,389	6,647,729
Franchise taxes	1,497,178	1,894,714	1,954,557	2,211,569
Lodging taxes	-	-	-	-
Grants and contributions not restricted to specific programs	151,624	156,325	46,422	45,266
Unrestricted investment earnings	629,094	1,048,395	663,978	138,899
Gain on sale of capital assets	34,453	51,686	60,416	69,237
Miscellaneous	950,231	2,300,478	2,183,685	2,199,629
Transfers	3,358,921	2,457,867	1,660,035	1,761,927
Total governmental activities expenses	<u>36,263,591</u>	<u>38,659,763</u>	<u>37,641,271</u>	<u>40,037,432</u>
Business-type activities				
Unrestricted investment earnings	88,991	136,674	113,260	(3,348)
Miscellaneous	-	-	-	-
Transfers	(3,358,921)	(2,457,867)	(1,660,035)	(1,761,927)
Total business-type activities expenses	<u>(3,269,930)</u>	<u>(2,321,193)</u>	<u>(1,546,775)</u>	<u>(1,765,275)</u>
Total primary government	<u>\$ 32,993,661</u>	<u>\$ 36,338,570</u>	<u>\$ 36,094,496</u>	<u>\$ 38,272,157</u>
Change in net position				
Governmental activities	\$ 2,200,559	\$ 4,860,439	\$ (1,301,297)	\$ (4,645,014)
Business-type activities	(729,407)	719,514	1,932,770	(1,827,266)
Total primary government	<u>\$ 1,471,152</u>	<u>\$ 5,579,953</u>	<u>\$ 631,473</u>	<u>\$ (6,472,280)</u>

Note:

GASB 65 was implemented in 2013. Governmental and business-type activities expenses were restated for 2012 to reflect the expensing of bond issuance costs in the year of issuance. Expenses for years prior to 2012 were not restated.

GASB 68 was implemented in 2015. Pension expense for years prior to 2015 was not restated.

						Fiscal Year					
2014		2015		2016		2017		2018		2019	
\$	(46,923,076)	\$	(45,237,385)	\$	(46,888,371)	\$	(46,842,332)	\$	(51,550,474)	\$	(63,969,532)
	<u>2,851,558</u>		<u>3,332,669</u>		<u>3,320,871</u>		<u>3,825,947</u>		<u>3,305,301</u>		<u>3,875,598</u>
<u>\$</u>	<u>(44,071,518)</u>	<u>\$</u>	<u>(41,904,716)</u>	<u>\$</u>	<u>(43,567,500)</u>	<u>\$</u>	<u>(43,016,385)</u>	<u>\$</u>	<u>(48,245,173)</u>	<u>\$</u>	<u>(60,093,934)</u>
\$	27,398,157	\$	28,209,567	\$	30,185,703	\$	31,582,993	\$	33,449,668	\$	34,566,143
	7,380,995		6,763,951		7,733,689		8,961,792		10,266,075		11,027,616
	2,268,213		2,915,732		3,079,399		3,763,394		3,804,678		1,074,002
	-		-		-		-		1,021,855		4,212,728
	504,035		557,671		584,639		590,978		618,645		319,322
	407,753		221,408		388,647		408,945		739,130		1,669,916
	464,629		577,248		142,713		106,204		1,751,339		178,509
	2,609,539		2,985,997		3,201,122		2,091,334		491,591		1,619,458
	5,995,095		3,620,449		1,879,956		2,075,742		2,004,593		2,070,255
	<u>47,028,416</u>		<u>45,852,023</u>		<u>47,195,868</u>		<u>49,581,382</u>		<u>54,147,574</u>		<u>56,737,949</u>
	78,003		59,330		65,391		65,900		159,537		271,026
	-		-		-		-		-		-
	<u>(5,995,095)</u>		<u>(3,620,449)</u>		<u>(1,879,956)</u>		<u>(2,075,742)</u>		<u>(2,004,593)</u>		<u>(2,070,255)</u>
	<u>(5,917,092)</u>		<u>(3,561,119)</u>		<u>(1,814,565)</u>		<u>(2,009,842)</u>		<u>(1,845,056)</u>		<u>(1,799,229)</u>
<u>\$</u>	<u>41,111,324</u>	<u>\$</u>	<u>42,290,904</u>	<u>\$</u>	<u>45,381,303</u>	<u>\$</u>	<u>47,571,540</u>	<u>\$</u>	<u>52,302,518</u>	<u>\$</u>	<u>54,938,720</u>
\$	105,340	\$	614,638	\$	307,497	\$	2,739,050	\$	2,597,100	\$	(7,231,583)
	<u>(3,065,534)</u>		<u>(228,450)</u>		<u>1,506,306</u>		<u>1,816,105</u>		<u>1,460,245</u>		<u>2,076,369</u>
<u>\$</u>	<u>(2,960,194)</u>	<u>\$</u>	<u>386,188</u>	<u>\$</u>	<u>1,813,803</u>	<u>\$</u>	<u>4,555,155</u>	<u>\$</u>	<u>4,057,345</u>	<u>\$</u>	<u>(5,155,214)</u>

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CITY OF ST. LOUIS PARK, MINNESOTA
 STATISTICAL SECTION (UNAUDITED)
 GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE
 LAST TEN FISCAL YEARS

Table 3

Fiscal Year	Property Tax	Franchise Tax	Total
2010	29,316,753	1,497,178	30,813,931
2011	30,853,927	1,894,714	32,748,641
2012	31,220,365	1,954,557	33,174,922
2013	33,610,905	2,211,569	35,822,474
2014	34,779,152	2,268,213	37,047,365
2015	34,973,518	2,915,732	37,889,250
2016	37,919,392	3,079,399	40,998,791
2017	40,544,785	3,763,394	44,308,179
2018	43,715,743	3,804,678	47,520,421
2019	45,593,759	4,212,728	49,806,487

CITY OF ST. LOUIS PARK, MINNESOTA
 STATISTICAL SECTION (UNAUDITED)
 FUND BALANCES OF GOVERNMENTAL FUNDS
 LAST TEN FISCAL YEARS
 (modified accrual basis of accounting)

	Fiscal Year			
	2010	2011	2012	2013
General fund				
Nonspendable	\$ 80,664	\$ 71,192	\$ 70,450	\$ 256,251
Restricted	425,967	427,718	458,448	498,922
Assigned	124,503	139,483	690,242	691,171
Unassigned	<u>10,399,401</u>	<u>10,799,829</u>	<u>10,757,776</u>	<u>14,342,422</u>
Total General fund	<u>\$ 11,030,535</u>	<u>\$ 11,438,222</u>	<u>\$ 11,976,916</u>	<u>\$ 15,788,766</u>
All other governmental funds				
Nonspendable	\$ 250,008	\$ 306,058	\$ 426,736	\$ -
Restricted	35,515,318	21,476,374	20,464,874	15,102,011
Committed	466,792	511,610	459,160	467,682
Assigned	33,253,313	34,425,344	35,947,479	33,481,454
Unassigned	<u>(7,872,234)</u>	<u>(5,042,828)</u>	<u>(7,567,117)</u>	<u>(7,020,483)</u>
Total all other governmental funds	<u>\$ 61,613,197</u>	<u>\$ 51,676,558</u>	<u>\$ 49,731,132</u>	<u>\$ 42,030,664</u>

Table 4

Fiscal Year					
2014	2015	2016	2017	2018	2019
\$ 397,873	\$ 566,574	\$ 330,483	\$ 292,821	\$ 258,932	\$ 340,247
492,223	464,469	413,787	392,004	272,840	126,683
696,293	758,084	936,663	1,050,569	1,025,207	1,602,523
<u>14,576,348</u>	<u>15,242,009</u>	<u>16,193,763</u>	<u>17,054,520</u>	<u>17,697,405</u>	<u>18,762,374</u>
<u>\$ 16,162,737</u>	<u>\$ 17,031,136</u>	<u>\$ 17,874,696</u>	<u>\$ 18,789,914</u>	<u>\$ 19,254,384</u>	<u>\$ 20,831,827</u>
\$ -	\$ -	\$ 23,563	\$ 6,500	\$ 19,700	\$ 6,799
12,663,957	12,457,701	10,057,843	11,725,590	12,196,553	28,145,222
483,590	481,009	466,287	696,235	1,064,284	913,497
38,701,128	39,567,878	41,068,221	33,609,392	33,843,896	31,598,020
<u>(8,819,377)</u>	<u>(6,551,326)</u>	<u>(5,187,339)</u>	<u>(3,628,247)</u>	<u>(7,382,436)</u>	<u>(7,310,832)</u>
<u>\$ 43,029,298</u>	<u>\$ 45,955,262</u>	<u>\$ 46,428,575</u>	<u>\$ 42,409,470</u>	<u>\$ 39,741,997</u>	<u>\$ 53,352,706</u>

CITY OF ST. LOUIS PARK, MINNESOTA
 STATISTICAL SECTION (UNAUDITED)
 CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
 LAST TEN FISCAL YEARS
 (modified accrual basis of accounting)

	Fiscal Year			
	2010	2011	2012	2013
Revenues				
Taxes	\$ 22,667,190	\$ 23,336,537	\$ 24,259,861	\$ 25,658,762
Tax increments	6,649,563	7,222,976	6,446,389	6,647,729
Abatement of property taxes	-	-	-	-
Lodging tax	-	-	-	-
Franchise taxes	1,497,178	1,894,714	1,954,557	2,211,569
Licenses and permits	2,359,716	2,797,700	3,241,813	3,069,090
Intergovernmental	11,879,601	3,105,500	2,983,191	13,887,247
Charges for services	4,051,971	3,897,710	3,547,900	3,052,789
Fines and forfeits	401,610	281,047	341,356	311,882
Special assessments	1,550,110	985,912	2,233,715	1,505,568
Investment earnings	612,098	949,510	622,450	123,306
Miscellaneous	3,050,231	2,285,608	2,188,262	2,216,820
Total revenues	54,719,268	46,757,214	47,819,494	58,684,762
Expenditures				
General government	6,219,751	6,415,318	6,503,965	7,162,588
Public safety	11,771,246	11,885,577	12,571,356	12,435,341
Public works	15,624,494	4,437,939	-	-
Parks and recreation	-	-	-	-
Operations and recreation	-	-	13,955,142	10,083,541
Operations	-	-	-	-
Engineering	-	-	939,416	15,998,842
Public information	387,459	383,586	470,280	408,683
Culture and recreation	6,234,938	6,546,054	-	-
Housing and rehabilitation	4,144,378	790,918	3,881,500	1,715,540
Housing maintenance	241,170	79,786	116,949	141,250
Social and economic development	4,720,638	6,426,013	7,681,176	8,910,821
Miscellaneous	-	-	-	-
Debt service				
Principal	2,170,000	5,420,000	1,285,000	3,275,000
Interest	1,170,286	1,170,549	1,235,118	1,298,016
Other charges	453,288	1,040	46,435	3,895
Bond issuance costs	-	-	-	-
Capital outlay	6,306,083	14,295,009	3,930,528	2,089,798
Total expenditures	59,443,731	57,851,789	52,616,865	63,523,315
Revenues over (under) expenditures	(4,724,463)	(11,094,575)	(4,797,371)	(4,838,553)
Other financing sources (uses)				
Transfers in	11,809,353	7,086,529	6,395,355	10,472,534
Transfers out	(14,974,391)	(5,520,906)	(5,580,044)	(9,531,189)
Refunding bonds issued	3,615,000	-	1,290,000	-
Bonds issued	20,560,000	-	-	-
Proceeds from long term debt	-	-	-	-
Premium on bonds issued	2,792	-	-	-
Redemption of refunded bonds	(1,825,000)	-	-	-
Payments to refunded bond escrow agent	(4,164,000)	-	-	-
Costs paid to refunded bond escrow agent	-	-	-	-
Proceeds from sale of capital assets	27,412	-	885,328	8,590
Total other financing sources (uses)	15,051,166	1,565,623	2,990,639	949,935
Net change in fund balances	\$ 10,326,703	\$ (9,528,952)	\$ (1,806,732)	\$ (3,888,618)
Debt service as a percentage of noncapital expenditures	6.29%	15.26%	5.18%	7.44%

Table 5

		Fiscal Year									
		2014	2015	2016	2017	2018	2019				
\$	24,361,524	\$	26,598,373	\$	27,734,546	\$	28,941,646	\$	31,853,551	\$	32,598,016
	7,380,995		6,763,951		7,733,689		8,961,792		10,266,075		11,368,332
	-		-		-		-		-		(340,716)
	-		-		-		-		1,021,855		4,212,728
	2,268,213		2,915,732		3,079,399		3,763,394		3,804,678		1,074,002
	3,413,683		4,312,702		4,320,078		3,985,517		4,001,645		5,264,659
	13,216,055		6,017,025		4,345,482		8,228,158		5,240,175		5,383,495
	3,476,264		3,608,933		3,406,964		3,529,125		3,708,327		3,847,458
	369,546		263,951		299,808		293,236		282,146		274,339
	1,268,539		1,238,873		1,192,628		1,169,859		1,150,577		1,183,508
	386,263		199,747		362,196		369,203		677,131		1,616,635
	2,577,300		3,051,946		3,230,390		2,218,712		1,529,337		1,701,458
	<u>58,718,382</u>		<u>54,971,233</u>		<u>55,705,180</u>		<u>61,460,642</u>		<u>63,535,497</u>		<u>68,183,914</u>
	7,376,380		7,813,046		8,188,193		8,142,675		9,075,636		9,372,448
	13,239,729		14,025,463		14,669,251		15,824,577		17,050,302		17,651,051
	-		-		-		-		-		-
	-		-		-		-		-		6,571,735
	10,450,789		9,710,604		9,688,872		10,665,329		11,031,544		-
	-		-		-		-		-		14,448,732
	21,013,383		10,068,447		480,162		7,754,421		4,449,897		-
	462,341		561,252		477,721		495,256		567,653		477,150
	-		-		-		-		-		-
	875,225		538,411		482,313		453,940		512,029		796,010
	130,534		84,505		144,204		57,370		12,040		60,315
	7,928,905		8,872,479		8,673,638		10,857,645		10,479,359		15,396,270
	-		-		-		-		-		26,282
	1,970,000		1,612,827		1,681,876		3,650,297		2,055,000		2,990,000
	1,138,100		1,210,971		1,446,371		1,493,780		1,462,325		1,468,620
	54,433		2,640		2,717		-		-		-
	-		-		111,922		40,419		33,060		309,945
	2,271,988		3,486,864		19,894,828		10,159,659		14,388,878		16,857,464
	<u>66,911,807</u>		<u>57,987,509</u>		<u>65,942,068</u>		<u>69,595,368</u>		<u>71,117,723</u>		<u>86,426,022</u>
	<u>(8,193,425)</u>		<u>(3,016,276)</u>		<u>(10,236,888)</u>		<u>(8,134,726)</u>		<u>(7,582,226)</u>		<u>(18,242,108)</u>
	19,317,129		13,296,241		8,148,651		5,586,488		7,282,081		3,919,120
	(15,241,005)		(9,462,850)		(6,994,545)		(4,182,613)		(5,608,462)		(2,299,247)
	-		-		-		-		-		-
	5,070,000		-		10,000,000		3,430,000		2,020,000		32,005,001
	-		2,200,000		-		-		-		-
	98,040		-		396,655		196,964		5,659		1,965,386
	-		-		-		-		-		-
	-		-		-		-		-		(2,160,000)
	-		-		-		-		-		-
	321,866		777,248		3,000		-		1,679,945		-
	<u>9,566,030</u>		<u>6,810,639</u>		<u>11,553,761</u>		<u>5,030,839</u>		<u>5,379,223</u>		<u>33,430,260</u>
\$	<u>1,372,605</u>	\$	<u>3,794,363</u>	\$	<u>1,316,873</u>	\$	<u>(3,103,887)</u>	\$	<u>(2,203,003)</u>	\$	<u>15,188,152</u>
	<u>4.81%</u>		<u>5.18%</u>		<u>6.02%</u>		<u>8.61%</u>		<u>5.6%</u>		<u>6.0%</u>

CITY OF ST. LOUIS PARK, MINNESOTA
 STATISTICAL SECTION (UNAUDITED)
 ASSESSED VALUE/TAX CAPACITY VALUE AND ESTIMATED MARKET VALUE
 OF ALL TAXABLE PROPERTY
 LAST TEN FISCAL YEARS

	Fiscal Year			
	2010	2011	2012	2013
Population	45,250	44,665	45,505	46,362
Real Property				
Total assessed/tax capacity value	\$ 68,386,268	\$ 65,611,006	\$ 62,602,680	\$ 61,348,576
Less tax increment districts - Area-wide allocation (net)	(6,976,791) <u>(1,231,482)</u>	(6,379,980) <u>(2,775,483)</u>	(5,426,995) <u>(3,220,881)</u>	(5,587,609) <u>(2,940,678)</u>
Net assessed/tax capacity value	<u>\$ 60,177,995</u>	<u>\$ 56,455,543</u>	<u>\$ 53,954,804</u>	<u>\$ 52,820,289</u>
Estimated market value	<u>\$ 5,550,563,700</u>	<u>\$ 5,302,557,500</u>	<u>\$ 5,226,900,300</u>	<u>\$ 5,103,186,900</u>
Personal Property				
Assessed/tax capacity value	<u>\$ 428,760</u>	<u>\$ 478,864</u>	<u>\$ 490,122</u>	<u>\$ 559,718</u>
Estimated market value	<u>\$ 21,712,100</u>	<u>\$ 24,363,800</u>	<u>\$ 24,962,100</u>	<u>\$ 28,487,900</u>
Total Real and Personal Property				
Assessed/tax capacity value	<u>\$ 60,606,755</u>	<u>\$ 56,934,407</u>	<u>\$ 54,444,926</u>	<u>\$ 53,380,007</u>
Estimated market value	<u>\$ 5,572,275,800</u>	<u>\$ 5,326,921,300</u>	<u>\$ 5,251,862,400</u>	<u>\$ 5,131,674,800</u>
Tax Capacity Rate	37.1%	41.5%	43.9%	46.6%

Table 6

						Fiscal Year					
2014		2015		2016		2017		2018		2019	
47,411		47,502		48,354		48,747		49,039		50,021	
\$	62,068,742	\$	65,599,841	\$	71,118,692	\$	77,324,247	\$	81,272,437	\$	88,023,090
	(6,130,653)		(5,894,025)		(6,798,025)		(8,211,886)		(8,746,231)		(10,129,650)
	(3,670,487)		(3,879,478)		(3,168,815)		(4,255,021)		(4,787,086)		(4,741,344)
\$	52,267,602	\$	55,826,338	\$	61,151,852	\$	64,857,340	\$	67,739,120	\$	73,152,096
\$	5,123,316,900	\$	5,435,136,500	\$	5,841,548,800	\$	6,306,324,900	\$	6,637,473,500	\$	7,167,361,600
\$	576,427	\$	607,025	\$	614,793	\$	650,504	\$	710,227	\$	747,358
\$	29,320,000	\$	30,852,400	\$	31,212,200	\$	33,056,300	\$	36,048,400	\$	37,926,900
\$	52,844,029	\$	56,433,363	\$	61,766,645	\$	65,507,844	\$	68,469,347	\$	73,899,454
\$	5,152,636,900	\$	5,465,988,900	\$	5,872,761,000	\$	6,339,381,200	\$	6,673,521,900	\$	7,205,288,500
	48.6%		47.8%		46.2%		46.2%		46.4%		44.7%

CITY OF ST. LOUIS PARK, MINNESOTA
 STATISTICAL SECTION (UNAUDITED)
 PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
 LAST TEN FISCAL YEARS

City of St. Louis Park	Fiscal Year			
	2010	2011	2012	2013
Operating Rate	34.869	39.689	40.303	42.902
Debt Service Rate	2.247	1.770	3.563	3.650
Total City Direct Rates	37.116	41.459	43.866	46.552
Overlapping Rates				
County				
Operating Rate	42.640	45.840	48.231	49.461
School District				
Operating Rate	9.295	12.917	13.324	13.976
Debt Service Rate	11.803	13.539	15.946	15.754
Other Taxing Districts				
St. Louis Park HRA Levy	1.718	1.817	1.806	1.676
Metro Mosquito Control	0.461	0.525	0.537	0.556
Metro Council	0.793	0.885	0.940	0.997
Metro Transit Debt	1.366	1.539	1.607	1.689
Hennepin County HRA	0.241	0.397	0.403	0.478
Hennepin Parks	3.499	3.765	3.943	4.054
Park Museum	0.778	0.815	0.799	0.754
HC Regional Railroad Authority	1.000	1.246	1.294	1.561
Referendum Market Value Based Rate	0.152	0.148	-	-
Watershed	1.511	1.606	1.705	1.769
Total Overlapping Rates	75.257	85.039	90.535	92.725
Total Direct and Overlapping Rates	112.373	126.498	134.401	139.277

Table 7

Fiscal Year					
2014	2015	2016	2017	2018	2019
45.868	45.234	43.744	42.933	41.759	40.090
2.702	2.520	2.451	3.267	4.624	4.616
48.570	47.754	46.195	46.200	46.383	44.706
49.959	46.398	45.356	44.087	42.808	41.861
16.741	15.642	14.887	12.364	14.506	13.578
15.617	14.698	13.627	13.247	14.529	13.444
1.808	1.679	1.634	1.661	1.718	1.667
0.563	0.507	0.483	0.475	0.456	0.427
1.069	0.976	0.925	0.883	0.844	0.659
1.703	1.523	1.491	1.463	1.383	1.456
0.514	0.471	0.439	0.497	0.457	0.535
4.169	3.789	3.601	3.365	3.161	2.961
0.766	0.702	0.712	0.711	0.710	0.705
1.777	1.817	1.879	1.925	1.962	1.807
-	-	-	-	-	-
1.806	1.738	1.724	1.738	1.694	1.569
96.492	89.940	86.758	82.416	84.228	80.669
145.062	137.694	132.953	128.616	130.611	125.375

CITY OF ST. LOUIS PARK, MINNESOTA
 STATISTICAL SECTION (UNAUDITED)
 PRINCIPAL PROPERTY TAXPAYERS
 CURRENT YEAR AND NINE YEARS AGO

Table 8

Taxpayer	2019			2010		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Interchange Investors	\$ 109,141,000	1	1.52 %			
BRI 1880 Towers At West End, LLC	107,772,000	2	1.50			
BOF II West End Office Park MN, LLC	95,700,000	3	1.34			
Excelsior & Grand Apartments, LLC	94,032,000	4	1.31			
ARC WEMPSMN001, LLC	92,000,000	5	1.28	\$ 67,660,000	1	1.21
Gatewood Knoowood, LLC	84,861,100	6	1.18			
Middleton Park Place Investors, LLC	66,872,000	7	0.93			
PNMC Holdings	54,023,500	8	0.75			
MFREVF III - Ellipse, LLC	53,898,000	9	0.75			
Camerata LLC	50,600,000	10	0.71	23,725,600	7	0.43
Thompson Reuters Property Tax Service				59,146,000	2	1.06
AEW VIF II Acquisition LLC				40,000,000	3	0.72
Parkdale Property LLC				39,273,000	4	0.70
Park Nicollet				38,501,300	5	0.69
Park Glen				25,520,000	6	0.46
Target				17,959,000	8	0.32
General Growth/Knollwood Co.				16,425,000	9	0.29
Xcel Energy				14,244,500	10	0.26
Total	\$ 808,899,600		11.29 %	\$ 342,454,400		6.15 %
Total taxable assessed value	\$ 7,167,363,600			\$ 5,572,275,800		

Source: Hennepin County Assessor's Office

CITY OF ST. LOUIS PARK, MINNESOTA
 STATISTICAL SECTION (UNAUDITED)
 PROPERTY TAX LEVIES AND COLLECTIONS
 LAST TEN FISCAL YEARS

Table 9

Fiscal Year Ended December 31	Total Tax Levy for Fiscal Year	Collected Within the Fiscal Year of the Levy		Total Collections to Date	
		Amount	Percentage of Levy	Amount	Percentage of Levy
2010	\$ 22,841,195	\$ 22,465,478	98.36	\$ 22,841,195	100.00
2011	23,724,816	23,368,028	98.50	23,724,816	100.00
2012	24,746,325	24,435,571	98.74	24,690,024	99.77
2013	25,613,874	25,379,070	99.08	25,611,682	99.99
2014	26,527,267	26,129,048	98.50	26,515,779	99.96
2015	27,938,615	27,590,682	98.75	27,899,442	99.86
2016	29,615,682	29,462,804	99.48	29,438,804	99.40
2017	31,350,534	30,559,213	97.48	30,719,890	97.99
2018	32,921,154	32,737,859	99.44	32,737,859	99.44
2019	34,362,862	34,204,350	99.54	34,204,350	99.54

CITY OF ST. LOUIS PARK, MINNESOTA
 STATISTICAL SECTION (UNAUDITED)
 RATIOS OF OUTSTANDING DEBT BY TYPE
 LAST TEN FISCAL YEARS

Table 10

Fiscal Year	Governmental Activities					Business Type Activities		Total Primary Government	Percentage of Personal Income (1)	Per Capita (1)
	General Obligation Bonds	Tax Increment Bonds	Capital Leases	Notes Payable	Net Unamortized Premiums/ (Discounts)	Revenue Bonds	Net Unamortized Premiums/ (Discounts)			
2010	\$ 26,335,000	\$ 7,410,000	\$ -	\$ -	\$ 14,148	\$ 11,334,924	\$ 27,699	\$ 45,121,771	2.72	997.17
2011	21,420,000	6,905,000	26,220	-	(161,329)	10,555,000	25,299	38,770,190	2.31	868.02
2012	21,730,000	6,600,000	-	-	(164,209)	9,600,000	22,899	37,788,690	2.17	830.43
2013	20,185,000	4,870,000	-	-	(128,384)	12,785,000	35,022	37,746,638	2.06	814.17
2014	23,609,091	4,520,700	33,075	-	(25,209)	16,826,503	126,503	45,090,663	2.39	951.06
2015	22,445,000	4,175,000	24,975	2,122,173	(28,920)	13,510,000	106,990	42,355,218	2.26	891.65
2016	31,230,000	3,805,000	215,619	2,025,297	348,099	10,515,000	91,538	48,230,553	2.46	997.45
2017	33,430,000	3,410,000	165,931	-	497,335	14,070,000	375,930	51,949,196	2.53	1,065.69
2018	33,810,000	2,995,000	180,382	-	445,293	19,475,000	677,443	57,583,118	2.67	1,174.23
2019	61,100,000	2,560,000	121,005	-	2,393,817	24,900,000	1,853,981	92,928,803	3.95	1,856.39

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

(1) See the Schedule of Demographic Statistics on page 171 for personal income and population data.

CITY OF ST. LOUIS PARK, MINNESOTA
 STATISTICAL SECTION (UNAUDITED)
 RATIOS OF GENERAL BONDED DEBT OUTSTANDING
 LAST TEN FISCAL YEARS

Table 11

Fiscal Year	General Obligation Bonds	Less: Amounts Restricted for Debt Service Funds	Net Unamortized Premiums/ (Discounts)	Total	Percentage of Estimated Actual Taxable Value of Property (1)	Per Capita (2)
2010	\$ 26,335,000	\$ (2,765,611)	\$ (114,863)	\$ 23,454,526	0.42	518.33
2011	21,420,000	(2,792,922)	(111,310)	18,515,768	0.35	414.55
2012	21,730,000	(3,862,611)	(123,684)	17,743,705	0.34	389.93
2013	20,185,000	(3,703,071)	(119,339)	16,362,590	0.32	352.93
2014	23,625,000	(3,152,137)	(16,954)	20,440,000	0.40	431.12
2015	22,445,000	(3,092,198)	(20,758)	19,332,044	0.35	406.97
2016	31,230,000	(3,146,018)	355,124	28,439,106	0.48	588.14
2017	33,430,000	(3,325,205)	503,370	30,608,165	0.48	627.90
2018	33,810,000	(4,727,310)	450,186	29,532,876	0.44	602.13
2019	61,100,000	(13,942,465)	2,327,029	49,627,359	0.69	992.13

(1) See the Schedule of Assessed Value/Tax Capacity Value and Estimated Market Value on page 164 for property value data.

(2) Population data can be found in the Schedule of Demographic Statistics on page 177.

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CITY OF ST. LOUIS PARK, MINNESOTA
 STATISTICAL SECTION (UNAUDITED)
 DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
 AS OF DECEMBER 31, 2019

Table 12

Governmental Unit	Debt Outstanding (1)	Percentage Applicable (2)	Share of Overlapping Debt
Overlapping Debt			
Hennepin County	\$ 983,232,996	3.82 %	\$ 37,559,500
St. Louis Park Independent School District	137,122,694	99.34	136,217,684
Hopkins Independent School District	164,359,000	3.34	5,489,591
Edina Independent School District	167,312,880	0.06	100,388
Hennepin County Suburban Park District	39,123,902	5.39	2,108,778
Hennepin Regional RR Authority	91,599,372	3.82	3,499,096
Metropolitan Council	<u>142,583,705</u>	<u>1.94</u>	<u>2,766,124</u>
Subtotal of Overlapping Debt	1,725,334,549		187,741,161
Direct Debt			
City of St. Louis Park	<u>66,104,280</u>	<u>100.00</u>	<u>66,104,280</u>
Total of Direct and Overlapping Debt	<u>\$ 1,791,438,829</u>		<u>\$ 253,845,441</u>

Source: Hennepin County, Minnesota

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

(1) Net debt which excludes revenue and special assessment bonds.

(2) The percentage applicable to the City of St. Louis Park was determined by dividing the portion of tax capacity within the City by the total tax capacity of the of the taxing jurisdiction.

CITY OF ST. LOUIS PARK, MINNESOTA
 STATISTICAL SECTION (UNAUDITED)
 LEGAL DEBT MARGIN INFORMATION
 LAST TEN FISCAL YEARS

	Fiscal Year			
	2010	2011	2012	2013
Debt Limit	\$ 167,168,274	\$ 159,807,639	\$ 157,555,872	\$ 153,950,244
Total Net Debt Applicable to Limit	15,535,000	15,150,000	14,755,000	13,726,638
Legal Debt Margin	<u>\$ 151,633,274</u>	<u>\$ 144,657,639</u>	<u>\$ 142,800,872</u>	<u>\$ 140,223,606</u>
Total Net Debt Applicable to the Limit as a percentage of Debt Limit	9.29%	9.48%	9.36%	8.92%
Legal Debt Margin Calculation for Fiscal Year				
Estimated Taxable Market Value	<u>\$ 5,572,275,800</u>	<u>\$ 5,326,921,300</u>	<u>\$ 5,251,862,400</u>	<u>\$ 5,131,674,800</u>
Debt Limit (3% of taxable market value)	<u>\$ 167,168,274</u>	<u>\$ 159,807,639</u>	<u>\$ 157,555,872</u>	<u>\$ 153,950,244</u>
Debt applicable to limit				
Total Bonded Debt	\$ 45,079,924	\$ 38,880,000	\$ 37,930,000	\$ 37,746,638
Less:				
G.O. Revenue Bonds	(11,334,924)	(10,555,000)	(9,600,000)	(12,785,000)
G.O. Improvement Bonds	(10,800,000)	(6,270,000)	(6,975,000)	(6,365,000)
G.O. Tax Increment Bonds	(7,410,000)	(6,905,000)	(6,600,000)	(4,870,000)
Notes payable	-	-	-	-
Total Net Debt Applicable to Limit:	<u>15,535,000</u>	<u>15,150,000</u>	<u>14,755,000</u>	<u>13,726,638</u>
Legal Debt Margin:	<u>\$ 151,633,274</u>	<u>\$ 144,657,639</u>	<u>\$ 142,800,872</u>	<u>\$ 140,223,606</u>

Note: Under State of Minnesota law, the City of St. Louis Park's outstanding general obligation debt should not exceed 3 percent of the market value of the taxable property. By law, the general obligation debt subject to the limitation may be offset by amounts set aside for the extinguishment of those obligations.

Table 13

Fiscal Year						
2014	2015	2016	2017	2018	2019	
\$ 154,579,107	\$ 163,979,667	\$ 176,182,830	\$ 190,181,436	\$ 200,205,657	\$ 216,158,655	
18,053,460	17,063,045	23,934,703	28,375,000	28,975,000	56,450,000	
<u>\$ 136,525,647</u>	<u>\$ 146,916,622</u>	<u>\$ 152,248,127</u>	<u>\$ 161,806,436</u>	<u>\$ 171,230,657</u>	<u>\$ 159,708,655</u>	
11.68%	10.41%	13.59%	14.92%	14.47%	26.12%	
<u>\$ 5,152,636,900</u>	<u>\$ 5,465,988,900</u>	<u>\$ 5,872,761,000</u>	<u>\$ 6,339,381,200</u>	<u>\$ 6,673,521,900</u>	<u>\$ 7,205,288,500</u>	
<u>\$ 154,579,107</u>	<u>\$ 163,979,667</u>	<u>\$ 176,182,830</u>	<u>\$ 190,181,436</u>	<u>\$ 200,205,657</u>	<u>\$ 216,158,655</u>	
\$ 45,090,663	\$ 42,355,218	\$ 45,550,000	\$ 50,910,000	\$ 56,280,000	\$ 88,560,000	
(16,826,503)	(13,510,000)	(10,515,000)	(14,070,000)	(19,475,000)	(24,900,000)	
(5,690,000)	(5,485,000)	(5,270,000)	(5,055,000)	(4,835,000)	(4,650,000)	
(4,520,700)	(4,175,000)	(3,805,000)	(3,410,000)	(2,995,000)	(2,560,000)	
-	(2,122,173)	(2,025,297)	-	-	-	
18,053,460	17,063,045	23,934,703	28,375,000	28,975,000	56,450,000	
<u>\$ 136,525,647</u>	<u>\$ 146,916,622</u>	<u>\$ 152,248,127</u>	<u>\$ 161,806,436</u>	<u>\$ 171,230,657</u>	<u>\$ 159,708,655</u>	

CITY OF ST. LOUIS PARK, MINNESOTA
 STATISTICAL SECTION (UNAUDITED)
 PLEDGED REVENUE BOND COVERAGE
 LAST TEN FISCAL YEARS

Table 14

Fiscal Year	Revenue Bonds ¹					
	Gross Revenue ²	Less: Operating Expenses ³	Net Revenue Available	Debt Service		Coverage
				Principal	Interest	
2010	\$ 5,981,074	\$ (3,851,018)	\$ 2,130,056	\$ 400,000	\$ 327,325	2.93
2011	12,186,180	(8,269,813)	3,916,367	525,000	363,435	4.41
2012	13,079,123	(8,387,329)	4,691,794	1,405,000	375,218	2.64
2013	12,659,936	(10,417,099)	2,242,837	985,000	324,393	1.71
2014	13,277,524	(10,514,981)	2,762,543	1,015,000	352,614	2.02
2015	14,379,975	(9,041,931)	5,338,044	1,045,000 ⁴	381,359	3.74
2016	15,481,494	(10,328,560)	5,152,934	1,155,000 ⁵	301,051	3.54
2017	16,495,157	(10,186,997)	6,308,160	1,360,000 ⁶	197,658	4.05
2018	16,851,218	(11,354,272)	5,496,946	1,375,000	320,608	3.24
2019	17,827,318	(11,848,046)	5,979,272	2,095,000	320,608	2.63

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

¹ Includes Water Utility, Sewer Utility and Storm Water Utility revenue bonds.

² Gross revenue includes investment income and excludes intergovernmental and miscellaneous revenues.

³ Expenses exclude depreciation, interest on bonds and miscellaneous expenses.

⁴ Excludes \$2,145,000 refunded principal paid through cash with fiscal agent.

⁵ Excludes \$1,840,000 refunded principal paid through cash with fiscal agent.

⁶ Excludes \$1,555,000 refunded principal paid through issuance of 2017A bonds.

Year	Population (1)	Personal Income (amounts expressed in thousands)	Per Capita Income (1)	Median Age (1)	School Enrollment (2)	Unemployment Rate (3)
2010	45,250	\$ 1,660,539	\$ 36,697	35.5	4,347	3.9
2011	44,665	1,680,297	37,620	35.4	4,365	4.4
2012	45,505	1,744,525	38,337	35.4	4,472	4.6
2013	46,362	1,828,193	39,433	35.4	4,545	4.4
2014	47,411	1,884,398	39,746	35.4	4,590	2.6
2015	47,502	1,876,424	39,502	35.5	4,590	2.3
2016	48,354	1,962,641	40,589	35.2	4,627	2.9
2017	48,747	2,053,370	42,123	35.7	4,571	2.1
2018	49,039	2,157,275	43,991	35.7	4,560	2.2
2019	50,021	2,349,386	46,968	35.6	4,692	2.5

Source: (1) Federal Census Bureau data
 (2) St. Louis Park School District
 (3) Minnesota Department of Employment and Economic Development

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CITY OF ST. LOUIS PARK, MINNESOTA
 STATISTICAL SECTION (UNAUDITED)
 PRINCIPAL EMPLOYERS
 CURRENT YEAR AND NINE YEARS AGO

Table 16

Employer	Fiscal Year			Fiscal Year		
	2019			2010		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Park Nicollet Health Services and Methodist Hospita	6,000	1	15.2 %	5,879	1	22.1 %
Wells Fargo Mortgage	1,400	2	3.6			
St. Louis Park Public Schools (I.S.D. No. 283)	732	3	1.9	688	2	2.6
Japs-Olson Company	600	4	1.5	508	7	1.9
Sholom Home West	600	5	1.5	659	3	2.5
St. Louis Park, City of	472	6		288	10	1.1
Target	405	7		595	5	2.2
Center for Diagnostic Imaging	400	8	1.0			
Nordic Ware	388	9				
MoneyGram International	384	10	1.0	518	6	1.9
Knollwood Mall				600	4	2.3
Byerly's				350	8	1.3
Miracle Mile Shopping Center				350	9	1.3
Total	<u>11,381</u>		<u>25.66 %</u>	<u>10,435</u>		<u>39.20 %</u>
Total City employment			39,428			26,602

Source:
 Official Statement from 2019 C Bonds

CITY OF ST. LOUIS PARK, MINNESOTA
 STATISTICAL SECTION (UNAUDITED)
 FULL-TIME EQUIVALENT EMPLOYEES BY FUNCTION
 LAST TEN FISCAL YEARS

Function	Fiscal Year			
	2010	2011	2012	2013
General government	105.5	95.4	90.3	88.8
Public safety				
Police				
Officers	51.0	51.0	52.0	52.0
Civilians	20.0	23.0	30.0	34.0
Fire				
Firefighters and officers	25.0	24.0	24.0	24.0
Operations and recreation and Engineering	32.0	32.0	33.0	35.0
Water	9.9	11.2	11.2	10.9
Sewer	3.6	4.9	4.9	4.9
Solid Waste	1.8	3.3	3.3	3.3
Storm Water	3.3	4.9	4.8	4.8
Total Employees	252.0	249.7	253.5	257.7

Source: St. Louis Park Human Resources Department

Table 17

Fiscal Year					
2014	2015	2016	2017	2018	2019
88.4	89.4	91.6	97.9	91.8	93.9
53.0	55.0	55.0	57.0	57.0	57.0
35.0	35.0	35.0	35.0	35.0	36.0
24.0	25.0	26.0	28.0	28.0	28.0
34.0	35.0	35.0	28.1	35.0	36.0
11.2	11.5	11.4	12.5	14.6	12.2
5.5	6.0	6.0	6.4	5.1	6.1
4.7	5.8	5.8	5.3	4.9	5.6
6.2	6.7	6.7	7.1	6.2	6.8
262.0	269.4	272.5	277.3	277.6	281.6

	Fiscal Year									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Police										
Medical calls	3,188	3,101	3,152	3,296	2,391	3,756	3,623	3,705	4,375	4,479
Traffic stops	4,236	5,362	7,146	6,674	6,907	6,692	6,939	7,401	6,267	3,956
Other	21,355	21,742	24,354	25,014	27,752	29,299	31,462	31,052	31,882	37,399
Fire										
Inspections/Medical/All other calls	3,893	3,078	3,117	3,360	4,747	5,118	6,130	5,513	6,308	5,712
Fire calls - residential/structural	107	153	142	66	116	135	53	202	297	95
Fire calls - other	37	53	64	48	91	115	41	85	68	50
Cable TV										
Hours of new programming	456	535	-	549.5	311	400	400	368	362	377
Inspections										
Permits	8,397	9,220	9,091	10,254	11,111	9,684	10,099	11,246	10,106	10,619
Inspections	20,204	22,818	23,667	26,902	32,543	23,031	23,372	28,484	25,187	21,419
Culture and recreation										
Aquatic park attendance	69,825	67,422	70,270	52,557	51,894	68,355	72,439	65,665	71,977	65,000
Hours of ice time	6,493	4,687	5,444	4,701	4,773	4,626	4,125	6,000	6,400	6,900
Water										
Gallons of water production (billions)	2.1	2.1	2.4	2.2	2.09	2.01	1.78	1.79	1.91	1.83
Average watermain breaks per year	30	30	30	27	40	41	20	11	38	33
Public Works										
Snowplowing hours	3,216	2,543	1,173	6,449	3,752	2,284	3,781	2,859	5,466	4,334

Source: St. Louis Park Departments

CITY OF ST. LOUIS PARK, MINNESOTA
STATISTICAL SECTION (UNAUDITED)
CAPITAL ASSET STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS

Table 19

Function	Fiscal Year									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Public safety										
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	26	26	28	26	25	28	28	29	29	29
Fire										
Stations	2	2	2	2	2	2	2	2	2	2
Vehicles	13	13	14	13	13	10	14	15	15	15
Fire hydrants	1,699	1,699	1,699	1,699	1,699	1,699	1,772	1,773	1,774	1,774
Culture and recreation										
Parks	53	57	57	57	57	52	53	53	53	53
Trails	10	10	10	10	10	10	22	22	22	22
Streets										
Lane miles of streets	311	311	311	311	311	311	311	311	311	311
Miles of streets	155	155	155	155	155	155	155	155	155	155
Water										
Wells	11	11	11	11	11	10	10	10	10	10
Water treatment plants	6	6	6	6	6	6	6	6	6	6
Miles of watermain	149	160	160	160	160	160	175	175	175	175
Sanitary Sewer										
Lift stations	23	23	23	23	23	23	23	23	23	23
Miles of sewermain	139	147	147	147	147	147	143	143	143	143
Storm Sewer										
Lift stations	10	10	10	10	10	10	10	11	11	11
Ponds and lakes	52	52	52	52	52	52	52	52	52	52
Catch basins	3,731	3,731	3,731	3,731	3,731	3,731	3,885	3,885	3,940	3,940

Source: St. Louis Park Departments

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