



# Comprehensive Annual Financial Report

For the fiscal year ended December 31, 2020

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**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**FOR THE FISCAL YEAR ENDED**

**December 31, 2020**

**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 17, 2021

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, 2020.

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, 2020, 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, 2020, 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 49,069. 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 and Development 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 Bank Corporate Headquarters**

Bridgewater Bank constructed a four-story, 84,000-square-foot office building that incorporates a bank branch, retail and service uses and three levels of structured parking. The development includes a plaza at the corner of Excelsior Boulevard and Monterey Drive with outdoor seating, space for public art and landscaping. The plaza includes “Moments of Tangency” by Craig Snyder and Homan Wong. Moments of Tangency represents paths crossing and the moments in which connections are made. Construction was completed in summer 2020.

### **Urban Park Apartments**

Urban Park Apartments is a new 61 unit market rate apartment building with two community rooms, a fitness center, a pool and improved outdoor amenity space. The project was completed in 2020.

### **Elan West End**

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 (AMI).

### **4800 Excelsior**

The latest redevelopment along the Excelsior Blvd commercial corridor is Weidner Apartment Homes' *4800 Excelsior*. The six-story, mixed-use building is located immediately west of the landmark *Excelsior & Grand*. It contains 164 apartment units (146 market-rate and 18 affordable units at 60% of the area median income) and 28,228 square feet of ground floor commercial space leased to *Fresh Thyme* grocery. The project was completed in 2017.

### **Parkway 25**

Sela Group redeveloped the former Vescio Restaurant and Valu Stay Inn sites at 4001 County Road 25 and 4025 Hwy. 7. The new five-story, mixed-use, LEED Silver certified building consists of 112 luxury apartment units and 12,000 square feet of ground floor commercial space on a combined 1.57-acre parcel. The development includes surface and underground parking and outdoor amenity space. Construction began in the fall 2017 and was completed in October 2018.

### **Central Park West Apartments**

Phase I of the Central Park West development is the Central Park West Apartments. It is a six-story, multi-family building near The West End. The 199-unit luxury apartment building is adjacent to a large public gathering (civic) space for both active and passive recreation. The civic space, which features a James Brenner sculpture, was completed in early 2018.

### **AC Hotel by Marriott**

TPI Hospitality constructed a 6-story, 126-room AC Hotel by Marriott in The West End area. This is Phase III of the Central Park West redevelopment and is located on the border of St. Louis Park and Golden Valley. The hotel has a rooftop amenity space, as well as a small bar and restaurant. Construction began in spring 2017, and the hotel opened early 2018.

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 costs of borrowing for the City of St. Louis Park at a low rate.

### **Awards**

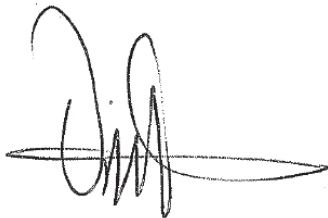
The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of St. Louis Park for its comprehensive annual financial report for the fiscal year ended December 31, 2019. This was the thirty-seventh 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,



Thomas Harmening  
City Manager



Melanie Schmitt  
Chief Financial Officer





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

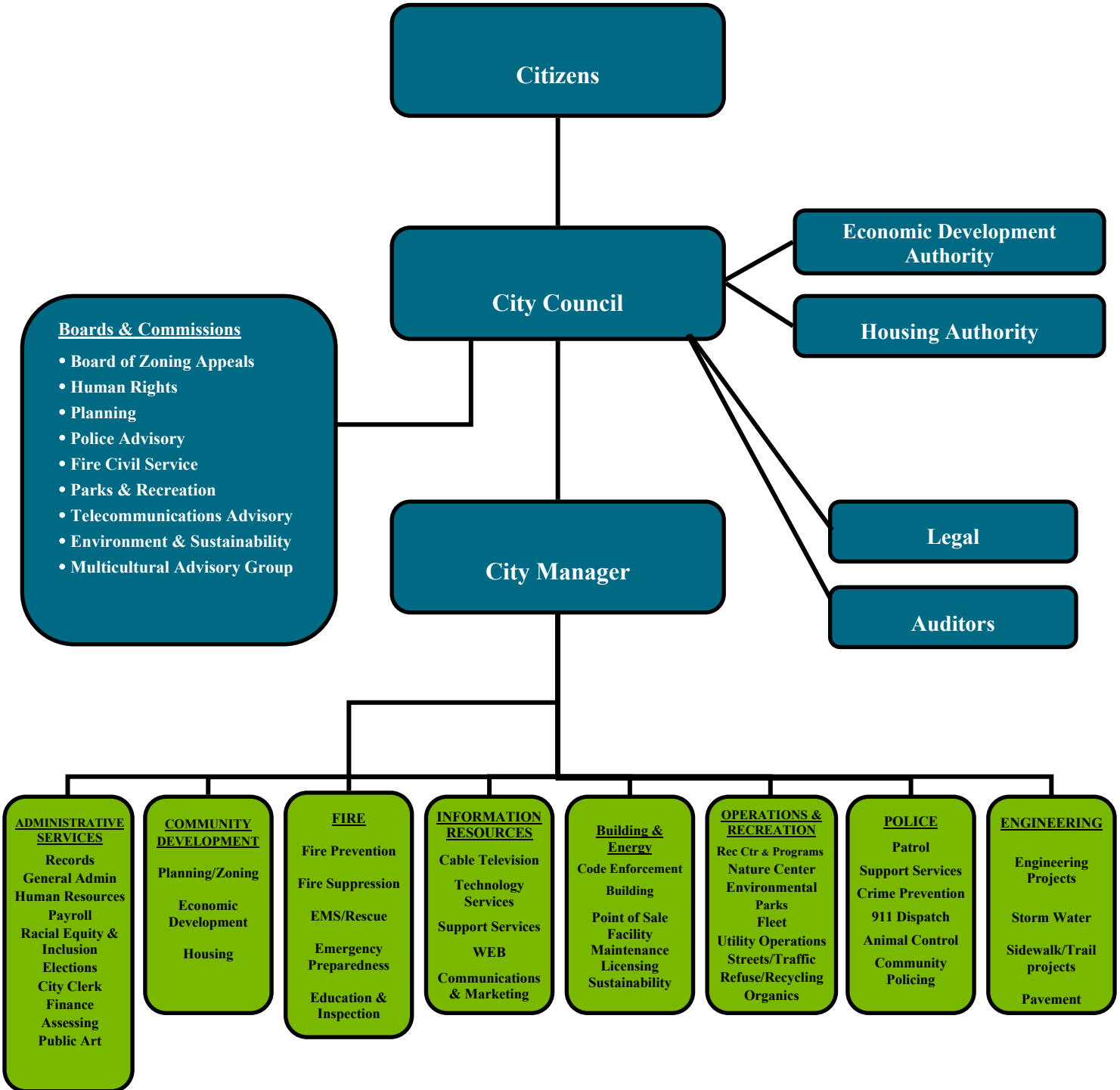
December 31, 2019

*Christopher P. Morrill*

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 1/2024

**Larry Kraft**

At-Large A Councilmember  
EDA Commissioner  
Term Expires 1/2024

**Nadia Mohamed**

At-Large B Councilmember  
EDA Commissioner  
Term Expires 1/2024

**Margaret Rog**

Ward 1 Councilmember  
EDA Treasurer  
Term Expires 1/2022

**Lynette Dumalag**

Ward 2 Councilmember  
EDA Commissioner  
Term Expires 1/2022

**Rachel Harris**

Ward 3 Councilmember  
EDA President  
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*

Melanie Schmitt, *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, 2020, 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, 2020, 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 17, 2021, 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.  
St. Paul, Minnesota

June 17, 2021  
(except for the matter described in Note 16,  
as to which the date is November 8, 2021)

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

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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, 2020. 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 \$181,332,739 (*net position*). Of this amount, \$32,252,708 (*unrestricted net position*) may be used to meet the government's ongoing obligations to citizens and creditors.
- The City's total net position increased by \$10,126,047 as a result of revenues in excess of expenses. \$4,037,409 was a result of an increase of net position within business-type activities, and \$6,088,638 from an increase 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 \$71,024,429, a decrease of \$3,160,104 in comparison with the prior year. The decrease was primarily related to the spending of debt service fund balance for debt payments. Approximately 27 percent of this total amount, \$19,322,126 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 \$25,386,153 (60 percent) of the total subsequent year budgeted General fund expenditures.
- The City's total bonded debt increased \$1,560,000 during 2020. New debt issued, and principal paid during the year was \$15,540,000 and \$13,980,000 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.

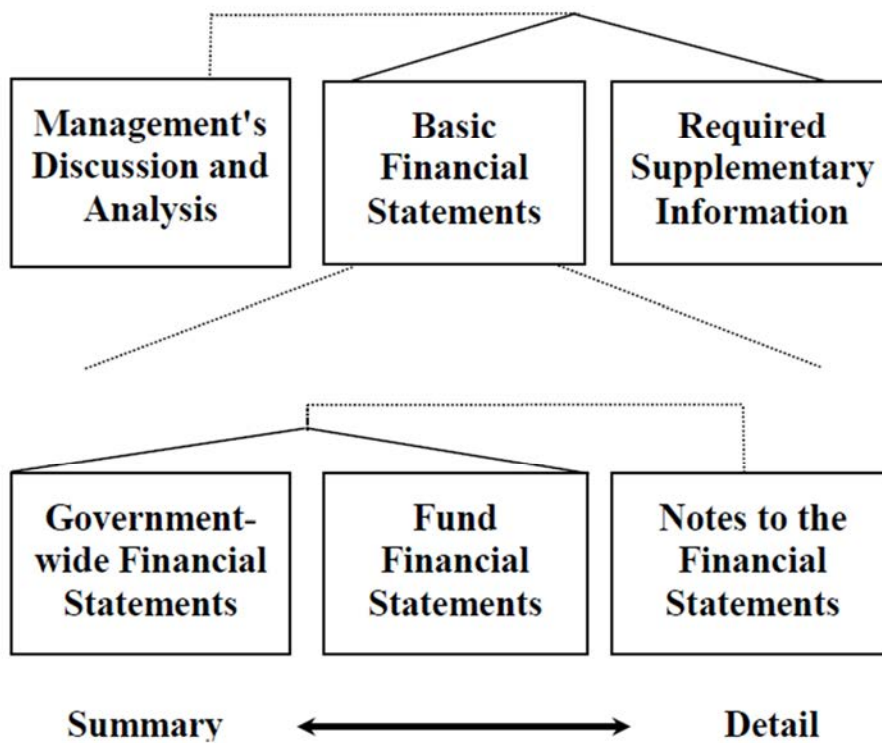
The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of combining fund financial statements and schedules that further explains and supports the information in the financial 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

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

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added together and presented in single columns in the basic financial statements. Internal service funds 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"> <li>• Statement of Net Position</li> <li>• Statement of Activities</li> </ul>	<ul style="list-style-type: none"> <li>• Balance Sheet</li> <li>• Statement of Revenues, Expenditures and Changes in Fund Balances</li> </ul>	<ul style="list-style-type: none"> <li>• Statement of Net Position</li> <li>• Statement of Revenues, Expenses and Changes in Net Position</li> <li>• Statement of Cash Flows</li> </ul>
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

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**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

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*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

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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 \$181,332,739 at the close of the most recent fiscal year.

A portion of the City's net position (73 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		
	2020	2019	Increase (Decrease)	2020	2019	Increase (Decrease)
<b>Assets</b>						
Current and other assets	\$ 97,655,692	\$ 99,904,951	\$ (2,249,259)	\$ 17,568,083	\$ 12,846,723	\$ 4,721,360
Capital assets	154,280,429	149,334,573	4,945,856	53,073,482	49,978,011	3,095,471
<b>Total assets</b>	<b>251,936,121</b>	<b>249,239,524</b>	<b>2,696,597</b>	<b>70,641,565</b>	<b>62,824,734</b>	<b>7,816,831</b>
Total deferred outflows of resources	8,017,424	12,367,362	(4,349,938)	-	-	-
<b>Liabilities</b>						
Other liabilities	10,522,669	12,775,662	(2,252,993)	2,080,331	1,665,609	414,722
Noncurrent liabilities	98,153,792	95,299,784	2,854,008	30,291,172	26,926,472	3,364,700
<b>Total liabilities</b>	<b>108,676,461</b>	<b>108,075,446</b>	<b>601,015</b>	<b>32,371,503</b>	<b>28,592,081</b>	<b>3,779,422</b>
Total deferred inflows of resources	8,214,407	16,557,401	(8,342,994)	-	-	-
<b>Net position</b>						
Net investment in capital assets	103,325,878	102,644,391	681,487	30,198,068	27,805,955	2,392,113
Restricted	15,556,085	22,391,884	(6,835,799)	-	-	-
Unrestricted	24,180,714	11,937,764	12,242,950	8,071,994	6,426,698	1,645,296
<b>Total net position</b>	<b>\$ 143,062,677</b>	<b>\$ 136,974,039</b>	<b>\$ 6,088,638</b>	<b>\$ 38,270,062</b>	<b>\$ 34,232,653</b>	<b>\$ 4,037,409</b>

An additional portion of the City's net position \$15,556,085 represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net position* \$32,252,708 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, 2020. Overall, both the governmental and business-type activities revenue and expenses remained stable. Governmental activities increased the City's net position by \$6,088,638. Business-type activities increased the City's net position by \$4,037,409.

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

	Governmental Activities			Business-type Activities		
	2020	2019	Increase (Decrease)	2020	2019	Increase (Decrease)
Revenues						
Program revenues						
Charges for services	\$ 8,476,121	\$ 9,386,456	\$ (910,335)	\$ 22,989,758	\$ 21,141,348	\$ 1,848,410
Operating grants and contributions	6,426,976	3,360,346	3,066,630	196,223	196,100	123
Capital grants and contributions	3,646,262	2,693,816	952,446	629,172	556,508	72,664
General revenues						
Property taxes and TIF	48,732,379	45,593,759	3,138,620	-	-	-
Franchise fees	4,569,901	4,212,728	357,173	-	-	-
Lodging taxes	339,055	1,074,002	(734,947)	-	-	-
Grants and contributions not restricted to specific programs	331,454	319,322	12,132	-	-	-
Unrestricted investment earnings	1,232,923	1,669,916	(436,993)	172,777	271,026	(98,249)
Gain on disposal of capital assets	56,625	178,509	(121,884)	-	-	-
Miscellaneous	1,858,081	1,619,458	238,623	-	-	-
<b>Total revenues</b>	<b>75,669,777</b>	<b>70,108,312</b>	<b>5,561,465</b>	<b>23,987,930</b>	<b>22,164,982</b>	<b>1,822,948</b>
Expenses						
General government	\$ 12,065,668	12,022,082	43,586	-	-	-
Public safety	18,283,411	18,868,900	(585,489)	-	-	-
Public information	924,428	594,521	329,907	-	-	-
Operations	18,700,327	20,692,741	(1,992,414)	-	-	-
Parks and recreation	6,454,814	7,463,862	(1,009,048)	-	-	-
Housing and rehabilitation	1,085,356	2,011,975	(926,619)	-	-	-
Housing maintenance	709,009	89,828	619,181	-	-	-
Social and economic development	11,642,624	15,526,279	(3,883,655)	-	-	-
Interest on long-term debt	1,818,341	2,139,962	(321,621)	-	-	-
Water	-	-	-	5,539,880	5,922,733	(382,853)
Sewer	-	-	-	6,434,245	6,387,860	46,385
Solid waste	-	-	-	3,666,565	3,527,810	138,755
Storm water	-	-	-	2,206,992	2,179,955	27,037
<b>Total expenses</b>	<b>71,683,978</b>	<b>79,410,150</b>	<b>(7,726,172)</b>	<b>17,847,682</b>	<b>18,018,358</b>	<b>(170,676)</b>
Increase (decrease) in net position before transfers	3,985,799	(9,301,838)	13,287,637	6,140,248	4,146,624	1,993,624
Transfers	2,102,839	2,070,255	32,584	(2,102,839)	(2,070,255)	(32,584)
Change in net position	6,088,638	(7,231,583)	13,320,221	4,037,409	2,076,369	1,961,040
Net position, January 1	136,974,039	144,205,622	(7,231,583)	34,232,653	32,156,284	2,076,369
Net position, December 31	<u>\$ 143,062,677</u>	<u>\$ 136,974,039</u>	<u>\$ 6,088,638</u>	<u>\$ 38,270,062</u>	<u>\$ 34,232,653</u>	<u>\$ 4,037,409</u>

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

## Governmental Activities

Governmental activities increased the City's net position by \$6,088,638. Overall the governmental activities in 2020 were stable, with a slight increase in revenues and slight decrease in expenses. Revenues increased by \$5.5 million, primarily related to operating grant revenues and additional tax levy revenue, while expenses decreased by \$7.7 million, with a large decrease in operations (\$5.3 million) and parks and recreation (\$2.3 million) both due to pandemic related circumstances.

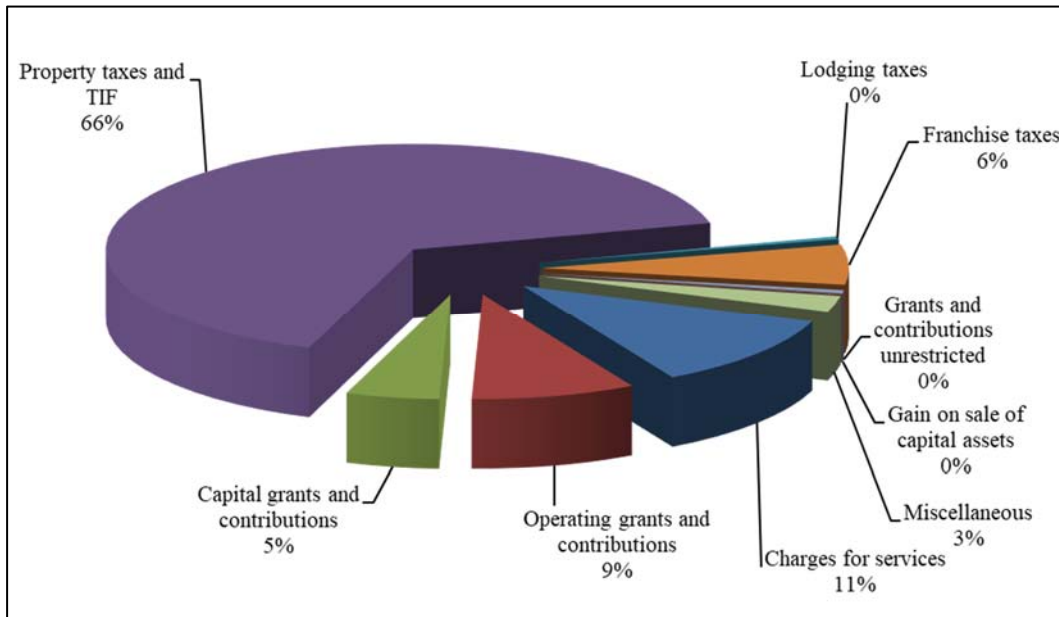
## Business-type Activities

Business-type activities increased the City's net position by \$4,037,409. Revenues increased by \$1.8 million, expenses decreased \$170 thousand, and net transfers were comparable to prior year. The increase in revenues was the result of increased utility rates and the decrease in expenses was a result of delaying purchases due to COVID.

## Governmental Activities

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

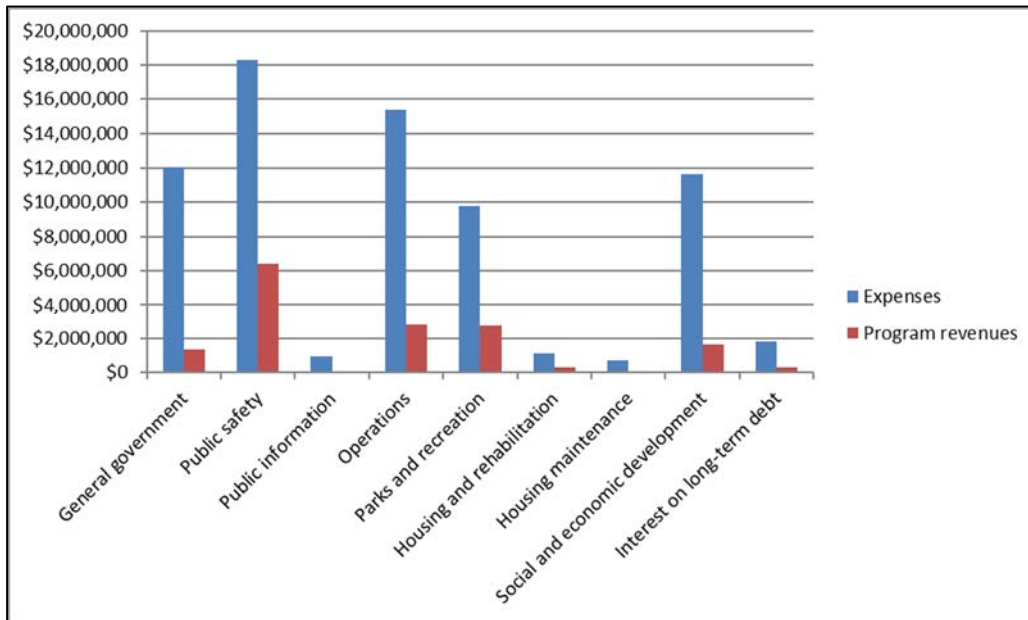
Revenues by Source - Governmental Activities



## 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:

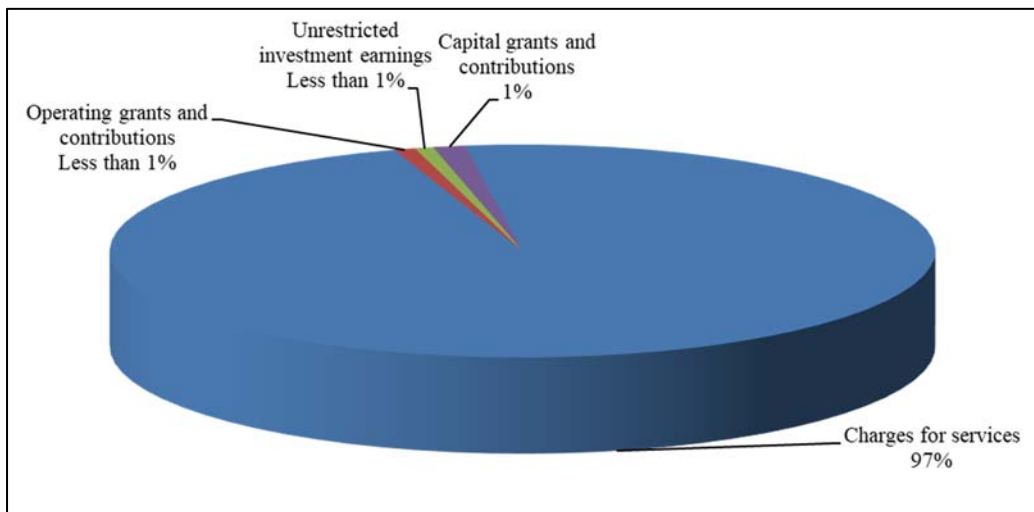
**Expenses and Program Revenues - Governmental Activities**



### **Business-type Activities**

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

**Revenue Sources - Business-type Activities**

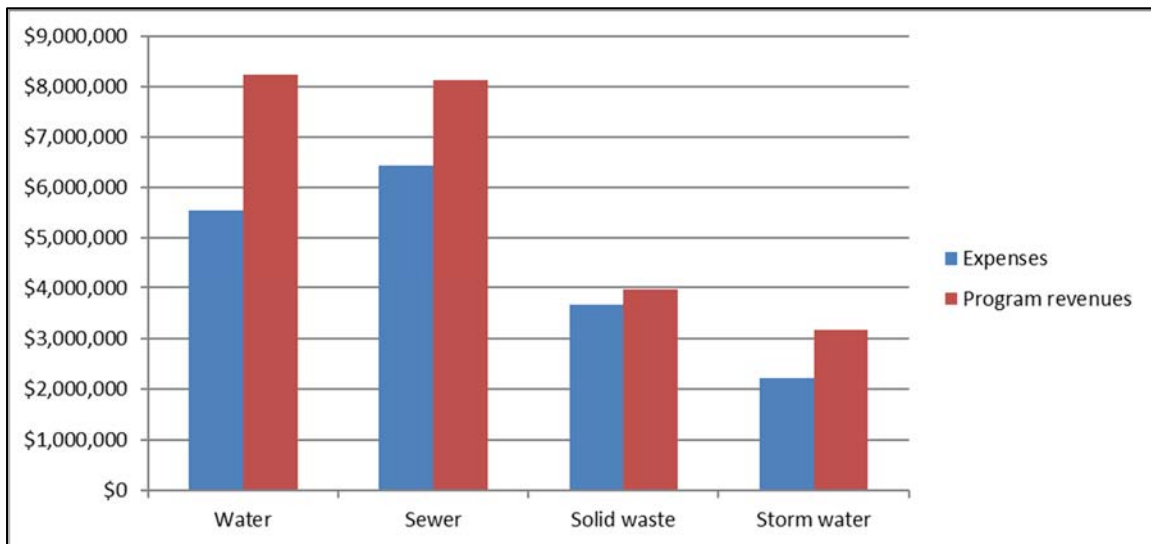


## City of St. Louis Park Management's Discussion and Analysis

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

**Expense and Program Revenues - 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 \$71,024,429 a decrease of \$3,160,104 in comparison with the prior year. Approximately 27 percent of this total amount, \$19,498,922, constitutes unassigned fund balance, which is available for spending at the City's discretion. The remainder of fund balance (\$51,525,507) is not available for new spending because it is either 1) nonspendable (\$362,022), 2) restricted (\$18,960,104), 3) committed (\$812,078,) or 4) assigned (\$31,931,303) for specific purposes.

Major Funds	Fund Balances December 31,		Increase (Decrease)
	2020	2019	
<b>General</b>	\$ 26,824,099	\$ 20,831,827	\$ 5,992,272
The City's General Fund balanced increased \$5,992,272 during the current fiscal year. Greater than anticipated revenues in licenses and permits of \$1,161,235 contributed to the majority of the increase.			
<b>Housing Rehabilitation</b>	\$ 5,805,357	\$ 5,751,062	\$ 54,295
The Housing Rehabilitation fund balance increased \$54,295 as a result of special assessment and miscellaneous revenues less than expenditures by \$213,090 prior to net transfers out of \$210,760.			
<b>Debt Service</b>	\$ 4,923,698	\$ 13,443,508	\$ (8,519,810)
The fund balance of the Debt Service fund decreased \$8,519,810 due to prior year current refunding bonds proceeds used to make the payment on the refunded bonds during 2020.			
<b>Development EDA</b>	\$ 20,451,428	\$ 21,949,658	\$ (1,498,230)
The Development EDA fund balance decreased \$1,498,230 as a result of project expenditures. Although the fund has \$20.5 million in fund balance, approximately \$8.7 million is made up of loans receivable and land held for resale.			
<b>Redevelopment District</b>	\$ 6,191,634	\$ 3,992,143	\$ 2,199,491
The Redevelopment District fund is comprised of all tax increment districts in the City. The increase in fund balance of \$2,199,491 is due to collection of property taxes and tax increments in excess of expenditures and transfers out.			
<b>Streets Capital Projects</b>	\$ (2,973,686)	\$ (1,403,203)	\$ (1,570,483)
The Street Capital Projects fund balance decreased \$1,570,483 as a result of on-going projects.			
<b>Sidewalks and Trails</b>	\$ 4,141,569	\$ (433,880)	\$ 4,575,449
The Sidewalks and Trails fund is used to account for Connect The Park projects. The fund balance increased as a result of issuing bonds in 2020 for projects to be completed in 2021.			
<b>Pavement Management</b>	\$ (2,552,363)	\$ (1,277,328)	\$ (1,275,035)
The Pavement Management fund is used to account for the financing of street rehabilitation. The fund balance decreased as a result of various street projects.			



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

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**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 \$11,820,518. Total net position increased by \$4,037,409. This increase was primarily a result of a planned increase in fees to cover infrastructure replacement.

### General Fund Budgetary Highlights

Actual revenues were \$510,264 over budget and expenditures were \$2,560,198 under budget; along with transfers and other financing sources, the end result was an increase in fund balance of \$5,992,272. Favorable revenue and expenditure variances accounted for the increase in fund balance. The largest favorable revenue variance was in licenses and permits (\$633,503). The largest favorable expenditure variance was in the public safety function (\$893,967).

### Capital Asset and Debt Administration

The City's investment in capital assets for its governmental and business type activities as of December 31, 2020 was \$207,353,911 (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 4.0 percent.

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

- Start of the Dakota Bridge project
- Street Rehab projects
- Connect the park trail, sidewalk and bike improvements

For the year ending December 31, 2020, 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.

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

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

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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 \$5,322,133 on street maintenance for the year ending December 31, 2020. 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 \$4,464,000. 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, 2020 of \$5,015,749 was lower than the actual expenditures during the year of \$5,322,133 by approximately \$300 thousand. This was a result of costs being slightly higher than budgeted for.

## 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		
	2020	2019	Increase (Decrease)	2020	2019	Increase (Decrease)
Land	\$ 17,255,135	\$ 16,991,835	\$ 263,300	\$ 515,083	\$ 515,083	\$ -
Permanent easements	1,441,876	1,429,976	11,900	-	-	-
Buildings and structures	37,832,044	38,688,258	(856,214)	452,312	174,413	277,899
Improvements other than buildings	25,096,306	25,760,723	(664,417)	2,843,314	3,340,272	(496,958)
Machinery and equipment	5,333,316	5,357,417	(24,101)	4,438,239	4,700,714	(262,475)
Fleet	4,991,050	5,300,186	(309,136)	-	-	-
Infrastructure - Streets	26,011,544	26,011,544	-	-	-	-
Infrastructure - Other	20,456,257	21,207,296	(751,039)	38,581,395	37,124,628	1,456,767
Construction in progress	15,862,901	8,587,338	7,275,563	6,243,139	4,122,901	2,120,238
<b>Total</b>	<b>\$ 154,280,429</b>	<b>\$ 149,334,573</b>	<b>\$ 4,945,856</b>	<b>\$ 53,073,482</b>	<b>\$ 49,978,011</b>	<b>\$ 3,095,471</b>

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 \$90,120,000. Of this amount, \$58,715,000 comprises debt issued for improvement and capital projects, of which \$55,790,000 will be repaid by ad valorem tax levies and \$2,925,000 will be repaid through the collection of special assessments. In addition, \$2,100,000 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 \$29,305,000 of the City's bonded debt represents general obligation revenue bonds with \$27,870,000 to be repaid by the Water, Sewer, and Storm Water fund user charges and \$1,435,000 from revenues collected from the benefitting property. Furthermore, the City has long-term debt of \$81,699 for capital leases payable, \$4,371,158 for compensated absences, \$4,163,224 for other postemployment benefits payable and \$24,205,289 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		
	2020	2019	Increase (Decrease)	2020	2019	Increase (Decrease)
G.O. Improvement	\$ 55,790,000	\$ 56,450,000	\$ (660,000)	\$ 27,870,000	\$ 24,900,000	\$ 2,970,000
G.O. Tax Increment	2,100,000	2,560,000	(460,000)	-	-	-
G.O. Special Assessment	2,925,000	3,170,000	(245,000)	-	-	-
G.O. Revenue Bonds	1,435,000	1,480,000	(45,000)	-	-	-
Bond issuance premium/discount	3,082,423	2,323,277	759,146	2,194,446	1,853,981	340,465
Capital leases	81,699	121,005	(39,306)	-	-	-
Compensated absences	4,371,157	4,027,810	343,347	226,726	172,491	54,235
Other postemployment benefits	4,163,224	3,823,756	339,468	-	-	-
Net pension liability	24,205,289	21,343,936	2,861,353	-	-	-
<b>Total</b>	<b>\$ 98,153,792</b>	<b>\$ 95,299,784</b>	<b>\$ 2,854,008</b>	<b>\$ 30,291,172</b>	<b>\$ 26,926,472</b>	<b>\$ 3,364,700</b>

Principal payments during 2020 totaled \$13,980,000. 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 \$233,056,815 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 66-72 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
<b>Assets</b>			
Cash and investments	\$ 70,306,316	\$13,166,662	\$ 83,472,978
Accrued interest receivable	89,465	-	89,465
Due from other governments	2,598,362	2,526	2,600,888
Accounts receivable	1,580,540	4,978,579	6,559,119
Taxes receivable	867,770	-	867,770
Prepaid items	881,144	388,094	1,269,238
Inventories	221,832	57,830	279,662
Deposits receivable	-	-	-
Internal balances	1,861,490	(1,861,490)	-
Special assessments receivable	5,595,025	835,882	6,430,907
Loans receivable	8,414,669	-	8,414,669
Pledges receivable	1,133,330	-	1,133,330
Land held for resale	4,105,749	-	4,105,749
Capital assets			
Nondepreciable assets	60,571,456	6,758,227	67,329,683
Depreciable assets (net of accumulated depreciation)	93,708,973	46,315,255	140,024,228
Total assets	<u>251,936,121</u>	<u>70,641,565</u>	<u>322,577,686</u>
Deferred outflows of resources			
Related to pensions	7,618,406	-	7,618,406
Related to OPEB	399,018	-	399,018
Total deferred outflows of resources	<u>8,017,424</u>	<u>-</u>	<u>8,017,424</u>
<b>Liabilities</b>			
Accounts payable	1,128,453	602,173	1,730,626
Salaries payable	1,163,404	92,562	1,255,966
Due to other governments	95,834	92,413	188,247
Contracts payable	4,376,210	402,740	4,778,950
Accrued interest payable	716,117	345,845	1,061,962
Deposits payable	2,113,168	159,142	2,272,310
Unearned revenue	929,483	385,456	1,314,939
Noncurrent liabilities			
Due within one year	6,703,843	2,282,371	8,986,214
Due in more than one year	91,449,949	28,008,801	119,458,750
Total liabilities	<u>108,676,461</u>	<u>32,371,503</u>	<u>141,047,964</u>
Deferred inflows of resources related to pensions			
Related to pensions	8,083,797	-	8,083,797
Related to OPEB	130,610	-	130,610
Total deferred outflows of resources	<u>8,214,407</u>	<u>-</u>	<u>8,214,407</u>
<b>Net position</b>			
Net investment in capital assets	103,325,878	30,198,068	133,523,946
Restricted for			
Economic development	6,583,468	-	6,583,468
Affordable housing	1,034,380	-	1,034,380
E-911 purposes	63,986	-	63,986
Fire Donations	19,000	-	19,000
Community development	516,021	-	516,021
Debt service	5,642,582	-	5,642,582
Cable TV equipment	262,668	-	262,668
Police and fire purposes	1,433,980	-	1,433,980
Unrestricted	<u>24,180,714</u>	<u>8,071,994</u>	<u>32,252,708</u>
Total net position	<u>\$ 143,062,677</u>	<u>\$ 38,270,062</u>	<u>\$ 181,332,739</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	\$ 12,065,668	\$ -	\$ 4,091,705	\$ -	\$ (7,973,963)	\$ -	\$ (7,973,963)
Public safety	18,283,411	6,353,145	979,082	115,183	(10,836,001)	-	(10,836,001)
Public information	924,428	-	-	-	(924,428)	-	(924,428)
Operations	18,700,327	1,703,896	219,404	-	(16,777,027)	-	(16,777,027)
Parks and recreation	6,454,814	89,008	816,974	2,525,859	(3,022,973)	-	(3,022,973)
Housing and rehabilitation	1,085,356	-	60,000	792,689	(232,667)	-	(232,667)
Housing maintenance	709,009	-	-	-	(709,009)	-	(709,009)
Social and economic development	11,642,624	330,072	100,406	212,531	(10,999,615)	-	(10,999,615)
Interest on long-term debt	1,818,341	-	159,405	-	(1,658,936)	-	(1,658,936)
Total governmental activities	<u>71,683,978</u>	<u>8,476,121</u>	<u>6,426,976</u>	<u>3,646,262</u>	<u>(53,134,619)</u>	<u>-</u>	<u>(53,134,619)</u>
Business-Type activities							
Water	5,539,880	7,989,679	18,291	230,385	-	2,698,475	2,698,475
Sewer	6,434,245	8,059,428	-	398,787	-	2,023,970	2,023,970
Solid waste	3,666,565	3,782,579	177,932	-	-	293,946	293,946
Storm water	2,206,992	3,158,072	-	-	-	951,080	951,080
Total business-type activities	<u>17,847,682</u>	<u>22,989,758</u>	<u>196,223</u>	<u>629,172</u>	<u>-</u>	<u>5,967,471</u>	<u>5,967,471</u>
Total	<u>\$ 89,531,660</u>	<u>\$ 31,465,879</u>	<u>\$ 6,623,199</u>	<u>\$ 4,275,434</u>	<u>(53,134,619)</u>	<u>5,967,471</u>	<u>(47,167,148)</u>
General revenues							
Taxes							
Property taxes							
Tax increment							
Franchise taxes							
Lodging taxes							
Grants and contributions not restricted to specific programs							
Unrestricted investment earnings							
Gain on sale of capital assets							
Miscellaneous							
Transfers							
Total general revenues and transfers							
Change in net position							
Net position - January 1							
Net position - December 31							

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	Sidewalks and Trails	Pavement Management		
<b>Assets</b>										
Cash and investments	\$ 29,450,520	\$ 2,393,044	\$ 5,269,474	\$ 11,821,080	\$ 7,877,891	\$ -	\$ 6,062,545	\$ 124,959	\$ 5,731,846	\$ 68,731,359
Accrued interest receivable	89,465	-	-	-	-	-	-	-	-	89,465
Due from other governments	377,056	-	-	-	-	281,482	1,469,208	-	443,854	2,571,600
Accounts receivable	323,221	359	26,802	32,479	-	-	-	1,013,396	135,163	1,531,420
Taxes receivable - unremitted	212,948	-	-	-	36,399	-	-	-	-	249,347
Taxes receivable - delinquent	385,349	-	-	-	13,958	-	-	-	-	399,307
Prepaid items	140,190	-	-	-	-	-	-	-	-	140,190
Inventories	221,832	-	-	-	-	-	-	-	-	221,832
Special assessments receivable - delinquent	-	22,595	-	-	-	-	-	-	5,623	28,218
Special assessments receivable - deferred	-	4,791,288	-	-	-	-	-	-	775,519	5,566,807
Due from other funds	-	-	-	-	-	-	-	-	3,146,698	3,146,698
Interfund loan receivable	-	-	-	2,327,586	-	-	-	-	-	2,327,586
Loans receivable - current	-	-	45,000	410,193	-	-	-	-	-	455,193
Loans receivable - noncurrent	-	3,452,557	1,390,000	1,849,260	769,226	-	-	-	498,433	7,959,476
Pledges receivable - current	-	-	-	-	-	-	-	-	166,665	166,665
Pledges receivable - noncurrent	-	-	-	-	-	-	-	-	966,665	966,665
Land held for resale	-	-	-	4,105,749	-	-	-	-	-	4,105,749
<b>Total assets</b>	<b>\$ 31,200,581</b>	<b>\$ 10,659,843</b>	<b>\$ 6,731,276</b>	<b>\$ 20,546,347</b>	<b>\$ 8,697,474</b>	<b>\$ 281,482</b>	<b>\$ 7,531,753</b>	<b>\$ 1,138,355</b>	<b>\$ 11,870,466</b>	<b>\$ 98,657,577</b>
<b>Liabilities</b>										
Accounts payable	\$ 547,193	\$ 32,486	\$ -	\$ 53,868	\$ 10,272	\$ 106,702	\$ 107,701	\$ 37,626	\$ 146,130	\$ 1,041,978
Salaries payable	1,138,366	3,436	-	9,492	-	-	-	-	12,110	1,163,404
Due to other governments	48,021	9,770	-	8,039	27,804	1,450	-	-	-	95,084
Contracts payable	-	-	-	-	-	1,052,252	1,813,275	597,775	912,908	4,376,210
Due to other funds	-	-	-	-	-	1,887,034	-	3,055,317	-	4,942,351
Interfund loan payable	-	-	-	-	2,327,586	-	-	-	-	2,327,586
Deposits payable	1,740,590	-	372,578	-	-	-	-	-	-	2,113,168
Unearned revenue	516,963	-	-	23,520	-	-	-	-	389,000	929,483
<b>Total liabilities</b>	<b>3,991,133</b>	<b>45,692</b>	<b>372,578</b>	<b>94,919</b>	<b>2,365,662</b>	<b>3,047,438</b>	<b>1,920,976</b>	<b>3,690,718</b>	<b>1,460,148</b>	<b>16,989,264</b>
<b>Deferred inflows of resources</b>										
Unavailable revenue	385,349	4,808,794	1,435,000	-	140,178	207,730	1,469,208	-	2,197,625	10,643,884
<b>Fund balances</b>										
Nonspendable	362,022	-	-	-	-	-	-	-	-	362,022
Restricted	82,986	-	4,923,698	-	6,443,290	-	4,141,569	-	3,368,561	18,960,104
Committed	-	-	-	204,618	-	-	-	-	607,460	812,078
Assigned	992,938	5,805,357	-	20,246,810	-	-	-	-	4,346,198	31,391,303
Unassigned	25,386,153	-	-	-	(251,656)	(2,973,686)	-	(2,552,363)	(109,526)	19,498,922
<b>Total fund balances</b>	<b>26,824,099</b>	<b>5,805,357</b>	<b>4,923,698</b>	<b>20,451,428</b>	<b>6,191,634</b>	<b>(2,973,686)</b>	<b>4,141,569</b>	<b>(2,552,363)</b>	<b>8,212,693</b>	<b>71,024,429</b>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<b>\$ 31,200,581</b>	<b>\$ 10,659,843</b>	<b>\$ 6,731,276</b>	<b>\$ 20,546,347</b>	<b>\$ 8,697,474</b>	<b>\$ 281,482</b>	<b>\$ 7,531,753</b>	<b>\$ 1,138,355</b>	<b>\$ 11,870,466</b>	<b>\$ 98,657,577</b>
Total Fund balances reported above										\$ 71,024,429
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										134,487,772
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										15,015,041
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										(69,703,580)
Accrued interest payable										(716,117)
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										(7,044,868)
<b>Net position of governmental activities</b>										<b>\$ 143,062,677</b>

	Special Revenue Fund			Capital Projects Funds					Other Governmental Funds	Total Governmental Funds
	General	Housing Rehabilitation	Debt Service	Development EDA	Redevelopment District	Streets Capital Projects	Sidewalks and Trails	Pavement Management		
Revenues										
Property taxes	\$ 28,524,232	\$ -	\$ 3,799,093	\$ 27,440	\$ 1,320,567	\$ -	\$ -	\$ -	\$ 860,000	\$ 34,531,332
Tax increments	-	-	-	-	12,081,105	-	-	-	-	12,081,105
Abatement of property taxes	90,969	-	-	-	21,661	-	-	-	-	112,630
Franchise taxes	-	-	-	-	-	-	-	4,034,175	535,726	4,569,901
Lodging tax	-	-	-	339,055	-	-	-	-	-	339,055
License and permits	5,294,314	-	-	-	-	-	-	-	-	5,294,314
Intergovernmental	2,061,147	-	159,405	100,429	-	569,004	50,000	-	3,964,322	6,904,307
Charges for services	2,757,212	5,675	-	208,368	-	-	-	-	84,360	3,055,615
Fines and forfeits	126,192	-	-	-	-	-	-	-	-	126,192
Special assessments	-	799,783	-	-	-	-	-	-	327,714	1,127,497
Interest income	486,468	39,336	63,036	267,087	137,526	-	6,816	3,037	172,894	1,176,200
Miscellaneous	825,557	2,704	117,055	203,634	-	125,330	-	9,886	617,585	1,901,751
<b>Total revenues</b>	<b>40,166,091</b>	<b>847,498</b>	<b>4,138,589</b>	<b>1,146,013</b>	<b>13,560,859</b>	<b>694,334</b>	<b>56,816</b>	<b>4,047,098</b>	<b>6,562,601</b>	<b>71,219,899</b>
Expenditures										
Current										
General government	9,490,394	-	-	-	-	-	-	-	-	9,490,394
Public safety	17,669,504	-	-	-	-	-	-	-	137,249	17,806,753
Public information	-	-	-	-	-	-	-	-	875,890	875,890
Operations	5,123,823	-	-	-	-	2,338,370	4,313,372	5,322,133	-	17,097,698
Parks and recreation	6,077,457	-	-	-	-	-	-	-	377,357	6,454,814
Housing and rehabilitation	-	1,060,588	-	-	-	-	-	-	-	1,060,588
Housing maintenance	-	-	-	-	-	-	-	-	709,009	709,009
Social and economic development	-	-	378,200	2,217,241	8,720,118	-	-	-	197,492	11,513,051
Miscellaneous	517,651	-	-	-	-	-	-	-	-	517,651
Capital outlay										
Public safety	27,638	-	-	-	-	-	-	-	(5,590)	22,048
Public information	-	-	-	-	-	-	-	-	73,338	73,338
Operations	-	-	-	-	-	1,662,036	370,505	-	-	2,032,541
Parks and recreation	-	-	-	-	-	-	-	-	5,625,845	5,625,845
Social and economic development	-	-	-	387,002	-	-	-	-	-	387,002
Debt service										
Principal	-	-	11,915,000	-	-	-	-	-	-	11,915,000
Interest and other	-	-	1,996,170	-	141,981	-	-	-	-	2,138,151
Bond issuance costs	-	-	-	-	-	10,077	114,123	-	-	124,200
<b>Total expenditures</b>	<b>38,906,467</b>	<b>1,060,588</b>	<b>14,289,370</b>	<b>2,604,243</b>	<b>8,862,099</b>	<b>4,010,483</b>	<b>4,798,000</b>	<b>5,322,133</b>	<b>7,990,590</b>	<b>87,843,973</b>
Revenues over (under) expenditures	1,259,624	(213,090)	(10,150,781)	(1,458,230)	4,698,760	(3,316,149)	(4,741,184)	(1,275,035)	(1,427,989)	(16,624,074)
Other financing sources (uses)										
Transfers in	4,732,648	524,804	1,249,812	-	-	-	-	-	1,029,752	7,537,016
Transfers out	-	(314,044)	-	(40,000)	(2,499,269)	-	-	-	(2,719,816)	(5,573,129)
Bonds issued	-	-	381,159	-	-	807,208	9,316,633	-	-	10,505,000
Premium on bonds issued	-	-	-	-	-	938,458	-	-	-	938,458
Proceeds from sale of capital assets	-	56,625	-	-	-	-	-	-	-	56,625
<b>Total other financing sources (uses)</b>	<b>4,732,648</b>	<b>267,385</b>	<b>1,630,971</b>	<b>(40,000)</b>	<b>(2,499,269)</b>	<b>1,745,666</b>	<b>9,316,633</b>	<b>-</b>	<b>(1,690,064)</b>	<b>13,463,970</b>
Net change in fund balances	5,992,272	54,295	(8,519,810)	(1,498,230)	2,199,491	(1,570,483)	4,575,449	(1,275,035)	(3,118,053)	(3,160,104)
Fund balances - January 1	20,831,827	5,751,062	13,443,508	21,949,658	3,992,143	(1,403,203)	(433,880)	(1,277,328)	11,330,746	74,184,533
<b>Fund balances - December 31</b>	<b>\$ 26,824,099</b>	<b>\$ 5,805,357</b>	<b>\$ 4,923,698</b>	<b>\$ 20,451,428</b>	<b>\$ 6,191,634</b>	<b>\$ (2,973,686)</b>	<b>\$ 4,141,569</b>	<b>\$ (2,552,363)</b>	<b>\$ 8,212,693</b>	<b>\$ 71,024,429</b>

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, 2020

**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) \$ (3,160,104)

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	9,887,123
Depreciation expense	(4,115,462)

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	(10,505,000)
Principal repayments on long term debt	11,915,000

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.

269,118

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.

(759,146)

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	(7,094)
Property taxes	70,496
Pledges	(43,670)
Loans and other	1,906,951

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.

630,426

Change in net position of governmental activities (Statement 2)	<u>\$ 6,088,638</u>
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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	Internal Service Funds
<b>Assets</b>						
Current assets						
Cash and investments	\$ 7,997,798	\$ 2,460,382	\$ 788,478	\$ 1,920,004	\$ 13,166,662	\$ 1,574,957
Due from other governments	2,526	-	-	-	2,526	26,762
Accounts receivable	2,045,281	1,561,553	543,734	828,011	4,978,579	49,120
Taxes receivable - unremitted	-	-	-	-	-	219,116
Prepaid items	-	388,094	-	-	388,094	740,954
Deposits receivable	-	-	-	-	-	-
Inventories	57,830	-	-	-	57,830	-
Special assessments receivable - delinquent	77,057	214	-	-	77,271	-
Special assessments receivable - deferred	541,159	217,452	-	-	758,611	-
Due from other funds	-	-	1,887,034	-	1,887,034	-
Total current assets	10,721,651	4,627,695	3,219,246	2,748,015	21,316,607	2,610,909
Noncurrent assets						
Capital assets, at cost						
Land	114,844	60,000	340,239	-	515,083	818,094
Buildings and structures	4,923,070	6,111	-	-	4,929,181	9,484,364
Improvements other than buildings	951,045	22,278	6,203,293	-	7,176,616	2,517,832
Infrastructure	28,566,918	21,514,874	21,328,571	-	71,410,363	1,313,801
Machinery, furniture and equipment	8,775,994	262,040	89,099	-	9,127,133	9,432,107
Fleet	-	-	-	-	-	10,544,717
Construction in progress	3,114,893	1,464,965	1,663,287	-	6,243,145	-
Total capital assets, at cost	46,446,764	23,330,268	29,624,489	-	99,401,521	34,110,915
Less: accumulated depreciation	(18,256,222)	(16,651,076)	(11,420,741)	-	(46,328,039)	(14,318,258)
Total noncurrent assets	28,190,542	6,679,192	18,203,748	-	53,073,482	19,792,657
Total assets	38,912,193	11,306,887	21,422,994	2,748,015	74,390,089	22,403,566
Deferred outflows of resources						
Related to pensions	-	-	-	-	-	7,618,406
Related to OPEB	-	-	-	-	-	399,018
Total deferred outflows of resources	-	-	-	-	-	8,017,424
<b>Liabilities</b>						
Current liabilities						
Accounts payable	192,099	39,658	52,774	317,642	602,173	69,323
Salaries payable	45,218	16,635	18,045	12,664	92,562	-
Accrued flex spending	-	-	-	-	-	17,152
Due to other governments	16,208	2,583	5,061	68,561	92,413	750
Due to other funds	-	-	-	-	-	91,381
Contracts payable	215,038	27,476	160,226	-	402,740	-
Deposits payable	47,599	-	111,543	-	159,142	-
Accrued interest payable	289,540	25,605	30,700	-	345,845	-
Compensated absences payable - current	64,024	54,337	18,143	10,867	147,371	2,935,904
Capital lease payable - current	-	-	-	-	-	58,669
Bonds payable - current	1,811,500	133,000	190,500	-	2,135,000	-
Other postemployment benefits payable	-	-	-	-	-	214,270
Unearned revenue	385,456	-	-	-	385,456	-
Total current liabilities	3,066,682	299,294	586,992	409,734	4,362,702	3,387,449
Noncurrent liabilities						
Compensated absences payable	34,475	29,258	9,770	5,852	79,355	1,435,253
Capital lease payable	-	-	-	-	-	23,030
Bonds payable	24,095,726	2,028,048	1,805,672	-	27,929,446	-
Other postemployment benefits payable	-	-	-	-	-	3,948,954
Net pension liability	-	-	-	-	-	24,205,289
Total noncurrent liabilities	24,130,201	2,057,306	1,815,442	5,852	28,008,801	29,612,526
Total liabilities	27,196,883	2,356,600	2,402,434	415,586	32,371,503	32,999,975
Deferred inflows of resources						
Related to pensions	-	-	-	-	-	8,083,797
Related to OPEB	-	-	-	-	-	130,610
Total deferred inflows of resources	-	-	-	-	-	8,214,407
<b>Net position</b>						
Net investment in capital assets	9,472,348	4,518,144	16,207,576	-	30,198,068	19,710,958
Unrestricted	2,242,962	4,432,143	2,812,984	2,332,429	11,820,518	(30,504,350)
Total net position	\$ 11,715,310	\$ 8,950,287	\$ 19,020,560	\$ 2,332,429	42,018,586	\$ (10,793,392)
Adjustment to reflect consolidation of Internal Service fund activities					(3,748,524)	
Net position of business-type activities					\$ 38,270,062	

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, 2020

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	\$ 7,362,377	\$ 8,059,366	\$ 3,158,072	\$ 3,781,991	\$ 22,361,806	\$ 4,366,724
Other	53,710	62	-	588	54,360	339,318
Rent	573,592	-	-	-	573,592	-
<b>Total operating revenues</b>	<b>7,989,679</b>	<b>8,059,428</b>	<b>3,158,072</b>	<b>3,782,579</b>	<b>22,989,758</b>	<b>4,706,042</b>
Operating expenses						
Personal services	1,516,061	910,834	669,168	525,980	3,622,043	3,110,246
Supplies	358,771	28,039	2,234	104,616	493,660	684,440
Professional services	439,906	359,588	238,940	6,308	1,044,742	60,374
Insurance	25,955	53,445	7,742	6,331	93,473	184,868
Utilities	404,420	37,880	35,711	-	478,011	-
Repairs and maintenance	918,279	233,353	55,525	-	1,207,157	-
Depreciation	1,015,219	194,659	684,266	-	1,894,144	2,092,553
Disposal charges	22,912	4,107,186	-	2,950,049	7,080,147	-
Other	170,339	280,833	104,904	73,777	629,853	743,575
<b>Total operating expenses</b>	<b>4,871,862</b>	<b>6,205,817</b>	<b>1,798,490</b>	<b>3,667,061</b>	<b>16,543,230</b>	<b>6,876,056</b>
<b>Operating income (loss)</b>	<b>3,117,817</b>	<b>1,853,611</b>	<b>1,359,582</b>	<b>115,518</b>	<b>6,446,528</b>	<b>(2,170,014)</b>
Nonoperating revenues (expenses)						
Interest income	19,793	49,719	57,845	45,420	172,777	56,723
Property taxes	-	-	-	-	-	1,936,816
Intergovernmental revenue	18,291	-	-	177,932	196,223	473,031
Miscellaneous expense	(762)	-	(337,479)	-	(338,241)	-
Amortization of bond premiums	145,039	16,470	26,050	-	187,559	-
Gain on disposal of capital assets	-	-	-	-	-	(81,067)
Interest expense	(673,300)	(61,949)	(75,092)	-	(810,341)	(4,420)
Bond issuance costs	(63,024)	-	-	-	(63,024)	-
<b>Total nonoperating revenues (expenses)</b>	<b>(553,963)</b>	<b>4,240</b>	<b>(328,676)</b>	<b>223,352</b>	<b>(655,047)</b>	<b>2,381,083</b>
<b>Income (loss) before contributions and transfers</b>	<b>2,563,854</b>	<b>1,857,851</b>	<b>1,030,906</b>	<b>338,870</b>	<b>5,791,481</b>	<b>211,069</b>
Capital contributions						
Connection fees and special assessments	230,385	398,787	-	-	629,172	-
Capital assets	-	-	-	-	-	-
Transfers in	-	-	-	-	-	138,952
Transfers out	(638,635)	(873,785)	(342,130)	(248,289)	(2,102,839)	-
<b>Change in net position</b>	<b>2,155,604</b>	<b>1,382,853</b>	<b>688,776</b>	<b>90,581</b>	<b>4,317,814</b>	<b>350,021</b>
<b>Net position - January 1</b>	<b>9,559,706</b>	<b>7,567,434</b>	<b>18,331,784</b>	<b>2,241,848</b>	<b>37,700,772</b>	<b>(11,143,413)</b>
<b>Net position - December 31</b>	<b>\$ 11,715,310</b>	<b>\$ 8,950,287</b>	<b>\$ 19,020,560</b>	<b>\$ 2,332,429</b>	<b>\$ 42,018,586</b>	<b>\$ (10,793,392)</b>
Change in net position as reported above					4,317,814	
Adjustment to reflect consolidation of Internal Service fund activities					(280,405)	
Change in net position of business-type activities					<u>\$ 4,037,409</u>	

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	Total	Activities Internal Service Funds
<b>Cash flows from operating activities</b>						
Receipts from customers and users	\$ 7,553,660	\$ 7,888,503	\$ 3,138,857	\$ 3,765,728	\$ 22,346,748	\$ -
Receipts from interfund services provided	-	-	-	-	-	4,367,683
Other operating cash receipts	53,710	62	-	588	54,360	289,515
Payments to suppliers	(2,267,711)	(5,513,103)	(272,492)	(3,012,224)	(11,065,530)	(1,955,355)
Payments to employees	(1,519,500)	(927,311)	(666,462)	(522,736)	(3,636,009)	(3,558,682)
Miscellaneous expense	(761)	-	(337,479)	-	(338,240)	-
Net cash flows provided (used) by operating activities	<u>3,819,398</u>	<u>1,448,151</u>	<u>1,862,424</u>	<u>231,356</u>	<u>7,361,329</u>	<u>(856,839)</u>
<b>Cash flows from noncapital financing activities</b>						
Transfers out	(603,897)	(839,047)	(307,392)	(307,392)	(2,057,728)	-
Property taxes	-	-	-	-	-	1,717,700
Cash loaned to other funds	-	-	(87,781)	-	(87,781)	-
Intergovernmental receipts	18,291	-	-	177,932	196,223	468,838
Advances to/from other funds - net change	-	-	-	-	-	91,381
Net cash flows provided (used) by noncapital financing activities	<u>(585,606)</u>	<u>(839,047)</u>	<u>(395,173)</u>	<u>(129,460)</u>	<u>(1,949,286)</u>	<u>2,277,919</u>
<b>Cash flows from capital and related financing activities</b>						
Transfers in	-	-	-	-	-	138,952
Transfers out	(34,738)	(34,738)	(34,738)	59,103	(45,111)	-
Connection fees/special assessments received	230,385	398,787	-	-	629,172	-
Acquisition of capital assets	(2,625,208)	(1,170,449)	(1,193,958)	-	(4,989,615)	(1,610,985)
Proceeds from sale of capital assets	-	-	-	-	-	263,168
Proceeds from issuance of bonds, net	5,500,000	-	-	-	5,500,000	-
Acquisition of capital lease	-	-	-	-	-	22,887
Principal paid						
Bonds	(1,760,650)	(133,000)	(171,350)	-	(2,065,000)	-
Capital lease	-	-	-	-	-	(62,193)
Interest paid						
Bonds	(578,837)	(63,861)	(55,582)	-	(698,280)	-
Capital lease	-	-	-	-	-	(4,420)
Net cash flows provided (used) by capital and related financing activities	<u>730,952</u>	<u>(1,003,261)</u>	<u>(1,455,628)</u>	<u>59,103</u>	<u>(1,668,834)</u>	<u>(1,252,591)</u>
<b>Cash flows from investing activities</b>						
Interest received	19,793	49,719	57,845	45,420	172,777	56,723
<b>Net increase (decrease) in cash and cash equivalents</b>	<u>3,984,537</u>	<u>(344,438)</u>	<u>69,468</u>	<u>206,419</u>	<u>3,915,986</u>	<u>225,212</u>
Cash and cash equivalents - January 1	<u>4,013,261</u>	<u>2,804,820</u>	<u>719,010</u>	<u>1,713,585</u>	<u>9,250,676</u>	<u>1,349,745</u>
Cash and cash equivalents - December 31	<u>\$ 7,997,798</u>	<u>\$ 2,460,382</u>	<u>\$ 788,478</u>	<u>\$ 1,920,004</u>	<u>\$ 13,166,662</u>	<u>\$ 1,574,957</u>

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	Internal Service Funds
Reconciliation of operating income (loss) to net cash provided (used) by operating activities						
Operating income (loss)	\$ 3,117,817	\$ 1,853,611	\$ 1,359,582	\$ 115,518	\$ 6,446,528	\$ (2,170,014)
Adjustments to reconcile operating income (loss) to net cash flows from operating activities						
Miscellaneous expense	(762)	-	(337,479)	-	(338,241)	-
Depreciation	1,015,219	194,659	684,266	-	1,894,144	2,092,553
(Increase) decrease in assets/deferred outflows						
Accounts receivable	(464,485)	(145,132)	(31,175)	(16,263)	(657,055)	(48,844)
Special assessments	52,286	(25,731)	-	-	26,555	-
Prepaid items	11,313	(376,781)	-	11,313	(354,155)	(197,305)
Deposits receivable	700	-	-	-	700	-
Inventories	(14,042)	-	-	-	(14,042)	-
Deferred outflows of resources	-	-	-	-	-	4,349,938
Increase (decrease) in liabilities/deferred inflows						
Accounts payable	81,782	(49,335)	7,277	105,935	145,659	(56,291)
Due to other governments	3,099	(768)	5,061	11,609	19,001	(28,502)
Contracts payable	(9,281)	14,105	160,226	-	165,050	-
Deposits payable	8,436	-	11,960	-	20,396	-
Accrued salaries payable	(34,638)	(23,198)	(4,907)	(5,458)	(68,201)	-
Unearned revenue	20,755	-	-	-	20,755	-
Accrued flex spending	-	-	-	-	-	452
Compensated absences payable	31,199	6,721	7,613	8,702	54,235	343,347
Other postemployment benefits	-	-	-	-	-	339,468
Net pension liability	-	-	-	-	-	2,861,353
Deferred inflows of resources	-	-	-	-	-	(8,342,994)
Net cash provided (used) by operating activities	\$ 3,819,398	\$ 1,448,151	\$ 1,862,424	\$ 231,356	\$ 7,361,329	\$ (856,839)
Noncash capital and related financing activities						
Amortization of bond premiums	\$ 145,039	\$ 16,470	\$ 26,050	\$ -	\$ 187,559	\$ -
Disposal of capital assets	-	-	-	-	-	1,620,679

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.

BLENDING 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 *Sidewalks and Trails Fund* is 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.

The *Pavement Management Fund* is used to account for the financing of street rehabilitation. Revenues are provided by a franchise fee and transfers from sanitary sewer utility funds.

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 2020, 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 December 31, 2020 totaled \$2,557,388. 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 2020 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 and inflows of resources, and pension expense, information about the fiduciary net position of the Public Employees Retirement Association (PERA) and additions to and 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. Minnesota Statute 118.A.03 identifies allowable forms of collateral.

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, 2020, the bank balance of the City’s deposits was \$3,806,633 all of which was covered by federal depository insurance or by collateral pledged and held in the City’s name.

**B. INVESTMENTS**

Subject to rating, yield, maturity and issuer requirements as prescribed by statute, Minnesota Statutes 118A.04 and 118A.05 authorized the City to invest in United States securities, state and local securities, commercial paper, time deposits, high-risk mortgage-backed securities, temporary general obligation bonds, repurchase agreements, Minnesota joint powers investment trust and guaranteed investment contracts.

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At December 31, 2020, 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	\$ 29,935,764	\$ 29,935,764	\$ -	\$ -	\$ -
Money market funds	NR	23,534,168	23,534,168	-	-	-
Municipal Bonds	A - AAA	1,344,538	452,795	891,743	-	-
US Treasury	N/A	19,628,601	5,019,880	14,608,721	-	-
Federal National Mortgage Association	N/A	4,404,864	2,014,139	2,390,725	-	-
Federal Home Loan Bank Notes	N/A	2,876,002	1,520,663	1,355,339	-	-
<b>Total</b>		<b>\$ 81,723,937</b>	<b>\$ 62,477,409</b>	<b>\$ 19,246,528</b>	<b>\$ -</b>	<b>\$ -</b>
Total investments						\$ 81,723,937
Deposits						1,744,056
Petty cash						4,985
Total cash and investments						<u>\$ 83,472,978</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, 2020:

Investment Type	12/31/2020	Fair Value Measurement Using		
		Level 1	Level 2	Level 3
Investments at fair value:				
Municipal Bonds	\$ 1,344,538	\$ -	\$ 1,344,538	\$ -
US Treasury	19,628,601	-	19,628,601	-
Federal National Mortgage Association	4,404,864	-	4,404,864	-
Federal Home Loan Bank Notes	2,876,002	-	2,876,002	-
<b>Total/Subtotal</b>	<b>28,254,005</b>	<b>\$ -</b>	<b>\$ 28,254,005</b>	<b>\$ -</b>
Investments not categorized:				
External investment pool - 4M Fund	29,935,764			
Money market funds	23,534,168			
<b>Total</b>	<b>\$ 81,723,937</b>			

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.	5.39%
Federal Home Loan Bank	3.52%
US Treasury	24.02%

**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, 2020, 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, 2020, the loans receivable balance was \$8,414,669.

Significant receivable balances not expected to be collected within one year of December 31, 2020 are as follows:

	Loans Receivable	Special Assessments Receivable	Property Taxes	Interfund Loans Receivable	Pledges Receivable	Total
Major Funds:						
General Fund	\$ -	\$ -	\$ 333,468	\$ -	\$ -	\$ 333,468
Housing Rehabilitation Fund	3,452,557	4,231,272	-	-	-	7,683,829
Debt Service Funds	1,390,000	-	-	-	-	1,390,000
Development EDA Fund	1,849,260	-	-	2,327,586	-	4,176,846
Redevelopment District Fund	769,226	-	12,079	-	-	781,305
Water Fund	-	99,047	-	-	-	99,047
Sewer Fund	-	167,130	-	-	-	167,130
Nonmajor Governmental Funds	498,433	448,376	-	-	966,665	1,913,474
Total	\$ 7,959,476	\$ 4,945,825	\$ 345,547	\$ 2,327,586	\$ 966,665	\$ 16,545,099

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**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)	\$ 385,349
Delinquent property taxes receivable (Redevelopment District)	13,958
Special assessments not yet due (Housing Rehabilitation)	4,808,794
Special assessments not yet due (Nonmajor Funds)	780,502
Bond reimbursement payments not yet due (Debt Service Funds)	1,435,000
Due from other governments (Nonmajor Funds)	207,730
Other miscellaneous (Redevelopment District)	126,220
Other miscellaneous (Nonmajor Funds)	<u>2,886,331</u>
 Total unavailable revenue for governmental funds	 <u><u>\$ 10,643,884</u></u>



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**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, 2020 is as follows:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Governmental activities:					
Capital assets, not being depreciated:					
Land	\$ 16,991,835	\$ 263,300	\$ -	\$ -	\$ 17,255,135
Infrastructure - streets	26,011,544	-	-	-	26,011,544
Permanent easements	1,429,976	11,900	-	-	1,441,876
Construction in progress	8,587,338	8,857,543	1,581,980	-	15,862,901
Total capital assets, not being depreciated	<u>53,020,693</u>	<u>9,132,743</u>	<u>1,581,980</u>	<u>-</u>	<u>60,571,456</u>
Capital assets, being depreciated:					
Buildings and structures	56,625,601	530,699	-	-	57,156,300
Improvements other than buildings	43,409,062	1,114,735	-	-	44,523,797
Infrastructure	41,264,298	381,897	-	-	41,646,195
Machinery, furniture and equipment	12,967,263	1,110,006	942,229	-	13,135,040
Fleet	10,612,721	832,598	702,449	-	10,742,870
Total capital assets, being depreciated	<u>164,878,945</u>	<u>3,969,935</u>	<u>1,644,678</u>	<u>-</u>	<u>167,204,202</u>
Less accumulated depreciation for:					
Buildings and structures	17,937,343	1,386,913	-	-	19,324,256
Improvements other than buildings	17,648,339	1,779,152	-	-	19,427,491
Infrastructure	20,057,002	1,132,936	-	-	21,189,938
Machinery, furniture and equipment	7,609,846	916,225	724,347	-	7,801,724
Fleet	5,312,535	992,789	553,504	-	5,751,820
Total accumulated depreciation	<u>68,565,065</u>	<u>6,208,015</u>	<u>1,277,851</u>	<u>-</u>	<u>73,495,229</u>
Total capital assets being depreciated - net	<u>96,313,880</u>	<u>(2,238,080)</u>	<u>366,827</u>	<u>-</u>	<u>93,708,973</u>
Governmental activities capital assets - net	<u>\$ 149,334,573</u>	<u>\$ 6,894,663</u>	<u>\$ 1,948,807</u>	<u>\$ -</u>	<u>\$ 154,280,429</u>

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	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Business-type activities:					
Capital assets, not being depreciated:					
Land	\$ 515,083	\$ -	\$ -	\$ -	\$ 515,083
Construction in progress	4,122,901	4,708,794	2,588,551	-	6,243,144
Total capital assets, not being depreciated	<u>4,637,984</u>	<u>4,708,794</u>	<u>2,588,551</u>	<u>-</u>	<u>6,758,227</u>
Capital assets, being depreciated:					
Buildings and structures	4,767,723	161,458	-	-	4,929,181
Improvements other than buildings	7,155,539	21,078	-	-	7,176,617
Infrastructure	68,821,812	2,588,551	-	-	71,410,363
Machinery, furniture and equipment	9,028,849	98,280	-	-	9,127,129
Total capital assets, being depreciated	<u>89,773,922</u>	<u>2,869,367</u>	<u>-</u>	<u>-</u>	<u>92,643,290</u>
Less accumulated depreciation for:					
Buildings and structures	4,344,759	132,110	-	-	4,476,869
Improvements other than buildings	4,063,813	269,490	-	-	4,333,303
Infrastructure	31,697,184	1,131,789	-	-	32,828,973
Machinery, furniture and equipment	4,328,135	360,755	-	-	4,688,890
Total accumulated depreciation	<u>44,433,895</u>	<u>1,894,144</u>	<u>-</u>	<u>-</u>	<u>46,328,035</u>
Total capital assets being depreciated - net	<u>45,340,027</u>	<u>975,223</u>	<u>-</u>	<u>-</u>	<u>46,315,255</u>
Business-type activities capital assets - net	<u>\$ 49,978,011</u>	<u>\$ 5,684,017</u>	<u>\$ 2,588,551</u>	<u>\$ -</u>	<u>\$ 53,073,482</u>

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

Governmental activities:	
General government	\$ 99,842
Public safety	487,966
Operations and recreation	3,351,183
Public information	46,462
Social and economic development	130,009
Internal service	<u>2,092,553</u>
Total depreciation expense - governmental activities	<u>\$ 6,208,015</u>
Business-type activities:	
Water	\$ 1,015,219
Sewer	194,659
Storm water	<u>684,266</u>
Total depreciation expense - business-type activities	<u>\$ 1,894,144</u>

**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

CITY OF ST. LOUIS PARK, MINNESOTA  
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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, 2020, long-term debt of the City consisted of the following:

	Issue Date	Final Maturity Date	Interest Rates	Authorized And Issued	Outstanding 12/31/2020
<b>Governmental Activities:</b>					
<b>General Long-Term Debt:</b>					
<b>General Improvement Bonds:</b>					
G.O. Improvement Bonds Series 2010D (BABS)	12/29/2010	2/1/2032	1.25 - 5.15%	\$ 13,025,000	\$ -
G.O. Improvement Bonds Series 2014A	12/18/2014	2/1/2026	2.00%	5,070,000	3,160,000
G.O. Improvement Bonds Series 2016A	7/14/2016	2/1/2027	1.375 - 2.375%	10,000,000	7,645,000
G.O. Improvement Bonds Series 2017A	7/13/2017	2/1/2028	2.125 - 3%	3,430,000	2,820,000
G.O. Improvement Bonds Series 2018A	6/14/2018	2/1/2033	3.00 - 4.00%	2,020,000	1,855,000
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
G.O. Improvement Bonds Series 2020A	11/10/2020	2/1/2042	2.00 - 4.00%	10,505,000	10,505,000
Total General Improvement Bonds				<u>73,855,000</u>	<u>55,790,000</u>
<b>Tax Increment Bonds:</b>					
Tax Increment Refunding Bonds Series 2008B	12/1/2008	2/1/2024	3.25 - 4.625%	5,490,000	2,100,000
<b>G.O. Special Assessment Bonds:</b>					
G.O. Improvement Bonds Series 2012A HIA	10/17/2012	2/1/2033	0.75 - 3.90%	1,290,000	915,000
G.O. Improvement Bonds Series 2019C HIA	11/26/2019	2/1/2028	2.00 - 2.20%	2,200,000	2,010,000
Total G.O. Special Assessment Bonds				<u>3,490,000</u>	<u>2,925,000</u>
<b>G.O. Revenue bonds:</b>					
G.O. Improvement Refunding Bonds Series 2010C	12/29/2010	2/1/2040	3.00 - 5.65%	1,770,000	1,435,000
Issuance premiums (discounts)	N/A	N/A	N/A	N/A	3,082,423
Total - bonded indebtedness				<u>84,605,000</u>	<u>65,332,423</u>
Capital lease payable - vehicles	5/1/2016	5/1/2021	4.53%	222,149	81,699
Compensated absences payable	N/A	N/A	N/A	N/A	4,371,157
Total governmental activities				<u>84,827,149</u>	<u>69,785,279</u>
<b>Business-Type Activities:</b>					
<b>General Obligation Revenue Bonds:</b>					
Utility Crossover Refunding Bonds Series 2013A	7/10/2013	8/1/2023	1.0 - 1.9%	4,170,000	835,000
Utility Revenue Bonds Series 2014A	12/18/2014	2/1/2026	2.00%	4,930,000	3,070,000
Utility G.O. Improvement Bonds Series 2017A	7/13/2017	2/1/2033	2.125 - 3%	4,985,000	4,440,000
Utility Refunding Revenue Bonds Series 2017A	7/13/2017	2/1/2025	2.125 - 3%	1,485,000	965,000
Utility G.O. Revenue Bonds Series 2018A	6/14/2018	2/1/2033	3.00 - 4.00%	6,780,000	6,005,000
Utility G.O. Revenue Bonds Series 2019B	11/26/2019	2/1/3030	3.00 - 5.00%	7,520,000	7,520,000
Utility G.O. Revenue Bonds Series 2020B	11/10/2020	2/1/2036	2.00 - 4.00%	5,035,000	5,035,000
Total General Obligation Revenue Bonds				34,905,000	27,870,000
Issuance premiums (discounts)	N/A	N/A	N/A	N/A	2,194,446
Total - bonded indebtedness				<u>34,905,000</u>	<u>30,064,446</u>
Compensated absences payable	N/A	N/A	N/A	N/A	226,726
Total business-type activities				<u>34,905,000</u>	<u>30,291,172</u>
Total long-term debt				<u>\$ 119,732,149</u>	<u>\$ 100,076,451</u>

CITY OF ST. LOUIS PARK, MINNESOTA  
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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. Sp. Assess. Bonds		G.O. Revenue Bonds	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2021	\$ 2,650,000	\$ 1,561,821	\$ 485,000	\$ 84,300	\$ 315,000	\$ 67,143	\$ 45,000	\$ 72,983
2022	3,320,000	1,555,216	510,000	61,913	320,000	60,613	45,000	71,104
2023	3,930,000	1,435,725	535,000	38,400	320,000	53,913	50,000	69,048
2024	4,060,000	1,307,566	570,000	13,181	335,000	46,920	50,000	66,823
2025	4,205,000	1,188,463	-	-	340,000	39,585	55,000	64,433
2026	4,320,000	1,072,513	-	-	345,000	32,085	55,000	61,875
2027	4,050,000	947,416	-	-	355,000	24,200	60,000	59,143
2028	4,170,000	799,338	-	-	195,000	17,558	60,000	56,233
2029	3,945,000	647,631	-	-	75,000	13,718	65,000	53,138
2030	3,850,000	517,081	-	-	75,000	11,036	65,000	49,855
2031	3,335,000	408,300	-	-	80,000	8,130	70,000	46,378
2032	3,425,000	315,225	-	-	85,000	4,973	75,000	42,589
2033	2,380,000	237,391	-	-	85,000	1,658	75,000	38,633
2034	2,445,000	170,325	-	-	-	-	80,000	34,505
2035	2,520,000	100,000	-	-	-	-	85,000	30,070
2036	430,000	60,000	-	-	-	-	90,000	25,323
2037	435,000	51,350	-	-	-	-	95,000	20,258
2038	445,000	42,550	-	-	-	-	100,000	14,870
2039	455,000	33,550	-	-	-	-	105,000	9,155
2040	465,000	24,350	-	-	-	-	110,000	3,108
2041	475,000	14,950	-	-	-	-	-	-
2042	480,000	5,100	-	-	-	-	-	-
Total	<u>\$ 55,790,000</u>	<u>\$ 12,495,859</u>	<u>\$ 2,100,000</u>	<u>\$ 197,794</u>	<u>\$ 2,925,000</u>	<u>\$ 381,529</u>	<u>\$ 1,435,000</u>	<u>\$ 889,518</u>

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
2021	\$ 2,135,000	\$ 858,729
2022	2,505,000	824,730
2023	2,630,000	736,665
2024	2,430,000	651,250
2025	2,515,000	567,925
2026	2,385,000	477,475
2027	1,920,000	396,138
2028	1,995,000	320,563
2029	2,080,000	241,075
2030	2,160,000	167,013
2031	1,265,000	114,775
2032	1,310,000	78,050
2033	1,335,000	42,200
2034	395,000	20,150
2035	400,000	12,200
2036	410,000	4,100
Total	<u>\$ 27,870,000</u>	<u>\$ 5,513,036</u>

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

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**CHANGE IN LONG-TERM LIABILITIES**

Long-term liability activity for the year ended December 31, 2020 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<b>Governmental activities:</b>					
<b>Bonds payable:</b>					
G.O. improvement bonds	\$ 56,450,000	\$ 10,505,000	\$ 11,165,000	\$ 55,790,000	\$ 2,650,000
G.O. tax increment bonds	2,560,000	-	460,000	2,100,000	485,000
G.O. special assessment bonds	3,170,000	-	245,000	2,925,000	315,000
G.O. revenue bonds	1,480,000	-	45,000	1,435,000	45,000
<b>Add:</b>					
Premiums on bonds	2,393,817	938,457	216,900	3,115,374	-
Discounts on bonds	(70,540)	-	(37,589)	(32,951)	-
Total bonds payable	65,983,277	11,443,457	12,131,900	65,332,423	3,495,000
Capital lease payable	121,005	22,887	62,193	81,699	58,669
Compensated absences	4,027,810	2,855,348	2,512,001	4,371,157	2,935,904
Total governmental activity long-term debt	\$ 70,132,092	\$ 14,321,692	\$ 14,706,094	\$ 69,785,279	\$ 6,489,573
<b>Business-type activities:</b>					
<b>Bonds payable:</b>					
G.O. revenue bonds	\$ 24,900,000	\$ 5,035,000	\$ 2,065,000	\$ 27,870,000	\$ 2,135,000
<b>Add:</b>					
Premiums on bonds	1,853,981	528,024	187,559	2,194,446	-
Total bonds payable	26,753,981	5,563,024	2,252,559	30,064,446	2,135,000
Compensated absences	172,491	203,377	149,142	226,726	147,371
Total business-type activity long-term debt	\$ 26,926,472	\$ 5,766,401	\$ 2,401,701	\$ 30,291,172	\$ 2,282,371

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

**\$15,540,000 GENERAL OBLIGATION BONDS, SERIES 2020A**

On November 10, 2020, the City issued General Obligation Bonds in the amount of \$15,540,000 to finance the Dakota Bridge, Dakota Bikeway, Pavement Management, Southwest Regional Transit Trail Bridge, Southeast Bikeway and 2020 and 2021 Utility Projects in the City. The G.O. Bonds will have a term of 20 years, with an interest rate between 2.00% - 4.00%, and will be repaid with property tax levies and utility revenues.

**\$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 \$43,833 has been recorded as depreciation expense during 2020.

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 2020.

The net book value of assets under the capital lease at December 31, 2020 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
2021	\$ 60,828
2022	16,877
2023	<u>7,026</u>
Total minimum lease payments	84,731
Less: amount representing interest	<u>(3,032)</u>
Present value of minimum lease payments	<u>\$ 81,699</u>

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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				Pledged Through	Remaining Principal and Interest	Current Year	
		Type	Percent of total debt service	Debt service as a % of net revenues				Principal and Interest paid	Pledged Revenue received
G.O. Improvement Bonds Series 2012A	Housing Improvement Area	Fee	100%	60%	2033	1,139,201	85,165	141,102	
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	2,297,793	565,563	565,563	
G.O. Improvement Refunding Bonds Series 2010C	Louisiana Court Project	Operating revenues of Louisiana Court	100%	102%	2040	2,324,518	119,805	117,055	
Utility Crossover Refunding Bonds Series 2013A	Utility Infrastructure Projects	Utility charges	100%	100%	2023	865,645	801,013	801,013	
Utility Revenue Bonds Series 2014A	Utility Infrastructure Projects	Utility charges	100%	100%	2026	3,258,100	546,200	546,200	
Utility Revenue Bonds Series 2017A	Utility Infrastructure Projects	Utility charges	100%	100%	2033	5,283,038	403,100	403,100	
Utility Refunding Revenue Bonds Series 2017A	Utility Infrastructure Projects	Utility charges	100%	100%	2025	1,039,325	211,650	211,650	
Utility Revenue Bonds Series 2018A	Utility Infrastructure Projects	Utility charges	100%	100%	2033	7,338,700	566,600	566,600	
Utility Revenue Bonds Series 2019B	Utility Infrastructure Projects	Utility charges	100%	100%	2030	9,330,600	233,567	233,567	
G.O. Bonds Series 2020A - Utility portion	Utility Infrastructure Projects	Utility charges	100%	n/a	2036	6,267,629	-	-	
G.O. Bonds Series 2020A - Levy portion	Bikeway, Bridge, Pavement Management	Tax Levy	100%	n/a	2042	13,494,208	-	-	



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**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 local relief associations 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 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 Coordinated members is 1.2% of average salary for each of the first ten years of service and 1.7% of average salary for each additional year. Under Method 2, the accrual rate for Coordinated Plan members is 1.7% of average salary for all years of service. 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.

Benefit increases are provided to benefit recipients each January. Beginning in 2019, the postretirement increase is equal to 50% of the cost-of-living adjustment (COLA) announced by the SSA, with a minimum increase of at least 1% and a maximum of 1.5%. 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.

2. 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.

Benefit increases are provided to benefit recipients each January. Beginning in 2019, the postretirement increase will be fixed at 1%. 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 6.5% of their annual covered salary in fiscal year 2020 and the City was required to contribute 7.5% for Coordinated Plan members. The City's contributions to the GERS for the year ended December 31, 2020 were \$1,330,896. 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 11.3% of pay to 11.8% and employer rates increased from 16.95% to 17.70% on January 1, 2020. The City's contributions to the PEPFF for the year ended December 31, 2020 were \$1,602,879. 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, 2020, the City reported a liability of \$14,227,219 for its proportionate share of 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. 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 \$438,865. The net pension liability was measured as of June 30, 2020, 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, 2019 through June 30, 2020, relative to the total employer contributions received from all of PERA’s participating employers. The City’s proportionate share was 0.2373% at the end of the measurement period and 0.2358% for the beginning of the period.

City’s proportionate share of the net pension liability	\$14,227,219
State of Minnesota’s proportionate share of the net pension liability associated with the City	438,865
Total	<u>\$14,666,084</u>

For the year ended December 31, 2020, the City recognized pension expense of \$723,461 for its proportionate share of the GERF’s pension expense. In addition, the City recognized an additional \$38,195 as pension expense (and grant revenue) for its proportionate share of the State of Minnesota’s contribution of \$16 million to the GERF.

At December 31, 2020, 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 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	\$ 129,733	\$ 53,829
Changes in actuarial assumptions	-	527,949
Net collective between projected and actual investment earnings	235,957	-
Changes in proportion	338,688	-
Contributions paid to PERA subsequent to the measurement date	688,758	-
Total	<u>\$ 1,393,136</u>	<u>\$ 581,778</u>

The \$688,758 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, 2021. 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
2021	(601,364)
2022	89,093
2023	291,136
2024	343,734
2025	-
Thereafter	-
	\$ 122,599

2. PEPFF Pension Costs

At December 31, 2020, the City reported a liability of \$9,978,070 for its proportionate share of the PEPFF’s net pension liability. The net pension liability was measured as of June 30, 2020 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 proportionate share 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, 2019 through June 30, 2020, relative to the total employer contributions received from all of PERA’s participating employers. The City’s proportionate share was 0.7570% at the end of the measurement period and 0.7803% for the beginning of the period.

The State of Minnesota also contributed \$13.5 million to PEPFF during the plan fiscal year ended June 30, 2020. The contribution consisted of \$4.5 million in direct state aid that does meet the definition of a special funding situation and \$9.0 million in fire state aid that does not meet the definition of a special funding situation. The \$4.5 million direct state was paid on October 1, 2019. Thereafter, by October 1 of each year, the state will pay \$9 million to the Police and Fire Fund until full funding is reached or July 1, 2048, whichever is earlier. The \$9 million in fire state aid will continue until the fund is 90 percent funded, or until the State Patrol Plan (administered by the Minnesota State Retirement System) is 90 percent funded, whichever occurs later.

As a result, the State of Minnesota is included as a non-employer contributing entity in the PEPFF Schedule of Employer Allocations and Schedule of Pension Amounts by Employer, Current Reporting Period Only (pension allocation schedules) for the \$4.5 million in direct state aid. PEPFF employers need to recognize their proportionate share of the State of Minnesota’s pension expense (and grant revenue) under GASB 68 special funding situation accounting and financial reporting requirements. For the year ended December 31, 2020, the City recognized pension expense of \$1,236,936 for its proportionate share of the Police and Fire Plan’s pension expense. In addition, the City recognized an additional \$72,326 as pension expense (and grant revenue) for its proportionate share of the State of Minnesota’s contribution of \$4.5 million to the PEPFF.

The State of Minnesota is not included as a non-employer contributing entity in the Police and Fire Pension Plan pension allocation schedules for the \$9 million in fire state aid. The City also recognized \$68,129 for the year ended December 31, 2020 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 Police and Fire Fund.

At December 31, 2020, 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	\$ 440,137	\$ 479,588
Changes in actuarial assumptions	3,384,350	6,214,372
Net collective between projected and actual investment earnings	314,348	-
Changes in proportion	1,244,778	808,057
Contributions paid to PERA subsequent to the measurement date	841,658	-
<b>Total</b>	<b>\$ 6,225,271</b>	<b>\$ 7,502,017</b>

The \$841,658 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, 2021. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as outflows:

Year Ended December 31,	Pension Expense
2021	\$ (649,735)
2022	(2,708,269)
2023	768,511
2024	505,041
2025	(33,953)
Thereafter	-
	<b>\$ (2,118,405)</b>

The net pension liability will be liquidated by the Employee Benefits, Internal Service fund.

**E. ACTUARIAL ASSUMPTIONS**

The total pension liability in the June 30, 2020, 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% per year for GERF and 1.0% per year for PEPFF.

Actuarial assumptions used in the June 30, 2020 valuation were based on the results of actuarial experience studies. The most recent four-year experience study for GERF was completed in 2019. The assumption changes were adopted by the Board and become effective with the July 1, 2020 actuarial valuation. The most recent four-year experience study for PEPFF was completed in 2020.

The following changes in actuarial assumptions and plan provisions occurred in 2020:

**General Employees Fund**

Changes in Actuarial Assumptions:

- The price inflation assumption was decreased from 2.50% to 2.25%.
- The payroll growth assumption was decreased from 3.25% to 3.00%.
- As recommended in the June 30, 2019 experience study, assumed salary increase rates were decreased 0.25% and assumed rates of retirement were changed resulting in more unreduced (normal) retirements and slightly fewer Rule of 90 and early retirements. Assumed rates of termination and disability were also changed.
- The base mortality tables were changed from RP-2014 tables to Pub-2010 tables, with adjustments.
- The mortality improvement scale was changed from Scale MP-2018 to Scale MP-2019.
- The assumed spouse age difference was changed from two years older for females to one year older.
- The assumed number of married male new retirees electing the 100% Joint & Survivor option changed from 35% to 45%. The assumed number of married female new retirees electing the 100% Joint & Survivor option changed from 15% to 30%. The corresponding number of married new retirees electing the Life annuity option was adjusted accordingly.

Changes in Plan Provisions:

- Augmentation for current privatized members was reduced to 2.0% for the period July 1, 2020 through December 31, 2023 and 0.0% after. Augmentation was eliminated for privatizations occurring after June 30, 2020.

**Police and Fire Fund**

Changes in Actuarial Assumptions

- The mortality projection scale was changed from MP-2018 to MP-2019.

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%	5.30%
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 2020 was 7.5%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and employers will be made at the rate set in Minnesota statutes. Based on that assumption, the fiduciary net position of the GERF and the PEPFF 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:

	1% Decrease in Discount Rate (6.5%)	Discount Rate (7.5%)	1% Increase in Discount Rate (8.5%)
City's Proportionate share of the GERF net pension liability	\$ 22,801,298	\$ 14,227,219	\$ 7,154,294
City's Proportionate share of the PEPFF net pension liability	\$ 19,887,730	\$ 9,978,070	\$ 1,779,563

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 at [www.mnpera.org](http://www.mnpera.org).

**I. PENSION EXPENSE**

Pension expense recognized by the City for the fiscal year ended December 31, 2020 is as follows:

GERF	\$ 723,461
PEPFF	<u>1,236,936</u>
Total	<u>\$ 1,960,397</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 2020 were:

Contribution Amount		Percentage of Covered Payroll		Required
Employee	Employer (Pension Expense)	Employee	Employer	Rate
\$ 3,220	\$ 3,220	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, 2020 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>303</u>

**D. TOTAL OPEB LIABILITY AND CHANGES IN TOTAL OPEB LIABILITY**

The City’s total OPEB liability of \$4,163,224 was measured as of December 31, 2019, and was determined by an actuarial valuation as of December 31, 2020. Changes in the total OPEB liability during 2020 were:

Changes for the year:	
Service cost	\$ 273,727
Interest cost	148,042
Changes of benefit terms	-
Differences between expected and actual experience	-
Changes in assumptions	131,969
Benefit payments	<u>(214,270)</u>
Net changes	339,468
Balance - beginning of year	<u>3,823,756</u>
Balance - end of year	<u>\$ 4,163,224</u>

There were no plan changes since the measurement date of December 31, 2020.

**E. ACTUARIAL ASSUMPTIONS AND OTHER INPUTS**

The total OPEB liability in the December 31, 2020 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	2.75%
20-year municipal bond yield	2.75%
Healthcare cost trend rates	6.00% in 2020 gradually decreasing over several decades to an ultimate rate of 4.00% in 2075 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, 2020 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 a decrease in the discount rate from 3.71% to 2.75%.

**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 (1.75%) or 1% higher (3.75%) than the current discount rate:

	1% Decrease (1.75%)	Discount Rate (2.75%)	1% Increase (3.75%)
Total OPEB liability	\$ 4,529,178	\$ 4,163,224	\$ 3,835,003

**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 (5.00% decreasing to 3.00%) or 1% higher (7.00% decreasing to 5.00%) than the current healthcare cost trend rates:

	1% Decrease	Current Healthcare Cost Trend Rates	1% Increase
Total OPEB liability	\$ 3,667,706	\$ 4,163,224	\$ 4,750,896

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

For the year ended December 31, 2020, the City recognized \$463,542 of OPEB expense. At December 31, 2020, 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	\$ 206,390	\$ -
Contributions subsequent to the measurement date	128,776	-
Changes in assumption	<u>192,628</u>	<u>130,610</u>
Total	<u>\$ 527,794</u>	<u>\$ 130,610</u>

\$128,776 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>
2021	\$ 41,773
2022	41,773
2023	41,773
2024	41,773
2025	41,773
Thereafter	<u>59,543</u>
	<u>\$ 268,408</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, 2020 is as follows:

	<u>Interfund Loan Receivable</u>	<u>Interfund Loan Payable</u>
Major Funds:		
Development EDA	\$ 2,327,586	\$ -
Redevelopment District	-	2,327,586
	<u>\$ 2,327,586</u>	<u>\$ 2,327,586</u>
Total		

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, 2020 is as follows:

	<u>Due From Other Funds</u>	<u>Due To Other Funds</u>
Major Funds:		
Storm Water	\$ 1,887,034	\$ -
Pavement Management	-	3,055,317
Streets Capital Projects	-	1,887,034
Other:		
Employee Benefits	-	91,381
COVID Fund	-	34,841
Permanent Improvement Revolving	3,181,539	-
	<u>\$ 5,068,573</u>	<u>\$ 5,068,573</u>
Total		

CITY OF ST. LOUIS PARK, MINNESOTA  
 NOTES TO FINANCIAL STATEMENTS  
 December 31, 2020

**Interfund Transfers**

Interfund transfers at December 31, 2020 are as follows:

Fund	Transfers in					Totals
	General	Housing Rehabilitation	Debt Service	Internal Service Funds	Non-major	
Transfers out:						
General	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Housing Rehabilitation	8,945	-	305,099	-	-	314,044
Redevelopment District	-	524,804	944,713	-	1,029,752	2,499,269
Development EDA	40,000	-	-	-	-	40,000
Nonmajor Special Revenue	2,692,178	-	-	-	-	2,692,178
Nonmajor Capital Projects	27,638	-	-	-	-	27,638
Water	603,897	-	-	34,738	-	638,635
Sewer	839,047	-	-	34,738	-	873,785
Solid Waste	213,551	-	-	34,738	-	248,289
Storm Water	307,392	-	-	34,738	-	342,130
Total transfers in	<u>\$ 4,732,648</u>	<u>\$ 524,804</u>	<u>\$ 1,249,812</u>	<u>\$ 138,952</u>	<u>\$ 1,029,752</u>	<u>\$ 7,675,968</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, 2020, a summary of the governmental fund balance classifications are as follows:

Fund/Description	Nonspendable	Restricted	Committed	Assigned
General Fund				
Prepaid items	\$ 140,190	\$ -	\$ -	\$ -
Inventories	221,832	-	-	-
E-911 purposes	-	63,986	-	-
Fire donation	-	19,000	-	-
Inspections	-	-	-	550,000
DWI enforcement	-	-	-	167,938
Race data survey	-	-	-	50,000
Tax court petitions	-	-	-	200,000
Community survey	-	-	-	25,000
Housing Rehabilitation	-	-	-	5,805,357
Debt service	-	4,923,698	-	-
Development EDA				
Prepaid items	-	-	-	-
Economic development	-	-	204,618	-
Redevelopment efforts	-	-	-	20,246,810
Redevelopment districts	-	6,443,290	-	-
Streets Capital Projects	-	-	-	-
Sidewalks and Trails	-	4,141,569	-	-
Pavement Management	-	-	-	-
Other governmental funds				
Prepaid items	-	-	-	-
Capital improvements	-	175,292	-	3,125,415
Affordable housing	-	1,034,380	-	-
Community development	-	462,241	-	-
Cable TV equipment purchases	-	262,668	607,460	729,047
Police and fire purposes	-	1,433,980	-	-
Light pole replacement	-	-	-	370,000
Special service districts	-	-	-	121,736
Total	<u>\$ 362,022</u>	<u>\$ 18,960,104</u>	<u>\$ 812,078</u>	<u>\$ 31,391,303</u>

**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, 2020, the unassigned fund balance for the General Fund was 60% of the subsequent year’s budgeted expenditures.

**Note 12 DEFICIT FUND BALANCE/NET POSITION**

At December 31, 2020, individual funds with deficit fund balance/net position are as follows:

	<u>Amount</u>	<u>Future Financing Source</u>
Redevelopment District:		
Elmwood Village	\$ 246,761	Future tax increment
Hard Coat TIF District	4,895	Future tax increment
Other Governmental Funds:		
Park Improvement	109,526	Future property taxes
Streets Capital Projects	2,973,686	Future bonding/MSA reimbursement
Pavement Management	2,552,363	Future bonding/franchise taxes
Internal Service Funds:		
Employee Benefits	<u>32,469,740</u>	Future pension contributions and investment earnings
Total	<u>\$ 38,356,971</u>	

**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, 2020.

**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, 2020

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	2020 Payments	12/31/2020 Balance
<b>Zarthan/16th Ave TIF District</b>								
Rottlund - Town Homes/Condos	11/06/2000	\$1,395,547	8.00%	08/01/2003	02/01/2023	89.75%	276,250	471,512
CSM - Town Place Suites	10/25/2000	1,101,362	8.00%	08/01/2003	02/01/2022	89.75%	91,184	1,218,476
CSM - Spring Hill Suites	10/25/2000	1,448,088	8.00%	08/01/2003	02/01/2022	89.75%	<u>116,882</u>	1,750,836
							484,316	
<b>Mill City TIF District</b>								
MSP SLP Apartments	11/20/2000	3,431,137	8.75%	08/1/2002	02/01/2023	94.75%	542,824	3,034,560
<b>Park Commons TIF District</b>								
Excelsior & Grand Phase I	07/01/2003	3,500,000	8.50%	08/05/2005	08/01/2022	97.00%	1,074,568	1,446,582
Excelsior & Grand Phase NE	06/05/2006	4,668,633	8.50%	08/01/2006	02/01/2028	97.00%	488,543	4,469,153
Excelsior & Grand Phase NW	06/05/2006	4,079,105	8.50%	08/01/2007	02/01/2028	97.00%	528,545	4,249,079
Excelsior & Grand Phase E	06/05/2006	3,300,715	8.50%	08/01/2006	02/01/2028	97.00%	<u>319,494</u>	4,100,193
							2,411,150	
<b>Wolfe Lake TIF District</b>								
Belt Line Industrial Park	01/20/2006	996,000	7.50%	08/01/2006	02/01/2020	95.00%	48,449	-
<b>Elmwood Village TIF District</b>								
Hoigaard Village 2010A TIF Revenue Bonds	10/21/2010	3,495,000	1.5-5%	02/01/2011	02/01/2023	95.00%	377,625	1,015,000
<b>Highway 7 Corporate Center TIF District</b>								
Highway 7 Business Center Note A	07/24/2008	2,100,000	1.00%	08/01/2008	08/01/2027	95.00%	116,341	746,676
Highway 7 Business Center Note B	07/24/2008	360,000	1.00%	08/01/2008	08/01/2027	95.00%	19,944	128,002
Highway 7 Business Center Note C	07/24/2008	72,000	1.00%		08/01/2028	95.00%	-	81,169
Highway 7 Business Center Note D	07/24/2008	23,000	1.00%		08/01/2028	95.00%	<u>-</u>	25,929
							136,285	
<b>West End TIF District</b>								
Duke Realty Limited Partnership	11/01/2010	21,100,000	6.75%	02/01/2012	08/01/2031	95.00%	1,927,217	20,909,528
<b>Ellipse on Excelsior TIF District</b>								
Bader Development / Ellipse II	08/01/2015	686,195	5.60%	08/01/2015	02/01/2021	95.00%	162,804	-
<b>Eliot Park TIF District</b>								
Weidner / Siena Apartment Homes	05/18/2016	1,100,000	5.50%	08/01/2016	08/01/2020	95.00%	380,217	-
<b>The Shoreham TIF District</b>								
Bader Development / Shoreham Apts LLC	05/14/2019	1,200,000	3.75%	09/06/2019	08/01/2021	95.00%	482,380	124,609
<b>4900 Excelsior TIF District</b>								
Weidner / 4900 Excelsior Apts LLC	03/05/2019	2,800,000	4.50%	08/01/2019	02/01/2027	95.00%	491,826	2,264,181

**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, 2020, the outstanding principal on the bonds is \$1,435,000.

**F. CONSTRUCTION COMMITMENTS**

The City has active construction projects as of December 31, 2020. 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
Bituminous Roadways, Inc. - 2021 street maintenance (Area 5)	\$ 557,979
G.L. Contracting, Inc. - alley reconstruction project	526,407
Hydro-Klean, LLC - sanitary sewer mainline rehab	399,686
Northdale Construction Company - booster station at water treatment plant #8	348,900
Standard Sidewalk, Inc. - concrete replacement	188,267
Thomas and Sons Construction - Monterey-Belt Line-36th improvement project	2,889,052
	<u>\$ 4,910,291</u>

**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, 2020, there were 16 revenue bonds issued. The aggregate principal amount payable as of December 31, 2020 is \$169,663,792.

**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. 87 Leases.** The provisions of this Statement are effective for reporting periods beginning after June 15, 2021.

**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. 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.

**Statement No. 96 Subscription – Based Information Technology 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 FINANCIAL STATEMENT REVISIONS**

The City's previously issued financial statements for the year ended December 31, 2020 were revised to correct an error in the allocation of expenses to Storm water and Solid waste on the Statement of Activities (Statement 2). There was no change in total expense.

	Statement of Activities	
	Storm water	Solid waste
Expenses as previously reported	\$ 3,689,042	\$ 2,184,515
Expenses as adjusted	2,206,992	3,666,565

**REQUIRED SUPPLEMENTARY INFORMATION**

**CITY OF ST. LOUIS PARK, MINNESOTA**  
 REQUIRED SUPPLEMENTARY INFORMATION  
 BUDGETARY COMPARISON SCHEDULE - GENERAL FUND  
 For The Year Ended December 31, 2020

**Statement 9**  
**Page 1 of 5**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues				
Property taxes	\$ 28,393,728	\$ 28,393,728	\$ 28,524,232	\$ 130,504
Abatement of property taxes	-	-	90,969	90,969
Total property taxes	28,393,728	28,393,728	28,615,201	221,473
Licenses and permits				
Business regulatory licenses	691,730	691,730	720,190	28,460
Non-business licenses and permits	3,969,081	3,969,081	4,574,124	605,043
Total licenses and permits	4,660,811	4,660,811	5,294,314	633,503
Intergovernmental				
Federal	1,500	1,500	4,200	2,700
State shared taxes				
Highway user tax	755,000	755,000	816,974	61,974
Insurance premium tax	769,182	769,182	810,467	41,285
State of Minnesota				
Other	81,120	81,120	326,275	245,155
PERA	45,205	45,205	-	(45,205)
Police training reimbursement	45,000	45,000	49,868	4,868
School district	59,700	59,700	50,307	(9,393)
Other local governments	2,875	2,875	3,056	181
Total intergovernmental	1,759,582	1,759,582	2,061,147	301,565
Charges for services				
General government	829,674	829,674	842,625	12,951
Public safety	189,650	189,650	73,014	(116,636)
Public works - signals/lighting	9,000	9,000	13,000	4,000
Culture and rec	1,244,500	1,244,500	672,288	(572,212)
Rent of City property	1,413,052	1,413,052	1,156,285	(256,767)
Total charges for services	3,685,876	3,685,876	2,757,212	(928,664)
Fines and forfeits				
Municipal court	240,000	240,000	100,882	(139,118)
Liquor violations	10,000	10,000	-	(10,000)
Property forfeits	25,000	25,000	23,410	(1,590)
Miscellaneous violations	5,000	5,000	1,900	(3,100)
Total fines and forfeits	280,000	280,000	126,192	(153,808)
Interest income	210,000	210,000	486,468	276,468
Miscellaneous				
Other	665,830	665,830	825,557	159,727
Total miscellaneous	665,830	665,830	825,557	159,727
Total revenues	39,655,827	39,655,827	40,166,091	510,264

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	\$ 1,052,969	\$ 1,052,969	\$ 996,554	\$ 56,415
Supplies	16,500	16,500	30,900	(14,400)
Other services and charges	574,130	574,130	589,013	(14,883)
Total administration	1,643,599	1,643,599	1,616,467	27,132
Finance				
Current				
Personal services	675,686	675,686	581,608	94,078
Materials and supplies	3,000	3,000	2,578	422
Other services and charges	445,359	445,359	610,642	(165,283)
Total finance	1,124,045	1,124,045	1,194,828	(70,783)
Assessing				
Current				
Personal services	766,861	766,861	763,518	3,343
Materials and supplies	1,250	1,250	823	427
Other services and charges	40,060	40,060	27,937	12,123
Total assessing	808,171	808,171	792,278	15,893
Human resources				
Current				
Personal services	673,109	673,109	689,776	(16,667)
Supplies	2,000	2,000	855	1,145
Other services and charges	148,100	148,100	106,272	41,828
Total human resources	823,209	823,209	796,903	26,306
Community development				
Current				
Personal services	1,556,594	1,556,594	1,527,790	28,804
Materials and supplies	1,300	1,300	1,466	(166)
Other services and charges	14,000	14,000	7,400	6,600
Total community development	1,571,894	1,571,894	1,536,656	35,238
Facilities maintenance				
Current				
Personal services	566,755	566,755	519,463	47,292
Materials and supplies	102,500	102,500	82,698	19,802
Other services and charges	596,082	596,082	644,275	(48,193)
Total facilities maintenance	1,265,337	1,265,337	1,246,436	18,901

Expenditures (continued)	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
General government (continued)				
Communications and marketing				
Current				
Personal services	\$ 435,754	\$ 435,754	\$ 456,325	\$ (20,571)
Materials and supplies	22,500	22,500	10,610	11,890
Other services and charges	369,750	369,750	243,402	126,348
Total communications, etc.	828,004	828,004	710,337	117,667
Information resources				
Current				
Personal services	968,355	968,355	928,044	40,311
Materials and supplies	24,500	24,500	538	23,962
Other services and charges	716,400	716,400	667,907	48,493
Total information services	1,709,255	1,709,255	1,596,489	112,766
Total general government	9,773,514	9,773,514	9,490,394	283,120
Public safety				
Police				
Current				
Personal services	9,874,862	9,874,862	9,698,618	176,244
Materials and supplies	231,812	231,812	214,778	17,034
Other services and charges	722,147	722,147	670,108	52,039
Capital outlay	25,000	25,000	27,638	(2,638)
Total police	10,853,821	10,853,821	10,611,142	242,679
Fire protection				
Current				
Personal services	4,402,116	4,402,116	4,153,783	248,333
Materials and supplies	135,000	135,000	115,444	19,556
Other services and charges	503,587	503,587	495,109	8,478
Total fire protection	5,040,703	5,040,703	4,764,336	276,367
Building				
Current				
Personal services	2,569,208	2,569,208	2,183,053	386,155
Materials and supplies	16,000	16,000	14,268	1,732
Other services and charges	111,377	111,377	124,343	(12,966)
Total building	2,696,585	2,696,585	2,321,664	374,921
Total public safety	18,591,109	18,591,109	17,697,142	893,967



Expenditures (continued)	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Operations				
Public works administration				
Current				
Personal services	\$ 249,868	\$ 249,868	\$ 212,314	\$ 37,554
Materials and supplies	5,000	5,000	1,850	3,150
Other services and charges	18,450	18,450	2,740	15,710
Total public works administration	273,318	273,318	216,904	56,414
Public works operations				
Current				
Personal services	1,747,057	1,747,057	1,602,806	144,251
Materials and supplies	472,500	472,500	441,764	30,736
Other services and charges	1,112,409	1,112,409	1,123,969	(11,560)
Total public works operations	3,331,966	3,331,966	3,168,539	163,427
Vehicle maintenance				
Current				
Personal services	657,088	657,088	640,367	16,721
Materials and supplies	434,600	434,600	457,024	(22,424)
Other services and charges	187,139	187,139	109,189	77,950
Total vehicle maintenance	1,278,827	1,278,827	1,206,580	72,247
Engineering				
Current				
Personal services	404,801	404,801	423,300	(18,499)
Materials and supplies	8,000	8,000	2,982	5,018
Other services and charges	138,484	138,484	105,518	32,966
Total engineering	551,285	551,285	531,800	19,485
Total operations	5,435,396	5,435,396	5,123,823	311,573
Parks and recreation				
Organized recreation				
Current				
Personal services	1,070,502	1,070,502	961,972	108,530
Materials and supplies	51,600	51,600	26,288	25,312
Other services and charges	512,400	512,400	381,047	131,353
Total organized recreation	1,634,502	1,634,502	1,369,307	265,195
Recreation Center				
Current				
Personal services	1,278,379	1,278,379	1,160,370	118,009
Materials and supplies	207,750	207,750	148,149	59,601
Other services and charges	575,265	575,265	557,356	17,909
Total recreation center	2,061,394	2,061,394	1,865,875	195,519
Park maintenance				
Current				
Personal services	1,306,869	1,306,869	1,257,622	49,247
Materials and supplies	113,225	113,225	100,822	12,403
Other services and charges	486,269	486,269	444,089	42,180
Total park maintenance	1,906,363	1,906,363	1,802,533	103,830

See accompanying notes to the required supplementary information.

**CITY OF ST. LOUIS PARK, MINNESOTA**  
 REQUIRED SUPPLEMENTARY INFORMATION  
 BUDGETARY COMPARISON SCHEDULE - GENERAL FUND  
 For The Year Ended December 31, 2020

**Statement 9**  
**Page 5 of 5**

Expenditures (continued)	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Parks and recreation (continued)				
Westwood hills nature center				
Current				
Personal services	677,208	677,208	573,225	103,983
Materials and supplies	36,750	36,750	19,864	16,886
Other services and charges	34,725	34,725	13,291	21,434
Total westwood hills nature center	<u>748,683</u>	<u>748,683</u>	<u>606,380</u>	<u>142,303</u>
Natural Resources				
Current				
Personal services	157,843	157,843	149,318	8,525
Materials and supplies	21,200	21,200	17,884	3,316
Other services and charges	325,100	325,100	266,160	58,940
Total natural resources	<u>504,143</u>	<u>504,143</u>	<u>433,362</u>	<u>70,781</u>
Total parks and recreation	<u>6,855,085</u>	<u>6,855,085</u>	<u>6,077,457</u>	<u>777,628</u>
Other				
Race equity and inclusion				
Current				
Personal services	258,077	258,077	265,252	(7,175)
Materials and supplies	3,500	3,500	192	3,308
Other services and charges	52,500	52,500	7,551	44,949
Total race equity and inclusion	<u>314,077</u>	<u>314,077</u>	<u>272,995</u>	<u>41,082</u>
Sustainability				
Current				
Personal services	286,384	286,384	208,977	77,407
Materials and supplies	1,900	1,900	795	1,105
Other services and charges	209,200	209,200	34,884	174,316
Total Sustainability	<u>497,484</u>	<u>497,484</u>	<u>244,656</u>	<u>252,828</u>
Total other	<u>811,561</u>	<u>811,561</u>	<u>517,651</u>	<u>293,910</u>
Total expenditures	<u>41,466,665</u>	<u>41,466,665</u>	<u>38,906,467</u>	<u>2,560,198</u>
Revenues over (under) expenditures	<u>(1,810,838)</u>	<u>(1,810,838)</u>	<u>1,259,624</u>	<u>3,070,462</u>
Other financing sources (uses)				
Transfers in	2,038,338	2,038,338	4,732,648	2,694,310
Transfers out	<u>(225,000)</u>	<u>(225,000)</u>	<u>-</u>	<u>225,000</u>
Total other financing sources (uses)	<u>1,813,338</u>	<u>1,813,338</u>	<u>4,732,648</u>	<u>2,919,310</u>
Net change in fund balances	<u>\$ 2,500</u>	<u>\$ 2,500</u>	<u>5,992,272</u>	<u>\$ 5,989,772</u>
Fund balance - January 1			<u>20,831,827</u>	
Fund balance - December 31			<u>\$ 26,824,099</u>	

See accompanying notes to the required supplementary information.

CITY OF ST. LOUIS PARK, MINNESOTA

REQUIRED SUPPLEMENTARY INFORMATION

Statement 10

SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY AND RELATED RATIOS

For The Year Ended December 31, 2020

	2020	2019	2018
Total OPEB Liability:			
Service cost	\$ 273,727	\$ 312,898	\$ 273,798
Interest cost	148,042	122,728	126,654
Changes in benefit terms	-	-	-
Differences between expected and actual experience	-	269,604	-
Changes in assumptions	131,969	(170,614)	120,221
Benefit payments	(214,270)	(211,503)	(140,966)
Net change in total OPEB liability	339,468	323,113	379,707
Total OPEB liability - beginning	3,823,756	3,500,643	3,120,936
Total OPEB liability - ending	<u>\$ 4,163,224</u>	<u>\$ 3,823,756</u>	<u>\$ 3,500,643</u>
Covered-employee payroll	\$24,950,067	\$23,867,837	\$22,206,835
Total OPEB liability as a percentage of covered-employee payroll	16.7%	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%
2020	2020	0.2373%	14,227,219	438,865	14,666,084	16,929,758	86.6%	79.1%

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

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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%
December 31, 2020	1,330,896	1,330,896	-	17,746,254	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

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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%
2020	2020	0.7570%	9,978,070	8,551,806	116.7%	87.2%

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 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%
December 31, 2020	1,602,879	1,602,879	-	9,055,812	17.70%

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, MINNESOTA**  
 REQUIRED SUPPLEMENTARY INFORMATION  
 NOTES TO RSI  
 December 31, 2020

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, 2020, the City's street and trail system was rated at an OCI index of 62.4 on the average with detail condition as follows:

<u>Condition</u>	<u>% of Streets and Trails</u>
Excellent to Good	61.1%
Fair	12.7%
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 \$5,322,133 on street maintenance for the year ending December 31, 2020. 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	4,207,721	67%
2019	4,399,000	5,379,721	64%
2020	4,464,201	5,322,133	62%

**Note C PENSION INFORMATION**

**PERA – General Employees Retirement Fund**

*2020 Changes*

Changes in Actuarial Assumptions:

- The price inflation assumption was decreased from 2.50% to 2.25%.
- The payroll growth assumption was decreased from 3.25% to 3.00%.
- As recommended in the June 30, 2019 experience study, assumed salary increase rates were decreased 0.25% and assumed rates of retirement were changed resulting in more unreduced (normal) retirements and slightly fewer Rule of 90 and early retirements. Assumed rates of termination and disability were also changed.
- The base mortality tables were changed from RP-2014 tables to Pub-2010 tables, with adjustments.
- The mortality improvement scale was changed from Scale MP-2018 to Scale MP-2019.
- The assumed spouse age difference was changed from two years older for females to one year older.
- The assumed number of married male new retirees electing the 100% Joint & Survivor option changed from 35% to 45%. The assumed number of married female new retirees electing the 100% Joint & Survivor option changed from 15% to 30%. The corresponding number of married new retirees electing the Life annuity option was adjusted accordingly.

Changes in Plan Provisions:

- Augmentation for current privatized members was reduced to 2.0% for the period July 1, 2020 through December 31, 2023 and 0.0% after. Augmentation was eliminated for privatizations occurring after June 30, 2020.

*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**

*2020 Changes*

Changes in Actuarial Assumptions:

- The mortality projection scale was changed from MP-2018 to MP-2019.

*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.

*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.

**CITY OF ST. LOUIS PARK, MINNESOTA**  
REQUIRED SUPPLEMENTARY INFORMATION  
NOTES TO RSI  
December 31, 2020

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- 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.

**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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	Special Revenue	Capital Projects	Interfund Eliminations	Total
<b>Assets</b>				
Cash and investments	\$ 2,691,961	\$ 3,039,885	\$ -	\$ 5,731,846
Due from other governments	34,841	409,013	-	443,854
Accounts receivable	132,450	2,713	-	135,163
Prepaid items	-	-	-	-
Special assessments receivable - delinquent	-	5,623	-	5,623
Special assessments receivable - deferred	218,439	557,080	-	775,519
Due from other funds	-	3,181,539	(34,841)	3,146,698
Loans receivable - noncurrent	498,433	-	-	498,433
Pledges receivable - current	-	166,665	-	166,665
Pledges receivable - noncurrent	-	966,665	-	966,665
<b>Total assets</b>	<b>\$ 3,576,124</b>	<b>\$ 8,329,183</b>	<b>\$ (34,841)</b>	<b>\$ 11,870,466</b>
<b>Liabilities</b>				
Accounts payable	\$ 39,585	\$ 106,545	\$ -	\$ 146,130
Salaries payable	12,110	-	-	12,110
Due to other governments	-	-	-	-
Contracts payable	-	912,908	-	912,908
Due to other funds	34,841	-	(34,841)	-
Unearned revenue	-	389,000	-	389,000
<b>Total liabilities</b>	<b>86,536</b>	<b>1,408,453</b>	<b>(34,841)</b>	<b>1,460,148</b>
<b>Deferred inflows of resources</b>				
Unavailable revenue	272,056	1,925,569	-	2,197,625
<b>Fund balances</b>				
Nonspendable	-	-	-	-
Restricted	1,759,289	1,609,272	-	3,368,561
Committed	607,460	-	-	607,460
Assigned	850,783	3,495,415	-	4,346,198
Unassigned	-	(109,526)	-	(109,526)
<b>Total fund balances</b>	<b>3,217,532</b>	<b>4,995,161</b>	<b>-</b>	<b>8,212,693</b>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<b>\$ 3,576,124</b>	<b>\$ 8,329,183</b>	<b>\$ (34,841)</b>	<b>\$ 11,870,466</b>

**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, 2020

**Statement 16**

	Special Revenue	Capital Projects	Total
<b>Revenues</b>			
Property taxes	\$ -	\$ 860,000	\$ 860,000
Franchise taxes	535,726	-	535,726
Intergovernmental	3,789,620	174,702	3,964,322
Charges for services	27,890	56,470	84,360
Special assessments	212,531	115,183	327,714
Interest income	39,182	133,712	172,894
Miscellaneous	3,184	614,401	617,585
<b>Total revenues</b>	<b>4,608,133</b>	<b>1,954,468</b>	<b>6,562,601</b>
<b>Expenditures</b>			
<b>Current</b>			
Public safety	-	137,249	137,249
Public information	875,890	-	875,890
Parks and recreation	-	377,357	377,357
Operations	-	-	-
Housing maintenance	709,009	-	709,009
Social and economic development	197,492	-	197,492
<b>Capital outlay</b>			
Public safety	-	(5,590)	(5,590)
Public information	73,338	-	73,338
Parks and recreation	-	5,625,845	5,625,845
Operations	-	-	-
<b>Debt service</b>			
Bond issuance costs	-	-	-
<b>Total expenditures</b>	<b>1,855,729</b>	<b>6,134,861</b>	<b>7,990,590</b>
<b>Revenues over (under) expenditures</b>	<b>2,752,404</b>	<b>(4,180,393)</b>	<b>(1,427,989)</b>
<b>Other financing sources (uses)</b>			
Transfers in	1,029,752	-	1,029,752
Transfers out	(2,692,178)	(27,638)	(2,719,816)
Bonds issued	-	-	-
Premiums on bonds issue	-	-	-
<b>Total other financing sources (uses)</b>	<b>(1,662,426)</b>	<b>(27,638)</b>	<b>(1,690,064)</b>
<b>Net change in fund balances</b>	<b>1,089,978</b>	<b>(4,208,031)</b>	<b>(3,118,053)</b>
<b>Fund balances - January 1</b>	<b>2,127,554</b>	<b>9,203,192</b>	<b>11,330,746</b>
<b>Fund balances - December 31</b>	<b>\$ 3,217,532</b>	<b>\$ 4,995,161</b>	<b>\$ 8,212,693</b>
<b>Reconciliation of beginning fund balance to prior year ending fund balance:</b>			
Prior year ending fund balance for nonmajor capital project funds:			\$ 4,359,861
Plus prior year ending fund balance for major fund reported as nonmajor in current year:			
Westwood Hills Nature Center Construction Fund			5,259,677
Less prior year ending Fund Balance (deficit) for non-major funds reported as major in the current year:			
Sidewalks and Trails			(433,880)
Pavement Management			(1,277,328)
<b>Current year beginning fund balance</b>			<b>\$ 11,330,746</b>

## 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.

COVID Fund – used to account for the proceeds of federal CARES Act Funding.

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	Cable Television	Community Development	Special Service Districts	Affordable Housing Trust	COVID Fund	Total
<b>Assets</b>						
Cash and investments	\$ 1,487,098	\$ 17,588	\$ 152,895	\$ 1,034,380	\$ -	\$ 2,691,961
Due from other governments	-	-	-	-	34,841	34,841
Accounts receivable	132,450	-	-	-	-	132,450
Special assessments receivable - deferred	-	-	218,439	-	-	218,439
Loans receivable - noncurrent	-	498,433	-	-	-	498,433
<b>Total assets</b>	<b>\$ 1,619,548</b>	<b>\$ 516,021</b>	<b>\$ 371,334</b>	<b>\$ 1,034,380</b>	<b>\$ 34,841</b>	<b>\$ 3,576,124</b>
<b>Liabilities</b>						
Accounts payable	\$ 8,263	\$ -	\$ 31,322	\$ -	\$ -	\$ 39,585
Salaries payable	12,110	-	-	-	-	12,110
Due to other funds	-	-	-	-	34,841	34,841
<b>Total liabilities</b>	<b>20,373</b>	<b>-</b>	<b>31,322</b>	<b>-</b>	<b>34,841</b>	<b>86,536</b>
<b>Deferred inflows of resources</b>						
Unavailable revenue	-	53,780	218,276	-	-	272,056
<b>Fund balances</b>						
Restricted	262,668	462,241	-	1,034,380	-	1,759,289
Committed	607,460	-	-	-	-	607,460
Assigned	729,047	-	121,736	-	-	850,783
<b>Total fund balances</b>	<b>1,599,175</b>	<b>462,241</b>	<b>121,736</b>	<b>1,034,380</b>	<b>-</b>	<b>3,217,532</b>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<b>\$ 1,619,548</b>	<b>\$ 516,021</b>	<b>\$ 371,334</b>	<b>\$ 1,034,380</b>	<b>\$ 34,841</b>	<b>\$ 3,576,124</b>

**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, 2020

**Statement 18**

	Cable Television	Community Development	Special Service Districts	Affordable Housing Trust	COVID Fund	Total
<b>Revenues</b>						
Franchise taxes	\$ 535,726	\$ -	\$ -	\$ -	\$ -	\$ 535,726
Intergovernmental	-	60,000	-	-	3,729,620	3,789,620
Charges for services	-	-	27,890	-	-	27,890
Special assessments	-	-	212,531	-	-	212,531
Interest income	36,460	401	2,208	113	-	39,182
Miscellaneous	1,191	-	1,993	-	-	3,184
<b>Total revenues</b>	<b>573,377</b>	<b>60,401</b>	<b>244,622</b>	<b>113</b>	<b>3,729,620</b>	<b>4,608,133</b>
<b>Expenditures</b>						
<b>Current</b>						
<b>Public information</b>						
Personal services	419,633	-	-	-	-	419,633
Supplies	1,355	-	-	-	184,964	186,319
Other services and charges	130,301	-	-	-	139,637	269,938
<b>Housing maintenance</b>						
Other services and charges	-	60,000	-	-	649,009	709,009
<b>Social and economic development</b>						
Supplies	-	-	330	-	-	330
Other services and charges	-	-	197,162	-	-	197,162
<b>Capital outlay</b>						
Public information	-	-	-	-	73,338	73,338
<b>Total expenditures</b>	<b>551,289</b>	<b>60,000</b>	<b>197,492</b>	<b>-</b>	<b>1,046,948</b>	<b>1,855,729</b>
<b>Revenues over (under) expenditures</b>	<b>22,088</b>	<b>401</b>	<b>47,130</b>	<b>113</b>	<b>2,682,672</b>	<b>2,752,404</b>
<b>Other financing sources (uses)</b>						
Transfers in	-	-	-	1,029,752	-	1,029,752
Transfers out	(9,506)	-	-	-	(2,682,672)	(2,692,178)
<b>Total other financing sources (uses)</b>	<b>(9,506)</b>	<b>-</b>	<b>-</b>	<b>1,029,752</b>	<b>(2,682,672)</b>	<b>(1,662,426)</b>
<b>Net change in fund balances</b>	<b>12,582</b>	<b>401</b>	<b>47,130</b>	<b>1,029,865</b>	<b>-</b>	<b>1,089,978</b>
<b>Fund balances - January 1</b>	<b>1,586,593</b>	<b>461,840</b>	<b>74,606</b>	<b>4,515</b>	<b>-</b>	<b>2,127,554</b>
<b>Fund balances - December 31</b>	<b>\$ 1,599,175</b>	<b>\$ 462,241</b>	<b>\$ 121,736</b>	<b>\$ 1,034,380</b>	<b>\$ -</b>	<b>\$ 3,217,532</b>

## 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.

Westwood Hills Nature Center – used to account for the construction of a new nature center. Revenues are provided by the issuance of bonds.

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	Police and Fire Pensions	Permanent Improvement Revolving	Park Improvement	Westwood Hills Nature Center Construction Project	Interfund Eliminations	Total
<b>Assets</b>						
Cash and investments	\$ 1,433,980	\$ 98,408	\$ 198,829	\$ 1,308,668	\$ -	\$ 3,039,885
Due from other governments	-	-	179,000	230,013	-	409,013
Accounts receivable	-	1,863	850	-	-	2,713
Prepaid items	-	-	-	-	-	-
Special assessments receivable - delinquent	-	5,623	-	-	-	5,623
Special assessments receivable - deferred	-	557,080	-	-	-	557,080
Due from other funds	-	3,181,539	-	-	-	3,181,539
Pledges receivable - current	-	-	166,665	-	-	166,665
Pledges receivable - noncurrent	-	-	966,665	-	-	966,665
<b>Total assets</b>	<b>\$ 1,433,980</b>	<b>\$ 3,844,513</b>	<b>\$ 1,512,009</b>	<b>\$ 1,538,681</b>	<b>\$ -</b>	<b>\$ 8,329,183</b>
<b>Liabilities</b>						
Accounts payable	\$ -	\$ -	\$ 99,145	\$ 7,400	\$ -	\$ 106,545
Due to other governments	-	-	-	-	-	-
Contracts payable	-	-	60	912,848	-	912,908
Due to other funds	-	-	-	-	-	-
Unearned revenue	-	-	389,000	-	-	389,000
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>488,205</b>	<b>920,248</b>	<b>-</b>	<b>\$1,408,453</b>
<b>Deferred inflows of resources</b>						
Unavailable revenue	-	562,226	1,133,330	230,013	-	1,925,569
<b>Fund balances</b>						
Nonspendable	-	-	-	-	-	-
Restricted	1,433,980	-	-	175,292	-	1,609,272
Assigned	-	3,282,287	-	213,128	-	3,495,415
Unassigned	-	-	(109,526)	-	-	(109,526)
<b>Total fund balances</b>	<b>1,433,980</b>	<b>3,282,287</b>	<b>(109,526)</b>	<b>388,420</b>	<b>-</b>	<b>4,995,161</b>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<b>\$ 1,433,980</b>	<b>\$ 3,844,513</b>	<b>\$ 1,512,009</b>	<b>\$ 1,538,681</b>	<b>\$ -</b>	<b>\$8,329,183</b>

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, 2020

Statement 20

	Police and Fire Pensions	Permanent Improvement Revolving	Park Improvement	Westwood Hills Nature Center Construction Project	Inter-Fund Eliminations	Total
<b>Revenues</b>						
Property taxes	\$ -	\$ -	\$ 860,000	\$ -	\$ -	\$ 860,000
Franchise taxes	-	-	-	-	-	-
Intergovernmental	-	-	174,702	-	-	174,702
Charges for services	-	-	56,470	-	-	56,470
Special assessments	-	115,183	-	-	-	115,183
Interest income	35,302	72,411	-	25,999	-	133,712
Miscellaneous	-	432	597,144	16,825	-	614,401
<b>Total revenues</b>	<b>35,302</b>	<b>188,026</b>	<b>1,688,316</b>	<b>42,824</b>	<b>-</b>	<b>1,954,468</b>
<b>Expenditures</b>						
<b>Current</b>						
Public safety	16,887	120,362	-	-	-	137,249
Parks and recreation	-	-	375,277	2,080	-	377,357
Operations	-	-	-	-	-	-
<b>Capital outlay</b>						
Public safety	(5,590)	-	-	-	-	(5,590)
Parks and recreation	-	-	713,844	4,912,001	-	5,625,845
Operations	-	-	-	-	-	-
<b>Debt service</b>						
Bond issuance costs	-	-	-	-	-	-
<b>Total expenditures</b>	<b>11,297</b>	<b>120,362</b>	<b>1,089,121</b>	<b>4,914,081</b>	<b>-</b>	<b>6,134,861</b>
<b>Revenues over (under) expenditures</b>	<b>24,005</b>	<b>67,664</b>	<b>599,195</b>	<b>(4,871,257)</b>	<b>-</b>	<b>(4,180,393)</b>
<b>Other financing sources (uses)</b>						
Transfers in	-	-	-	-	-	-
Transfers out	-	(27,638)	-	-	-	(27,638)
Bonds issued	-	-	-	-	-	-
Premiums on bonds issue	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>(27,638)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(27,638)</b>
<b>Net change in fund balances</b>	<b>24,005</b>	<b>40,026</b>	<b>599,195</b>	<b>(4,871,257)</b>	<b>-</b>	<b>(4,208,031)</b>
<b>Fund balances - January 1</b>	<b>1,409,975</b>	<b>3,242,261</b>	<b>(708,721)</b>	<b>5,259,677</b>	<b>-</b>	<b>9,203,192</b>
<b>Fund balances - December 31</b>	<b>\$ 1,433,980</b>	<b>\$ 3,282,287</b>	<b>\$ (109,526)</b>	<b>\$ 388,420</b>	<b>\$ -</b>	<b>\$ 4,995,161</b>
<b>Reconciliation of beginning fund balance to prior year ending fund balance:</b>						
Prior year ending fund balance for nonmajor Capital Project Funds						\$ 2,232,307
Plus prior year ending fund balance for major fund reported as nonmajor in current year:						
Westwood Hills Nature Center Construction Fund						5,259,677
Less prior year ending fund balance (deficit) for non-major funds reported as major in current year:						
Sidewalks and Trails						(433,880)
Pavement Management						(1,277,328)
<b>Current year beginning fund balance</b>						<b>\$ 9,203,192</b>

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  
2020A General Obligation Bonds

CITY OF ST. LOUIS PARK, MINNESOTA  
 COMBINING BALANCE SHEET  
 DEBT SERVICE FUND  
 December 31, 2020

	2010A General Obligation Bond	2012A General Obligation HIA Bonds	2010D General Obligation Fire Station Bond	2014A General Obligation Bonds	2016A General Obligation Bonds	2000 General Obligation Bond Reserve
<b>Assets</b>						
Cash and investments	\$ 20,983	\$ 911	\$ 1,099,599	\$ 682,464	\$ 1,330,649	\$ 121,105
Accounts receivable	-	-	-	-	-	-
Loans receivable - current	-	-	-	-	-	-
Loans receivable - noncurrent	-	-	-	-	-	-
<b>Total assets</b>	<u>\$ 20,983</u>	<u>\$ 911</u>	<u>\$ 1,099,599</u>	<u>\$ 682,464</u>	<u>\$ 1,330,649</u>	<u>\$ 121,105</u>
<b>Liabilities</b>						
Deposits payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total liabilities</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Deferred inflows of resources</b>						
Unavailable revenue	-	-	-	-	-	-
<b>Fund balances</b>						
Restricted	<u>20,983</u>	<u>911</u>	<u>1,099,599</u>	<u>682,464</u>	<u>1,330,649</u>	<u>121,105</u>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<u>\$ 20,983</u>	<u>\$ 911</u>	<u>\$ 1,099,599</u>	<u>\$ 682,464</u>	<u>\$ 1,330,649</u>	<u>\$ 121,105</u>



2010C General Obligation Bond	2010C General Obligation Bond Reserve	Hoigaard's 2010 A & B TIF Notes	2017A General Obligation Bonds	2018A General Obligation Bonds	2019A General Obligation Bonds	2020A General Obligation Bonds	Total
\$ 49,310	\$ 379,391	\$ 482	\$ 372,549	\$ 242,118	\$ 584,525	\$ 385,388	\$ 5,269,474
19,470	7,332	-	-	-	-	-	26,802
45,000	-	-	-	-	-	-	45,000
1,390,000	-	-	-	-	-	-	1,390,000
<u>\$ 1,503,780</u>	<u>\$ 386,723</u>	<u>\$ 482</u>	<u>\$ 372,549</u>	<u>\$ 242,118</u>	<u>\$ 584,525</u>	<u>\$ 385,388</u>	<u>\$ 6,731,276</u>
\$ -	\$ 372,578	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 372,578
-	372,578	-	-	-	-	-	372,578
1,435,000	-	-	-	-	-	-	1,435,000
68,780	14,145	482	372,549	242,118	584,525	385,388	4,923,698
<u>\$ 1,503,780</u>	<u>\$ 386,723</u>	<u>\$ 482</u>	<u>\$ 372,549</u>	<u>\$ 242,118</u>	<u>\$ 584,525</u>	<u>\$ 385,388</u>	<u>\$ 6,731,276</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, 2020

	2010A General Obligation Bond	2012A General Obligation HIA Bonds	2014A General Obligation Bonds	2010D General Obligation Fire Station Bond
<b>Revenues</b>				
Taxes				
Property taxes	\$ -	\$ -	\$ 591,360	\$ 926,378
Intergovernmental	-	-	-	12,355
Interest income	-	926	8,886	15,083
Miscellaneous	-	-	-	-
<b>Total revenues</b>	<b>-</b>	<b>926</b>	<b>600,246</b>	<b>953,816</b>
<b>Expenditures</b>				
Social and economic development				
Developer assistance	-	-	-	-
Debt service				
Principal	190,000	55,000	490,000	9,200,000
Interest and other	28,898	30,755	72,792	450,706
Bond issuance costs	-	-	-	-
<b>Total expenditures</b>	<b>218,898</b>	<b>85,755</b>	<b>562,792</b>	<b>9,650,706</b>
<b>Revenues over (under) expenditures</b>	<b>(218,898)</b>	<b>(84,829)</b>	<b>37,454</b>	<b>(8,696,890)</b>
<b>Other financing sources (uses)</b>				
Transfers in	219,359	85,740	-	-
Transfers out	-	-	-	-
Bonds issued	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>219,359</b>	<b>85,740</b>	<b>-</b>	<b>-</b>
<b>Net change in fund balances</b>	<b>461</b>	<b>911</b>	<b>37,454</b>	<b>(8,696,890)</b>
<b>Fund balances - January 1</b>	<b>20,522</b>	<b>-</b>	<b>645,010</b>	<b>9,796,489</b>
<b>Fund balances - December 31</b>	<b>\$ 20,983</b>	<b>\$ 911</b>	<b>\$ 682,464</b>	<b>\$ 1,099,599</b>

**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, 2020

	2016A General Obligation Bonds	2000 General Obligation Bond Reserve	2010C General Obligation Bond	2010C General Obligation Bond Reserve	Hoigaard's 2010 A & B TIF Notes
<b>Revenues</b>					
Taxes					
Property taxes	\$ 1,230,318	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	-
Interest income	16,360	481	58	1,390	7
Miscellaneous	-	-	117,055	-	-
Total revenues	<u>1,246,678</u>	<u>481</u>	<u>117,113</u>	<u>1,390</u>	<u>7</u>
<b>Expenditures</b>					
Social and economic development					
Developer assistance	-	-	-	-	378,200
Debt service					
Principal	1,000,000	-	45,000	-	-
Interest and other	165,108	-	79,733	-	-
Bond issuance costs	-	-	-	-	-
Total expenditures	<u>1,165,108</u>	<u>-</u>	<u>124,733</u>	<u>-</u>	<u>378,200</u>
Revenues over (under) expenditures	<u>81,570</u>	<u>481</u>	<u>(7,620)</u>	<u>1,390</u>	<u>(378,193)</u>
<b>Other financing sources (uses)</b>					
Transfers in	-	-	481	-	378,675
Transfers out	-	(481)	-	-	-
Bonds issued	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>(481)</u>	<u>481</u>	<u>-</u>	<u>378,675</u>
Net change in fund balances	81,570	-	(7,139)	1,390	482
Fund balances - January 1	<u>1,249,079</u>	<u>121,105</u>	<u>75,919</u>	<u>12,755</u>	<u>-</u>
Fund balances - December 31	<u>\$ 1,330,649</u>	<u>\$ 121,105</u>	<u>\$ 68,780</u>	<u>\$ 14,145</u>	<u>\$ 482</u>

2008B General Obligation Tax Increment Bond	2017A General Obligation Bonds	2018A General Obligation Bonds	2019A General Obligation Bonds	2020A General Obligation Bonds	Interfund Eliminations	Total
\$ -	\$ 418,307	\$ 259,665	\$ 373,065	\$ -	\$ -	\$ 3,799,093
-	-	-	147,050	-	-	159,405
-	3,799	2,662	9,080	4,304	-	63,036
-	-	-	-	-	-	117,055
-	422,106	262,327	529,195	4,304	-	4,138,589
-	-	-	-	-	-	378,200
460,000	310,000	165,000	-	-	-	11,915,000
106,038	83,878	71,353	906,834	75	-	1,996,170
-	-	-	-	-	-	-
566,038	393,878	236,353	906,834	75	-	14,289,370
(566,038)	28,228	25,974	(377,639)	4,229	-	(10,150,781)
566,038	-	-	-	-	(481)	1,249,812
-	-	-	-	-	481	-
-	-	-	-	381,159	-	381,159
566,038	-	-	-	381,159	-	1,630,971
-	28,228	25,974	(377,639)	385,388	-	(8,519,810)
-	344,321	216,144	962,164	-	-	13,443,508
\$ -	\$ 372,549	\$ 242,118	\$ 584,525	\$ 385,388	\$ -	\$ 4,923,698

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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  
4900 Excelsior Blvd TIF District  
Elmwood Apartments TIF District

**CITY OF ST. LOUIS PARK, MINNESOTA**  
**COMBINING BALANCE SHEET**  
**REDEVELOPMENT DISTRICT FUND**  
December 31, 2020

	Duke West End TIF	Eliot Park TIF	Ellipse TIF District	HRA Levy
<b>Assets</b>				
Cash and investments	\$ 1,539,229	\$ 29,073	\$ 365,681	\$ 15,174
Taxes receivable - unremitted	-	-	-	8,108
Taxes receivable - delinquent	-	-	-	13,958
Interfund loan receivable	-	-	-	-
Loans receivable - noncurrent	-	-	-	-
<b>Total assets</b>	<b>\$ 1,539,229</b>	<b>\$ 29,073</b>	<b>\$ 365,681</b>	<b>\$ 37,240</b>
<b>Liabilities</b>				
Accounts payable	\$ 918	\$ 641	\$ 641	\$ -
Due to other governments	3,924	1,086	1,340	-
Interfund loan payable	441,543	-	-	-
<b>Total liabilities</b>	<b>446,385</b>	<b>1,727</b>	<b>1,981</b>	<b>-</b>
<b>Deferred inflows of resources</b>				
Unavailable revenue	-	-	-	13,958
<b>Fund balances</b>				
Restricted	1,092,844	27,346	363,700	23,282
Unassigned	-	-	-	-
<b>Total fund balances</b>	<b>1,092,844</b>	<b>27,346</b>	<b>363,700</b>	<b>23,282</b>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<b>\$ 1,539,229</b>	<b>\$ 29,073</b>	<b>\$ 365,681</b>	<b>\$ 37,240</b>



Victoria Ponds	Park Center Housing	CSM TIF District	Mill City TIF District	Park Commons TIF District
\$ 99,900	\$ 298,868	\$ 334,876	\$ 377,494	\$ 1,609,031
-	-	-	-	24,538
-	-	-	-	-
31,221	-	-	-	-
-	769,226	-	-	-
<u>\$ 131,121</u>	<u>\$ 1,068,094</u>	<u>\$ 334,876</u>	<u>\$ 377,494</u>	<u>\$ 1,633,569</u>
\$ -	\$ 641	\$ 917	\$ 918	\$ 918
572	746	1,503	1,220	6,488
-	-	-	-	-
572	1,387	2,420	2,138	7,406
-	126,220	-	-	-
130,549	940,487	332,456	375,356	1,626,163
-	-	-	-	-
130,549	940,487	332,456	375,356	1,626,163
<u>\$ 131,121</u>	<u>\$ 1,068,094</u>	<u>\$ 334,876</u>	<u>\$ 377,494</u>	<u>\$ 1,633,569</u>

**CITY OF ST. LOUIS PARK, MINNESOTA**  
**COMBINING BALANCE SHEET**  
**REDEVELOPMENT DISTRICT FUND**  
December 31, 2020

	Edgewood TIF District	Elmwood Village	Wolfe Lake TIF District	Aquila Commons
<b>Assets</b>				
Cash and investments	\$ 10,473	\$ 1,641,509	\$ 121,914	\$ 497,240
Taxes receivable - unremitted	-	3,753	-	-
Taxes receivable - delinquent	-	-	-	-
Interfund loan receivable	-	-	-	-
Loans receivable - noncurrent	-	-	-	-
<b>Total assets</b>	<b>\$ 10,473</b>	<b>\$ 1,645,262</b>	<b>\$ 121,914</b>	<b>\$ 497,240</b>
<b>Liabilities</b>				
Accounts payable	\$ -	\$ 641	\$ 641	\$ 641
Due to other governments	-	5,339	718	1,177
Interfund loan payable	-	1,886,043	-	-
<b>Total liabilities</b>	<b>-</b>	<b>1,892,023</b>	<b>1,359</b>	<b>1,818</b>
<b>Deferred inflows of resources</b>				
Unavailable revenue	-	-	-	-
<b>Fund balances</b>				
Restricted	10,473	-	120,555	495,422
Unassigned	-	(246,761)	-	-
<b>Total fund balances</b>	<b>10,473</b>	<b>(246,761)</b>	<b>120,555</b>	<b>495,422</b>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<b>\$ 10,473</b>	<b>\$ 1,645,262</b>	<b>\$ 121,914</b>	<b>\$ 497,240</b>

Highway 7 Business Center	Hard Coat TIF District	Shoreham TIF District	4900 Excelsior Blvd TIF District	Elmwood Apartments TIF District	Interfund Eliminations	Total
\$ 77,895	\$ 26,326	\$ 400,303	\$ 428,873	\$ 4,032	\$ -	\$ 7,877,891
-	-	-	-	-	-	36,399
-	-	-	-	-	-	13,958
-	-	-	-	-	(31,221)	-
-	-	-	-	-	-	769,226
<u>\$ 77,895</u>	<u>\$ 26,326</u>	<u>\$ 400,303</u>	<u>\$ 428,873</u>	<u>\$ 4,032</u>	<u>\$ (31,221)</u>	<u>\$ 8,697,474</u>
\$ 918	\$ -	\$ 918	\$ 919	\$ -	\$ -	\$ 10,272
706	-	1,152	1,296	537	-	27,804
-	31,221	-	-	-	(31,221)	2,327,586
<u>1,624</u>	<u>31,221</u>	<u>2,070</u>	<u>2,215</u>	<u>537</u>	<u>(31,221)</u>	<u>2,365,662</u>
-	-	-	-	-	-	140,178
76,271	-	398,233	426,658	3,495	-	6,443,290
-	(4,895)	-	-	-	-	(251,656)
<u>76,271</u>	<u>(4,895)</u>	<u>398,233</u>	<u>426,658</u>	<u>3,495</u>	<u>-</u>	<u>6,191,634</u>
<u>\$ 77,895</u>	<u>\$ 26,326</u>	<u>\$ 400,303</u>	<u>\$ 428,873</u>	<u>\$ 4,032</u>	<u>\$ (31,221)</u>	<u>\$ 8,697,474</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, 2020

	Duke West End TIF	Eliot Park TIF	Ellipse TIF District	HRA Levy
Revenues				
Taxes				
Property taxes	\$ -	\$ -	\$ -	\$ 1,320,567
Tax increments	2,732,063	471,422	700,701	-
Abatement of property taxes	14,836	-	-	3,273
Interest income	14,012	-	11,313	16,061
Total revenues	<u>2,760,911</u>	<u>471,422</u>	<u>712,014</u>	<u>1,339,901</u>
Expenditures				
Current				
Social and economic development	1,936,640	716,002	973,079	15,386
Debt service				
Interest and other	19,086	-	-	-
Total expenditures	<u>1,955,726</u>	<u>716,002</u>	<u>973,079</u>	<u>15,386</u>
Revenues over (under) expenditures	805,185	(244,580)	(261,065)	1,324,515
Other financing (uses)				
Transfers out	(566,038)	-	-	(1,302,000)
Net change in fund balances	239,147	(244,580)	(261,065)	22,515
Fund balances - January 1	853,697	271,926	624,765	767
Fund balances - December 31	<u>\$ 1,092,844</u>	<u>\$ 27,346</u>	<u>\$ 363,700</u>	<u>\$ 23,282</u>

<u>Victoria Ponds</u>	<u>Park Center Housing</u>	<u>CSM TIF District</u>	<u>Mill City TIF District</u>	<u>Park Commons TIF District</u>
\$ -	\$ -	\$ -	\$ -	\$ -
-	182,944	565,130	595,478	2,859,900
-	-	3,190	-	362
<u>4,226</u>	<u>8,077</u>	<u>2,696</u>	<u>3,311</u>	<u>13,289</u>
<u>4,226</u>	<u>191,021</u>	<u>571,016</u>	<u>598,789</u>	<u>2,873,551</u>
631	4,868	520,431	548,775	2,703,533
-	-	-	-	-
<u>631</u>	<u>4,868</u>	<u>520,431</u>	<u>548,775</u>	<u>2,703,533</u>
3,595	186,153	50,585	50,014	170,018
-	(126,278)	-	-	-
<u>3,595</u>	<u>59,875</u>	<u>50,585</u>	<u>50,014</u>	<u>170,018</u>
<u>126,954</u>	<u>880,612</u>	<u>281,871</u>	<u>325,342</u>	<u>1,456,145</u>
<u>\$ 130,549</u>	<u>\$ 940,487</u>	<u>\$ 332,456</u>	<u>\$ 375,356</u>	<u>\$ 1,626,163</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, 2020

	Edgewood TIF District	Elmwood Village	Wolfe Lake TIF District	Aquila Commons
Revenues				
Taxes				
Property taxes	\$ -	\$ -	\$ -	\$ -
Tax increments	-	2,212,120	155,628	228,981
Abatement of property taxes	-	-	-	-
Interest income	-	39,402	2,983	12,575
Total revenues	<u>-</u>	<u>2,251,522</u>	<u>158,611</u>	<u>241,556</u>
Expenditures				
Current				
Social and economic development	184	12,226	154,055	5,698
Debt service				
Interest and other	-	120,617	-	-
Total expenditures	<u>184</u>	<u>132,843</u>	<u>154,055</u>	<u>5,698</u>
Revenues over (under) expenditures	(184)	2,118,679	4,556	235,858
Other financing (uses)				
Transfers out	-	(378,675)	-	(126,278)
Net change in fund balances	(184)	1,740,004	4,556	109,580
Fund balances - January 1	<u>10,657</u>	<u>(1,986,765)</u>	<u>115,999</u>	<u>385,842</u>
Fund balances - December 31	<u>\$ 10,473</u>	<u>\$ (246,761)</u>	<u>\$ 120,555</u>	<u>\$ 495,422</u>

Highway 7 Business Center	Hard Coat TIF District	Shoreham TIF District	4900 Excelsior Blvd TIF District	Elmwood Apartments TIF District	Total
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,320,567
144,722	27,854	539,064	665,098	-	12,081,105
-	-	-	-	-	21,661
523	812	4,386	3,759	101	137,526
145,245	28,666	543,450	668,857	101	13,560,859
141,647	-	488,669	497,757	537	8,720,118
-	2,278	-	-	-	141,981
141,647	2,278	488,669	497,757	537	8,862,099
3,598	26,388	54,781	171,100	(436)	4,698,760
-	-	-	-	-	(2,499,269)
3,598	26,388	54,781	171,100	(436)	2,199,491
72,673	(31,283)	343,452	255,558	3,931	3,992,143
\$ 76,271	\$ (4,895)	\$ 398,233	\$ 426,658	\$ 3,495	\$ 6,191,634

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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
<b>Assets</b>				
<b>Current assets</b>				
Cash and investments	\$ -	\$ 380,179	\$ 1,194,778	\$ 1,574,957
Due from other governments	19,634	-	7,128	26,762
Accounts receivable	49,803	-	(683)	49,120
Taxes receivable - unremitted	-	-	219,116	219,116
Prepaid items	530,393	96,296	114,265	740,954
Total current assets	599,830	476,475	1,534,604	2,610,909
<b>Noncurrent assets</b>				
<b>Capital assets, at cost</b>				
Land	-	-	818,094	818,094
Building and structures	-	-	9,484,364	9,484,364
Improvements other than buildings	-	-	2,517,832	2,517,832
Infrastructure	-	-	1,313,801	1,313,801
Machinery, furniture and equipment	-	-	9,432,107	9,432,107
Fleet	-	-	10,544,717	10,544,717
Total capital assets, at cost	-	-	34,110,915	34,110,915
Less: accumulated depreciation	-	-	(14,318,258)	(14,318,258)
Total noncurrent assets	-	-	19,792,657	19,792,657
Total assets	599,830	476,475	21,327,261	22,403,566
<b>Deferred outflows of resources</b>				
Related to pensions	7,618,406	-	-	7,618,406
Related to OPEB	399,018	-	-	399,018
Total deferred outflows of resources	8,017,424	-	-	8,017,424
<b>Liabilities</b>				
<b>Current liabilities</b>				
Accounts payable	24,384	487	44,452	69,323
Accrued flex spending	17,152	-	-	17,152
Due to other governments	-	-	750	750
Due to other funds	91,381	-	-	91,381
Compensated absences payable - current	2,935,904	-	-	2,935,904
Capital lease payable - current	-	-	58,669	58,669
Other postemployment benefits payable	214,270	-	-	214,270
Total current liabilities	3,283,091	487	103,871	3,387,449
<b>Noncurrent liabilities</b>				
Compensated absences payable	1,435,253	-	-	1,435,253
Capital lease payable	-	-	23,030	23,030
Other postemployment benefits payable	3,948,954	-	-	3,948,954
Net pension liability	24,205,289	-	-	24,205,289
Total noncurrent liabilities	29,589,496	-	23,030	29,612,526
Total liabilities	32,872,587	487	126,901	32,999,975
<b>Deferred inflows of resources</b>				
Related to pensions	8,083,797	-	-	8,083,797
Related to OPEB	130,610	-	-	130,610
Total deferred inflows of resources	8,214,407	-	-	8,214,407
<b>Net position</b>				
Net investment in capital assets	-	-	19,710,958	19,710,958
Unrestricted	(32,469,740)	475,988	1,489,402	(30,504,350)
Total net position	\$ (32,469,740)	\$ 475,988	\$ 21,200,360	\$ (10,793,392)

**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, 2020

**Statement 26**

	Employee Benefits	Uninsured Loss	Capital Replacement	Total
Operating revenues				
Charges for services	\$ 2,933,775	\$ -	\$ 1,432,949	\$ 4,366,724
Other	253,988	85,330	-	339,318
<b>Total operating revenues</b>	<b>3,187,763</b>	<b>85,330</b>	<b>1,432,949</b>	<b>4,706,042</b>
Operating expenses				
Personal services	3,067,719	42,527	-	3,110,246
Supplies	-	-	684,440	684,440
Professional services	55,211	-	5,163	60,374
Insurance, deductibles and uninsured losses	-	184,868	-	184,868
Depreciation	-	-	2,092,553	2,092,553
Other	40,741	395	702,439	743,575
<b>Total operating expenses</b>	<b>3,163,671</b>	<b>227,790</b>	<b>3,484,595</b>	<b>6,876,056</b>
Operating income (loss)	24,092	(142,460)	(2,051,646)	(2,170,014)
Nonoperating revenues (expenses)				
Interest income	31,451	12,412	12,860	56,723
Property taxes	150,000	-	1,786,816	1,936,816
Intergovernmental revenue	198,284	-	274,747	473,031
Gain (loss) on disposal of capital assets	-	-	(81,067)	(81,067)
Interest expense	-	-	(4,420)	(4,420)
<b>Total nonoperating revenues (expenses)</b>	<b>379,735</b>	<b>12,412</b>	<b>1,988,936</b>	<b>2,381,083</b>
Income (loss) before transfers	403,827	(130,048)	(62,710)	211,069
Transfers in	-	-	138,952	138,952
Change in net position	403,827	(130,048)	76,242	350,021
Net position - January 1	(32,873,567)	606,036	21,124,118	(11,143,413)
Net position - December 31	\$ (32,469,740)	\$ 475,988	\$ 21,200,360	\$ (10,793,392)

	Employee Benefits	Uninsured Loss	Capital Replacement	Total
<b>Cash flows from operating activities</b>				
Receipts from interfund services provided	\$ 2,933,775	\$ -	\$ 1,433,908	\$ 4,367,683
Other operating cash receipts	204,185	85,330	-	289,515
Payments to suppliers	(233,136)	(216,578)	(1,505,641)	(1,955,355)
Payments to employees	(3,516,155)	(42,527)	-	(3,558,682)
Net cash flows provided (used) by operating activities	<u>(611,331)</u>	<u>(173,775)</u>	<u>(71,733)</u>	<u>(856,839)</u>
<b>Cash flows from noncapital financing activities</b>				
Property taxes	150,000	-	1,567,700	1,717,700
Intergovernmental receipts	200,260	-	268,578	468,838
Advances to/from other funds - net change	91,381	-	-	91,381
Net cash flows provided (used) by noncapital financing activities	<u>441,641</u>	<u>-</u>	<u>1,836,278</u>	<u>2,277,919</u>
<b>Cash flows from capital and related financing activities</b>				
Transfers in	-	-	138,952	138,952
Acquisition of capital assets	-	-	(1,610,985)	(1,610,985)
Proceeds from sale of capital assets	-	-	263,168	263,168
Acquisition of capital lease	-	-	22,887	22,887
Principal paid on capital lease	-	-	(62,193)	(62,193)
Interest paid on capital lease	-	-	(4,420)	(4,420)
Net cash flows provided (used) by and related financing activities	<u>-</u>	<u>-</u>	<u>(1,252,591)</u>	<u>(1,252,591)</u>
<b>Cash flows from investing activities</b>				
Interest received	31,451	12,412	12,860	56,723
Net increase in cash and cash equivalents	(138,239)	(161,363)	524,814	225,212
Cash and cash equivalents - January 1	138,239	541,542	669,964	1,349,745
Cash and cash equivalents - December 31	<u>\$ -</u>	<u>\$ 380,179</u>	<u>\$ 1,194,778</u>	<u>\$ 1,574,957</u>

	Employee Benefits	Uninsured Loss	Capital Replacement	Total
Reconciliation of operating income (loss) to net cash provided (used) by operating activities				
Operating income (loss)	\$ 24,092	\$ (142,460)	\$ (2,051,646)	\$ (2,170,014)
Adjustments to reconcile operating income (loss) to net cash flows from operating activities				
Depreciation	-	-	2,092,553	2,092,553
(Increase) decrease in assets/deferred outflows				
Accounts receivable	(49,803)	-	959	(48,844)
Prepaid items	(139,758)	(15,475)	(42,072)	(197,305)
Inventories	-	-	-	-
Deferred outflows of resources	4,349,938	-	-	4,349,938
Increase (decrease) in liabilities/deferred inflows				
Accounts payable	4,362	(15,840)	(44,813)	(56,291)
Accrued flex spending	452	-	-	452
Due to other governments	(1,788)	-	(26,714)	(28,502)
Accrued salaries payable	-	-	-	-
Compensated absences payable	343,347	-	-	343,347
Other postemployment benefits	339,468	-	-	339,468
Net pension liability	2,861,353	-	-	2,861,353
Deferred inflows of resources	(8,342,994)	-	-	(8,342,994)
Net cash provided (used) by operating activities	<u>\$ (611,331)</u>	<u>\$ (173,775)</u>	<u>\$ (71,733)</u>	<u>\$ (856,839)</u>
Noncash capital and related financing activities				
Disposal of capital assets	\$ -	\$ -	\$ 1,620,679	\$ 1,620,679

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### **III. STATISTICAL SECTION (UNAUDITED)**

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## Statistical Section (Unaudited)

This part of the City of St. Louis Park's statistical comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

<u>Contents</u>	<u>Page</u>
<b>Financial Trends</b> These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	<b>154</b>
<b>Revenue Capacity</b> These schedules contain information to help the reader assess the factors affecting the City's ability to generate its property tax.	<b>166</b>
<b>Debt Capacity</b> These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	<b>178</b>
<b>Demographic and Economic Information</b> These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place and to help make comparisons over time and with other governments.	<b>181</b>
<b>Operating Information</b> These schedules contain information about the City's operations and resources to help the reader understand how the City's financial information relates to the services the City provides and the activities it performs.	<b>184</b>

**Sources:** Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

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

	Fiscal Year			
	2011	2012	2013	2014
<b>Governmental activities</b>				
Net investment in capital assets	\$ 99,835,484	\$ 95,020,700	\$ 96,480,493	\$ 94,891,625
Restricted	17,695,996	18,941,172	13,560,965	10,971,995
Unrestricted	<u>43,929,086</u>	<u>46,413,200</u>	<u>45,688,600</u>	<u>49,971,778</u>
<b>Total governmental activities net position</b>	<b><u>\$ 161,460,566</u></b>	<b><u>\$ 160,375,072</u></b>	<b><u>\$ 155,730,058</u></b>	<b><u>\$ 155,835,398</u></b>
<b>Business-type activities</b>				
Net investment in capital assets	\$ 22,347,266	\$ 22,906,086	\$ 19,127,309	\$ 22,818,382
Unrestricted	<u>8,524,086</u>	<u>9,829,024</u>	<u>11,540,303</u>	<u>4,783,696</u>
<b>Total business-type activities net position</b>	<b><u>\$ 30,871,352</u></b>	<b><u>\$ 32,735,110</u></b>	<b><u>\$ 30,667,612</u></b>	<b><u>\$ 27,602,078</u></b>
<b>Total primary government</b>				
Net investment in capital assets	\$ 122,182,750	\$ 117,926,786	\$ 115,607,802	\$ 117,710,007
Restricted	17,695,996	18,941,172	13,560,965	10,971,995
Unrestricted	<u>52,453,172</u>	<u>56,242,224</u>	<u>57,228,903</u>	<u>54,755,474</u>
<b>Total primary government</b>	<b><u>\$ 192,331,918</u></b>	<b><u>\$ 193,110,182</u></b>	<b><u>\$ 186,397,670</u></b>	<b><u>\$ 183,437,476</u></b>

**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					
2015	2016	2017	2018	2019	2020
\$ 96,286,131	\$ 96,458,787	\$ 103,279,857	\$ 107,090,668	\$ 102,644,391	\$ 103,325,878
10,608,709	10,658,889	11,439,977	13,200,855	22,391,884	15,556,085
<u>31,667,135</u>	<u>31,751,796</u>	<u>26,888,688</u>	<u>23,914,099</u>	<u>11,937,764</u>	<u>24,180,714</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>	<u>\$ 143,062,677</u>
\$ 22,753,326	\$ 23,030,284	\$ 25,716,982	\$ 25,992,377	\$ 27,805,955	\$ 30,198,068
4,620,302	5,849,650	4,979,057	6,163,907	6,426,698	8,071,994
<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>	<u>\$ 38,270,062</u>
\$ 119,039,457	\$ 119,489,071	\$ 128,996,839	\$ 133,083,045	\$ 130,450,346	\$ 133,523,946
10,608,709	10,658,889	11,439,977	13,200,855	22,391,884	15,556,085
<u>36,287,437</u>	<u>37,601,446</u>	<u>31,867,745</u>	<u>30,078,006</u>	<u>18,364,462</u>	<u>32,252,708</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>	<u>\$ 181,332,739</u>

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

	Fiscal Year			
	2011	2012	2013	2014
<b>Expenses</b>				
Governmental activities				
General government	\$ 7,247,716	\$ 7,387,354	\$ 10,085,905	\$ 9,161,922
Public safety	12,535,793	13,264,220	13,365,297	13,954,604
Public works	7,513,833	-	-	-
Public information	803,885	524,012	466,043	507,928
Culture and recreation	7,882,789	-	-	-
Parks and recreation	-	-	-	-
Operations	-	-	-	-
Operations and recreation	-	15,209,548	13,487,238	13,318,552
Engineering	-	5,253,969	16,046,665	21,045,392
Housing and rehabilitation	794,935	3,914,261	1,774,657	909,051
Housing maintenance	79,786	116,949	141,250	130,534
Social and economic development	6,171,527	7,810,635	9,040,280	8,058,914
General services	-	-	-	-
Interest on long-term debt	1,695,758	1,245,294	1,295,298	1,185,975
Total governmental activities expenses	<u>44,726,022</u>	<u>54,726,242</u>	<u>65,702,633</u>	<u>68,272,872</u>
Business-type activities				
Water	3,839,592	3,890,860	5,747,116	4,609,579
Sewer	4,572,869	4,593,166	5,272,646	4,885,748
Solid Waste	2,319,099	2,562,985	3,614,118	2,813,587
Refuse	-	-	-	-
Storm Water	1,373,546	1,485,390	1,390,235	1,422,645
Wireless	-	-	-	-
Total business-type activities expenses	<u>12,105,106</u>	<u>12,532,401</u>	<u>16,024,115</u>	<u>13,731,559</u>
Total expenses	<u>\$ 56,831,128</u>	<u>\$ 67,258,643</u>	<u>\$ 81,726,748</u>	<u>\$ 82,004,431</u>
<b>Program revenues</b>				
Governmental activities				
Charges for services				
General government	\$ 1,059,527	\$ 1,060,679	\$ 1,024,253	\$ 1,142,294
Public safety	2,917,525	3,344,449	3,109,813	3,477,244
Public works	315,163	-	-	-
Public information	200,000	-	-	-
Culture and recreation	2,111,348	2,438,841	-	-
Operations and recreation	-	-	2,035,715	2,089,052
Engineering	-	-	1,032	318,873
Housing and rehabilitation	62,191	8,162	8,606	7,537
Housing maintenance	-	-	-	241
Social and economic development	316,935	281,002	250,015	224,252
Interest on long-term debt	-	-	-	-
Operating grants and contributions	2,065,312	2,360,465	2,709,644	2,024,171
Capital grants and contributions	1,878,697	6,290,076	11,881,109	12,066,132
Total governmental activities program revenue	<u>10,926,698</u>	<u>15,783,674</u>	<u>21,020,187</u>	<u>21,349,796</u>
Business-type activities				
Charges for services				
Water	4,475,068	5,109,446	5,037,067	5,188,065
Sewer	5,768,266	5,959,931	5,822,085	5,841,377
Solid Waste	2,894,726	2,858,930	2,912,415	3,179,732
Refuse	-	-	-	-
Storm Water	1,904,587	1,977,663	2,054,915	2,246,201
Wireless	-	-	-	-
Operating grants and contributions	103,166	105,976	135,642	127,742
Capital grants and contributions	-	-	-	-
Total business-type activities program revenue	<u>15,145,813</u>	<u>16,011,946</u>	<u>15,962,124</u>	<u>16,583,117</u>
Total program revenues	<u>\$ 26,072,511</u>	<u>\$ 31,795,620</u>	<u>\$ 36,982,311</u>	<u>\$ 37,932,913</u>

Table 2  
Page 1 of 2

		Fiscal Year									
		2015	2016	2017	2018	2019	2020				
\$	10,712,749	\$	11,182,348	\$	10,648,181	\$	11,051,775	\$	12,022,082	\$	12,065,668
	15,336,854		20,091,787		17,870,131		17,621,109		18,868,900		18,283,411
	-		-		-		-		-		-
	3,057,509		549,940		647,316		642,350		594,521		924,428
	-		-		-		-		-		-
	-		-		-		-		7,463,862		6,454,814
	-		-		-		-		20,692,741		18,700,327
	9,996,885		13,352,637		13,448,470		15,146,290		-		-
	10,185,956		5,091,818		7,859,907		7,491,753		-		-
	707,661		528,467		480,911		530,192		1,001,834		1,085,356
	84,505		144,204		72,244		19,768		89,828		709,009
	8,872,479		8,826,281		10,987,654		12,549,378		16,536,420		11,642,624
	-		-		-		-		-		-
	1,233,107		1,620,489		1,511,329		1,456,241		2,139,962		1,818,341
	60,187,705		61,387,971		63,526,143		66,508,856		79,410,150		71,683,978
	4,684,190		4,773,624		4,786,816		5,445,760		5,922,733		5,539,880
	5,333,887		6,002,088		6,227,919		6,083,196		6,387,860		6,434,245
	2,917,214		3,256,804		3,390,874		3,463,412		3,527,810		3,666,565
	-		-		-		-		-		-
	1,400,975		1,514,761		1,611,785		2,372,829		2,179,955		2,206,992
	-		-		-		-		-		-
	14,336,266		15,547,277		16,017,394		17,365,197		18,018,358		17,847,682
\$	74,523,971	\$	76,935,248	\$	79,543,537	\$	83,874,053	\$	97,428,508	\$	89,531,660
\$	1,185,881	\$	1,184,122	\$	1,143,220	\$	1,214,710	\$	1,231,454	\$	-
	4,237,819		4,354,793		3,962,306		4,049,914		5,212,202		6,353,145
	-		-		-		-		-		-
	10,000		-		-		-		-		-
	-		-		-		576		-		89,008
	2,344,863		2,122,730		2,308,221		2,516,191		2,566,014		1,703,896
	144,151		97,688		134,508		136,648		156,330		-
	6,315		7,607		4,514		633,932		3,467		-
	-		-		-		-		-		-
	256,557		259,910		255,109		213,944		216,989		330,072
	-		-		-		-		-		-
	3,586,440		2,512,011		3,670,054		2,666,090		3,360,346		6,426,976
	3,178,294		3,960,739		5,205,879		3,526,377		2,693,816		3,646,262
	14,950,320		14,499,600		16,683,811		14,958,382		15,440,618		18,549,359
	5,766,601		5,674,239		6,089,295		6,469,268		6,908,538		7,989,679
	6,112,024		6,663,731		7,261,014		7,360,679		7,634,597		8,059,428
	3,189,566		2,905,899		3,237,506		3,348,948		3,538,931		3,782,579
	-		-		-		-		-		-
	2,472,134		2,642,860		2,816,349		2,887,425		3,059,282		3,158,072
	-		-		-		-		-		-
	128,610		181,525		159,376		174,250		196,100		196,223
	-		799,894		279,801		429,928		556,508		629,172
	17,668,935		18,868,148		19,843,341		20,670,498		21,893,956		23,815,153
\$	32,619,255	\$	33,367,748	\$	36,527,152	\$	35,628,880	\$	37,334,574	\$	42,364,512

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

	Fiscal Year			
	2011	2012	2013	2014
Net (expenses) revenues				
Governmental activities	\$ (33,799,324)	\$ (38,942,568)	\$ (44,682,446)	\$ (46,923,076)
Business-type activities	3,040,707	3,479,545	(61,991)	2,851,558
Total primary government	<u>\$ (30,758,617)</u>	<u>\$ (35,463,023)</u>	<u>\$ (44,744,437)</u>	<u>\$ (44,071,518)</u>
General Revenues and Other Changes in Net Position				
Governmental activities				
Taxes				
Property taxes	\$ 23,527,322	\$ 24,625,789	\$ 26,963,176	\$ 27,398,157
Tax increment	7,222,976	6,446,389	6,647,729	7,380,995
Franchise taxes	1,894,714	1,954,557	2,211,569	2,268,213
Lodging taxes	-	-	-	-
Grants and contributions not restricted to specific programs	156,325	46,422	45,266	504,035
Unrestricted investment earnings	1,048,395	663,978	138,899	407,753
Gain on sale of capital assets	51,686	60,416	69,237	464,629
Miscellaneous	2,300,478	2,183,685	2,199,629	2,609,539
Transfers	2,457,867	1,660,035	1,761,927	5,995,095
Total governmental activities expenses	<u>38,659,763</u>	<u>37,641,271</u>	<u>40,037,432</u>	<u>47,028,416</u>
Business-type activities				
Unrestricted investment earnings	136,674	113,260	(3,348)	78,003
Miscellaneous	-	-	-	-
Transfers	(2,457,867)	(1,660,035)	(1,761,927)	(5,995,095)
Total business-type activities expenses	<u>(2,321,193)</u>	<u>(1,546,775)</u>	<u>(1,765,275)</u>	<u>(5,917,092)</u>
Total primary government	<u>\$ 36,338,570</u>	<u>\$ 36,094,496</u>	<u>\$ 38,272,157</u>	<u>\$ 41,111,324</u>
Change in net position				
Governmental activities	\$ 4,860,439	\$ (1,301,297)	\$ (4,645,014)	\$ 105,340
Business-type activities	719,514	1,932,770	(1,827,266)	(3,065,534)
Total primary government	<u>\$ 5,579,953</u>	<u>\$ 631,473</u>	<u>\$ (6,472,280)</u>	<u>\$ (2,960,194)</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					
2015	2016	2017	2018	2019	2020
\$ (45,237,385)	\$ (46,888,371)	\$ (46,842,332)	\$ (51,550,474)	\$ (63,969,532)	\$ (53,134,619)
<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>5,967,471</u>
<u>\$ (41,904,716)</u>	<u>\$ (43,567,500)</u>	<u>\$ (43,016,385)</u>	<u>\$ (48,245,173)</u>	<u>\$ (60,093,934)</u>	<u>\$ (47,167,148)</u>
\$ 28,209,567	\$ 30,185,703	\$ 31,582,993	\$ 33,449,668	\$ 34,566,143	\$ 36,651,274
6,763,951	7,733,689	8,961,792	10,266,075	11,027,616	12,081,105
2,915,732	3,079,399	3,763,394	3,804,678	1,074,002	4,569,901
-	-	-	1,021,855	4,212,728	339,055
557,671	584,639	590,978	618,645	319,322	331,454
221,408	388,647	408,945	739,130	1,669,916	1,232,923
577,248	142,713	106,204	1,751,339	178,509	56,625
2,985,997	3,201,122	2,091,334	491,591	1,619,458	1,858,081
<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>2,102,839</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>	<u>59,223,257</u>
59,330	65,391	65,900	159,537	271,026	172,777
-	-	-	-	-	-
<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>(2,102,839)</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>(1,930,062)</u>
<u>\$ 42,290,904</u>	<u>\$ 45,381,303</u>	<u>\$ 47,571,540</u>	<u>\$ 52,302,518</u>	<u>\$ 54,938,720</u>	<u>\$ 57,293,195</u>
\$ 614,638	\$ 307,497	\$ 2,739,050	\$ 2,597,100	\$ (7,231,583)	\$ 6,088,638
<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>4,037,409</u>
<u>\$ 386,188</u>	<u>\$ 1,813,803</u>	<u>\$ 4,555,155</u>	<u>\$ 4,057,345</u>	<u>\$ (5,155,214)</u>	<u>\$ 10,126,047</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
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
2020	48,732,379	4,569,901	53,302,280

**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			
	2011	2012	2013	2014
<b>General fund</b>				
Nonspendable	\$ 71,192	\$ 70,450	\$ 256,251	\$ 397,873
Restricted	427,718	458,448	498,922	492,223
Assigned	139,483	690,242	691,171	696,293
Unassigned	10,799,829	10,757,776	14,342,422	14,576,348
<b>Total General fund</b>	<b>\$ 11,438,222</b>	<b>\$ 11,976,916</b>	<b>\$ 15,788,766</b>	<b>\$ 16,162,737</b>
<b>All other governmental funds</b>				
Nonspendable	\$ 306,058	\$ 426,736	\$ -	\$ -
Restricted	21,476,374	20,464,874	15,102,011	12,663,957
Committed	511,610	459,160	467,682	483,590
Assigned	34,425,344	35,947,479	33,481,454	38,701,128
Unassigned	(5,042,828)	(7,567,117)	(7,020,483)	(8,819,377)
<b>Total all other governmental funds</b>	<b>\$ 51,676,558</b>	<b>\$ 49,731,132</b>	<b>\$ 42,030,664</b>	<b>\$ 43,029,298</b>

Table 4

Fiscal Year					
2015	2016	2017	2018	2019	2020
\$ 566,574	\$ 330,483	\$ 292,821	\$ 258,932	\$ 340,247	\$ 362,022
464,469	413,787	392,004	272,840	126,683	82,986
758,084	936,663	1,050,569	1,025,207	1,602,523	992,938
15,242,009	16,193,763	17,054,520	17,697,405	18,762,374	25,386,153
<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>	<u>\$ 26,824,099</u>
\$ -	\$ 23,563	\$ 6,500	\$ 19,700	\$ 6,799	\$ -
12,457,701	10,057,843	11,725,590	12,196,553	28,145,222	18,877,118
481,009	466,287	696,235	1,064,284	913,497	812,078
39,567,878	41,068,221	33,609,392	33,843,896	31,598,020	30,398,365
(6,551,326)	(5,187,339)	(3,628,247)	(7,382,436)	(7,310,832)	(5,887,231)
<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>	<u>\$ 44,200,330</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			
	2011	2012	2013	2014
<b>Revenues</b>				
Taxes	\$ 23,336,537	\$ 24,259,861	\$ 25,658,762	\$ 24,361,524
Tax increments	7,222,976	6,446,389	6,647,729	7,380,995
Abatement of property taxes	-	-	-	-
Lodging tax	-	-	-	-
Franchise taxes	1,894,714	1,954,557	2,211,569	2,268,213
Licenses and permits	2,797,700	3,241,813	3,069,090	3,413,683
Intergovernmental	3,105,500	2,983,191	13,887,247	13,216,055
Charges for services	3,897,710	3,547,900	3,052,789	3,476,264
Fines and forfeits	281,047	341,356	311,882	369,546
Special assessments	985,912	2,233,715	1,505,568	1,268,539
Investment earnings	949,510	622,450	123,306	386,263
Miscellaneous	2,285,608	2,188,262	2,216,820	2,577,300
<b>Total revenues</b>	<b>46,757,214</b>	<b>47,819,494</b>	<b>58,684,762</b>	<b>58,718,382</b>
<b>Expenditures</b>				
General government	6,415,318	6,503,965	7,162,588	7,376,380
Public safety	11,885,577	12,571,356	12,435,341	13,239,729
Public works	4,437,939	-	-	-
Parks and recreation	-	-	-	-
Operations and recreation	-	13,955,142	10,083,541	10,450,789
Operations	-	-	-	-
Engineering	-	939,416	15,998,842	21,013,383
Public information	383,586	470,280	408,683	462,341
Culture and recreation	6,546,054	-	-	-
Housing and rehabilitation	790,918	3,881,500	1,715,540	875,225
Housing maintenance	79,786	116,949	141,250	130,534
Social and economic development	6,426,013	7,681,176	8,910,821	7,928,905
Miscellaneous	-	-	-	-
Debt service				
Principal	5,420,000	1,285,000	3,275,000	1,970,000
Interest	1,170,549	1,235,118	1,298,016	1,138,100
Other charges	1,040	46,435	3,895	54,433
Bond issuance costs	-	-	-	-
Capital outlay	14,295,009	3,930,528	2,089,798	2,271,988
<b>Total expenditures</b>	<b>57,851,789</b>	<b>52,616,865</b>	<b>63,523,315</b>	<b>66,911,807</b>
<b>Revenues over (under) expenditures</b>	<b>(11,094,575)</b>	<b>(4,797,371)</b>	<b>(4,838,553)</b>	<b>(8,193,425)</b>
<b>Other financing sources (uses)</b>				
Transfers in	7,086,529	6,395,355	10,472,534	19,317,129
Transfers out	(5,520,906)	(5,580,044)	(9,531,189)	(15,241,005)
Refunding bonds issued	-	1,290,000	-	-
Bonds issued	-	-	-	5,070,000
Proceeds from long term debt	-	-	-	-
Premium on bonds issued	-	-	-	98,040
Redemption of refunded bonds	-	-	-	-
Payments to refunded bond escrow agent	-	-	-	-
Costs paid to refunded bond escrow agent	-	-	-	-
Proceeds from sale of capital assets	-	885,328	8,590	321,866
<b>Total other financing sources (uses)</b>	<b>1,565,623</b>	<b>2,990,639</b>	<b>949,935</b>	<b>9,566,030</b>
<b>Net change in fund balances</b>	<b>\$ (9,528,952)</b>	<b>\$ (1,806,732)</b>	<b>\$ (3,888,618)</b>	<b>\$ 1,372,605</b>
<b>Debt service as a percentage of noncapital expenditures</b>	<b>15.26%</b>	<b>5.18%</b>	<b>7.44%</b>	<b>4.81%</b>

Table 5

		Fiscal Year									
		2015	2016	2017	2018	2019	2020				
\$	26,598,373	\$	27,734,546	\$	28,941,646	\$	31,853,551	\$	32,598,016	\$	34,531,332
	6,763,951		7,733,689		8,961,792		10,266,075		11,368,332		12,081,105
	-		-		-		-		(340,716)		112,630
	-		-		-		1,021,855		4,212,728		339,055
	2,915,732		3,079,399		3,763,394		3,804,678		1,074,002		4,569,901
	4,312,702		4,320,078		3,985,517		4,001,645		5,264,659		5,294,314
	6,017,025		4,345,482		8,228,158		5,240,175		5,383,495		6,904,307
	3,608,933		3,406,964		3,529,125		3,708,327		3,847,458		3,055,615
	263,951		299,808		293,236		282,146		274,339		126,192
	1,238,873		1,192,628		1,169,859		1,150,577		1,183,508		1,127,497
	199,747		362,196		369,203		677,131		1,616,635		1,176,200
	3,051,946		3,230,390		2,218,712		1,529,337		1,701,458		1,901,751
	<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>		<u>71,219,899</u>
	7,813,046		8,188,193		8,142,675		9,075,636		9,372,448		9,490,394
	14,025,463		14,669,251		15,824,577		17,050,302		17,651,051		17,806,753
	-		-		-		-		-		-
	-		-		-		-		6,571,735		6,454,814
	9,710,604		9,688,872		10,665,329		11,031,544		-		-
	-		-		-		-		14,448,732		17,097,698
	10,068,447		480,162		7,754,421		4,449,897		-		-
	561,252		477,721		495,256		567,653		477,150		875,890
	-		-		-		-		-		-
	538,411		482,313		453,940		512,029		796,010		1,060,588
	84,505		144,204		57,370		12,040		60,315		709,009
	8,872,479		8,673,638		10,857,645		10,479,359		15,396,270		11,513,051
	-		-		-		-		26,282		517,651
	1,612,827		1,681,876		3,650,297		2,055,000		2,990,000		11,915,000
	1,210,971		1,446,371		1,493,780		1,462,325		1,468,620		2,138,151
	2,640		2,717		-		-		-		-
	-		111,922		40,419		33,060		309,945		124,200
	3,486,864		19,894,828		10,159,659		14,388,878		16,857,464		8,140,774
	<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>87,843,973</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>		<u>(16,624,074)</u>
	13,296,241		8,148,651		5,586,488		7,282,081		3,919,120		7,537,016
	(9,462,850)		(6,994,545)		(4,182,613)		(5,608,462)		(2,299,247)		(5,573,129)
	-		-		-		-		-		-
	-		10,000,000		3,430,000		2,020,000		32,005,001		10,505,000
	2,200,000		-		-		-		-		-
	-		396,655		196,964		5,659		1,965,386		938,458
	-		-		-		-		-		-
	-		-		-		-		(2,160,000)		-
	-		-		-		-		-		-
	777,248		3,000		-		1,679,945		-		56,625
	<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>13,463,970</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>(3,160,104)</u>
	<u>5.18%</u>		<u>6.02%</u>		<u>8.61%</u>		<u>5.6%</u>		<u>6.0%</u>		<u>17.6%</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			
	2011	2012	2013	2014
Population	44,665	45,505	46,362	47,411
<b>Real Property</b>				
Total assessed/tax capacity value	\$ 65,611,006	\$ 62,602,680	\$ 61,348,576	\$ 62,068,742
Less tax increment districts - Area-wide allocation (net)	(6,379,980) <u>(2,775,483)</u>	(5,426,995) <u>(3,220,881)</u>	(5,587,609) <u>(2,940,678)</u>	(6,130,653) <u>(3,670,487)</u>
Net assessed/tax capacity value	<u>\$ 56,455,543</u>	<u>\$ 53,954,804</u>	<u>\$ 52,820,289</u>	<u>\$ 52,267,602</u>
Estimated market value	<u>\$ 5,302,557,500</u>	<u>\$ 5,226,900,300</u>	<u>\$ 5,103,186,900</u>	<u>\$ 5,123,316,900</u>
<b>Personal Property</b>				
Assessed/tax capacity value	<u>\$ 478,864</u>	<u>\$ 490,122</u>	<u>\$ 559,718</u>	<u>\$ 576,427</u>
Estimated market value	<u>\$ 24,363,800</u>	<u>\$ 24,962,100</u>	<u>\$ 28,487,900</u>	<u>\$ 29,320,000</u>
<b>Total Real and Personal Property</b>				
Assessed/tax capacity value	<u>\$ 56,934,407</u>	<u>\$ 54,444,926</u>	<u>\$ 53,380,007</u>	<u>\$ 52,844,029</u>
Estimated market value	<u>\$ 5,326,921,300</u>	<u>\$ 5,251,862,400</u>	<u>\$ 5,131,674,800</u>	<u>\$ 5,152,636,900</u>
Tax Capacity Rate	41.5%	43.9%	46.6%	48.6%

Table 6

						Fiscal Year					
2015		2016		2017		2018		2019		2020	
47,502		48,354		48,747		49,039		48,677		49,834	
\$	65,599,841	\$	71,118,692	\$	77,324,247	\$	81,272,437	\$	88,023,090	\$	95,317,915
	(5,894,025)		(6,798,025)		(8,211,886)		(8,746,231)		(10,129,650)		(10,875,524)
	(3,879,478)		(3,168,815)		(4,255,021)		(4,787,086)		(4,741,344)		(5,233,557)
\$	55,826,338	\$	61,151,852	\$	64,857,340	\$	67,739,120	\$	73,152,096	\$	79,208,834
\$	5,435,136,500	\$	5,841,548,800	\$	6,306,324,900	\$	6,637,473,500	\$	7,205,288,500	\$	7,731,035,100
\$	607,025	\$	614,793	\$	650,504	\$	710,227	\$	747,358	\$	739,713
\$	30,852,400	\$	31,212,200	\$	33,056,300	\$	36,048,400	\$	37,926,900	\$	37,525,400
\$	56,433,363	\$	61,766,645	\$	65,507,844	\$	68,469,347	\$	73,899,454	\$	79,948,547
\$	5,465,988,900	\$	5,872,761,000	\$	6,339,381,200	\$	6,673,521,900	\$	7,243,215,400	\$	7,768,560,500
	47.8%		46.2%		46.2%		46.4%		44.7%		43.4%

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

<b>City of St. Louis Park</b>	Fiscal Year			
	2011	2012	2013	2014
Operating Rate	39.689	40.303	42.902	45.868
Debt Service Rate	1.770	3.563	3.650	2.702
<b>Total City Direct Rates</b>	<b>41.459</b>	<b>43.866</b>	<b>46.552</b>	<b>48.570</b>
<b>Overlapping Rates</b>				
<b>County</b>				
Operating Rate	45.840	48.231	49.461	49.959
<b>School District</b>				
Operating Rate	12.917	13.324	13.976	16.741
Debt Service Rate	13.539	15.946	15.754	15.617
<b>Other Taxing Districts</b>				
St. Louis Park HRA Levy	1.817	1.806	1.676	1.808
Metro Mosquito Control	0.525	0.537	0.556	0.563
Metro Council	0.885	0.940	0.997	1.069
Metro Transit Debt	1.539	1.607	1.689	1.703
Hennepin County HRA	0.397	0.403	0.478	0.514
Hennepin Parks	3.765	3.943	4.054	4.169
Park Museum	0.815	0.799	0.754	0.766
HC Regional Railroad Authority	1.246	1.294	1.561	1.777
Referendum Market Value Based Rate	0.148	-	-	-
Watershed	1.606	1.705	1.769	1.806
<b>Total Overlapping Rates</b>	<b>85.039</b>	<b>90.535</b>	<b>92.725</b>	<b>96.492</b>
<b>Total Direct and Overlapping Rates</b>	<b>126.498</b>	<b>134.401</b>	<b>139.277</b>	<b>145.062</b>



Table 7

Fiscal Year					
2015	2016	2017	2018	2019	2020
45.234	43.744	42.933	41.759	40.090	38.656
2.520	2.451	3.267	4.624	4.616	4.742
47.754	46.195	46.200	46.383	44.706	43.398
46.398	45.356	44.087	42.808	41.861	41.084
15.642	14.887	12.364	14.506	13.578	13.946
14.698	13.627	13.247	14.529	13.444	13.244
1.679	1.634	1.661	1.718	1.667	1.668
0.507	0.483	0.475	0.456	0.427	0.412
0.976	0.925	0.883	0.844	0.659	0.062
1.523	1.491	1.463	1.383	1.456	1.433
0.471	0.439	0.497	0.457	0.535	0.801
3.789	3.601	3.365	3.161	2.961	2.859
0.702	0.712	0.711	0.710	0.705	0.710
1.817	1.879	1.925	1.962	1.807	1.388
-	-	-	-	-	-
1.738	1.724	1.738	1.694	1.569	1.493
89.940	86.758	82.416	84.228	80.669	79.654
137.694	132.953	128.616	130.611	125.375	123.052

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

**Table 8**

Taxpayer	2020			2011		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
BRI 1880 Towers at West LLC	\$ 107,772,000	1	1.39 %			
ARC WEMPSMN001, LLC	95,500,000	2	1.23			
Gateway Knollwood, LLC	62,000,000	3	0.80			
Thomson Reuters Prop Tx	54,358,000	4	0.70			
Excelsior & Grand Apts LLC	50,768,000	5	0.65	\$ 52,111,800	5	0.94
Camerata LLC	50,600,000	6	0.65			
Park Glen Corporation	47,100,000	7	0.61			
36 Park LLC	47,040,000	8	0.61			
4800 Excelsior Apartments	46,051,000	9	0.59			
Park Nicollet Real Estate	44,520,500	10	0.57			
Interchange Investors (formerly WHIOP Real Estate)				80,608,500	1	1.45
BRE/COH MN, LLC				76,940,000	2	1.38
Park Nicollet				63,900,000	3	1.15
Parkdale Property LLC				54,803,900	4	0.98
AEW VIF II Acquisition LLC				43,301,000	6	0.78
Parkshore, LLC				38,615,000	7	0.69
Target (formerly Dayton Hudson)				26,183,000	8	0.47
Xcel Energy				25,520,000	9	0.46
WTC No 459 Corp				24,979,000	10	0.45
<b>Total</b>	<b>\$ 605,709,500</b>		<b>7.80 %</b>	<b>\$ 486,962,200</b>		<b>8.75 %</b>
<b>Total taxable assessed value</b>	<b>\$ 7,768,560,500</b>			<b>\$ 5,572,275,800</b>		

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**

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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
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	27,906,854	99.89
2016	29,615,682	29,462,804	99.48	29,448,809	99.44
2017	31,350,534	30,559,213	97.48	30,731,673	98.03
2018	32,921,154	32,737,859	99.44	32,749,899	99.48
2019	34,362,862	34,204,350	99.54	34,258,178	99.70
2020	34,770,521	34,426,033	99.01	34,426,033	99.01

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)			
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	1,909.09
2020	60,150,000	2,100,000	81,699	-	3,082,422	27,870,000	2,194,446	95,478,567	3.87	1,915.93

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)
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	602.23
2019	61,100,000	(13,942,465)	2,327,029	49,484,564	0.69	1,019.52
2020	60,150,000	(4,923,698)	3,082,423	58,308,725	0.75	1,170.06

(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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Governmental Unit	Debt Outstanding (1)	Percentage Applicable (2)	Share of Overlapping Debt
<b>Overlapping Debt</b>			
Hennepin County	\$ 998,790,298	3.78 %	\$ 37,754,273
St. Louis Park Independent School District	131,029,599	99.35	130,177,907
Hopkins Independent School District	194,315,000	3.36	6,528,984
Edina Independent School District	178,548,040	0.06	107,129
Hennepin County Suburban Park District	42,954,642	5.44	2,336,733
Hennepin Regional RR Authority	93,859,422	3.78	3,547,886
Metropolitan Council	<u>103,225,628</u>	<u>1.79</u>	<u>1,847,739</u>
<b>Subtotal of Overlapping Debt</b>	1,742,722,629		182,300,651
<b>Direct Debt</b>			
City of St. Louis Park	<u>65,414,121</u>	<u>100.00</u>	<u>65,414,121</u>
<b>Total of Direct and Overlapping Debt</b>	<u><u>\$ 1,808,136,750</u></u>		<u><u>\$ 247,714,772</u></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			
	2011	2012	2013	2014
Debt Limit	\$ 159,807,639	\$ 157,555,872	\$ 153,950,244	\$ 154,579,107
Total Net Debt Applicable to Limit	<u>15,150,000</u>	<u>14,755,000</u>	<u>13,726,638</u>	<u>18,053,460</u>
Legal Debt Margin	<u>\$ 144,657,639</u>	<u>\$ 142,800,872</u>	<u>\$ 140,223,606</u>	<u>\$ 136,525,647</u>
Total Net Debt Applicable to the Limit as a percentage of Debt Limit	9.48%	9.36%	8.92%	11.68%
<b>Legal Debt Margin Calculation for Fiscal Year</b>				
Estimated Taxable Market Value	<u>\$ 5,326,921,300</u>	<u>\$ 5,251,862,400</u>	<u>\$ 5,131,674,800</u>	<u>\$ 5,152,636,900</u>
Debt Limit (3% of taxable market value)	<u>\$ 159,807,639</u>	<u>\$ 157,555,872</u>	<u>\$ 153,950,244</u>	<u>\$ 154,579,107</u>
Debt applicable to limit				
Total Bonded Debt	\$ 38,880,000	\$ 37,930,000	\$ 37,746,638	\$ 45,090,663
Less:				
G.O. Revenue Bonds	(10,555,000)	(9,600,000)	(12,785,000)	(16,826,503)
G.O. Improvement Bonds	(6,270,000)	(6,975,000)	(6,365,000)	(5,690,000)
G.O. Tax Increment Bonds	(6,905,000)	(6,600,000)	(4,870,000)	(4,520,700)
Notes payable	-	-	-	-
<b>Total Net Debt Applicable to Limit:</b>	<u>15,150,000</u>	<u>14,755,000</u>	<u>13,726,638</u>	<u>18,053,460</u>
<b>Legal Debt Margin:</b>	<u>\$ 144,657,639</u>	<u>\$ 142,800,872</u>	<u>\$ 140,223,606</u>	<u>\$ 136,525,647</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						
2015	2016	2017	2018	2019	2020	
\$ 163,979,667	\$ 176,182,830	\$ 190,181,436	\$ 200,205,657	\$ 216,158,655	\$ 233,056,815	
17,063,045	23,934,703	28,375,000	28,975,000	56,450,000	55,790,000	
<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>	<u>\$ 177,266,815</u>	
10.41%	13.59%	14.92%	14.47%	26.12%	23.94%	
<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>\$ 7,768,560,500</u>	
\$ 163,979,667	\$ 176,182,830	\$ 190,181,436	\$ 200,205,657	\$ 216,158,655	\$ 233,056,815	
\$ 42,355,218	\$ 45,550,000	\$ 50,910,000	\$ 56,280,000	\$ 88,560,000	\$ 90,120,000	
(13,510,000)	(10,515,000)	(14,070,000)	(19,475,000)	(24,900,000)	(27,870,000)	
(5,485,000)	(5,270,000)	(5,055,000)	(4,835,000)	(4,650,000)	(4,360,000)	
(4,175,000)	(3,805,000)	(3,410,000)	(2,995,000)	(2,560,000)	(2,100,000)	
(2,122,173)	(2,025,297)	-	-			
17,063,045	23,934,703	28,375,000	28,975,000	56,450,000	55,790,000	
<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>	<u>\$ 177,266,815</u>	

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

**Table 14**

Fiscal Year	Revenue Bonds <sup>1</sup>					
	Gross Revenue <sup>2</sup>	Less: Operating Expenses <sup>3</sup>	Net Revenue Available	Debt Service		Coverage
				Principal	Interest	
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 <sup>4</sup>	381,359	3.74
2016	15,481,494	(10,328,560)	5,152,934	1,155,000 <sup>5</sup>	301,051	3.54
2017	16,495,157	(10,186,997)	6,308,160	1,360,000 <sup>6</sup>	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	543,388	2.27
2020	19,334,536	(10,982,025)	8,239,321	2,065,000	697,976	2.95

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

<sup>1</sup> Includes Water Utility, Sewer Utility and Storm Water Utility revenue bonds.

<sup>2</sup> Gross revenue includes investment income and excludes intergovernmental and miscellaneous revenues.

<sup>3</sup> Expenses exclude depreciation, interest on bonds and miscellaneous expenses.

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

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

<sup>6</sup> 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)
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	48,677	2,286,261	46,968	35.6	4,692	2.5
2020	49,834	2,469,026	49,545	35.3	5,000	3.7

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 2020			Fiscal Year 2011		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Park Nicollet Health Services and Methodist Hospita	4,650	1	13.9 %	5,825	1	21.7 %
Wells Fargo Mortgage	1,400	2	4.2			
St. Louis Park Public Schools (I.S.D. No. 283)	756	3	2.3	671	3	2.5
St. Louis Park, City of	676	4	2.0	313	8	1.2
Japs-Olson Company	600	5	1.8	700	2	2.6
Sholom Home West	600	6	1.8	575	5	2.1
MoneyGram International	442	7	1.3			
Target (formerly Super Target)	405	8	1.2	405	6	1.5
Center for Diagnostic Imaging	387	9	1.2			
HealthPartners	350	10	1.0			
Knollwood Mall				600	4	2.2
Miracle Mile Shopping Center				350	7	1.3
Lifetime Fitness				300	9	1.1
Profit Stars				300	10	1.1
Total	<u>10,266</u>		<u>30.70 %</u>	<u>10,039</u>		<u>37.30 %</u>
Total City employment			33,432			26,897

Source:  
 Official Statement from 2020 A Bonds

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

Function	Fiscal Year			
	2011	2012	2013	2014
General government	95.4	90.3	88.8	88.4
Public safety				
Police				
Officers	51.0	52.0	52.0	53.0
Civilians	23.0	30.0	34.0	35.0
Fire				
Firefighters and officers	24.0	24.0	24.0	24.0
Operations and recreation and Engineering	32.0	33.0	35.0	34.0
Water	11.2	11.2	10.9	11.2
Sewer	4.9	4.9	4.9	5.5
Solid Waste	3.3	3.3	3.3	4.7
Storm Water	4.9	4.8	4.8	6.2
<b>Total Employees</b>	<b>249.7</b>	<b>253.5</b>	<b>257.7</b>	<b>262.0</b>

Source: St. Louis Park Human Resources Department

Table 17

Fiscal Year					
2015	2016	2017	2018	2019	2020
89.4	91.6	97.9	91.8	93.9	128.0
55.0	55.0	57.0	57.0	57.0	58.0
35.0	35.0	35.0	35.0	36.0	15.0
25.0	26.0	28.0	28.0	28.0	28.0
35.0	35.0	28.1	35.0	36.0	37.0
11.5	11.4	12.5	14.6	12.2	9.7
6.0	6.0	6.4	5.1	6.1	6.0
5.8	5.8	5.3	4.9	5.6	3.0
6.7	6.7	7.1	6.2	6.8	4.0
269.4	272.5	277.3	277.6	281.6	288.7

CITY OF ST. LOUIS PARK, MINNESOTA  
 STATISTICAL SECTION (UNAUDITED)  
 OPERATING INDICATORS BY FUNCTION  
 LAST TEN FISCAL YEARS

Table 18

	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Police										
Medical calls	3,101	3,152	3,296	2,391	3,756	3,623	3,705	4,375	4,479	3,559
Traffic stops	5,362	7,146	6,674	6,907	6,692	6,939	7,401	6,267	3,956	3,352
Other	21,742	24,354	25,014	27,752	29,299	31,462	31,052	31,882	37,399	43,757
Fire										
Inspections/medical/all other calls	3,078	3,117	3,360	4,747	5,118	6,130	5,513	6,308	5,712	5,032
Fire calls - residential/structural	153	142	66	116	135	53	202	297	95	87
Fire calls - other	53	64	48	91	115	41	85	68	50	40
Cable TV										
Hours of new programming	535	-	549.5	311	400	400	368	362	377	249
Inspections										
Permits	9,220	9,091	10,254	11,111	9,684	10,099	11,246	10,106	10,619	11,215
Inspections	22,818	23,667	26,902	32,543	23,031	23,372	28,484	25,187	21,419	23,090
Culture and recreation										
Aquatic park attendance	67,422	70,270	52,557	51,894	68,355	72,439	65,665	71,977	65,000	26,762
Hours of ice time	4,687	5,444	4,701	4,773	4,626	4,125	6,000	6,400	6,900	4,460
Water										
Gallons of water production (billions)	2.1	2.4	2.2	2.09	2.01	1.78	1.79	1.91	1.83	1.77
Average watermain breaks per year	30	30	27	40	41	20	11	38	33	33
Public Works										
Snowplowing hours	2,543	1,173	6,449	3,752	2,284	3,781	2,859	5,466	4,334	2,546

Source: St. Louis Park Departments



Function	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>Public safety</b>										
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	26	28	26	25	28	28	29	29	29	29
Fire										
Stations	2	2	2	2	2	2	2	2	2	2
Vehicles	13	14	13	13	10	14	15	15	15	15
Fire hydrants	1,699	1,699	1,699	1,699	1,699	1,772	1,773	1,774	1,774	1,774
<b>Culture and recreation</b>										
Parks	57	57	57	57	52	53	53	53	53	53
Trails	10	10	10	10	10	22	22	22	22	22
<b>Streets</b>										
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
<b>Water</b>										
Wells	11	11	11	11	10	10	10	10	10	10
Water treatment plants	6	6	6	6	6	6	6	6	6	6
Miles of watermain	160	160	160	160	160	175	175	175	175	175
<b>Sanitary Sewer</b>										
Lift stations	23	23	23	23	23	23	23	23	23	23
Miles of sewermain	147	147	147	147	147	143	143	143	143	143
<b>Storm Sewer</b>										
Lift stations	10	10	10	10	10	10	11	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	3,885	3,885	3,940	3,940	3,940

Source: St. Louis Park Departments

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