



Annual Financial Report

For the fiscal year ended December 31, 2021

Kim Keller – 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
ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED

December 31, 2021

Kim Keller – City Manager

Prepared by: Finance Division

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

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I. INTRODUCTORY SECTION

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July 28, 2022

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 annual comprehensive financial report of the City of St. Louis Park for the fiscal year ended December 31, 2021.

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, 2021, 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, 2021, 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 50,010. 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 100 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 completed in the past couple of years include:

10 West End

The Excelsior Group and Ryan Companies developed this 11-story, 343,000-square-foot Class A office building within West End on the border of St. Louis Park and Golden Valley. The office tower is in St. Louis Park and the 1,214-stall parking structure is in Golden Valley. The building received LEED Silver certification and was 1 of 9 projects awarded MNSHARP certification.

Cedar Place

Patrick Crowe of Crowe Companies LLC developed this six-story, 79 unit apartment building, including 8 affordable units and two levels of structured parking. The site features a new pedestrian trail connection from Cedar Lake Road along Quentin and a bicycle hub for residents. The site is served by multiple bus lines and is situated on the Cedar Lake Trail. The project features several sustainability features, including a green roof on the east side of the parking pedestal; landscaping with no-mow, native plants and drought/salt-tolerant landscaping; electric vehicle charging stations for residents and guests; and a solar array on the roof to offset common area electricity.

Bridgewater Bank

Bridgewater Bank constructed a four-story, 84,000-square-foot office building with a 7,000-square-foot bank branch, 7,000 square feet of commercial space and three levels of structured parking. The first floor includes Bridgewater Bank's customer branch and retail space. The second, third and fourth floors include the bank's executive offices and opportunities for co-working entrepreneurial space. There is a plaza at the corner of Excelsior Boulevard and Monterey Drive with outdoor seating, space for public art and landscaping.

The Elmwood

36th Street LLC, constructed this five-story, 70-unit, age-restricted, mixed-use development at the southeast corner of Xenwood Avenue and 36th Street West. The Elmwood consists of 53 market rate apartments with 17 affordable units at 60 percent area median income, and approximately 4,400 square feet of leasable office/commercial space. The development includes on-street, surface, and underground parking, as well as outdoor amenity space.

Xchange Medical Office

The Davis Group completed a 77,500-square-foot medical office building near 6009 Wayzata Blvd. in November 2021. The development includes one level of underground parking with 51 parking spaces and three levels of medical office space above. The building is oriented towards Wayzata Boulevard to the north with the building's main entrance and a 253 space surface parking lot on the south side of the building.

Elan West End

The Elan West End is six-story apartment building with 164 residential units. The building is adjacent to Central Park West and the AC Hotel by Marriott. The development includes five affordable units at 60 percent area median income (AMI).

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 annual comprehensive financial report for the fiscal year ended December 31, 2020. This was the thirty-eighth 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 annual comprehensive 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 annual comprehensive 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,



Kim Keller
City Manager



Melanie Schmitt
Finance Director



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of St. Louis Park
Minnesota**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

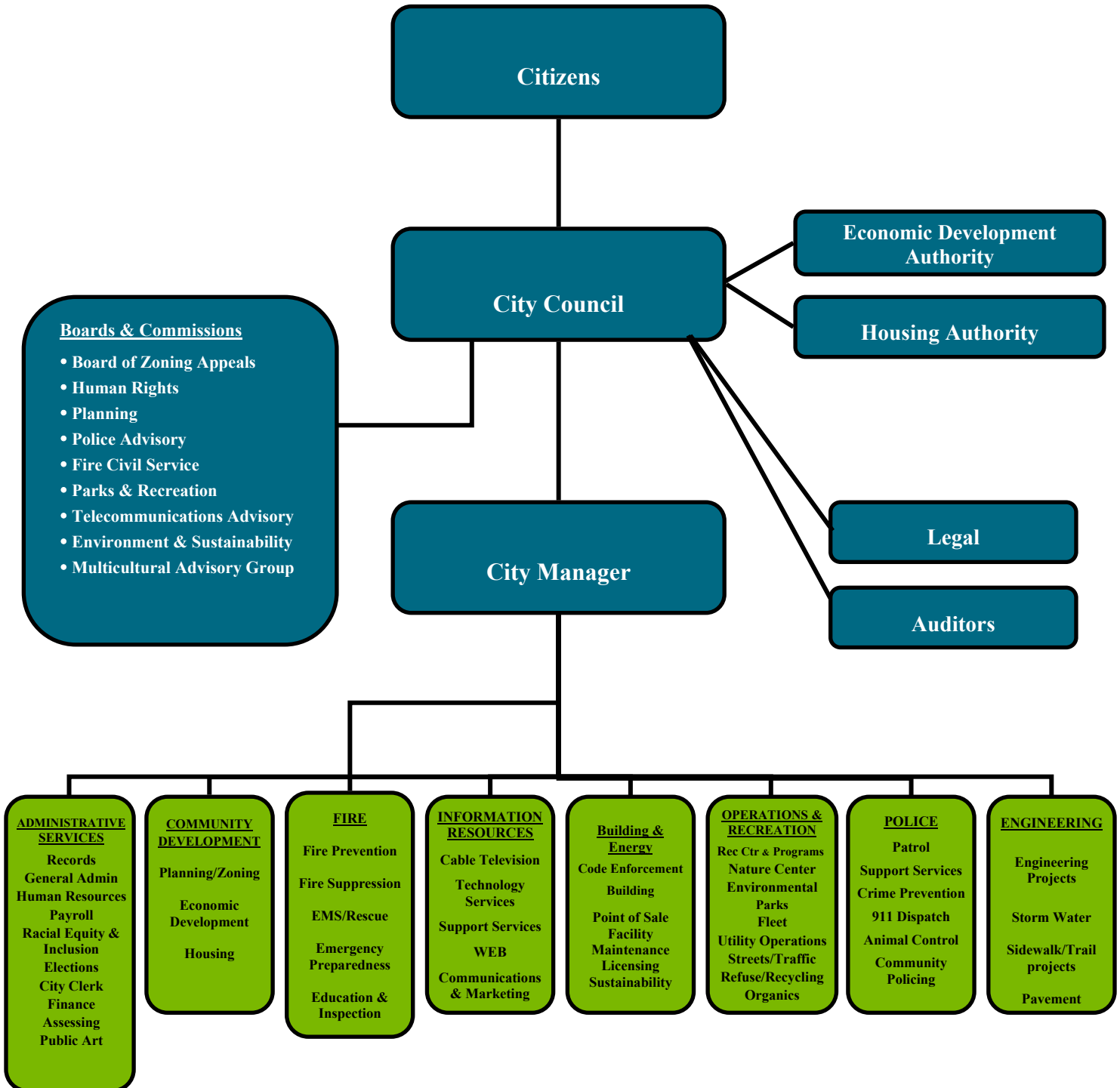
December 31, 2020

Christopher P. Morill

Executive Director/CEO

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SERVICES CHART



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OFFICIALS OF THE CITY OF ST. LOUIS PARK

Council

Jake Spano

Mayor
EDA Commissioner
Term Expires 1/2024

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

Kim Keller, *City Manager*

Cindy Walsh, *Deputy City Manager/Operations & Recreation
Director*

Mike Harcey, *Police Chief*

Steve Koering, *Fire Chief*

Karen Barton, *Community Development Director*

Brian Hoffman, *Building & Inspections Director*

Melanie Schmitt, *Finance Director*

Debra Heiser, *Engineering Director*

Clint Pires, *IR & communications Director*

Ali Timpone, *Human Resources 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 Audit of the Financial Statements

Opinions

We have audited the 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, 2021, 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.

In our opinion, the accompanying 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, 2021, 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.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City of St. Louis Park, Minnesota and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of St. Louis Park, Minnesota's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Governmental Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit 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 City of St. Louis Park, Minnesota's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of St. Louis Park, Minnesota's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the budgetary comparison schedules, and the schedules of OPEB and pension information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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.

Supplementary 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 combining and individual fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The 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 fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated July 28, 2022 on our consideration of the City of St. Louis Park, Minnesota's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of St. Louis Park, Minnesota's internal control over financial

reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of St. Louis Park, Minnesota's internal control over financial reporting and compliance.

Redpath and Company, Ltd.

REDPATH AND COMPANY, LTD.

St. Paul, Minnesota

July 28, 2022

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

As management of the City of St. Louis Park, we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended December 31, 2021. 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 \$190,412,083 (*net position*). Of this amount, \$47,887,341 (*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 \$9,079,344 as a result of revenues in excess of expenses. \$4,592,193 was a result of an increase of net position within business-type activities, and \$4,487,151 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 \$76,853,571 an increase of \$5,829,142 in comparison with the prior year. The increase was primarily related to additional debt service funds for additional debt issues and an increase in tax increment due to pooling. Approximately 30 percent of this total amount, \$23,635,371 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 \$21,928,316 (49 percent) of the total subsequent year budgeted General fund expenditures.
- The City's total bonded debt increased \$233,438 during 2021. New debt issued, and principal paid during the year was \$12,385,000 and \$5,630,000 respectively.

Overview of the Financial Statements

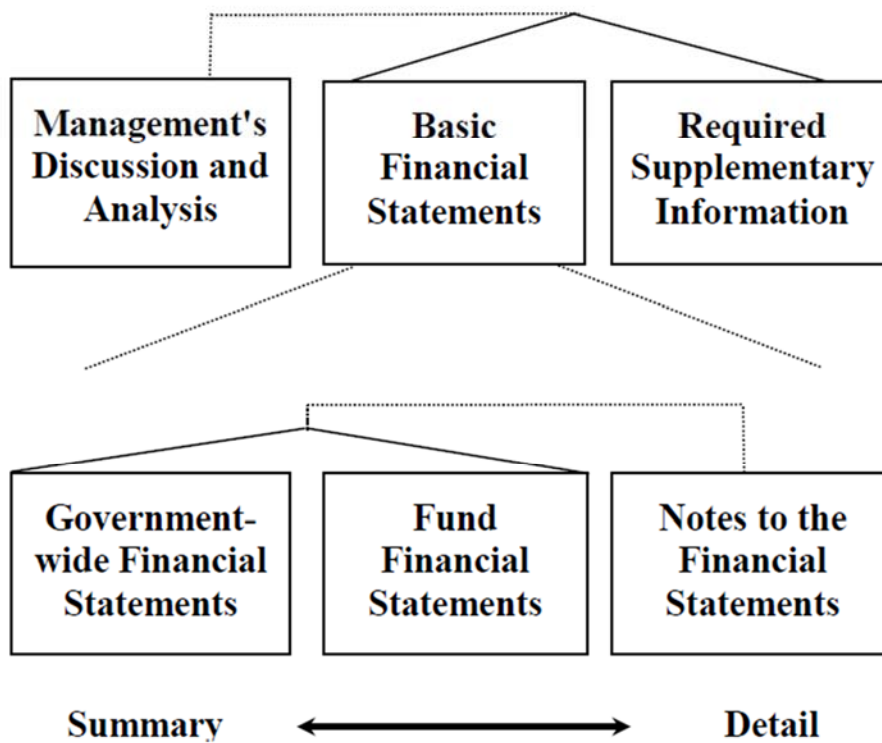
This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report 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

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"> • Statement of Net Position • Statement of Activities 	<ul style="list-style-type: none"> • Balance Sheet • Statement of Revenues, Expenditures and Changes in Fund Balances 	<ul style="list-style-type: none"> • Statement of Net Position • Statement of Revenues, Expenses and Changes in Net Position • Statement of Cash Flows
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, and short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets included	All assets and liabilities, both financial and capital, and short-term and long-term
Type of deferred outflows/inflows of resources information	All deferred outflows/inflows of resources, regardless of when cash is received or paid	Only deferred outflows of resources expected to be used up and deferred inflows of resources that come due during the year or soon thereafter; no capital assets included	All deferred outflows/inflows of resources, regardless of when cash is received or paid
Type of inflow/outflow information	All revenues and expenses during the year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and payment is due during the year or soon thereafter	All revenues and expenses during the year, regardless of when cash is received or paid

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

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

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

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

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

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

The government-wide financial statements start on page 40 of this report.

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

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

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

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

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

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

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

The basic governmental fund financial statements start on page 42 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 insurance. Because all of these services predominately benefit governmental rather than business-type functions, they have been included within *governmental activities* in the government-wide financial statements. All internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of *combining statements* elsewhere in this report.

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

The basic proprietary fund financial statements start on page 45 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 53 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 95 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 \$190,412,083 at the close of the most recent fiscal year.

A portion of the City's net position (62 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		
	2021	2020	Increase (Decrease)	2021	2020	Increase (Decrease)
Assets						
Current and other assets	\$ 108,587,896	\$ 97,655,692	\$ 10,932,204	\$ 17,175,392	\$ 17,568,083	\$ (392,691)
Capital assets	158,640,993	154,280,429	4,360,564	55,390,650	53,073,482	2,317,168
Total assets	267,228,889	251,936,121	15,292,768	72,566,042	70,641,565	1,924,477
Total deferred outflows of resources	20,423,348	8,017,424	12,405,924	-	-	-
Liabilities						
Other liabilities	14,924,181	10,522,669	4,401,512	1,749,667	2,080,331	(330,664)
Noncurrent liabilities	100,724,282	98,153,792	2,570,490	27,954,120	30,291,172	(2,337,052)
Total liabilities	115,648,463	108,676,461	6,972,002	29,703,787	32,371,503	(2,667,716)
Total deferred inflows of resources	24,453,946	8,214,407	16,239,539	-	-	-
Net position						
Net investment in capital assets	86,983,523	103,325,878	(16,342,355)	30,830,919	30,198,068	632,851
Restricted	24,710,300	15,556,085	9,154,215	-	-	-
Unrestricted	35,856,005	24,180,714	11,675,291	12,031,336	8,071,994	3,959,342
Total net position	\$ 147,549,828	\$ 143,062,677	\$ 4,487,151	\$ 42,862,255	\$ 38,270,062	\$ 4,592,193

An additional portion of the City's net position \$24,710,300 represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net position* \$47,887,341 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, 2021. Overall, both the governmental and business-type activities revenue and expenses remained stable. Governmental activities increased the City's net position by \$4,487,151. Business-type activities increased the City's net position by \$4,592,193.

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

	Governmental Activities			Business-type Activities		
	2021	2020	Increase (Decrease)	2021	2020	Increase (Decrease)
Revenues						
Program revenues						
Charges for services	\$ 9,183,631	\$ 8,476,121	\$ 707,510	\$ 24,653,860	\$ 22,989,758	\$ 1,664,102
Operating grants and contributions	2,886,299	6,426,976	(3,540,677)	212,446	196,223	16,223
Capital grants and contributions	3,996,798	3,646,262	350,536	430,010	629,172	(199,162)
General revenues						
Property taxes and TIF	50,717,221	48,732,379	1,984,842	-	-	-
Franchise fees	5,122,147	4,569,901	552,246	-	-	-
Lodging taxes	543,133	339,055	204,078	-	-	-
Grants and contributions not restricted to specific programs	587,658	331,454	256,204	-	-	-
Unrestricted investment earnings	(215,865)	1,232,923	(1,448,788)	(45,939)	172,777	(218,716)
Gain on disposal of capital assets	149,946	56,625	93,321	-	-	-
Miscellaneous	2,289,514	1,858,081	431,433	-	-	-
Total revenues	75,260,482	75,669,777	(409,295)	25,250,377	23,987,930	1,262,447
Expenses						
General government	11,981,562	12,065,668	(84,106)	-	-	-
Public safety	18,168,010	18,283,411	(115,401)	-	-	-
Public information	496,229	924,428	(428,199)	-	-	-
Operations	21,980,357	18,700,327	3,280,030	-	-	-
Parks and recreation	6,782,740	6,454,814	327,926	-	-	-
Housing and rehabilitation	780,257	1,085,356	(305,099)	-	-	-
Housing maintenance	-	709,009	(709,009)	-	-	-
Social and economic development	11,246,159	11,642,624	(396,465)	-	-	-
Interest on long-term debt	1,991,765	1,818,341	173,424	-	-	-
Water	-	-	-	5,743,764	5,539,880	203,884
Sewer	-	-	-	6,828,464	6,434,245	394,219
Solid waste	-	-	-	3,681,072	3,666,565	14,507
Storm water	-	-	-	2,331,779	2,206,992	124,787
Total expenses	73,427,079	71,683,978	1,743,101	18,585,079	17,847,682	737,397
Increase (decrease) in net position before transfers	1,833,403	3,985,799	(2,152,396)	6,665,298	6,140,248	525,050
Transfers	2,196,105	2,102,839	93,266	(2,196,105)	(2,102,839)	(93,266)
Change in net position	4,029,508	6,088,638	(2,059,130)	4,469,193	4,037,409	431,784
Net position, January 1, as previously reported	143,062,677	136,974,039	6,088,638	38,270,062	34,232,653	4,037,409
Prior period adjustment	457,643	-	457,643	123,000	-	123,000
Net position, January 1, as restated	143,520,320	136,974,039	6,546,281	38,393,062	34,232,653	4,160,409
Net position, December 31	\$ 147,549,828	\$ 143,062,677	\$ 4,487,151	\$ 42,862,255	\$ 38,270,062	\$ 4,592,193

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

Governmental Activities

Governmental activities increased the City’s net position by \$4,487,151. Overall, the governmental activities in 2021 were stable, with a slight increase in revenues and expenses. Revenues increased by \$2.1 million, primarily related to additional franchise fee and tax levy revenue, while expenses increased by \$1.7 million, with an increase in operations (\$3.2 million) and small decreases in several other areas including housing, general government, and public information (\$1.5 million). The increase in operations is due to a return to normal after the pandemic and the small decrease for other area’s was due to a variety of reasons including vacant staffing and new county/state/federal programs from the pandemic.

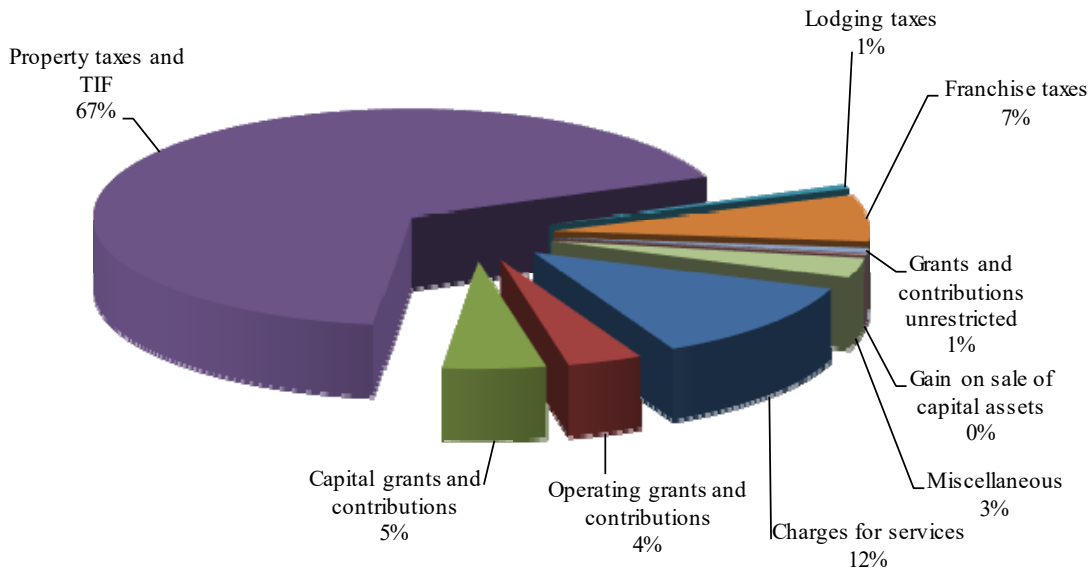
Business-type Activities

Business-type activities increased the City’s net position by \$4,592,193. Revenues increased by \$730 thousand, and expenses increased \$1.6 million. Net transfers were comparable to the prior year. The increase in revenues was the result of increased utility rates and the increase in expenses was a result of purchases resuming to normal levels after the pandemic.

Governmental Activities

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

Revenues by Source - Governmental Activities

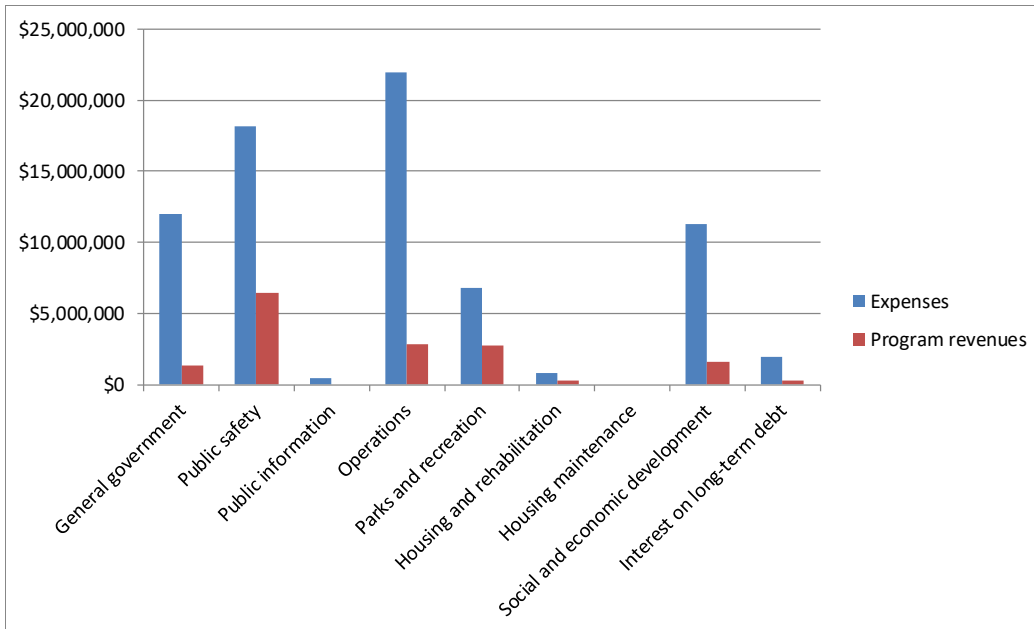


Expenses - The following chart illustrates the City’s expenses and program revenues for its governmental activities:

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

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

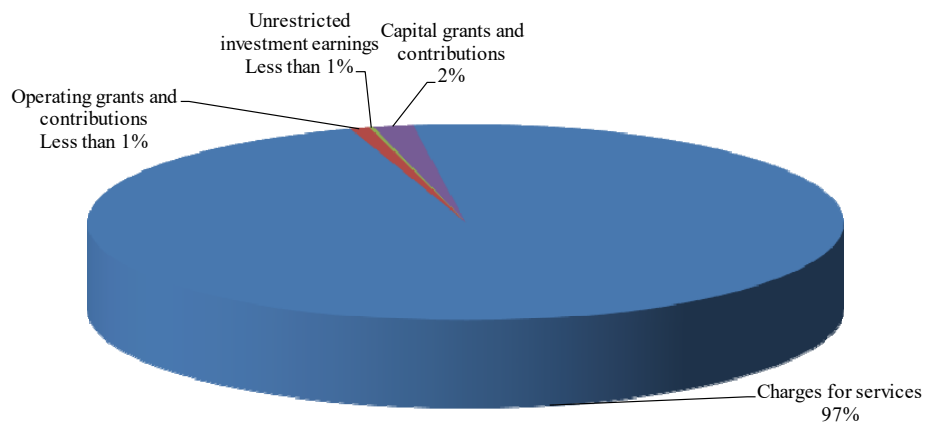
Expenses and Program Revenues - Governmental Activities



Business-type Activities

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

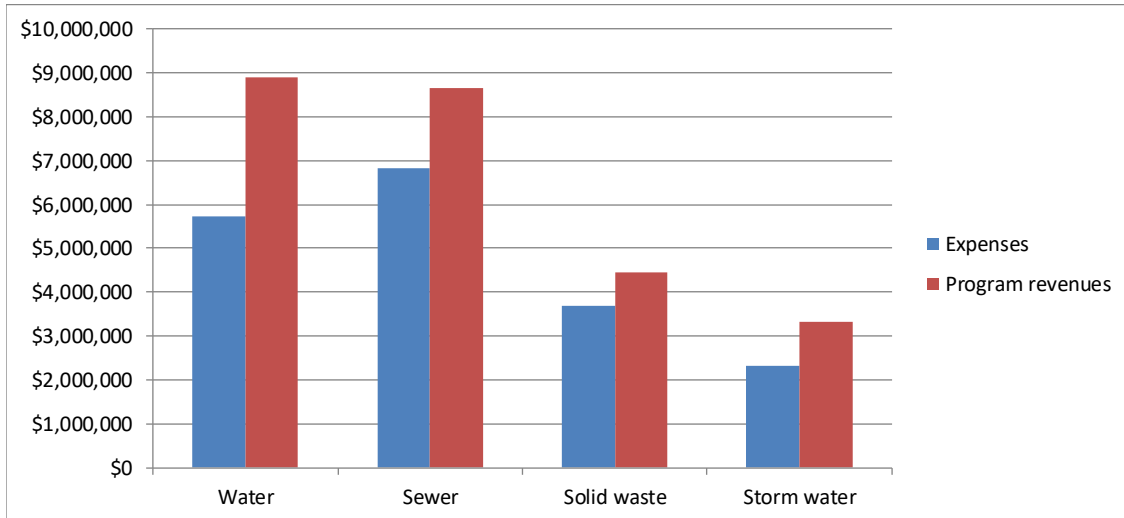
Revenue Sources - Business-type Activities



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

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

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 \$76,853,321 an increase of \$5,829,142 in comparison with the prior year. Approximately 22 percent of this total amount, \$16,973,909, constitutes unassigned fund balance, which is available for spending at the City's discretion. The remainder of fund balance (\$59,879,662) is not available for new spending because it is either 1) nonspendable (\$527,089), 2) restricted (\$23,108,282), 3) committed (\$1,535,938) or 4) assigned (\$34,708,353) for specific purposes.

Major Funds	Fund Balances December 31,		Increase (Decrease)
	2021	2020	
General	\$ 23,815,356	\$ 26,824,099	\$ (3,008,743)
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.			
Housing Rehabilitation	\$ 6,098,978	\$ 5,805,357	\$ 293,621
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.			
Debt Service	\$ 6,118,374	\$ 4,923,698	\$ 1,194,676
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.			
Development EDA	\$ 19,860,446	\$ 20,451,428	\$ (590,982)
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.			
Redevelopment District	\$ 6,644,806	\$ 6,191,634	\$ 453,172
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.			
Streets Capital Projects	\$ (1,497,831)	\$ (2,973,686)	\$ 1,475,855
The Street Capital Projects fund balance decreased \$1,570,483 as a result of on-going projects.			
Sidewalks and Trails	\$ 633,491	\$ 4,141,569	\$ (3,508,078)
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.			
Pavement Management	\$ 1,926,962	\$ (2,552,363)	\$ 4,479,325
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

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 \$16,059,453. Total net position increased by \$4,238,935. This increase was primarily a result of a planned increase in fees to cover infrastructure replacement.

General Fund Budgetary Highlights

Actual revenues were \$39,001 over budget and expenditures were \$1,476,055 under budget; along with transfers and other financing sources, the end result was a decrease in fund balance of \$3,008,743. Planned transfers out accounted for the decrease in fund balance. The largest favorable revenue variance was in licenses and permits (\$376,152). Part of the transfers were for solar panels on the Rec center (\$500,000), 2022 sidewalk/bikeway projects (\$1,450,000), and monies to start a climate investment fund (\$500,000).

Capital Asset and Debt Administration

The City's investment in capital assets for its governmental and business type activities as of December 31, 2021 was \$158,640,993 (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 3.0 percent.

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

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

For the year ending December 31, 2021, the City has elected to use the modified approach as defined in GASB Statement No. 34 for infrastructure reporting for its Pavement Management Program, which includes streets. Under GASB Statement No. 34, eligible infrastructure capital assets are not required to be depreciated under the following requirements:

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

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

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

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

As of the last complete assessment, the City's Street system was rated at an Overall Condition Index (OCI) of 62.4 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 \$1,466,631 on street maintenance for the year ending December 31, 2021. 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 \$4,351,000. 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, 2021 of \$2,199,160 was higher than the actual expenditures during the year of \$1,466,631 by approximately \$732 thousand. This was a result of bids coming in lower 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		
	2021	2020	Increase (Decrease)	2021	2020	Increase (Decrease)
Land	\$ 17,255,135	\$ 17,255,135	\$ -	\$ 515,082	\$ 515,082	\$ -
Permanent easments	1,441,876	1,441,876	-	-	-	-
Buildings and structures	48,862,303	37,832,044	11,030,259	477,886	452,311	25,575
Improvements other than buildings	24,754,426	25,096,306	(341,880)	5,404,540	2,843,316	2,561,224
Machinery and equipment	5,285,173	5,333,316	(48,143)	4,099,051	4,438,235	(339,184)
Fleet	4,354,769	4,991,050	(636,281)	-	-	-
Infrastructure - Streets	26,011,544	26,011,544	-	-	-	-
Infrastructure - Other	19,345,772	20,456,257	(1,110,485)	41,466,467	38,581,398	2,885,069
Construction in progress	11,329,995	15,862,901	(4,532,906)	3,427,624	6,366,140	(2,938,516)
Total	\$ 158,640,993	\$ 154,280,429	\$ 4,360,564	\$ 55,390,650	\$ 53,196,482	\$ 2,194,168

Additional information on the City's capital assets can be found in Note 5 on pages 70-71 of this report.

Debt administration

At the end of the current fiscal year, the city had total bonded debt outstanding of \$96,875,000. Of this amount, \$68,135,000 comprises debt issued for improvement and capital projects, of which \$65,525,000 will be repaid by ad valorem tax levies and \$2,610,000 will be repaid through the collection of special assessments. In addition, \$1,615,000 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 \$29,010,000 of the City's bonded debt represents general obligation revenue bonds with \$25,735,000 to be repaid by the Water, Sewer, and Storm Water fund user charges and \$1,390,000 from revenues collected from the benefitting property. Furthermore, the City has long-term debt of \$103,026 for capital leases payable, \$4,285,863 for compensated absences, \$5,751,341 for other postemployment benefits payable and \$16,106,518 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		
	2021	2020	Increase (Decrease)	2021	2020	Increase (Decrease)
G.O. Improvement	\$ 65,525,000	\$ 55,790,000	\$ 9,735,000	\$ 25,735,000	\$ 27,870,000	\$ (2,135,000)
G.O. Tax Increment	1,615,000	2,100,000	(485,000)	-	-	-
G.O. Special Assessment	2,610,000	2,925,000	(315,000)	-	-	-
G.O. Revenue Bonds	1,390,000	1,435,000	(45,000)	-	-	-
Bond issuance premium/discount	3,337,534	3,082,423	255,111	1,977,066	2,194,446	(217,380)
Capital leases	103,026	81,699	21,327	-	-	-
Compensated absences	4,285,863	4,371,157	(85,294)	242,054	226,726	15,328
Other postemployment benefits	5,751,341	4,163,224	1,588,117	-	-	-
Net pension liability	16,106,518	24,205,289	(8,098,771)	-	-	-
Total	\$ 100,724,282	\$ 98,153,792	\$ 2,570,490	\$ 27,954,120	\$ 30,291,172	\$ (2,337,052)

Principal payments during 2021 totaled \$5,630,000. 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 \$246,129,513 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 72-77 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 2021 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

	Governmental Activities	Business-Type Activities	Totals
Assets			
Cash and investments	\$ 79,423,786	\$15,199,575	\$ 94,623,361
Accrued interest receivable	50,071	-	50,071
Due from other governments	2,721,165	14,404	2,735,569
Accounts receivable	2,059,816	4,669,382	6,729,198
Taxes receivable	1,025,033	-	1,025,033
Prepaid items	641,150	406,353	1,047,503
Inventories	236,477	54,480	290,957
Internal balances	4,028,117	(4,028,117)	-
Special assessments receivable	4,759,476	859,315	5,618,791
Loans receivable	8,506,326	-	8,506,326
Pledges receivable	1,033,330	-	1,033,330
Land held for resale	4,103,149	-	4,103,149
Capital assets			
Nondepreciable assets	56,038,550	3,942,706	59,981,256
Depreciable assets (net of accumulated depreciation)	102,602,443	51,447,944	154,050,387
Total assets	<u>267,228,889</u>	<u>72,566,042</u>	<u>339,794,931</u>
Deferred outflows of resources			
Related to pensions	18,855,482	-	18,855,482
Related to OPEB	1,567,866	-	1,567,866
Total deferred outflows of resources	<u>20,423,348</u>	<u>-</u>	<u>20,423,348</u>
Liabilities			
Accounts payable	1,175,011	486,221	1,661,232
Salaries payable	1,333,441	110,786	1,444,227
Due to other governments	123,080	83,093	206,173
Contracts payable	1,919,826	200,194	2,120,020
Accrued interest payable	913,970	360,450	1,274,420
Deposits payable	6,090,320	162,013	6,252,333
Unearned revenue	3,368,533	346,910	3,715,443
Noncurrent liabilities			
Due within one year	7,299,784	2,662,335	9,962,119
Due in more than one year	93,424,498	25,291,785	118,716,283
Total liabilities	<u>115,648,463</u>	<u>29,703,787</u>	<u>145,352,250</u>
Deferred inflows of resources related to pensions			
Related to pensions	24,343,338	-	24,343,338
Related to OPEB	110,608	-	110,608
Total deferred outflows of resources	<u>24,453,946</u>	<u>-</u>	<u>24,453,946</u>
Net position			
Net investment in capital assets	86,983,523	30,830,919	117,814,442
Restricted for			
Redevelopment districts	7,701,696	-	7,701,696
Affordable housing	4,137,814	-	4,137,814
E-911 purposes	75,311	-	75,311
Fire Donations	19,000	-	19,000
Community development	521,499	-	521,499
Debt service	7,508,374	-	7,508,374
Cable TV equipment	262,668	-	262,668
Police and fire purposes	1,250,397	-	1,250,397
Street Capital Projects	2,538,528	-	2,538,528
COVID 19	5,625	-	5,625
Park Improvement	689,388	-	689,388
Unrestricted	<u>35,856,005</u>	<u>12,031,336</u>	<u>47,887,341</u>
Total net position	<u>\$ 147,549,828</u>	<u>\$ 42,862,255</u>	<u>\$ 190,412,083</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	Capital	Governmental Activities	Business-Type Activities	Total
			Grants and Contributions	Grants and Contributions			
Governmental activities							
General government	\$ 11,981,562	\$ 1,266,925	\$ 9,193	\$ -	\$ (10,705,444)	\$ -	\$ (10,705,444)
Public safety	18,168,010	4,719,500	1,089,933	40,962	(12,317,615)	-	(12,317,615)
Public information	496,229	-	-	-	(496,229)	-	(496,229)
Operations	21,980,357	2,939,026	697,036	3,131,565	(15,212,730)	-	(15,212,730)
Parks and recreation	6,782,740	43,602	89,404	379,000	(6,270,734)	-	(6,270,734)
Housing and rehabilitation	780,257	750	-	223,165	(556,342)	-	(556,342)
Social and economic development	11,246,159	213,828	1,000,733	222,106	(9,809,492)	-	(9,809,492)
Interest on long-term debt	1,991,765	-	-	-	(1,991,765)	-	(1,991,765)
Total governmental activities	73,427,079	9,183,631	2,886,299	3,996,798	(57,360,351)	-	(57,360,351)
Business-Type activities							
Water	5,743,764	8,535,668	24,246	326,191	-	3,142,341	3,142,341
Sewer	6,828,464	8,528,207	14,591	103,819	-	1,818,153	1,818,153
Solid waste	3,681,072	4,267,345	173,609	-	-	759,882	759,882
Storm water	2,331,779	3,322,640	-	-	-	990,861	990,861
Total business-type activities	18,585,079	24,653,860	212,446	430,010	-	6,711,237	6,711,237
Total	\$ 92,012,158	\$ 33,837,491	\$ 3,098,745	\$ 4,426,808	(57,360,351)	6,711,237	(50,649,114)
General revenues							
Taxes							
Property taxes					37,841,783	-	37,841,783
Tax increment					12,875,438	-	12,875,438
Franchise taxes					5,122,147	-	5,122,147
Lodging taxes					543,133	-	543,133
Grants and contributions not restricted to specific programs							
Unrestricted investment earnings (loss)					587,658	-	587,658
Gain on sale of capital assets					(215,865)	(45,939)	(261,804)
Miscellaneous					149,946	-	149,946
Miscellaneous					2,289,514	-	2,289,514
Transfers					2,196,105	(2,196,105)	-
Total general revenues and transfers					61,389,859	(2,242,044)	59,147,815
Change in net position							
					4,029,508	4,469,193	8,498,701
Net position - January 1, as previously reported					143,062,677	38,270,062	181,332,739
Prior period adjustment					457,643	123,000	580,643
Net position - January 1, as restated					143,520,320	38,393,062	181,913,382
Net position - December 31					\$ 147,549,828	\$ 42,862,255	\$ 190,412,083

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

CITY OF ST. LOUIS PARK, MINNESOTA
BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2021

	Special Revenue Fund		
	General	Housing Rehabilitation	Debt Service
Assets			
Cash and investments	\$ 30,464,240	\$ 2,221,211	\$ 6,316,390
Accrued interest receivable	50,071	-	-
Due from other governments	273,570	-	180,859
Accounts receivable	578,190	-	41,361
Taxes receivable - unremitted	169,739	-	-
Taxes receivable - delinquent	368,098	-	-
Prepaid items	281,112	-	-
Inventories	236,477	-	-
Special assessments receivable - delinquent	-	13,709	-
Special assessments receivable - deferred	-	4,036,849	-
Due from other funds	-	-	-
Interfund loan receivable	-	-	-
Loans receivable - current	-	354,800	45,000
Loans receivable - noncurrent	-	3,537,782	1,345,000
Pledges receivable - current	-	-	-
Pledges receivable - noncurrent	-	-	-
Land held for resale	-	-	-
Total assets	\$ 32,421,497	\$ 10,164,351	\$ 7,928,610
Liabilities			
Accounts payable	\$ 492,049	\$ 6,357	\$ -
Salaries payable	1,290,336	4,275	-
Due to other governments	41,225	8,551	-
Contracts payable	-	-	-
Due to other funds	-	-	-
Interfund loan payable	-	-	-
Deposits payable	5,669,734	-	420,236
Unearned revenue	669,600	-	-
Total liabilities	8,162,944	19,183	420,236
Deferred inflows of resources			
Unavailable revenue	443,197	4,046,190	1,390,000
Fund balances			
Nonspendable	517,589	-	-
Restricted	94,311	-	6,118,374
Committed	-	-	-
Assigned	1,275,140	6,098,978	-
Unassigned	21,928,316	-	-
Total fund balances	23,815,356	6,098,978	6,118,374
Total liabilities, deferred inflows of resources, and fund balances	\$ 32,421,497	\$ 10,164,351	\$ 7,928,610

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

Capital Projects Funds			Other Governmental	Total Governmental
Development EDA	Redevelopment District	Streets Capital Projects	Funds	Funds
\$ 10,983,794	\$ 9,014,124	\$ 244,884	\$ 16,811,756	\$ 76,056,399
-	-	-	-	50,071
-	-	1,964,123	300,000	2,718,552
53,022	-	-	1,372,050	2,044,623
-	11,346	-	6,561	187,646
-	-	-	14,018	382,116
3,000	-	-	6,500	290,612
-	-	-	-	236,477
-	-	-	12,006	25,715
-	-	-	696,912	4,733,761
7,866	-	-	-	7,866
2,975,678	-	-	-	2,975,678
1,071,050	-	-	-	1,470,850
867,035	781,848	-	503,811	7,035,476
-	-	-	166,665	166,665
-	-	-	866,665	866,665
4,103,149	-	-	-	4,103,149
<u>\$ 20,064,594</u>	<u>\$ 9,807,318</u>	<u>\$ 2,209,007</u>	<u>\$ 20,756,944</u>	<u>\$ 103,352,321</u>
\$ 106,303	\$ 10,373	\$ 260,384	\$ 165,464	\$ 1,040,930
15,716	-	-	11,339	1,321,666
1,682	37,619	-	-	89,077
-	-	1,752,695	167,131	1,919,826
-	-	7,866	-	7,866
-	2,975,678	-	-	2,975,678
-	-	-	350	6,090,320
12,831	-	-	2,686,102	3,368,533
<u>136,532</u>	<u>3,023,670</u>	<u>2,020,945</u>	<u>3,030,386</u>	<u>16,813,896</u>
<u>67,616</u>	<u>138,842</u>	<u>1,685,893</u>	<u>1,913,116</u>	<u>9,684,854</u>
3,000	-	-	6,500	527,089
-	7,562,854	2,538,528	6,794,215	23,108,282
203,162	-	-	1,332,776	1,535,938
19,654,284	-	-	7,679,951	34,708,353
-	(918,048)	(4,036,359)	-	16,973,909
<u>19,860,446</u>	<u>6,644,806</u>	<u>(1,497,831)</u>	<u>15,813,442</u>	<u>76,853,571</u>
<u>\$ 20,064,594</u>	<u>\$ 9,807,318</u>	<u>\$ 2,209,007</u>	<u>\$ 20,756,944</u>	<u>\$ 103,352,321</u>
Total Fund balances reported above				\$ 76,853,571
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				139,829,672
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				9,684,854
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/discount				(74,477,534)
Accrued interest payable				(913,970)
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				(3,426,765)
Net position of governmental activities				<u>\$ 147,549,828</u>

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

CITY OF ST. LOUIS PARK, MINNESOTA
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For The Year Ended December 31, 2021

	Special Revenue Fund		
	General	Housing Rehabilitation	Debt Service
Revenues			
Property taxes	\$ 29,469,243	\$ -	\$ 4,410,814
Tax increments	-	-	-
Abatement of property taxes	(44,200)	-	-
Franchise taxes	-	-	-
Lodging tax	-	-	-
License and permits	4,997,981	-	-
Intergovernmental	1,773,951	-	417,050
Charges for services	3,729,289	750	-
Fines and forfeitures	150,964	-	-
Special assessments	-	985,769	-
Interest income (loss)	(314,346)	10,342	10,752
Miscellaneous	645,531	4,212	131,187
Total revenues	40,408,413	1,001,073	4,969,803
Expenditures			
Current			
General government	9,458,536	-	-
Public safety	18,907,816	-	-
Public information	-	-	-
Operations	5,112,302	-	-
Parks and recreation	6,636,383	-	-
Housing and rehabilitation	-	776,107	-
Social and economic development	-	-	382,200
Miscellaneous	482,494	-	-
Capital outlay			
Public safety	-	-	-
Public information	-	-	-
Operations	-	-	-
Parks and recreation	-	-	-
Social and economic development	-	-	-
Debt service			
Principal	-	-	3,495,000
Interest and other	-	-	1,796,317
Bond issuance costs	-	-	-
Total expenditures	40,597,531	776,107	5,673,517
Revenues over (under) expenditures	(189,118)	224,966	(703,714)
Other financing sources (uses)			
Transfers in	2,054,819	463,136	1,722,844
Transfers out	(4,878,845)	(394,481)	-
Bonds issued	-	-	175,546
Premium on bonds issued	-	-	-
Proceeds from sale of capital assets	4,401	-	-
Total other financing sources (uses)	(2,819,625)	68,655	1,898,390
Net change in fund balances	(3,008,743)	293,621	1,194,676
Fund balances - January 1	26,824,099	5,805,357	4,923,698
Fund balances - December 31	<u>\$ 23,815,356</u>	<u>\$ 6,098,978</u>	<u>\$ 6,118,374</u>

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

Capital Projects Funds			Other Governmental	Total Governmental
Development EDA	Redevelopment District	Streets Capital Projects	Funds	Funds
\$ 38,957	\$ 1,411,266	\$ -	\$ 867,926	\$ 36,198,206
-	12,875,438	-	-	12,875,438
-	(211,638)	-	(1,365)	(257,203)
-	-	-	5,122,147	5,122,147
543,133	-	-	-	543,133
-	-	-	-	4,997,981
1,000,733	-	3,122,610	553,715	6,868,059
185,938	-	19,531	99,178	4,034,686
-	-	-	-	150,964
-	-	-	336,960	1,322,729
(33,246)	33,846	1,281	52,600	(238,771)
157,471	15,643	10,601	1,384,253	2,348,898
<u>1,892,986</u>	<u>14,124,555</u>	<u>3,154,023</u>	<u>8,415,414</u>	<u>73,966,267</u>
-	-	-	-	9,458,536
-	-	-	382,265	19,290,081
-	-	-	452,420	452,420
-	-	14,787,796	1,466,631	21,366,729
-	-	-	177,552	6,813,935
-	-	-	547	776,654
1,527,277	8,992,993	-	207,759	11,110,229
-	-	-	-	482,494
-	-	-	109,713	109,713
-	-	-	612	612
-	-	3,839,513	528	3,840,041
-	-	-	1,427,879	1,427,879
960,958	-	-	-	960,958
-	-	-	-	3,495,000
-	111,420	-	-	1,907,737
-	-	136,855	20,852	157,707
<u>2,488,235</u>	<u>9,104,413</u>	<u>18,764,164</u>	<u>4,246,758</u>	<u>81,650,725</u>
<u>(595,249)</u>	<u>5,020,142</u>	<u>(15,610,141)</u>	<u>4,168,656</u>	<u>(7,684,458)</u>
-	-	1,526,394	5,075,936	10,843,129
(5,733)	(4,566,970)	-	(414,225)	(10,260,254)
-	-	10,957,917	1,251,537	12,385,000
-	-	460,116	69,315	529,431
10,000	-	-	1,893	16,294
<u>4,267</u>	<u>(4,566,970)</u>	<u>12,944,427</u>	<u>5,984,456</u>	<u>13,513,600</u>
<u>(590,982)</u>	<u>453,172</u>	<u>(2,665,714)</u>	<u>10,153,112</u>	<u>5,829,142</u>
<u>20,451,428</u>	<u>6,191,634</u>	<u>1,167,883</u>	<u>5,660,330</u>	<u>71,024,429</u>
<u>\$ 19,860,446</u>	<u>\$ 6,644,806</u>	<u>\$ (1,497,831)</u>	<u>\$ 15,813,442</u>	<u>\$ 76,853,571</u>

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

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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, 2021

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) \$ 5,829,142

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	9,033,620
Depreciation expense	(4,149,363)

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	(12,385,000)
Principal repayments on long term debt	3,495,000

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.

(197,853)

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.

(255,111)

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	(836,496)
Property taxes	(17,191)
Pledges	(45,959)
Loans and other	(59,384)

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.

3,618,103

Change in net position of governmental activities (Statement 2)	<u>\$ 4,029,508</u>
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The accompanying notes are an integral part of these financial statements.

	Business-Type Activities Enterprise Funds					Governmental Activities
	Water	Sewer	Storm Water	Non-Major Fund Solid Waste	Totals	Internal Service Funds
Assets						
Current assets						
Cash and investments	\$ 7,617,000	\$ 2,782,530	\$ 2,684,458	\$ 2,115,587	\$ 15,199,575	\$ 3,367,387
Due from other governments	4,615	9,789	-	-	14,404	2,613
Accounts receivable	1,541,565	1,589,615	565,682	972,520	4,669,382	15,193
Taxes receivable - unremitted	-	-	-	-	-	455,271
Prepaid items	10,038	371,114	9,788	15,413	406,353	350,538
Inventories	54,480	-	-	-	54,480	-
Special assessments receivable - delinquent	78,875	5	-	-	78,880	-
Special assessments receivable - deferred	519,200	261,235	-	-	780,435	-
Total current assets	<u>9,825,773</u>	<u>5,014,288</u>	<u>3,259,928</u>	<u>3,103,520</u>	<u>21,203,509</u>	<u>4,191,002</u>
Noncurrent assets						
Capital assets, at cost						
Land	114,844	60,000	340,238	-	515,082	818,094
Buildings and structures	5,082,540	6,111	-	-	5,088,651	9,484,364
Improvements other than buildings	2,088,407	749,350	7,165,760	-	10,003,517	2,517,832
Infrastructure	30,971,491	22,168,555	22,282,165	-	75,422,211	1,313,801
Machinery, furniture and equipment	8,775,994	262,039	89,099	-	9,127,132	9,864,451
Fleet	-	-	-	-	-	10,669,057
Construction in progress	1,883,367	776,721	767,536	-	3,427,624	52,351
Total capital assets, at cost	48,916,643	24,022,776	30,644,798	-	103,584,217	34,719,950
Less: accumulated depreciation	(19,279,245)	(16,813,600)	(12,100,722)	-	(48,193,567)	(15,908,629)
Total noncurrent assets	<u>29,637,398</u>	<u>7,209,176</u>	<u>18,544,076</u>	<u>-</u>	<u>55,390,650</u>	<u>18,811,321</u>
Total assets	<u>39,463,171</u>	<u>12,223,464</u>	<u>21,804,004</u>	<u>3,103,520</u>	<u>76,594,159</u>	<u>23,002,323</u>
Deferred outflows of resources						
Related to pensions	-	-	-	-	-	18,855,482
Related to OPEB	-	-	-	-	-	1,567,866
Total deferred outflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>20,423,348</u>
Liabilities						
Current liabilities						
Accounts payable	212,266	72,681	14,443	186,831	486,221	134,081
Salaries payable	52,694	19,228	24,804	14,060	110,786	-
Accrued flex spending	-	-	-	-	-	11,775
Due to other governments	12,346	2,035	4,829	63,883	83,093	34,003
Contracts payable	191,294	130	8,770	-	200,194	-
Deposits payable	39,370	-	122,643	-	162,013	-
Accrued interest payable	309,046	23,692	27,712	-	360,450	-
Compensated absences payable - current	101,402	22,788	25,558	7,587	157,335	2,847,047
Capital lease payable - current	-	-	-	-	-	31,344
Bonds payable - current	2,158,200	138,500	208,300	-	2,505,000	-
Other postemployment benefits payable	-	-	-	-	-	226,393
Unearned revenue	346,910	-	-	-	346,910	-
Total current liabilities	<u>3,423,528</u>	<u>279,054</u>	<u>437,059</u>	<u>272,361</u>	<u>4,412,002</u>	<u>3,284,643</u>
Noncurrent liabilities						
Compensated absences payable	54,601	12,271	13,762	4,085	84,719	1,438,816
Capital lease payable	-	-	-	-	-	71,682
Bonds payable	21,762,666	1,873,078	1,571,322	-	25,207,066	-
Other postemployment benefits payable	-	-	-	-	-	5,524,948
Net pension liability	-	-	-	-	-	16,106,518
Total noncurrent liabilities	<u>21,817,267</u>	<u>1,885,349</u>	<u>1,585,084</u>	<u>4,085</u>	<u>25,291,785</u>	<u>23,141,964</u>
Total liabilities	<u>25,240,795</u>	<u>2,164,403</u>	<u>2,022,143</u>	<u>276,446</u>	<u>29,703,787</u>	<u>26,426,607</u>
Deferred inflows of resources						
Related to pensions	-	-	-	-	-	24,343,338
Related to OPEB	-	-	-	-	-	110,608
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>24,453,946</u>
Net position						
Net investment in capital assets	8,877,767	5,197,468	16,755,684	-	30,830,919	18,708,295
Unrestricted	5,344,609	4,861,593	3,026,177	2,827,074	16,059,453	(26,163,177)
Total net position	<u>\$ 14,222,376</u>	<u>\$ 10,059,061</u>	<u>\$ 19,781,861</u>	<u>\$ 2,827,074</u>	<u>46,890,372</u>	<u>\$ (7,454,882)</u>
Adjustment to reflect consolidation of Internal Service fund activities					(4,028,117)	
Net position of business-type activities					<u>\$ 42,862,255</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	Internal Service Funds
Operating revenues						
Charges for services	\$ 8,021,666	\$ 8,510,693	\$ 3,322,640	\$ 4,261,676	\$ 24,116,675	\$ 4,254,590
Other	17,346	17,514	-	5,669	40,529	415,223
Rent	496,656	-	-	-	496,656	-
Total operating revenues	8,535,668	8,528,207	3,322,640	4,267,345	24,653,860	4,669,813
Operating expenses						
Personal services	1,677,100	858,106	792,183	532,432	3,859,821	1,336,709
Supplies	433,584	22,836	13,129	141,947	611,496	665,027
Professional services	370,124	134,997	310,124	9,705	824,950	233,562
Insurance	26,961	60,523	8,165	7,020	102,669	167,152
Utilities	454,951	53,347	19,159	-	527,457	-
Repairs and maintenance	740,233	362,392	129,222	-	1,231,847	-
Depreciation	1,023,022	162,523	679,979	-	1,865,524	2,171,004
Disposal charges	21,259	4,659,355	-	2,908,237	7,588,851	-
Other	367,607	267,211	199,766	77,062	911,646	605,242
Total operating expenses	5,114,841	6,581,290	2,151,727	3,676,403	17,524,261	5,178,696
Operating income (loss)	3,420,827	1,946,917	1,170,913	590,942	7,129,599	(508,883)
Nonoperating revenues (expenses)						
Interest income (loss)	(18,772)	(9,656)	(8,250)	(9,261)	(45,939)	22,906
Property taxes	-	-	-	-	-	1,917,971
Intergovernmental revenue	24,246	14,591	-	173,609	212,446	162,422
Miscellaneous expense	(494)	-	-	-	(494)	-
Amortization of bond premiums	174,860	16,470	26,050	-	217,380	-
Gain on disposal of capital assets	-	-	-	-	-	133,652
Interest expense	(750,136)	(57,359)	(67,616)	-	(875,111)	(2,788)
Total nonoperating revenues (expenses)	(570,296)	(35,954)	(49,816)	164,348	(491,718)	2,234,163
Income (loss) before contributions and transfers	2,850,531	1,910,963	1,121,097	755,290	6,637,881	1,725,280
Capital contributions						
Connection fees and special assessments	326,191	103,819	-	-	430,010	-
Transfers in	-	-	-	-	-	1,613,230
Transfers out	(669,656)	(906,008)	(359,796)	(260,645)	(2,196,105)	-
Change in net position	2,507,066	1,108,774	761,301	494,645	4,871,786	3,338,510
Net position - January 1, as previously reported	11,715,310	8,950,287	19,020,560	2,332,429	42,018,586	(10,793,392)
Prior period adjustment	-	-	123,000	-	123,000	-
Net position - January 1, as restated	11,715,310	8,950,287	19,143,560	2,332,429	42,141,586	(10,793,392)
Net position - December 31	\$ 14,222,376	\$ 10,059,061	\$ 19,781,861	\$ 2,827,074	\$ 46,890,372	\$ (7,454,882)
Change in net position as reported above					\$ 4,871,786	
Adjustment to reflect consolidation of Internal Service fund activities					(279,593)	
Change in net position of business-type activities					\$ 4,592,193	

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

	Business-Type Activities Enterprise Funds				Total	Governmental
	Water	Sewer	Storm Water	Non-Major Fund Solid Waste		Internal Service Funds
Cash flows from operating activities						
Receipts from customers and users	\$ 8,993,315	\$ 8,429,268	\$ 3,311,792	\$ 4,117,167	\$ 24,851,542	\$ -
Receipts from interfund services provided	-	-	-	-	-	4,253,631
Other operating cash receipts	17,346	17,514	-	5,669	40,529	450,109
Payments to suppliers	(2,428,846)	(5,538,552)	(879,372)	(3,294,873)	(12,141,643)	(1,182,554)
Payments to employees	(1,612,120)	(904,049)	(774,017)	(536,083)	(3,826,269)	(4,104,419)
Miscellaneous expense	(494)	-	-	-	(494)	-
Net cash flows provided (used) by operating activities	<u>4,969,201</u>	<u>2,004,181</u>	<u>1,658,403</u>	<u>291,880</u>	<u>8,923,665</u>	<u>(583,233)</u>
Cash flows from noncapital financing activities						
Transfers out	(622,014)	(864,218)	(316,614)	(316,614)	(2,119,460)	-
Property taxes	-	-	-	-	-	1,681,816
Repayment of cash loaned to other funds	-	-	1,887,034	-	1,887,034	-
Intergovernmental receipts	24,246	14,591	-	173,609	212,446	186,571
Advances to/from other funds - net change	-	-	-	-	-	(91,381)
Net cash flows provided (used) by noncapital financing activities	<u>(597,768)</u>	<u>(849,627)</u>	<u>1,570,420</u>	<u>(143,005)</u>	<u>(19,980)</u>	<u>1,777,006</u>
Cash flows from capital and related financing activities						
Transfers in	-	-	-	-	-	1,613,621
Transfers out	(47,642)	(41,790)	(43,182)	55,969	(76,645)	(391)
Connection fees/special assessments received	326,191	103,819	-	-	430,010	-
Acquisition of capital assets	(2,469,878)	(692,507)	(1,020,307)	-	(4,182,692)	(973,108)
Principal paid						
Bonds	(1,811,500)	(133,000)	(190,500)	-	(2,135,000)	-
Capital lease	-	-	-	-	-	(61,583)
Interest paid						
Bonds	(730,630)	(59,272)	(70,604)	-	(860,506)	-
Capital lease	-	-	-	-	-	(2,788)
Net cash flows provided (used) by capital and related financing activities	<u>(4,733,459)</u>	<u>(822,750)</u>	<u>(1,324,593)</u>	<u>55,969</u>	<u>(6,824,833)</u>	<u>575,751</u>
Cash flows from investing activities						
Investment income	(18,772)	(9,656)	(8,250)	(9,261)	(45,939)	22,906
Net increase (decrease) in cash and cash equivalents	(380,798)	322,148	1,895,980	195,583	2,032,913	1,792,430
Cash and cash equivalents - January 1	<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>
Cash and cash equivalents - December 31	<u>\$ 7,617,000</u>	<u>\$ 2,782,530</u>	<u>\$ 2,684,458</u>	<u>\$ 2,115,587</u>	<u>\$ 15,199,575</u>	<u>\$ 3,367,387</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)	\$ 3,420,827	\$ 1,946,917	\$ 1,170,913	\$ 590,942	\$ 7,129,599	\$ (508,883)
Adjustments to reconcile operating income (loss) to net cash flows from operating activities						
Miscellaneous expense	(494)	-	-	-	(494)	-
Depreciation	1,023,022	162,523	679,979	-	1,865,524	2,171,004
(Increase) decrease in assets/deferred outflows						
Accounts receivable	501,627	(37,851)	(21,948)	(144,509)	297,319	33,927
Special assessments	20,141	(43,574)	-	-	(23,433)	-
Prepaid items	(10,038)	16,980	(9,788)	(15,413)	(18,259)	390,416
Inventories	3,350	-	-	-	3,350	-
Deferred outflows of resources	-	-	-	-	-	(12,405,924)
Increase (decrease) in liabilities/deferred inflows						
Accounts payable	20,167	33,023	(38,331)	(130,811)	(115,952)	64,760
Due to other governments	(3,862)	(548)	(232)	(4,678)	(9,320)	33,253
Contracts payable	(23,744)	(27,346)	(151,456)	-	(202,546)	-
Deposits payable	(8,229)	-	11,100	-	2,871	-
Accrued salaries payable	7,476	2,593	6,759	1,396	18,224	-
Unearned revenue	(38,546)	-	-	-	(38,546)	-
Accrued flex spending	-	-	-	-	-	(5,377)
Compensated absences payable	57,504	(48,536)	11,407	(5,047)	15,328	(85,294)
Other postemployment benefits	-	-	-	-	-	1,588,117
Net pension liability	-	-	-	-	-	(8,098,771)
Deferred inflows of resources	-	-	-	-	-	16,239,539
Net cash provided (used) by operating activities	\$ 4,969,201	\$ 2,004,181	\$ 1,658,403	\$ 291,880	\$ 8,923,665	\$ (583,233)
Noncash capital and related financing activities						
Amortization of bond premiums	\$ 174,860	\$ 16,470	\$ 26,050	\$ -	\$ 217,380	\$ -
Disposal of capital assets	-	-	-	-	-	829,025

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

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Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

A. FINANCIAL REPORTING ENTITY

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

BLENDED COMPONENT UNITS

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

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

RELATED ORGANIZATION

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

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

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

The statement of activities demonstrates the degree to which the direct expenses of a given function or business-type activity is offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or business-type activity. *Program revenues* include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or business-type activity and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a

particular function or business-type activity. Taxes and other items not included among program revenues are reported instead as *general revenues*.

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

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

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

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers all revenues to be available if they are collected within 60 days 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 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, insurance, 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, and the following special revenue funds: Housing Rehabilitation, Cable Television, Community Development, Special Services Districts, Affordable Housing Trust and Climate Investment Funds.

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 2021, the budget was 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, 2021 totaled \$2,604,422. 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 2021 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.

Additionally, for the year ended 2021, the City reclassified certain governmental funds in order to better identify the activities of the City. The reclassification resulted in the combination of previously reported major funds into a new consolidated fund group that better represents the City’s goals and missions.

The impact on beginning fund balance due to combining the governmental funds during 2021 are as follows:

<u>Prior Presentation</u>	<u>Previously Reported</u>	<u>Current Presentation</u>
		Streets Capital Projects
Streets Capital Projects	\$ (2,973,686)	\$ 1,167,883
Sidewalks and Trails	4,141,569	-
W36th St / Wooddale Rehab	-	-
SWLRT at Beltline	-	-
New Beginning Fund Balance		<u>\$ 1,167,883</u>

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 118A.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, 2021, the bank balance of the City’s deposits was \$4,690,476 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.

At December 31, 2021, 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	\$ 49,823,729	\$ 49,823,729	\$ -	\$ -	\$ -
Money Market Funds	NR	10,137,862	10,137,862	-	-	-
Commercial Paper	A-1	799,640	799,640	-	-	-
Certificates of Deposit	NR	1,234,079	1,234,079	-	-	-
Municipal Bonds	A - AAA	2,567,479	203,054	1,169,257	1,195,168	-
US Treasury	AAA	24,595,830	8,283,939	16,311,891	-	-
FNMA/Fannie Mae/Freddie Mac	AAA	1,823,084	400,228	1,422,856	-	-
Federal Home Loan Bank Notes	AAA	1,322,553	-	1,322,553	-	-
Total		\$ 92,304,256	\$ 70,882,531	\$ 20,226,557	\$ 1,195,168	\$ -
		Total investments				\$ 92,304,256
		Deposits				2,314,220
		Petty cash				4,885
		Total cash and investments				<u>\$ 94,623,361</u>

CITY OF ST. LOUIS PARK, MINNESOTA
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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, 2021:

Investment Type	12/31/2021	Fair Value Measurement Using		
		Level 1	Level 2	Level 3
Investments at fair value:				
Commercial Paper	\$ 799,640	\$ -	\$ 799,640	\$ -
Certificates of Deposit	1,234,079	-	1,234,079	-
Municipal Bonds	2,567,479	-	2,567,479	-
US Treasury	24,595,830	-	24,595,830	-
Federal National Mortgage Association	1,823,084	-	1,823,084	-
Federal Home Loan Bank Notes	1,322,553	-	1,322,553	-
Total/Subtotal	32,342,665	\$ -	\$ 32,342,665	\$ -
Investments not categorized:				
External investment pool - 4M Fund	49,823,729			
Money market funds	10,137,862			
Total	\$ 92,304,256			

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:

US Treasury	26.65%
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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, 2021, 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, 2021, the loans receivable balance was \$8,506,326.

Significant receivable balances not expected to be collected within one year of December 31, 2021 are as follows:

	Loans Receivable	Special Assessments Receivable	Property Taxes	Interfund Loans Receivable	Pledges Receivable	Total
Major Funds:						
General Fund	\$ -	\$ -	\$ 380,420	\$ -	\$ -	\$ 380,420
Housing Rehabilitation Fund	3,537,782	3,511,411	-	-	-	7,049,193
Debt Service Funds	1,345,000	-	-	-	-	1,345,000
Development EDA Fund	867,035	-	-	2,735,678	-	3,602,713
Redevelopment District Fund	781,848	-	14,488	-	-	796,336
Water Fund	-	93,587	-	-	-	93,587
Sewer Fund	-	217,761	-	-	-	217,761
Nonmajor Governmental Funds	503,811	381,996	-	-	866,665	1,752,472
Total	<u>\$ 7,035,476</u>	<u>\$ 4,204,755</u>	<u>\$ 394,908</u>	<u>\$ 2,735,678</u>	<u>\$ 866,665</u>	<u>\$ 15,237,482</u>

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)	\$ 368,098
Delinquent property taxes receivable (Nonmajor Funds)	14,018
Special assessments not yet due (Housing Rehabilitation Fund)	4,046,190
Special assessments not yet due (Nonmajor Funds)	706,610
Bond reimbursement payments not yet due (Debt Service Funds)	1,390,000
Due from other governments (General Fund)	75,099
Due from other governments (Streets Capital Projects Fund)	1,685,893
Due from other governments (Nonmajor Funds)	100,000
Other miscellaneous (Development EDA Fund)	67,616
Other miscellaneous (Redevelopment District Fund)	138,842
Other miscellaneous (Nonmajor Funds)	<u>1,092,488</u>
 Total unavailable revenue for governmental funds	 <u><u>\$ 9,684,854</u></u>

CITY OF ST. LOUIS PARK, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
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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, 2021 is as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 17,255,135	\$ -	\$ -	\$ 17,255,135
Infrastructure - streets	26,011,544	-	-	26,011,544
Permanent easements	1,441,876	-	-	1,441,876
Construction in progress	16,320,544	8,204,511	13,195,060	11,329,995
Total capital assets, not being depreciated	<u>61,029,099</u>	<u>8,204,511</u>	<u>13,195,060</u>	<u>\$56,038,550</u>
Capital assets, being depreciated:				
Buildings and structures	57,156,300	12,433,991	-	69,590,291
Improvements other than buildings	44,523,797	1,465,449	-	45,989,246
Infrastructure	41,646,195	-	-	41,646,195
Machinery, furniture and equipment	13,135,040	1,024,340	420,608	13,738,772
Fleet	10,742,870	538,449	414,109	10,867,210
Total capital assets, being depreciated	<u>167,204,202</u>	<u>15,462,229</u>	<u>834,717</u>	<u>181,831,714</u>
Less accumulated depreciation for:				
Buildings and structures	19,324,256	1,403,732	-	20,727,988
Improvements other than buildings	19,427,491	1,807,329	-	21,234,820
Infrastructure	21,189,938	1,110,485	-	22,300,423
Machinery, furniture and equipment	7,801,724	890,433	238,558	8,453,599
Fleet	5,751,820	1,108,389	347,768	6,512,441
Total accumulated depreciation	<u>73,495,229</u>	<u>6,320,368</u>	<u>586,326</u>	<u>79,229,271</u>
Total capital assets being depreciated - net	<u>93,708,973</u>	<u>9,141,861</u>	<u>248,391</u>	<u>102,602,443</u>
Governmental activities capital assets - net	<u>\$ 154,738,072</u>	<u>\$ 17,346,372</u>	<u>\$ 13,443,451</u>	<u>\$ 158,640,993</u>
Reconciliation				
Governmental activities capital assets – net:				
As previously reported at December 31, 2020				\$ 154,280,429
Prior period adjustment (see note 15)				457,643
As restated at January 1, 2021				<u>\$ 154,738,072</u>

CITY OF ST. LOUIS PARK, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
December 31, 2021

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type activities:				
Capital assets, not being depreciated:				
Land	\$ 515,082	\$ -	\$ -	\$ 515,082
Construction in progress	6,366,140	3,510,542	6,449,058	3,427,624
Total capital assets, not being depreciated	<u>6,881,222</u>	<u>3,510,542</u>	<u>6,449,058</u>	<u>3,942,706</u>
Capital assets, being depreciated:				
Buildings and structures	4,929,181	159,470	-	5,088,651
Improvements other than buildings	7,176,619	2,826,898	-	10,003,517
Infrastructure	71,410,371	4,011,840	-	75,422,211
Machinery, furniture and equipment	9,127,132	-	-	9,127,132
Total capital assets, being depreciated	<u>92,643,303</u>	<u>6,998,208</u>	<u>-</u>	<u>99,641,511</u>
Less accumulated depreciation for:				
Buildings and structures	4,476,870	133,895	-	4,610,765
Improvements other than buildings	4,333,303	265,674	-	4,598,977
Infrastructure	32,828,973	1,126,771	-	33,955,744
Machinery, furniture and equipment	4,688,897	339,184	-	5,028,081
Total accumulated depreciation	<u>46,328,043</u>	<u>1,865,524</u>	<u>-</u>	<u>48,193,567</u>
Total capital assets being depreciated - net	<u>46,315,260</u>	<u>5,132,684</u>	<u>-</u>	<u>51,447,944</u>
Business-type activities capital assets - net	<u>\$ 53,196,482</u>	<u>\$ 8,643,226</u>	<u>\$ 6,449,058</u>	<u>\$ 55,390,650</u>
Reconciliation				
Business-type capital assets – net:				
As previously reported at December 31, 2020				\$ 53,073,482
Prior period adjustment (see note 15)				123,000
As restated at January 1, 2021				<u>\$ 53,196,482</u>

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

Governmental activities:	
General government	\$ 101,126
Public safety	471,407
Operations and recreation	3,400,360
Public information	46,462
Social and economic development	130,009
Internal service	2,171,004
Total depreciation expense - governmental activities	<u>\$ 6,320,368</u>
Business-type activities:	
Water	\$ 1,023,022
Sewer	162,523
Storm water	679,979
Total depreciation expense - business-type activities	<u>\$ 1,865,524</u>

CITY OF ST. LOUIS PARK, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
December 31, 2021

Note 6 CITY INDEBTEDNESS

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

As of December 31, 2021, long-term debt of the City consisted of the following:

	Issue Date	Final Maturity Date	Interest Rates	Authorized And Issued	Outstanding 12/31/2021
Governmental Activities:					
General Long-Term Debt:					
General Improvement Bonds:					
G.O. Improvement Bonds Series 2014A	12/18/2014	2/1/2026	2.00%	\$ 5,070,000	\$ 2,660,000
G.O. Improvement Bonds Series 2016A	7/14/2016	2/1/2027	1.375 - 2.375%	10,000,000	6,625,000
G.O. Improvement Bonds Series 2017A	7/13/2017	2/1/2028	2.125 - 3.00%	3,430,000	2,500,000
G.O. Improvement Bonds Series 2018A	6/14/2018	2/1/2033	3.00 - 4.00%	2,020,000	1,675,000
G.O. Improvement Bonds Series 2019A	4/10/2019	2/1/2035	2.00 - 4.00%	22,220,000	22,030,000
G.O. Improvement Bonds Series 2019B	11/26/2019	2/1/2032	3.00 - 5.00%	7,585,000	7,145,000
G.O. Improvement Bonds Series 2020A	11/10/2020	2/1/2042	2.00 - 4.00%	10,505,000	10,505,000
G.O. Improvement Bonds Series 2021A	4/15/2021	2/1/2038	1.15 - 2.00%	12,385,000	12,385,000
Total General Improvement Bonds				<u>73,215,000</u>	<u>65,525,000</u>
Tax Increment Bonds:					
Tax Increment Refunding Bonds Series 2008B	12/1/2008	2/1/2024	3.25 - 4.625%	5,490,000	1,615,000
G.O. Special Assessment Bonds:					
G.O. Improvement Bonds Series 2012A HIA	10/17/2012	2/1/2033	0.75 - 3.90%	1,290,000	855,000
G.O. Improvement Bonds Series 2019C HIA	11/26/2019	2/1/2028	2.00 - 2.20%	2,200,000	1,755,000
Total G.O. Special Assessment Bonds				<u>3,490,000</u>	<u>2,610,000</u>
G.O. Revenue bonds:					
G.O. Improvement Refunding Bonds Series 2010C	12/29/2010	2/1/2040	3.00 - 5.65%	1,770,000	1,390,000
Issuance premiums (discounts)					
Total - bonded indebtedness	N/A	N/A	N/A	<u>N/A</u>	<u>3,337,534</u>
				<u>83,965,000</u>	<u>74,477,534</u>
Capital lease payable - vehicles	5/1/2018	10/1/2026	4.53 - 5.00%	157,442	103,026
Compensated absences payable	N/A	N/A	N/A	N/A	4,285,863
Total governmental activities				<u>84,122,442</u>	<u>78,866,423</u>
Business-Type Activities:					
General Obligation Revenue Bonds:					
Utility Crossover Refunding Bonds Series 2013A	6/17/2013	8/1/2023	1.00 - 1.90%	4,170,000	565,000
Utility Revenue Bonds Series 2014A	12/18/2014	2/1/2026	2.00%	4,930,000	2,585,000
Utility G.O. Improvement Bonds Series 2017A	7/13/2017	2/1/2033	2.125 - 3.00%	4,985,000	4,155,000
Utility Refunding Revenue Bonds Series 2017A	7/13/2017	2/1/2025	2.125 - 3.00%	1,485,000	785,000
Utility G.O. Revenue Bonds Series 2018A	6/14/2018	2/1/2033	3.00 - 4.00%	6,780,000	5,640,000
Utility G.O. Revenue Bonds Series 2019B	11/26/2019	2/1/3030	3.00 - 5.00%	7,520,000	6,970,000
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				<u>34,905,000</u>	<u>25,735,000</u>
Issuance premiums (discounts)					
Total - bonded indebtedness	N/A	N/A	N/A	<u>N/A</u>	<u>1,977,066</u>
				<u>34,905,000</u>	<u>27,712,066</u>
Compensated absences payable	N/A	N/A	N/A	N/A	242,054
Total business-type activities				<u>34,905,000</u>	<u>27,954,120</u>
Total long-term debt				<u>\$ 119,027,442</u>	<u>\$ 106,820,543</u>

CITY OF ST. LOUIS PARK, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
December 31, 2021

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. A Assess. Bonds		G.O. Revenue Bonds	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2022	\$ 3,320,000	\$ 1,841,246	\$ 510,000	\$ 61,913	\$ 320,000	\$ 60,613	\$ 45,000	\$ 71,104
2023	4,045,000	1,655,543	535,000	38,400	320,000	53,913	50,000	69,048
2024	4,925,000	1,517,583	570,000	13,181	335,000	46,920	50,000	66,823
2025	5,085,000	1,381,030	-	-	340,000	39,585	55,000	64,433
2026	5,225,000	1,247,230	-	-	345,000	32,085	55,000	61,875
2027	4,965,000	1,103,933	-	-	355,000	24,200	60,000	59,143
2028	5,105,000	937,355	-	-	195,000	17,558	60,000	56,233
2029	4,900,000	766,749	-	-	75,000	13,718	65,000	53,138
2030	4,825,000	616,899	-	-	75,000	11,036	65,000	49,855
2031	4,330,000	492,646	-	-	80,000	8,130	70,000	46,378
2032	4,430,000	387,569	-	-	85,000	4,973	75,000	42,589
2033	3,255,000	297,547	-	-	85,000	1,658	75,000	38,633
2034	3,020,000	220,263	-	-	-	-	80,000	34,505
2035	3,100,000	140,913	-	-	-	-	85,000	30,070
2036	1,020,000	90,300	-	-	-	-	90,000	25,323
2037	1,040,000	69,700	-	-	-	-	95,000	20,258
2038	1,060,000	48,700	-	-	-	-	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>\$ 65,525,000</u>	<u>\$ 12,893,156</u>	<u>\$ 1,615,000</u>	<u>\$ 113,494</u>	<u>\$ 2,610,000</u>	<u>\$ 314,386</u>	<u>\$ 1,390,000</u>	<u>\$ 816,541</u>

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

CITY OF ST. LOUIS PARK, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
 December 31, 2021

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
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>\$ 25,735,000</u>	<u>\$ 4,654,309</u>

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

CITY OF ST. LOUIS PARK, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
December 31, 2021

CHANGE IN LONG-TERM LIABILITIES

Long-term liability activity for the year ended December 31, 2021 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Bonds payable:					
G.O. improvement bonds	\$ 55,790,000	\$ 12,385,000	\$ 2,650,000	\$ 65,525,000	\$ 3,320,000
G.O. tax increment bonds	2,100,000	-	485,000	1,615,000	510,000
G.O. special assessment bonds	2,925,000	-	315,000	2,610,000	320,000
G.O. revenue bonds	1,435,000	-	45,000	1,390,000	45,000
Add:					
Premiums on bonds	3,115,374	529,431	277,340	3,367,465	-
Discounts on bonds	(32,951)	-	(3,020)	(29,931)	-
Total bonds payable	65,332,423	\$12,914,431	\$3,769,320	74,477,534	4,195,000
Capital lease payable	81,699	82,910	61,583	103,026	31,344
Compensated absences	4,371,157	3,076,639	3,161,933	4,285,863	2,847,047
Total governmental activity long-term debt	<u>\$ 69,785,279</u>	<u>\$ 16,073,980</u>	<u>\$ 6,992,836</u>	<u>\$ 78,866,423</u>	<u>\$ 7,073,391</u>
Business-type activities:					
Bonds payable:					
G.O. revenue bonds	\$ 27,870,000	\$ -	\$ 2,135,000	\$ 25,735,000	\$ 2,505,000
Add:					
Premiums on bonds	2,194,446	-	217,380	1,977,066	-
Total bonds payable	30,064,446	-	2,352,380	27,712,066	2,505,000
Compensated absences	226,726	243,204	227,876	242,054	157,335
Total business-type activity long-term debt	<u>\$ 30,291,172</u>	<u>\$ 243,204</u>	<u>\$ 2,580,256</u>	<u>\$ 27,954,120</u>	<u>\$ 2,662,335</u>

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

\$12,385,000 GENERAL OBLIGATION BONDS, SERIES 2021A

On April 15, 2021, the City issued General Obligation Bonds in the amount of \$12,385,000 to finance the Louisiana Bridge, Wooddale Bikeway, Pavement Management, and Park Improvements Projects in the City. The G.O. Bonds will have a term of 16 years, with an interest rate between 1.15% - 2.00%, and will be repaid with property tax levies.

CAPITAL LEASE PAYABLE

A. VEHICLES

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 \$18,213 has been recorded as depreciation expense during 2021.

In 2021, the City entered into a lease agreement for three vehicles. The agreement calls for total monthly payments of \$1,547 maturing on October 1, 2026, with an interest rate of 4.53 percent. Depreciation in the amount of \$2,772 has been recorded as depreciation expense during 2021.

The net book value of assets under the capital lease at December 31, 2021 is as follows:

Equipment	\$ 173,980
Accumulated depreciation	<u>(68,566)</u>
Net book value	<u>\$ 105,414</u>

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

<u>Year Ending December 31,</u>	<u>Payment</u>
2022	\$ 35,440
2023	25,589
2024	18,563
2025	18,563
2026	<u>14,915</u>
Total minimum lease payments	113,070
Less: amount representing interest	<u>(10,044)</u>
Present value of minimum lease payments	<u>\$ 103,026</u>

CITY OF ST. LOUIS PARK, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
December 31, 2021

REVENUE PLEDGED

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

Bond Issue	Use of Proceeds	Revenue Pledged				Remaining Principal and Interest	Current Year	
		Type	Percent of total debt service	Debt service as a % of net revenues	Pledged Through		Principal and Interest paid	Pledged Revenue received
G.O. Improvement Bonds Series 2012A	Housing Improvement Area	Fee	100%	99%	2033	1,050,244	88,957	89,433
G.O. Improvement Bonds Series 2010A / Refunding 2019C	Housing Improvement Area	Fee	100%	100%	2028	1,874,143	293,185	293,185
Tax Increment Refunding Bonds Series 2008B	Street Improvements	TIF	100%	100%	2024	1,728,493	569,300	569,300
G.O. Improvement Refunding Bonds Series 2010C	Louisiana Court Project	Operating revenues of Louisiana Court	100%	90%	2040	2,206,535	117,983	131,187
Utility Crossover Refunding Bonds Series 2013A	Utility Infrastructure Projects	Utility charges	100%	100%	2023	580,870	284,775	284,775
Utility Revenue Bonds Series 2014A	Utility Infrastructure Projects	Utility charges	100%	100%	2026	2,716,550	541,550	541,550
Utility Revenue Bonds Series 2017A	Utility Infrastructure Projects	Utility charges	100%	100%	2033	4,878,338	404,700	404,700
Utility Refunding Revenue Bonds Series 2017A	Utility Infrastructure Projects	Utility charges	100%	100%	2025	833,075	206,250	206,250
Utility Revenue Bonds Series 2018A	Utility Infrastructure Projects	Utility charges	100%	100%	2033	6,776,500	562,200	562,200
Utility Revenue Bonds Series 2019B	Utility Infrastructure Projects	Utility charges	100%	100%	2030	8,451,150	879,450	879,450
G.O. Bonds Series 2020A - Utility portion	Utility Infrastructure Projects	Utility charges	100%	n/a	2036	6,152,825	114,804	114,804
G.O. Bonds Series 2020A - Levy portion	Bikeway, Bridge, Pavement Management	Tax Levy	100%	n/a	2042	13,494,208	225,584	225,584
G.O. Bonds Series 2021A	Park Improvements, Louisiana Bridge, Wooddale Bikeway, Pavement Management	Tax Levy	100%	n/a	2038	14,344,116	-	-

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. 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. The postretirement increase is 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 2021 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, 2021 were \$1,320,869. The City's contributions were equal to the required contributions as set by state statute.

2. PEPFF Contributions

Police and Fire members were required to contribute 11.80% of their annual covered salary in fiscal year 2021 and the City was required to contribute 17.70%. The City's contributions to the PEPFF for the year ended December 31, 2021 were \$1,635,494. 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, 2021, the City reported a liability of \$10,236,264 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 \$312,569. The net pension liability was measured as of June 30, 2021, 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, 2020 through June 30, 2021, relative to the total employer contributions received from all of PERA's participating employers. The City's proportionate share was 0.2397% at the end of the measurement period and 0.2373% for the beginning of the period.

City's proportionate share of the net pension liability	\$ 10,236,264
State of Minnesota's proportionate share of the net pension liability associated with the City	<u>312,569</u>
Total	<u>\$ 10,548,833</u>

For the year ended December 31, 2021, the City recognized pension expense of \$293,922 for its proportionate share of the GERF's pension expense. In addition, the City recognized an additional \$25,219 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, 2021, the City reported its proportionate share of the GERF's deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual economic experience	\$ 63,203	\$ 313,258
Changes in actuarial assumptions	6,250,050	226,793
Net collective between projected and actual investment earnings	-	8,868,252
Changes in proportion	230,700	-
Contributions paid to PERA subsequent to the measurement date	<u>711,700</u>	<u>-</u>
Total	<u>\$ 7,255,653</u>	<u>\$ 9,408,303</u>

The \$711,700 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, 2022. 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
2022	\$ (299,883)
2023	(99,984)
2024	(46,523)
2025	(2,417,960)
2026	-
Thereafter	-

2. PEPFF Pension Costs

At December 31, 2021, the City reported a liability of \$5,870,254 for its proportionate share of the PEPFF's net pension liability. The net pension liability was measured as of June 30, 2021 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, 2020 through June 30, 2021, relative to the total employer contributions received from all of PERA's participating employers. The City's proportionate share was 0.7605% at the end of the measurement period and 0.7570% for the beginning of the period.

The State of Minnesota also contributed \$18 million to PEPFF during the plan fiscal year ended June 30, 2021. The contribution consisted of \$9 million in direct state aid that meets the definition of a special funding situation and \$9 million in supplemental state aid that does not meet the definition of a special funding situation. The direct state aid was paid on October 1, 2020. Thereafter, by October 1 of each year, the state will pay \$9 million to the PEPFF until full funding is reached or July 1, 2048, whichever is earlier. The \$9 million in supplemental state aid will continue until the fund is 90% funded, or until the State Patrol Plan (administered by the Minnesota State Retirement System) is 90% funded, whichever occurs later. Strong asset returns for the fiscal year ended 2021 will accelerate the phasing out of these state contributions, although we do not anticipate them to be phased out during the fiscal year ending 2022.

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 \$9 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, 2021, the City recognized pension expense of \$(345,418) for its proportionate share of the Police and Fire Plan's pension expense. The City recognized an additional \$48,063 as pension expense (and grant revenue) for its proportionate share of the State of Minnesota's contribution of \$9 million to the PEPFF.

CITY OF ST. LOUIS PARK, MINNESOTA
 NOTES TO FINANCIAL STATEMENTS
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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 supplemental state aid. The City also recognized \$68,444 for the year ended December 31, 2021 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, 2021, 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	\$ 1,127,526	\$ -
Changes in actuarial assumptions	8,627,736	3,241,383
Net collective between projected and actual investment earnings	-	11,214,525
Changes in proportion	958,687	479,127
Contributions paid to PERA subsequent to the measurement date	885,880	-
Total	\$ 11,599,829	\$ 14,935,035

The \$885,880 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, 2022. 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
2022	\$ (3,907,780)
2023	(361,616)
2024	(652,044)
2025	(1,194,754)
2026	1,895,108
Thereafter	-

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, 2021, actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.25% per year
Investment Rate of Return	6.50%

The long-term investment rate of return is based on a review of inflation and investment return assumptions from a number of national investment consulting firms. The review provided a range of investment return rates deemed to be reasonable by the actuary. An investment return of 6.50% was deemed to be within that range of reasonableness for financial reporting purposes.

Salary growth assumptions in the GERS range in annual increments from 10.25% after one year of service to 3.0% after 29 years of service and 6.0% per year thereafter. In the PEPFF, salary growth assumptions range from 11.75% after one year of service to 3.0% after 24 years of service.

Mortality rates for GERS were based on the Pub-2010 General Employee Mortality Table. Mortality rates for PEPFF were based on the Pub-2010 Public Safety Employee Mortality tables. The tables are adjusted slightly to fit PERA's experience. Cost of living benefit increases after retirement are assumed to be 1.25% per year for GERS and 1.0% per year for PEPFF.

Actuarial assumptions for GERS are reviewed every four years. The most recent four-year experience study for GERS was completed in 2019. The assumption changes were adopted by the Board and became effective with the July 1, 2020 actuarial valuation. The most recent four-year experience study for PEPFF was completed in 2020 and adopted by the Board and became effective with the July 1, 2021 actuarial valuation.

The following changes in actuarial assumptions and plan provisions occurred in 2021:

General Employees Fund

Changes in Actuarial Assumptions:

- The investment return and single discount rates were changed from 7.50% to 6.50% for financial reporting purposes.
- The mortality improvement scale was changed from Scale MP-2019 to Scale MP-2020.

Police and Fire Fund

Changes in Actuarial Assumptions:

- The investment return and single discount rates were changed from 7.50% to 6.50% for financial reporting purposes.
- The inflation assumption was changed from 2.50% to 2.25%.
- The payroll growth assumption was changed from 3.25% to 3.00%.
- The base mortality tables for healthy annuitants, disabled annuitants and employees were changed from RP-2014 tables to Pub-2010 Public Safety Mortality tables. The mortality improvement scale was changed from MP-2019 to MN-2020.

- Assumed salary increase and retirement rates were modified as recommended in the July 14, 2020 experience study. The changes result in a decrease in gross salary increase rates, slightly more unreduced retirements and fewer assumed early retirements.
- Assumed rates of withdrawal were changed from select and ultimate rates to service-based rates. The changes result in more assumed terminations.
- Assumed rates of disability were increased for ages 25-44 and decreased for ages over 49. Overall, proposed rates result in more projected disabilities.
- Assumed percent married for active female members was changed from 60% to 70%.

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	33.5%	5.10%
International equity	16.5%	5.30%
Fixed income	25%	0.75%
Private markets	25%	5.90%
Total	100%	

F. DISCOUNT RATE

The discount rate used to measure the total pension liability in 2021 was 6.5%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and employers will be made at rates set in Minnesota Statutes. Based on these assumptions, the fiduciary net position of the 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, 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 one percentage point lower or one percentage point higher than the current discount rate:

	1% Decrease in Discount Rate (5.5%)	Discount Rate (6.5%)	1% Increase in Discount Rate (7.5%)
City's Proportionate share of the GERF net pension liability	\$ 20,876,753	\$ 10,236,264	\$ 1,505,093
City's Proportionate share of the PEPFF net pension liability	\$ 18,637,064	\$ 5,870,254	\$ (4,595,367)

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.

I. PENSION EXPENSE

Pension expense recognized by the City for the fiscal year ended December 31, 2021 is as follows:

GERF	\$ 293,922
PEPFF	<u>(345,418)</u>
Total	<u><u>\$ (51,496)</u></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 2021 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, police, sergeants, police lieutenants, dispatchers, and firefighters 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, 2021 valuation date, participants of the plan consisted of:

Active employees electing coverage	273
Active employees waiving coverage	3
Retirees electing coverage	<u>20</u>
Total	<u><u>296</u></u>

D. TOTAL OPEB LIABILITY AND CHANGES IN TOTAL OPEB LIABILITY

The City’s total OPEB liability of \$5,751,341 was measured at December 31, 2020 and was determined by an actuarial valuation as of December 31, 2021. Changes in the total OPEB liability during 2021 were:

Changes for the year:	
Service cost	\$ 310,714
Interest cost	119,920
Changes of benefit terms	-
Differences between expected and actual experience	1,214,476
Changes in assumptions	169,400
Benefit payments	<u>(226,393)</u>
Net changes	1,588,117
Balance - beginning of year	<u>4,163,224</u>
Balance - end of year	<u><u>\$ 5,751,341</u></u>

There were no plan changes since the measurement date of December 31, 2021.

E. ACTUARIAL ASSUMPTIONS AND OTHER INPUTS

The total OPEB liability in the December 31, 2021 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation rate	2.25%
Salary increases	Based on most recently disclosed assumptions for the pension plan in which the employee participates
Discount rate	2.00%
Index rate for 20-year tax-exempt municipal bonds	2.00%
Healthcare trend rates	6.30% in 2021 gradually decreasing over several decades to an ultimate rate of 3.80% 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 GO AA Index)

Mortality rates for general employees were based on Pub-2010 general mortality tables with projected mortality improvements based on scale MP-2019, and other adjustments. Mortality rates for Police and Fire employees were based on the RP-2014 mortality tables with projected mortality improvements based on scale MP-2019, and other adjustments.

The actuarial assumptions used in the December 31, 2021 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 2.75% to 2.00%.

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 (1.00%) or 1% higher (3.00%) than the current discount rate:

	1% Decrease (1.00%)	Current Discount Rate (2.00%)	1% Increase (3.00%)
Total OPEB liability	\$ 6,361,101	\$ 5,751,341	\$ 5,216,795

G. SENSITIVITY OF THE TOTAL OPEB LIABILITY TO CHANGES IN 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 (5.30% decreasing to 2.80%) or 1% higher (7.30% decreasing to 4.80%) than the current healthcare cost trend rates:

	1% Decrease	Current Healthcare Cost Trend Rates	1% Increase
Total OPEB liability	\$ 5,063,776	\$ 5,751,341	\$ 6,565,116

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

For the year ended December 31, 2021, the City recognized \$625,660 of OPEB expense. At December 31, 2021, 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	\$ 1,254,766	\$ -
Changes of assumption	313,100	110,608
Contributions between the measurement date and reporting date	<u>118,957</u>	<u>-</u>
Total	<u>\$ 1,686,823</u>	<u>\$ 110,608</u>

\$118,957 of the deferred outflows of resources relates to contributions subsequent to the measurement date will be recognized as a reduction of the OPEB liability in the year ending December 31, 2022. 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>
2022	\$ 195,026
2023	195,026
2024	195,026
2025	195,026
2026	182,974
Thereafter	<u>494,180</u>
	<u>\$1,457,258</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, 2021 is as follows:

	<u>Interfund Loan Receivable</u>	<u>Interfund Loan Payable</u>
Major Funds:		
Development EDA	\$ 2,975,678	\$ -
Redevelopment District	<u>-</u>	<u>2,975,678</u>
Total	<u>\$ 2,975,678</u>	<u>\$ 2,975,678</u>

CITY OF ST. LOUIS PARK, MINNESOTA
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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, 2021 is as follows:

	Due From Other Funds	Due To Other Funds
Major Funds:		
Development EDA	\$ 7,866	\$ -
Streets Capital Projects	-	7,866
Total	\$ 7,866	\$ 7,866

Interfund transfers at December 31, 2021 are as follows:

Fund	Transfers in						Totals
	General	Housing Rehabilitation	Debt Service	Streets Capital Projects	Internal Service Funds	Non-major	
Transfers out:							
General	\$ -	\$ -	\$ -	\$1,450,000	\$1,428,845	\$2,000,000	\$ 4,878,845
Housing Rehabilitation	9,213	-	382,618	-	2,650	-	394,481
Redevelopment District	-	463,136	951,504	76,394	-	3,075,936	4,566,970
Development EDA	-	-	-	-	5,733	-	5,733
Nonmajor Governmental	22,802	-	388,722	-	2,701	-	414,225
Water	622,014	-	-	-	47,642	-	669,656
Sewer	864,218	-	-	-	41,790	-	906,008
Storm Water	316,614	-	-	-	43,182	-	359,796
Solid Waste	219,958	-	-	-	40,687	-	260,645
Total transfers in	\$ 2,054,819	\$ 463,136	\$ 1,722,844	\$ 1,526,394	\$ 1,613,230	\$ 5,075,936	\$ 12,456,359

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.

CITY OF ST. LOUIS PARK, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
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Note 11 FUND BALANCE

A. CLASSIFICATIONS

At December 31, 2021, a summary of the governmental fund balance classifications are as follows:

Fund/Description	Nonspendable	Restricted	Committed	Assigned
General Fund				
Prepaid items	\$281,112	\$ -	\$ -	\$ -
Inventories	236,477	-	-	-
E-911 purposes	-	75,311	-	-
Inspections	-	-	-	550,000
DWI enforcement	-	-	-	175,140
Fire expenditures	-	19,000	-	-
Tax court petitions	-	-	-	500,000
Community survey	-	-	-	50,000
Housing Rehabilitation	-	-	-	6,098,978
Debt service	-	6,118,374	-	-
Development EDA				
Economic development	-	-	203,162	-
Redevelopment efforts	3,000	-	-	19,654,284
Redevelopment districts	-	7,562,854	-	-
Streets Capital Projects				
Sidewalks and Trails	-	2,538,528	-	-
Other governmental funds				
Prepaid items	6,500	-	-	-
Affordable housing	-	4,123,796	-	-
Capital improvements	-	-	-	1,920,462
Climate Investment	-	-	500,945	-
Community development	-	462,341	-	-
COVID 19	-	5,625	-	-
Cable TV equipment purchases	-	262,668	831,831	738,746
Park Improvement	-	689,388	-	1,762,690
Police and fire purposes	-	1,250,397	-	-
Special service districts	-	-	-	161,898
Permanent Improvement	-	-	-	3,096,155
Total	\$ 527,089	\$ 23,108,282	\$ 1,535,938	\$ 34,708,353

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

B. MINIMUM FUND BALANCE POLICY

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

The policy establishes a year-end target of unassigned fund balance amount for cash flow timing needs in the range of 40-50% of the subsequent years budget expenditures. At December 31, 2021, 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, 2021, individual funds with deficit fund balance/net position are as follows:

	<u>Amount</u>	<u>Future Financing Source</u>
Redevelopment District:		
Bridgewater Bank TIF District	\$ 918,048	Future tax increment
Other Governmental Funds:		
Streets Capital Projects	1,497,831	Future bonding/MSA reimbursement
Internal Service Funds:		
Employee Benefits	<u>29,631,038</u>	Future pension contributions and investment earnings
Total	<u>\$ 32,046,917</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, 2021.

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
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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	2021 Payments	12/31/2021 Balance
Zarthan/16th Ave TIF District								
Rottlund - Town Homes/Condos	11/06/2000	\$1,395,547	8.00%	08/01/2003	02/01/2023	89.75%	281,622	223,187
CSM - Town Place Suites	10/25/2000	1,101,362	8.00%	08/01/2003	02/01/2022	89.75%	94,220	1,218,476
CSM - Spring Hill Suites	10/25/2000	1,448,088	8.00%	08/01/2003	02/01/2022	89.75%	115,000	1,750,836
							<u>490,842</u>	
Mill City TIF District								
MSP SLP Apartments	11/20/2000	3,431,137	8.75%	08/1/2002	02/01/2023	94.75%	554,869	2,739,310
Park Commons TIF District								
Excelsior & Grand Phase I	07/01/2003	3,500,000	8.50%	08/05/2005	08/01/2022	97.00%	1,289,204	259,131
Excelsior & Grand Phase NE	06/05/2006	4,668,633	8.50%	08/01/2006	02/01/2028	97.00%	533,096	4,313,673
Excelsior & Grand Phase NW	06/05/2006	4,079,105	8.50%	08/01/2007	02/01/2028	97.00%	514,559	4,094,307
Excelsior & Grand Phase E	06/05/2006	3,300,715	8.50%	08/01/2006	02/01/2028	97.00%	327,769	4,121,785
							<u>2,664,628</u>	
Elmwood Village TIF District								
Hoigaard Village 2010A TIF Revenue Bonds	10/21/2010	3,495,000	1.5-5%	02/01/2011	02/01/2023	95.00%	381,625	680,000
Highway 7 Corporate Center TIF District								
Highway 7 Business Center Note A	07/24/2008	2,100,000	1.00%	08/01/2008	08/01/2027	95.00%	118,650	635,218
Highway 7 Business Center Note B	07/24/2008	360,000	1.00%	08/01/2008	08/01/2027	95.00%	20,340	108,894
Highway 7 Business Center Note C	07/24/2008	72,000	1.00%		08/01/2028	95.00%	-	81,983
Highway 7 Business Center Note D	07/24/2008	23,000	1.00%		08/01/2028	95.00%	-	26,189
							<u>138,990</u>	
West End TIF District								
Duke Realty Limited Partnership	11/01/2010	21,100,000	6.75%	02/01/2012	08/01/2031	95.00%	1,970,961	20,909,528
The Shoreham TIF District								
Bader Development / Shoreham Apts LLC	05/14/2019	1,200,000	3.75%	09/06/2019	08/01/2021	95.00%	126,945	-
4900 Excelsior TIF District								
Weidner / 4900 Excelsior Apts LLC	03/05/2019	2,800,000	4.50%	08/01/2019	02/01/2027	95.00%	568,382	1,792,528
Bridgewater Bank TIF District								
Bridgewater Bank	06/16/2021	950,000	1.26%	08/03/2021	08/03/2021	95.00%	951,596	-

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, 2021, the outstanding principal on the bonds is \$1,390,000.

F. CONSTRUCTION COMMITMENTS

The City has active construction projects as of December 31, 2021. 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:

Contractor	Project	Remaining Commitment
Streets Capital Projects Fund:		
Redstone Construction, LLC	Dakota Ave. Bikeways and Trail Bridge	\$ 530,013
Redstone Construction, LLC	Louisiana Ave. Bridge Replacement	698,381
Thomas and Sons Construction	Monterey - Belt Line - 36th Improvements	441,779
Thomas and Sons Construction	Beltrine SWLRT pedestrian improvements	87,396
Water Fund:		
Viking Industrial Painting, LLC	Park Glen Road Water Tower Rehab and Painting	<u>51,698</u>
		<u><u>\$ 1,809,267</u></u>

G. SUBSEQUENT EVENTS

1. Subsequent to December 31, 2021, the city council approved the following significant contracts:

Contractor	Project	Contract Amount
iDeal Energies, LLC	Addition of Solar Panels on the Recreation Center's East Arena Roof	\$395,500
Hydro-Klean, LLC	Sanitary Sewer Mainline Rehab	412,597
Ti-Zak Concrete, Inc.	Concrete Replacement	347,061
Bituminous Roadways, Inc.	2022 Pavement Management - Fern Hill Neighborhood	6,833,386
G.L. Contracting, Inc.	Alley Reconstruction Project - Ward 2	668,897
Geislinger and Sons, Inc.	Improvement Project - 36th St. and Wooddale Ave.	<u>5,217,582</u>
		<u><u>\$13,875,023</u></u>

- On May 21, 2022 and again on June 3, 2022, the City experienced a watermain break that entered the sewer system and caused backup into over 50 homes (May 21) and 20 homes (June 3). The City Council has designated up to \$4 million in relief funds from various city sources for the affected homeowners. There is no current liability due to these incidents and it is not known if there will be a liability in the future.
- On June 21, 2022, the City issued \$1,345,000 General Obligation Refunding Bonds (Louisiana Court Project), Series 2022A, with a true interest cost of 2.93% for the purpose of reducing the length of the debt with interest cost savings.

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, 2021, there were 11 revenue bonds issued. The aggregate principal amount payable as of December 31, 2021 is \$145,672,892.

Note 15 PRIOR PERIOD ADJUSTMENT

During 2021, an adjustment to construction in process was identified relating to a capitalizable project which had previously been expensed. A summary of the adjustment is as follows:

	<u>Storm Water Fund</u>	<u>Business Type Activities</u>	<u>Governmental Activities</u>
Net position - December 31, 2020 as previously reported	19,020,560	38,270,062	143,062,677
Construction in process prior period adjustment	123,000	123,000	457,643
Net position - January 1, 2021 as restated	19,143,560	38,393,062	143,520,320

Note 16 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. 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 removal of LIBOR as an appropriate benchmark interest rate is effective for reporting periods ending after December 31, 2021. The requirements of this Statement relating to leases are effective for fiscal years beginning after June 15, 2021.

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.

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Statement No. 99 *Omnibus 2022*. The provisions of this Statement contain multiple effective dates, the first being for reporting periods beginning after June 15, 2022.

Statement No. 100 *Accounting Changes and Error Corrections - an amendment of GASB Statement No. 62*. The provisions of this Statement are effective for reporting periods beginning after June 15, 2023.

Statement No. 101 *Compensated Absences*. The provisions of this Statement are effective for reporting periods beginning after June 15, 2023.

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.

REQUIRED SUPPLEMENTARY INFORMATION

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues				
Property taxes	\$ 29,601,811	\$ 29,601,811	\$ 29,469,243	\$ (132,568)
Abatement of property taxes	-	-	(44,200)	(44,200)
Total property taxes	29,601,811	29,601,811	29,425,043	(176,768)
Licenses and permits				
Licenses	911,563	911,563	878,557	(33,006)
Permits	3,710,266	3,710,266	4,119,424	409,158
Total licenses and permits	4,621,829	4,621,829	4,997,981	376,152
Intergovernmental				
Federal	-	-	31,870	31,870
State of Minnesota				
Highway user tax	653,500	653,500	621,938	(31,562)
Police and fire state aid	777,377	777,377	815,319	37,942
Police training reimbursement	50,000	50,000	56,670	6,670
Other	120,820	120,820	188,656	67,836
Local and other	59,852	59,852	59,498	(354)
Total intergovernmental	1,661,549	1,661,549	1,773,951	112,402
Charges for services				
General government	908,060	908,060	930,775	22,715
Public safety	100,100	100,100	82,390	(17,710)
Public works	-	-	11,106	11,106
Culture and recreation	1,005,674	1,005,674	1,253,738	248,064
Rent of City property	1,459,641	1,459,641	1,451,280	(8,361)
Total charges for services	3,473,475	3,473,475	3,729,289	255,814
Fines and forfeitures	231,000	231,000	150,964	(80,036)
Interest income (loss)	200,000	200,000	(314,346)	(514,346)
Miscellaneous				
Revenue bond fees	559,000	559,000	525,996	(33,004)
Other	98,750	98,750	119,535	20,785
Total miscellaneous	657,750	657,750	645,531	(12,219)
Total revenues	40,447,414	40,447,414	40,408,413	(39,001)

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	\$ 1,007,552	\$ 1,007,552	\$ 896,224	\$ 111,328
Supplies	14,000	14,000	2,426	11,574
Other services and charges	821,330	821,330	463,352	357,978
Total administration	<u>1,842,882</u>	<u>1,842,882</u>	<u>1,362,002</u>	<u>480,880</u>
Finance				
Current				
Personal services	575,680	575,680	638,889	(63,209)
Materials and supplies	3,000	3,000	1,970	1,030
Other services and charges	550,911	550,911	549,323	1,588
Total finance	<u>1,129,591</u>	<u>1,129,591</u>	<u>1,190,182</u>	<u>(60,591)</u>
Assessing				
Current				
Personal services	775,706	775,706	752,896	22,810
Materials and supplies	1,250	1,250	189	1,061
Other services and charges	21,288	21,288	14,623	6,665
Total assessing	<u>798,244</u>	<u>798,244</u>	<u>767,708</u>	<u>30,536</u>
Human resources				
Current				
Personal services	687,636	687,636	567,697	119,939
Supplies	2,000	2,000	1,189	811
Other services and charges	148,100	148,100	254,562	(106,462)
Total human resources	<u>837,736</u>	<u>837,736</u>	<u>823,448</u>	<u>14,288</u>
Community development				
Current				
Personal services	1,545,373	1,545,373	1,432,018	113,355
Materials and supplies	3,500	3,500	1,488	2,012
Other services and charges	27,450	27,450	10,119	17,331
Total community development	<u>1,576,323</u>	<u>1,576,323</u>	<u>1,443,625</u>	<u>132,698</u>
Facilities maintenance				
Current				
Personal services	625,712	625,712	664,125	(38,413)
Materials and supplies	102,500	102,500	121,061	(18,561)
Other services and charges	621,153	621,153	628,687	(7,534)
Total facilities maintenance	<u>1,349,365</u>	<u>1,349,365</u>	<u>1,413,873</u>	<u>(64,508)</u>

See accompanying notes to the required supplementary information.

Expenditures (continued)	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
General government (continued)				
Communications and marketing				
Current				
Personal services	\$ 578,684	\$ 578,684	\$ 558,346	\$ 20,338
Materials and supplies	22,500	22,500	11,150	11,350
Other services and charges	369,750	369,750	237,723	132,027
Total communications, etc.	970,934	970,934	807,219	163,715
Information resources				
Current				
Personal services	945,716	945,716	923,598	22,118
Materials and supplies	24,500	24,500	5,134	19,366
Other services and charges	713,000	713,000	721,747	(8,747)
Total information services	1,683,216	1,683,216	1,650,479	32,737
Total general government	10,188,291	10,188,291	9,458,536	729,755
Public safety				
Police				
Current				
Personal services	10,240,750	10,240,750	10,348,980	(108,230)
Materials and supplies	250,362	250,362	234,114	16,248
Other services and charges	816,751	816,751	764,507	52,244
Capital outlay	-	-	-	-
Total police	11,307,863	11,307,863	11,347,601	(39,738)
Fire protection				
Current				
Personal services	4,421,767	4,421,767	4,474,353	(52,586)
Materials and supplies	127,000	127,000	97,689	29,311
Other services and charges	449,869	449,869	494,341	(44,472)
Total fire protection	4,998,636	4,998,636	5,066,383	(67,747)
Building				
Current				
Personal services	2,416,236	2,416,236	2,317,679	98,557
Materials and supplies	14,000	14,000	13,950	50
Other services and charges	141,732	141,732	162,203	(20,471)
Total building	2,571,968	2,571,968	2,493,832	78,136
Total public safety	18,878,467	18,878,467	18,907,816	(29,349)

See accompanying notes to the required supplementary information.

Expenditures (continued)	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Operations				
Public works administration				
Current				
Personal services	\$ 225,806	\$ 225,806	\$ 235,232	\$ (9,426)
Materials and supplies	5,000	5,000	1,999	3,001
Other services and charges	18,450	18,450	2,344	16,106
Total public works administration	249,256	249,256	239,575	9,681
Public works operations				
Current				
Personal services	1,760,164	1,760,164	1,614,496	145,668
Materials and supplies	497,500	497,500	358,100	139,400
Other services and charges	1,028,156	1,028,156	984,869	43,287
Total public works operations	3,285,820	3,285,820	2,957,465	328,355
Vehicle maintenance				
Current				
Personal services	679,021	679,021	686,356	(7,335)
Materials and supplies	446,600	446,600	461,133	(14,533)
Other services and charges	177,538	177,538	112,045	65,493
Total vehicle maintenance	1,303,159	1,303,159	1,259,534	43,625
Engineering				
Current				
Personal services	378,961	378,961	555,098	(176,137)
Materials and supplies	8,000	8,000	3,514	4,486
Other services and charges	136,586	136,586	97,116	39,470
Total engineering	523,547	523,547	655,728	(132,181)
Total operations	5,361,782	5,361,782	5,112,302	249,480
Parks and recreation				
Organized recreation				
Current				
Personal services	1,079,458	1,079,458	1,063,140	16,318
Materials and supplies	49,500	49,500	34,042	15,458
Other services and charges	510,400	510,400	419,011	91,389
Total organized recreation	1,639,358	1,639,358	1,516,193	123,165
Recreation Center				
Current				
Personal services	1,312,018	1,312,018	1,385,503	(73,485)
Materials and supplies	215,250	215,250	215,385	(135)
Other services and charges	555,429	555,429	597,384	(41,955)
Total recreation center	2,082,697	2,082,697	2,198,272	(115,575)
Park maintenance				
Current				
Personal services	1,325,559	1,325,559	1,256,155	69,404
Materials and supplies	113,225	113,225	118,370	(5,145)
Other services and charges	477,859	477,859	482,869	(5,010)
Total park maintenance	1,916,643	1,916,643	1,857,394	59,249

See accompanying notes to the required supplementary information.

Expenditures (continued)	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Parks and recreation (continued)				
Westwood hills nature center				
Current				
Personal services	\$ 671,586	\$ 671,586	\$ 628,212	\$ 43,374
Materials and supplies	36,750	36,750	15,964	20,786
Other services and charges	28,179	28,179	8,330	19,849
Total westwood hills nature center	736,515	736,515	652,506	84,009
Natural Resources				
Current				
Personal services	159,197	159,197	132,908	26,289
Materials and supplies	22,200	22,200	19,294	2,906
Other services and charges	315,100	315,100	259,816	55,284
Total natural resources	496,497	496,497	412,018	84,479
Total parks and recreation	6,871,710	6,871,710	6,636,383	235,327
Other				
Race equity and inclusion				
Current				
Personal services	273,293	273,293	160,761	112,532
Materials and supplies	3,500	3,500	3,312	188
Other services and charges	64,500	64,500	21,205	43,295
Total race equity and inclusion	341,293	341,293	185,278	156,015
Sustainability				
Current				
Personal services	230,739	230,739	231,510	(771)
Materials and supplies	1,500	1,500	-	1,500
Other services and charges	199,804	199,804	65,706	134,098
Total Sustainability	432,043	432,043	297,216	134,827
Total other	773,336	773,336	482,494	290,842
Total expenditures	42,073,586	42,073,586	40,597,531	1,476,055
Revenues over (under) expenditures	(1,626,172)	(1,626,172)	(189,118)	1,437,054
Other financing sources (uses)				
Transfers in	2,055,017	2,055,017	2,054,819	(198)
Transfers out	(428,845)	(4,878,845)	(4,878,845)	-
Proceeds from sale of capital assets	-	-	4,401	4,401
Total other financing sources (uses)	1,626,172	(2,823,828)	(2,819,625)	4,203
Net change in fund balances	\$ -	\$ (4,450,000)	(3,008,743)	\$ 1,441,257
Fund balance - January 1			26,824,099	
Fund balance - December 31			\$ 23,815,356	

See accompanying notes to the required supplementary information.

CITY OF ST. LOUIS PARK, MINNESOTA
 REQUIRED SUPPLEMENTARY INFORMATION
 BUDGETARY COMPARISON SCHEDULE - HOUSING REHABILITATION FUND
 For The Year Ended December 31, 2021

Statement 10

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues				
Charges for services	\$ -	\$ -	\$ 750	750
Special assessments	638,000	638,000	985,769	347,769
Interest income (loss)	21,250	21,250	10,342	(10,908)
Miscellaneous	-	-	4,212	4,212
Total revenues	<u>659,250</u>	<u>659,250</u>	<u>1,001,073</u>	<u>341,823</u>
Expenditures				
Current				
Housing and rehabilitation	<u>1,026,606</u>	<u>1,026,606</u>	<u>776,107</u>	<u>250,499</u>
Total expenditures	<u>1,026,606</u>	<u>1,026,606</u>	<u>776,107</u>	<u>250,499</u>
Revenues over (under) expenditures	<u>(367,356)</u>	<u>(367,356)</u>	<u>224,966</u>	<u>592,322</u>
Other financing sources (uses)				
Transfers in	668,444	668,444	463,136	(205,308)
Transfers out	<u>(394,010)</u>	<u>(394,010)</u>	<u>(394,481)</u>	<u>(471)</u>
Total other financing sources (uses)	<u>274,434</u>	<u>274,434</u>	<u>68,655</u>	<u>(205,779)</u>
Net change in fund balances	<u>\$ (92,922)</u>	<u>\$ (92,922)</u>	293,621	<u>\$ 386,543</u>
Fund balances - January 1			<u>5,805,357</u>	
Fund balances - December 31			<u>\$ 6,098,978</u>	

CITY OF ST. LOUIS PARK, MINNESOTA

REQUIRED SUPPLEMENTARY INFORMATION

Statement 11

SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY AND RELATED RATIOS

For The Year Ended December 31, 2021

	2021	2020	2019	2018
Total OPEB Liability:				
Service cost	\$ 310,714	\$ 273,727	\$ 312,898	\$ 273,798
Interest cost	119,920	148,042	122,728	126,654
Differences between expected and actual experience	1,214,476	-	269,604	-
Changes in assumptions	169,400	131,969	(170,614)	120,221
Benefit payments	(226,393)	(214,270)	(211,503)	(140,966)
Net change in total OPEB liability	1,588,117	339,468	323,113	379,707
Total OPEB liability - beginning	4,163,224	3,823,756	3,500,643	3,120,936
Total OPEB liability - ending	<u>\$ 5,751,341</u>	<u>\$ 4,163,224</u>	<u>\$ 3,823,756</u>	<u>\$ 3,500,643</u>
Covered-employee payroll	\$24,937,137	\$24,950,067	\$23,867,837	\$22,206,835
Total OPEB liability as a percentage of covered-employee payroll	23.1%	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 12

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%
2021	2021	0.2397%	10,236,264	312,569	10,548,833	17,305,663	61.0%	87.0%

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 PENSION CONTRIBUTIONS - GENERAL EMPLOYEES RETIREMENT FUND

Last Ten Years

Fiscal Year Ending	Statutorily Required Contribution (a)	Contributions in Relation to the Statutorily Required Contribution (b)	Contribution Deficiency (Excess) (a-b)	Covered Payroll (c)	Contributions as a Percentage of Covered Payroll (b/c)
December 31, 2015	\$ 1,026,806	\$ 1,026,806	\$ -	\$ 13,690,747	7.50%
December 31, 2016	1,076,319	1,076,319	-	14,350,435	7.50%
December 31, 2017	1,122,359	1,122,359	-	14,965,469	7.50%
December 31, 2018	1,206,070	1,206,070	-	16,080,867	7.50%
December 31, 2019	1,270,160	1,270,160	-	16,935,462	7.50%
December 31, 2020	1,330,896	1,330,896	-	17,746,254	7.50%
December 31, 2021	1,320,869	1,320,869	-	17,605,379	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 14

SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY -

PUBLIC EMPLOYEES POLICE AND FIRE FUND

Last Ten Years

Measurement Date June 30	Fiscal Year Ending December 31	Proportion (Percentage) of the Net Pension Liability	Proportionate Share (Amount) of the Net Pension Liability (a)	Covered Payroll (b)	Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll (a/b)	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2015	2015	0.7170%	\$ 8,146,798	\$ 6,568,763	124.0%	86.6%
2016	2016	0.7090%	28,453,404	6,826,711	416.8%	63.9%
2017	2017	0.7010%	9,464,334	7,214,850	131.2%	85.4%
2018	2018	0.7220%	7,695,776	7,675,241	100.3%	88.8%
2019	2019	0.7803%	8,307,082	8,227,972	101.0%	89.3%
2020	2020	0.7570%	9,978,070	8,551,806	116.7%	87.2%
2021	2021	0.7605%	5,870,254	8,990,234	65.3%	93.7%

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 15

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%
December 31, 2021	1,635,494	1,635,494	-	9,240,074	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.

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, 2021

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, 2021, 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	60.6%
Fair	10.8%
Poor to Substandard	28.7%

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, 2021. 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	\$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%
2021	2,199,160	1,466,631	62%

Note C PENSION INFORMATION

PERA – General Employees Retirement Fund

2021 Changes

Changes in Actuarial Assumptions

- The investment return and single discount rates were changed from 7.50% to 6.50% for financial reporting purposes.
- The mortality improvement scale was changed from Scale MP-2019 to Scale MP-2020.

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%.
- 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.
- 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 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

2021 Changes

Changes in Actuarial Assumptions:

- The investment return and single discount rates were changed from 7.50% to 6.50% for financial reporting purposes.
- The inflation assumption was changed from 2.50% to 2.25%.
- The payroll growth assumption was changed from 3.25% to 3.00%.
- The base mortality tables for healthy annuitants, disabled annuitants and employees were changed from RP-2014 tables to Pub-2010 Public Safety Mortality tables. The mortality improvement scale was changed from MP-2019 to MN-2020.
- Assumed salary increase and retirement rates were modified as recommended in the July 14, 2020 experience study. The changes result in a decrease in gross salary increase rates, slightly more unreduced retirements and fewer assumed early retirements.
- Assumed rates of withdrawal were changed from select and ultimate rates to service-based rates. The changes result in more assumed terminations.
- Assumed rates of disability were increased for ages 25-44 and decreased for ages over 49. Overall, proposed rates result in more projected disabilities.
- Assumed percent married for active female members was changed from 60% to 70%.

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.

CITY OF ST. LOUIS PARK, MINNESOTA
REQUIRED SUPPLEMENTARY INFORMATION
NOTES TO RSI
December 31, 2021

2018 Changes

Changes in Actuarial Assumptions:

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

2017 Changes

Changes in Actuarial Assumptions:

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

2016 Changes

Changes in Actuarial Assumptions:

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

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
Assets				
Cash and investments	\$ 9,162,048	\$ 7,649,708	\$ -	\$ 16,811,756
Due from other governments	-	300,000	-	300,000
Accounts receivable	184,375	1,187,675	-	1,372,050
Taxes receivable - unremitted	6,561	-	-	6,561
Taxes receivable - delinquent	14,018	-	-	14,018
Prepaid items	-	6,500	-	6,500
Special assessments receivable - delinquent	2,467	9,539	-	12,006
Special assessments receivable - deferred	221,772	475,140	-	696,912
Loans receivable - noncurrent	503,811	-	-	503,811
Pledges receivable - current	-	166,665	-	166,665
Pledges receivable - noncurrent	-	866,665	-	866,665
Total assets	\$ 10,095,052	\$ 10,661,892	\$ -	\$ 20,756,944
Liabilities				
Accounts payable	\$ 40,603	\$ 124,861	\$ -	\$ 165,464
Salaries payable	11,339	-	-	11,339
Contracts payable	-	167,131	-	167,131
Deposits payable	-	350	-	350
Unearned revenue	2,658,941	27,161	-	2,686,102
Total liabilities	2,710,883	319,503	-	3,030,386
Deferred inflows of resources				
Unavailable revenue	296,319	1,616,797	-	1,913,116
Fund balances				
Nonspendable	-	6,500	-	6,500
Restricted	4,854,430	1,939,785	-	6,794,215
Committed	1,332,776	-	-	1,332,776
Assigned	900,644	6,779,307	-	7,679,951
Total fund balances	7,087,850	8,725,592	-	15,813,442
Total liabilities, deferred inflows of resources, and fund balances	\$ 10,095,052	\$ 10,661,892	\$ -	\$ 20,756,944

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, 2021

Statement 17

	Special Revenue	Capital Projects	Total
Revenues			
Property taxes	\$ 7,926	\$ 860,000	\$ 867,926
Abatement of property taxes	(1,365)	-	(1,365)
Franchise taxes	676,791	4,445,356	5,122,147
Intergovernmental	-	553,715	553,715
Charges for services	27,890	71,288	99,178
Special assessments	217,239	119,721	336,960
Interest income (loss)	24,123	28,477	52,600
Miscellaneous	5,813	1,378,440	1,384,253
Total revenues	958,417	7,456,997	8,415,414
Expenditures			
Current			
Public safety	-	382,265	382,265
Public information	452,420	-	452,420
Operations	-	1,466,631	1,466,631
Parks and recreation	-	177,552	177,552
Housing and rehabilitation	547	-	547
Social and economic development	207,759	-	207,759
Capital outlay			
Public safety	-	109,713	109,713
Public information	612	-	612
Operations	-	528	528
Parks and recreation	-	1,427,879	1,427,879
Debt service			
Bond issuance costs	-	20,852	20,852
Total expenditures	661,338	3,585,420	4,246,758
Revenues over (under) expenditures	297,079	3,871,577	4,168,656
Other financing sources (uses)			
Transfers in	3,575,936	1,500,000	5,075,936
Transfers out	(2,697)	(411,528)	(414,225)
Bonds issued	-	1,251,537	1,251,537
Premiums on bonds issue	-	69,315	69,315
Proceeds from sale of capital assets	-	1,893	1,893
Total other financing sources (uses)	3,573,239	2,411,217	5,984,456
Net change in fund balances	3,870,318	6,282,794	10,153,112
Fund balances - January 1	3,217,532	2,442,798	5,660,330
Fund balances - December 31	\$ 7,087,850	\$ 8,725,592	\$ 15,813,442
Reconciliation of beginning fund balance to prior year ending fund balance:			
Prior year ending fund balance for nonmajor capital project funds:			\$ 4,995,161
Plus prior year ending fund balance for major fund reported as nonmajor in current year:			
Pavement Management			(2,552,363)
Current year beginning fund balance for nonmajor capital project funds			<u>\$ 2,442,798</u>

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 Fund – 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 COVID relief funding.

Climate Investment Fund – used to account for programs related to supporting climate change efforts.

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	Cable Television	Community Development	Special Service Districts	Affordable Housing Trust	COVID Fund	Climate Investment	Total
Assets							
Cash and investments	\$ 1,660,965	\$ 17,688	\$ 200,649	\$ 4,117,235	\$ 2,664,566	\$ 500,945	\$ 9,162,048
Accounts receivable	184,375	-	-	-	-	-	184,375
Taxes receivable - unremitted	-	-	-	6,561	-	-	6,561
Taxes receivable - delinquent	-	-	-	14,018	-	-	14,018
Special assessments receivable - delinquent	-	-	2,467	-	-	-	2,467
Special assessments receivable - deferred	-	-	221,772	-	-	-	221,772
Loans receivable - noncurrent	-	503,811	-	-	-	-	503,811
Total assets	\$ 1,845,340	\$ 521,499	\$ 424,888	\$ 4,137,814	\$ 2,664,566	\$ 500,945	\$ 10,095,052
Liabilities							
Accounts payable	\$ 756	\$ -	\$ 39,847	\$ -	\$ -	\$ -	\$ 40,603
Salaries payable	11,339	-	-	-	-	-	11,339
Unearned revenue	-	-	-	-	2,658,941	-	2,658,941
Total liabilities	12,095	-	39,847	-	2,658,941	-	2,710,883
Deferred inflows of resources							
Unavailable revenue	-	59,158	223,143	14,018	-	-	296,319
Fund balances							
Restricted	262,668	462,341	-	4,123,796	5,625	-	4,854,430
Committed	831,831	-	-	-	-	500,945	1,332,776
Assigned	738,746	-	161,898	-	-	-	900,644
Total fund balances	1,833,245	462,341	161,898	4,123,796	5,625	500,945	7,087,850
Total liabilities, deferred inflows of resources, and fund balances	\$ 1,845,340	\$ 521,499	\$ 424,888	\$ 4,137,814	\$ 2,664,566	\$ 500,945	\$ 10,095,052

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, 2021

Statement 19

	Cable Television	Community Development	Special Service Districts	Affordable Housing Trust	COVID Fund	Climate Investment	Total
Revenues							
Property taxes	\$ -	\$ -	\$ -	\$ 7,926	\$ -	\$ -	\$ 7,926
Abatement of property taxes	-	-	-	(1,365)	-	-	(1,365)
Franchise taxes	676,791	-	-	-	-	-	676,791
Charges for services	-	-	27,890	-	-	-	27,890
Special assessments	-	-	217,239	-	-	-	217,239
Interest income (loss)	8,696	100	601	7,466	6,237	1,023	24,123
Miscellaneous	3,700	-	2,113	-	-	-	5,813
Total revenues	689,187	100	247,843	14,027	6,237	1,023	958,417
Expenditures							
Current							
Public information							
Personal services	342,577	-	-	-	-	-	342,577
Supplies	407	-	-	-	-	-	407
Other services and charges	109,436	-	-	-	-	-	109,436
Housing and rehabilitation							
Other services and charges	-	-	-	547	-	-	547
Social and economic development							
Personal services	-	-	112	-	-	-	112
Supplies	-	-	995	-	-	-	995
Other services and charges	-	-	206,574	-	-	78	206,652
Capital outlay							
Public information	-	-	-	-	612	-	612
Total expenditures	452,420	-	207,681	547	612	78	661,338
Revenues over (under) expenditures	236,767	100	40,162	13,480	5,625	945	297,079
Other financing sources (uses)							
Transfers in	-	-	-	3,075,936	-	500,000	3,575,936
Transfers out	(2,697)	-	-	-	-	-	(2,697)
Total other financing sources (uses)	(2,697)	-	-	3,075,936	-	500,000	3,573,239
Net change in fund balances	234,070	100	40,162	3,089,416	5,625	500,945	3,870,318
Fund balances - January 1	1,599,175	462,241	121,736	1,034,380	-	-	3,217,532
Fund balances - December 31	\$ 1,833,245	\$ 462,341	\$ 161,898	\$ 4,123,796	\$ 5,625	\$ 500,945	\$ 7,087,850

NONMAJOR CAPITAL PROJECTS FUNDS

Police and Fire Pensions 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 Construction Project Fund – used to account for the construction of a new nature center. Revenues are provided by the issuance of bonds.

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

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	Police and Fire Pensions	Permanent Improvement Revolving	Park Improvement	Westwood Hills Nature Center Construction Project	Pavement Management	Interfund Eliminations	Total
Assets							
Cash and investments	\$ 1,312,565	\$ 3,094,548	\$ 2,328,936	\$ 6,100	\$ 907,559	\$ -	\$ 7,649,708
Due from other governments	-	-	300,000	-	-	-	300,000
Accounts receivable	-	395	850	-	1,186,430	-	1,187,675
Prepaid items	-	-	-	-	6,500	-	6,500
Special assessments receivable - delinquent	-	9,539	-	-	-	-	9,539
Special assessments receivable - deferred	-	475,140	-	-	-	-	475,140
Pledges receivable - current	-	-	166,665	-	-	-	166,665
Pledges receivable - noncurrent	-	-	866,665	-	-	-	866,665
Total assets	\$ 1,312,565	\$ 3,579,622	\$ 3,663,116	\$ 6,100	\$ 2,100,489	\$ -	\$ 10,661,892
Liabilities							
Accounts payable	\$ 62,168	\$ -	\$ 50,197	\$ 6,100	\$ 6,396	\$ -	\$ 124,861
Contracts payable	-	-	-	-	167,131	-	167,131
Deposits payable	-	-	350	-	-	-	350
Unearned revenue	-	-	27,161	-	-	-	27,161
Total liabilities	62,168	-	77,708	6,100	173,527	-	319,503
Deferred inflows of resources							
Unavailable revenue	-	483,467	1,133,330	-	-	-	1,616,797
Fund balances							
Nonspendable	-	-	-	-	6,500	-	6,500
Restricted	1,250,397	-	689,388	-	-	-	1,939,785
Assigned	-	3,096,155	1,762,690	-	1,920,462	-	6,779,307
Total fund balances	1,250,397	3,096,155	2,452,078	-	1,926,962	-	8,725,592
Total liabilities, deferred inflows of resources, and fund balances	\$ 1,312,565	\$ 3,579,622	\$ 3,663,116	\$ 6,100	\$ 2,100,489	\$ -	\$10,661,892

	Police and Fire Pensions	Permanent Improvement Revolving	Park Improvement	Westwood Hills Nature Center Construction Project	Pavement Management	Interfund Eliminations	Total
Revenues							
Property taxes	\$ -	\$ -	\$ 860,000	\$ -	\$ -	\$ -	\$ 860,000
Franchise taxes	-	-	-	-	4,445,356	-	4,445,356
Intergovernmental	-	-	323,702	230,013	-	-	553,715
Charges for services	-	-	71,288	-	-	-	71,288
Special assessments	-	119,721	-	-	-	-	119,721
Interest income (loss)	7,755	17,375	2,166	53	1,128	-	28,477
Miscellaneous	-	214	1,378,226	-	-	-	1,378,440
Total revenues	7,755	137,310	2,635,382	230,066	4,446,484	-	7,456,997
Expenditures							
Current							
Public safety	81,625	300,640	-	-	-	-	382,265
Operations	-	-	-	-	1,466,631	-	1,466,631
Parks and recreation	-	-	177,552	-	-	-	177,552
Capital outlay							
Public safety	109,713	-	-	-	-	-	109,713
Operations	-	-	-	-	528	-	528
Parks and recreation	-	-	1,198,119	229,760	-	-	1,427,879
Debt service							
Bond issuance costs	-	-	20,852	-	-	-	20,852
Total expenditures	191,338	300,640	1,396,523	229,760	1,467,159	-	3,585,420
Revenues over (under) expenditures	(183,583)	(163,330)	1,238,859	306	2,979,325	-	3,871,577
Other financing sources (uses)							
Transfers in	-	-	-	-	1,500,000	-	1,500,000
Transfers out	-	(22,802)	-	(388,726)	-	-	(411,528)
Bonds issued	-	-	1,251,537	-	-	-	1,251,537
Premiums on bonds issue	-	-	69,315	-	-	-	69,315
Proceeds from sale of capital assets	-	-	1,893	-	-	-	1,893
Total other financing sources (uses)	-	(22,802)	1,322,745	(388,726)	1,500,000	-	2,411,217
Net change in fund balances	(183,583)	(186,132)	2,561,604	(388,420)	4,479,325	-	6,282,794
Fund balances - January 1	1,433,980	3,282,287	(109,526)	388,420	(2,552,363)	-	2,442,798
Fund balances - December 31	\$ 1,250,397	\$ 3,096,155	\$ 2,452,078	\$ -	\$ 1,926,962	\$ -	\$ 8,725,592
Reconciliation of beginning fund balance to prior year ending fund balance:							
Prior year ending fund balance for nonmajor capital project funds:							\$ 4,995,161
Plus prior year ending fund balance for major fund reported as nonmajor in current year:							
Pavement Management							(2,552,363)
Current year beginning fund balance for nonmajor capital project funds							\$ 2,442,798

FUNDS INCLUDED IN DEBT SERVICE FUND

2010A General Obligation Bond
2012A General Obligation HIA Bond
2010D General Obligation Fire Station Bond
2014A General Obligation Bond
2016A General Obligation Bond
2000 General Obligation Bond Reserve
2010C General Obligation Bond
2010C General Obligation Bond Reserve
Hoigaard's 2010 A & B TIF Notes
2008B General Obligation Tax Increment Bond
2017A General Obligation Bond
2018A General Obligation Bonds
2019A General Obligation Bond
2020A General Obligation Bond
2021A General Obligation Bond

CITY OF ST. LOUIS PARK, MINNESOTA
 COMBINING BALANCE SHEET
 DEBT SERVICE FUND
 December 31, 2021

	2000 General Obligation Bond Reserve	Hoigaard's 2010 A & B TIF Notes	2010C General Obligation Refunding Bond	2010C General Obligation Bond Reserve	2012A Taxable General Obligation HIA Bond	2014A General Obligation Bond
Assets						
Cash and investments	\$ 121,105	\$ 7	\$ 50,167	\$ 423,434	\$ 911	\$ 716,432
Due from other governments	-	-	-	-	-	-
Accounts receivable	-	-	30,363	10,998	-	-
Loans receivable - current	-	-	45,000	-	-	-
Loans receivable - noncurrent	-	-	1,345,000	-	-	-
Total assets	\$ 121,105	\$ 7	\$ 1,470,530	\$ 434,432	\$ 911	\$ 716,432
Liabilities						
Deposits payable	\$ -	\$ -	\$ -	\$ 420,236	\$ -	\$ -
Total liabilities	-	-	-	420,236	-	-
Deferred inflows of resources						
Unavailable revenue	-	-	1,390,000	-	-	-
Fund balances						
Restricted	121,105	7	80,530	14,196	911	716,432
Total liabilities, deferred inflows of resources, and fund balances	\$ 121,105	\$ 7	\$ 1,470,530	\$ 434,432	\$ 911	\$ 716,432

2016A General Obligation Bond	2017A General Obligation Bond	2018A General Obligation Bond	2019A General Obligation Bond	2019B General Obligation Bond	2019C Taxable General Obligation HIA Refunding Bond	2020A General Obligation Bond	2021A General Obligation Bond	Total
\$ 1,399,565	\$ 392,524	\$ 255,924	\$ 1,390,970	\$ 1,207,136	\$ 20,551	\$ 161,146	\$ 176,518	\$ 6,316,390
-	-	-	180,859	-	-	-	-	180,859
-	-	-	-	-	-	-	-	41,361
-	-	-	-	-	-	-	-	45,000
-	-	-	-	-	-	-	-	1,345,000
<u>\$ 1,399,565</u>	<u>\$ 392,524</u>	<u>\$ 255,924</u>	<u>\$ 1,571,829</u>	<u>\$ 1,207,136</u>	<u>\$ 20,551</u>	<u>\$ 161,146</u>	<u>\$ 176,518</u>	<u>\$ 7,928,610</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 420,236
-	-	-	-	-	-	-	-	420,236
-	-	-	-	-	-	-	-	1,390,000
<u>1,399,565</u>	<u>392,524</u>	<u>255,924</u>	<u>1,571,829</u>	<u>1,207,136</u>	<u>20,551</u>	<u>161,146</u>	<u>176,518</u>	<u>6,118,374</u>
<u>\$ 1,399,565</u>	<u>\$ 392,524</u>	<u>\$ 255,924</u>	<u>\$ 1,571,829</u>	<u>\$ 1,207,136</u>	<u>\$ 20,551</u>	<u>\$ 161,146</u>	<u>\$ 176,518</u>	<u>\$ 7,928,610</u>

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, 2021

	2000 General Obligation Bond Reserve	2008B General Obligation Tax Increment Bond	Hoigaard's 2010 A & B TIF Notes	2010C General Obligation Refunding Bond	2010C General Obligation Bond Reserve	2012A Taxable General Obligation HIA Bond	2014A General Obligation Bond
Revenues							
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 591,360
Intergovernmental	-	-	-	-	-	-	-
Interest income (loss)	15	-	-	5	51	-	1,217
Miscellaneous	-	-	-	131,187	-	-	-
Total revenues	15	-	-	131,192	51	-	592,577
Expenditures							
Social and economic development							
Developer assistance	-	-	382,200	-	-	-	-
Debt service							
Principal	-	485,000	-	45,000	-	60,000	500,000
Interest and other	-	84,775	-	74,457	-	29,433	58,609
Bond issuance costs	-	-	-	-	-	-	-
Total expenditures	-	569,775	382,200	119,457	-	89,433	558,609
Revenues over (under) expenditures	15	(569,775)	(382,200)	11,735	51	(89,433)	33,968
Other financing sources (uses)							
Transfers in	-	569,775	381,725	15	-	89,433	-
Transfers out	(15)	-	-	-	-	-	-
Bonds issued	-	-	-	-	-	-	-
Total other financing sources (uses)	(15)	569,775	381,725	15	-	89,433	-
Net change in fund balances	-	-	(475)	11,750	51	-	33,968
Fund balances - January 1	121,105	-	482	68,780	14,145	911	682,464
Fund balances - December 31	\$ 121,105	\$ -	\$ 7	\$ 80,530	\$ 14,196	\$ 911	\$ 716,432

2016A General Obligation Bond	2017A General Obligation Bond	2018A General Obligation Bond	2019A General Obligation Bond	2019B General Obligation Bond	2019C Taxable General Obligation HIA Refunding Bond	2020A General Obligation Bond	2021A General Obligation Bond	Interfund Eliminations	Total
\$ 1,231,132	\$ 413,477	\$ 257,355	\$ 1,061,793	\$ 855,697	\$ -	\$ -	\$ -	\$ -	\$ 4,410,814
-	-	-	417,050	-	-	-	-	-	417,050
2,070	312	301	496	3,391	43	1,805	1,046	-	10,752
-	-	-	-	-	-	-	-	-	131,187
<u>1,233,202</u>	<u>413,789</u>	<u>257,656</u>	<u>1,479,339</u>	<u>859,088</u>	<u>43</u>	<u>1,805</u>	<u>1,046</u>	<u>-</u>	<u>4,969,803</u>
-	-	-	-	-	-	-	-	-	382,200
1,020,000	320,000	180,000	190,000	440,000	255,000	-	-	-	3,495,000
144,286	73,814	63,850	690,761	311,551	38,660	226,047	74	-	1,796,317
-	-	-	-	-	-	-	-	-	-
<u>1,164,286</u>	<u>393,814</u>	<u>243,850</u>	<u>880,761</u>	<u>751,551</u>	<u>293,660</u>	<u>226,047</u>	<u>74</u>	<u>-</u>	<u>5,673,517</u>
<u>68,916</u>	<u>19,975</u>	<u>13,806</u>	<u>598,578</u>	<u>107,537</u>	<u>(293,617)</u>	<u>(224,242)</u>	<u>972</u>	<u>-</u>	<u>(703,714)</u>
-	-	-	388,726	-	293,185	-	-	(15)	1,722,844
-	-	-	-	-	-	-	-	15	-
-	-	-	-	-	-	-	175,546	-	175,546
-	-	-	388,726	-	293,185	-	175,546	-	1,898,390
68,916	19,975	13,806	987,304	107,537	(432)	(224,242)	176,518	-	1,194,676
<u>1,330,649</u>	<u>372,549</u>	<u>242,118</u>	<u>584,525</u>	<u>1,099,599</u>	<u>20,983</u>	<u>385,388</u>	<u>-</u>	<u>-</u>	<u>4,923,698</u>
<u>\$ 1,399,565</u>	<u>\$ 392,524</u>	<u>\$ 255,924</u>	<u>\$ 1,571,829</u>	<u>\$ 1,207,136</u>	<u>\$ 20,551</u>	<u>\$ 161,146</u>	<u>\$ 176,518</u>	<u>\$ -</u>	<u>\$ 6,118,374</u>

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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
Bridgewater Bank TIF District
Wooddale Station TIF District

CITY OF ST. LOUIS PARK, MINNESOTA
COMBINING BALANCE SHEET
REDEVELOPMENT DISTRICT FUND
December 31, 2021

	Duke West End TIF	Eliot Park TIF	Ellipse TIF District	HRA Levy
Assets				
Cash and investments	\$ 1,467,500	\$ 23,671	\$ 116,594	\$ -
Taxes receivable - unremitted	-	-	-	-
Interfund loan receivable	-	-	-	-
Loans receivable - noncurrent	-	-	-	-
Total assets	\$ 1,467,500	\$ 23,671	\$ 116,594	\$ -
Liabilities				
Accounts payable	\$ 828	\$ 475	\$ 475	\$ -
Due to other governments	5,016	1,254	1,605	-
Interfund loan payable	95,630	-	-	-
Total liabilities	101,474	1,729	2,080	-
Deferred inflows of resources				
Unavailable revenue	-	-	-	-
Fund balances				
Restricted	1,366,026	21,942	114,514	-
Unassigned	-	-	-	-
Total fund balances	1,366,026	21,942	114,514	-
Total liabilities, deferred inflows of resources, and fund balances	\$ 1,467,500	\$ 23,671	\$ 116,594	\$ -

Victoria Ponds	Park Center Housing	CSM TIF District	Mill City TIF District	Park Commons TIF District	Edgewood TIF District	Elmwood Village
\$ 129,744	\$ 1,168	\$ 357,908	\$ 419,705	\$ 1,751,582	\$ 10,473	\$ 3,494,453
-	-	-	-	9,466	-	1,880
2,593	-	-	-	-	-	-
-	781,848	-	-	-	-	-
<u>\$ 132,337</u>	<u>\$ 783,016</u>	<u>\$ 357,908</u>	<u>\$ 419,705</u>	<u>\$ 1,761,048</u>	<u>\$ 10,473</u>	<u>\$ 3,496,333</u>
\$ -	\$ 360	\$ 828	\$ 2,828	\$ 1,043	\$ -	\$ 570
-	808	1,838	1,454	9,321	-	7,576
-	-	-	-	-	-	1,961,484
-	1,168	2,666	4,282	10,364	-	1,969,630
-	138,842	-	-	-	-	-
132,337	643,006	355,242	415,423	1,750,684	10,473	1,526,703
-	-	-	-	-	-	-
<u>132,337</u>	<u>643,006</u>	<u>355,242</u>	<u>415,423</u>	<u>1,750,684</u>	<u>10,473</u>	<u>1,526,703</u>
<u>\$ 132,337</u>	<u>\$ 783,016</u>	<u>\$ 357,908</u>	<u>\$ 419,705</u>	<u>\$ 1,761,048</u>	<u>\$ 10,473</u>	<u>\$ 3,496,333</u>

CITY OF ST. LOUIS PARK, MINNESOTA
COMBINING BALANCE SHEET
REDEVELOPMENT DISTRICT FUND
December 31, 2021

	Wolfe Lake TIF District	Aquila Commons	Highway 7 Business Center	Hard Coat TIF District
Assets				
Cash and investments	\$ 62,490	\$ 1,850	\$ 95,457	\$ 26,508
Taxes receivable - unremitted	-	-	-	-
Interfund loan receivable	-	-	-	-
Loans receivable - noncurrent	-	-	-	-
Total assets	\$ 62,490	\$ 1,850	\$ 95,457	\$ 26,508
Liabilities				
Accounts payable	\$ 475	\$ 360	\$ 828	\$ -
Due to other governments	773	1,490	759	-
Interfund loan payable	-	-	-	2,593
Total liabilities	1,248	1,850	1,587	2,593
Deferred inflows of resources				
Unavailable revenue	-	-	-	-
Fund balances				
Restricted	61,242	-	93,870	23,915
Unassigned	-	-	-	-
Total fund balances	61,242	-	93,870	23,915
Total liabilities, deferred inflows of resources, and fund balances	\$ 62,490	\$ 1,850	\$ 95,457	\$ 26,508

Shoreham TIF District	4900 Excelsior Blvd TIF District	Elmwood Apartments TIF District	Bridgewater Bank TIF District	Wooddale Station TIF District	Interfund Eliminations	Total
\$ 268,531	\$ 480,093	\$ 208,133	\$ 1,141	\$ 97,123	\$ -	\$ 9,014,124
-	-	-	-	-	-	11,346
-	-	-	-	-	(2,593)	-
-	-	-	-	-	-	781,848
<u>\$ 268,531</u>	<u>\$ 480,093</u>	<u>\$ 208,133</u>	<u>\$ 1,141</u>	<u>\$ 97,123</u>	<u>\$ (2,593)</u>	<u>\$ 9,807,318</u>
\$ 475	\$ 828	\$ -	\$ -	\$ -	\$ -	\$ 10,373
1,365	1,585	852	625	1,298	-	37,619
-	-	-	918,564	-	(2,593)	2,975,678
<u>1,840</u>	<u>2,413</u>	<u>852</u>	<u>919,189</u>	<u>1,298</u>	<u>(2,593)</u>	<u>3,023,670</u>
-	-	-	-	-	-	138,842
266,691	477,680	207,281	-	\$95,825	-	7,562,854
-	-	-	(918,048)	-	-	(918,048)
<u>266,691</u>	<u>477,680</u>	<u>207,281</u>	<u>(918,048)</u>	<u>95,825</u>	<u>-</u>	<u>6,644,806</u>
<u>\$ 268,531</u>	<u>\$ 480,093</u>	<u>\$ 208,133</u>	<u>\$ 1,141</u>	<u>\$ 97,123</u>	<u>\$ (2,593)</u>	<u>\$ 9,807,318</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, 2021

	Duke West End TIF	Eliot Park TIF	Ellipse TIF District	HRA Levy
Revenues				
Property taxes	\$ -	\$ -	\$ -	\$ 1,411,266
Tax increments	2,887,499	466,745	705,201	-
Abatement of property taxes	(37,471)	-	-	(395)
Interest income (loss)	3,008	733	2,762	980
Miscellaneous	-	-	-	-
Total revenues	<u>2,853,036</u>	<u>467,478</u>	<u>707,963</u>	<u>1,411,851</u>
Expenditures				
Current				
Social and economic development	1,990,993	309,521	465,083	15,236
Debt service				
Interest and other	19,086	-	-	-
Total expenditures	<u>2,010,079</u>	<u>309,521</u>	<u>465,083</u>	<u>15,236</u>
Revenues over (under) expenditures	842,957	157,957	242,880	1,396,615
Other financing (uses)				
Transfers out	(569,775)	(163,361)	(492,066)	(1,419,897)
Net change in fund balances	273,182	(5,404)	(249,186)	(23,282)
Fund balances - January 1	<u>1,092,844</u>	<u>27,346</u>	<u>363,700</u>	<u>23,282</u>
Fund balances - December 31	<u>\$ 1,366,026</u>	<u>\$ 21,942</u>	<u>\$ 114,514</u>	<u>\$ -</u>

Victoria Ponds	Park Center Housing	CSM TIF District	Mill City TIF District	Park Commons TIF District	Edgewood TIF District	Elmwood Village
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	183,854	523,575	606,059	2,974,315	-	2,310,181
-	-	(2,162)	-	(7,026)	-	1,795
1,840	1,866	734	756	2,270	-	11,085
-	-	-	-	-	-	-
<u>1,840</u>	<u>185,720</u>	<u>522,147</u>	<u>606,815</u>	<u>2,969,559</u>	<u>-</u>	<u>2,323,061</u>
52	5,693	499,361	566,748	2,845,038	-	16,033
-	-	-	-	-	-	75,442
<u>52</u>	<u>5,693</u>	<u>499,361</u>	<u>566,748</u>	<u>2,845,038</u>	<u>-</u>	<u>91,475</u>
1,788	180,027	22,786	40,067	124,521	-	2,231,586
-	(477,508)	-	-	-	-	(458,122)
<u>1,788</u>	<u>(297,481)</u>	<u>22,786</u>	<u>40,067</u>	<u>124,521</u>	<u>-</u>	<u>1,773,464</u>
130,549	940,487	332,456	375,356	1,626,163	10,473	(246,761)
<u>\$ 132,337</u>	<u>\$ 643,006</u>	<u>\$ 355,242</u>	<u>\$ 415,423</u>	<u>\$ 1,750,684</u>	<u>\$ 10,473</u>	<u>\$ 1,526,703</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, 2021

	Wolfe Lake TIF District	Aquila Commons	Highway 7 Business Center	Hard Coat TIF District
Revenues				
Property taxes	\$ -	\$ -	\$ -	\$ -
Tax increments	157,002	238,402	147,888	29,877
Abatement of property taxes	-	-	-	-
Interest income (loss)	828	3,099	47	182
Miscellaneous	-	-	15,643	-
Total revenues	157,830	241,501	163,578	30,059
Expenditures				
Current				
Social and economic development	107,722	6,490	145,979	-
Debt service				
Interest and other	-	-	-	1,249
Total expenditures	107,722	6,490	145,979	1,249
Revenues over (under) expenditures	50,108	235,011	17,599	28,810
Other financing (uses)				
Transfers out	(109,421)	(730,433)	-	-
Net change in fund balances	(59,313)	(495,422)	17,599	28,810
Fund balances - January 1	120,555	495,422	76,271	(4,895)
Fund balances - December 31	<u>\$ 61,242</u>	<u>\$ -</u>	<u>\$ 93,870</u>	<u>\$ 23,915</u>

Shoreham TIF District	4900 Excelsior Blvd TIF District	Elmwood Apartments TIF District	Bridgewater Bank TIF District	Wooddale Station TIF District	Total
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,411,266
515,699	695,628	212,825	56,196	164,492	12,875,438
(97,450)	(68,929)	-	-	-	(211,638)
2,213	975	357	-	111	33,846
-	-	-	-	-	15,643
<u>420,462</u>	<u>627,674</u>	<u>213,182</u>	<u>56,196</u>	<u>164,603</u>	<u>14,124,555</u>
405,617	576,652	9,396	958,601	68,778	8,992,993
-	-	-	15,643	-	111,420
<u>405,617</u>	<u>576,652</u>	<u>9,396</u>	<u>974,244</u>	<u>68,778</u>	<u>9,104,413</u>
14,845	51,022	203,786	(918,048)	95,825	5,020,142
(146,387)	-	-	-	-	(4,566,970)
(131,542)	51,022	203,786	(918,048)	95,825	453,172
398,233	426,658	3,495	-	-	6,191,634
<u>\$ 266,691</u>	<u>\$ 477,680</u>	<u>\$ 207,281</u>	<u>\$ (918,048)</u>	<u>\$95,825</u>	<u>\$6,644,806</u>

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FUNDS INCLUDED IN STREETS CAPITAL PROJECTS FUND

Streets Capital Project
Sidewalks and Trails
W36th St / Wooddale Rehab
SWLRT at Beltline

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	Streets Capital Projects	Sidewalks and Trails	W36th St / Wooddale Rehab	SWLRT at Beltline	Interfund Eliminations	Total
Assets						
Cash and investments	\$ 685,409	\$ (488,510)	\$ 47,985	\$ -	\$ -	\$ 244,884
Due from other governments	1,814,933	20,000	-	129,190	-	1,964,123
Due from other funds	-	2,099,771	-	-	(2,099,771)	-
Total assets	\$ 2,500,342	\$ 1,631,261	\$ 47,985	\$ 129,190	\$ (2,099,771)	\$ 2,209,007
Liabilities						
Accounts payable	\$ 121,531	\$ 90,868	\$ 47,985	\$ -	\$ -	\$ 260,384
Contracts payable	845,793	906,902	-	-	-	1,752,695
Due to other funds	2,050,912	-	-	56,725	(2,099,771)	7,866
Total liabilities	3,018,236	997,770	47,985	56,725	(2,099,771)	2,020,945
Deferred inflows of resources						
Unavailable revenue	1,556,703	-	-	129,190	-	1,685,893
Fund balances						
Restricted	-	2,538,528	-	-	-	2,538,528
Unassigned	(2,074,597)	(1,905,037)	-	(56,725)	-	(4,036,359)
Total fund balances	(2,074,597)	633,491	-	(56,725)	-	(1,497,831)
Total liabilities, deferred inflows of resources, and fund balances	\$ 2,500,342	\$ 1,631,261	\$ 47,985	\$ 129,190	\$ (2,099,771)	\$ 2,209,007

CITY OF ST. LOUIS PARK, MINNESOTA
COMBINING SCHEDULE OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
STREETS CAPITAL PROJECTS FUND
For The Year Ended December 31, 2021

Statement 27

	Streets Capital Projects	Sidewalks and Trails	W36th St / Wooddale Rehab	SWLRT at Beltline	Total
Revenues					
Intergovernmental	\$ 184,478	\$ 2,938,132	\$ -	\$ -	\$ 3,122,610
Charges for services	-	19,531	-	-	19,531
Interest income (loss)	518	763	-	-	1,281
Miscellaneous	10,601	-	-	-	10,601
Total revenues	195,597	2,958,426	-	-	3,154,023
Expenditures					
Current					
Operations	6,197,341	8,457,336	76,394	56,725	14,787,796
Capital outlay					
Operations	3,277,116	562,397	-	-	3,839,513
Debt service					
Bond issuance costs	120,840	16,015	-	-	136,855
Total expenditures	9,595,297	9,035,748	76,394	56,725	18,764,164
Revenues over (under) expenditures	(9,399,700)	(6,077,322)	(76,394)	(56,725)	(15,610,141)
Other financing sources (uses)					
Transfers in	-	1,450,000	76,394	-	1,526,394
Bonds issued	9,893,021	1,064,896	-	-	10,957,917
Premium on bonds issued	405,768	54,348	-	-	460,116
Total other financing sources (uses)	10,298,789	2,569,244	76,394	-	12,944,427
Net change in fund balances	899,089	(3,508,078)	-	(56,725)	(2,665,714)
Fund balances - January 1	(2,973,686)	4,141,569	-	-	1,167,883
Fund balances - December 31	\$ (2,074,597)	\$ 633,491	\$ -	\$ (56,725)	\$ (1,497,831)

CITY OF ST. LOUIS PARK, MINNESOTA
CABLE TELEVISION FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL
For The Year Ended December 31, 2021

Statement 28

	2021		Actual Amounts	Variance with Final Budget
	Budgeted Amounts			
	Original	Final		
Revenues				
Franchise taxes	\$ 540,000	\$ 540,000	\$ 676,791	\$136,791
Interest income (loss)	18,750	18,750	8,696	(10,054)
Miscellaneous	500	500	3,700	3,200
Total revenues	<u>559,250</u>	<u>559,250</u>	<u>689,187</u>	<u>129,937</u>
Expenditures				
Current				
Public information				
Personal services	341,445	341,445	342,577	1,132
Supplies	3,500	3,500	407	(3,093)
Other services and charges	136,424	136,424	109,436	(26,988)
Capital outlay				
Public information	79,200	79,200	-	(79,200)
Total expenditures	<u>560,569</u>	<u>560,569</u>	<u>452,420</u>	<u>(108,149)</u>
Revenues over (under) expenditures	<u>(1,319)</u>	<u>(1,319)</u>	<u>236,767</u>	<u>238,086</u>
Other financing sources (uses)				
Transfers out	(11,697)	(11,697)	(2,697)	9,000
Total other financing sources (uses)	<u>(11,697)</u>	<u>(11,697)</u>	<u>(2,697)</u>	<u>9,000</u>
Net change in fund balances	<u>\$ (13,016)</u>	<u>\$ (13,016)</u>	234,070	<u>\$ 247,086</u>
Fund balances - January 1			<u>1,599,175</u>	
Fund balances - December 31			<u>\$ 1,833,245</u>	

CITY OF ST. LOUIS PARK, MINNESOTA
COMMUNITY DEVELOPMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL
For The Year Ended December 31, 2021

Statement 29

	2021		Actual Amounts	Variance with Final Budget
	Budgeted Amounts			
	Original	Final		
Revenues				
Intergovernmental	\$ 150,000	\$ 150,000	\$ -	\$ (150,000)
Interest income (loss)	-	-	100	100
Total revenues	<u>150,000</u>	<u>150,000</u>	<u>100</u>	<u>(149,900)</u>
Expenditures				
Current				
Housing maintenance				
Other services and charges	<u>150,000</u>	<u>150,000</u>	-	<u>(150,000)</u>
Total expenditures	<u>150,000</u>	<u>150,000</u>	-	<u>(150,000)</u>
Revenues over (under) expenditures	<u>\$ -</u>	<u>\$ -</u>	\$ 100	<u>\$ 100</u>
Fund balances - January 1			<u>462,241</u>	
Fund balances - December 31			<u>\$ 462,341</u>	

CITY OF ST. LOUIS PARK, MINNESOTA
SPECIAL SERVICES DISTRICTS FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL
For The Year Ended December 31, 2021

Statement 30

	2021		Actual Amounts	Variance with Final Budget
	Budgeted Amounts			
	Original	Final		
Revenues				
Charges for services	\$ 27,890	\$ 27,890	\$ 27,890	\$ -
Special assessments	217,831	217,831	217,239	(592)
Interest income (loss)	-	-	601	601
Miscellaneous	1,933	1,933	2,113	180
Total revenues	247,654	247,654	247,843	189
Expenditures				
Current				
Personal services	2,800	2,800	112	(2,688)
Supplies	26,663	26,663	995	(25,668)
Other services and charges	263,258	263,258	206,574	(56,684)
Total expenditures	292,721	292,721	207,681	(85,040)
Revenues over (under) expenditures	\$ (45,067)	\$ (45,067)	\$ 40,162	\$ 85,229
Fund balances - January 1			121,736	
Fund balances - December 31			\$ 161,898	

CITY OF ST. LOUIS PARK, MINNESOTA
AFFORDABLE HOUSING TRUST FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL
For The Year Ended December 31, 2021

Statement 31

	2021		Actual Amounts	Variance with Final Budget
	Budgeted Amounts			
	Original	Final		
Revenues				
Property taxes	\$ -	\$ -	\$ 7,926	\$7,926
Abatement of property taxes	-	-	(1,365)	(1,365)
Interest income (loss)	8,125	8,125	7,466	(659)
Total revenues	8,125	8,125	14,027	5,902
Expenditures				
Current				
Other services and charges	1,650,000	1,650,000	547	(1,649,453)
Total expenditures	1,650,000	1,650,000	547	(1,649,453)
Revenues over (under) expenditures	(1,641,875)	(1,641,875)	13,480	1,655,355
Other financing sources (uses)				
Transfers in	1,550,236	1,550,236	3,075,936	1,525,700
Total other financing sources (uses)	1,550,236	1,550,236	3,075,936	1,525,700
Net change in fund balances	\$ (91,639)	\$ (91,639)	\$ 3,089,416	\$ 3,181,055
Fund balances - January 1			1,034,380	
Fund balances - December 31			\$ 4,123,796	

CITY OF ST. LOUIS PARK, MINNESOTA
 CLIMATE INVESTMENT FUND
 SCHEDULE OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL
 For The Year Ended December 31, 2021

Statement 32

	2021		Actual Amounts	Variance with Final Budget
	Budgeted Amounts			
	Original	Final		
Revenues				
Interest income (loss)	\$ -	\$ -	\$ 1,023	\$ 1,023
Total revenues	-	-	1,023	1,023
Expenditures				
Current				
Social and economic development				
Other services and charges	-	-	78	78
Total expenditures	-	-	78	78
Revenues over (under) expenditures	-	-	945	945
Other financing sources (uses)				
Transfers in	-	500,000	500,000	-
Total other financing sources (uses)	-	500,000	500,000	-
Net change in fund balances	\$ -	\$ 500,000	\$ 500,945	\$ 945
Fund balances - January 1			-	
Fund balances - December 31			\$ 500,945	

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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, insurance, and capital replacement.

	Employee Benefits	Insurance	Capital Replacement	Total
Assets				
Current assets				
Cash and investments	\$ 424,990	\$ 536,829	\$ 2,405,568	\$ 3,367,387
Due from other governments	-	-	2,613	2,613
Accounts receivable	610	14,307	276	15,193
Taxes receivable - unremitted	-	-	455,271	455,271
Prepaid items	194,505	99,224	56,809	350,538
Total current assets	620,105	650,360	2,920,537	4,191,002
Noncurrent assets				
Capital assets, at cost				
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	-	-	9,864,451	9,864,451
Fleet	-	-	10,669,057	10,669,057
Construction in progress	-	42,351	10,000	52,351
Total capital assets, at cost	-	42,351	34,677,599	34,719,950
Less: accumulated depreciation	-	-	(15,908,629)	(15,908,629)
Total noncurrent assets	-	42,351	18,768,970	18,811,321
Total assets	620,105	692,711	21,689,507	23,002,323
Deferred outflows of resources				
Related to pensions	18,855,482	-	-	18,855,482
Related to OPEB	1,567,866	-	-	1,567,866
Total deferred outflows of resources	20,423,348	-	-	20,423,348
Liabilities				
Current liabilities				
Accounts payable	65,048	15,837	53,196	134,081
Accrued flex spending	11,775	-	-	11,775
Due to other governments	-	-	34,003	34,003
Compensated absences payable - current	2,847,047	-	-	2,847,047
Capital lease payable - current	-	-	31,344	31,344
Other postemployment benefits payable	226,393	-	-	226,393
Total current liabilities	3,150,263	15,837	118,543	3,284,643
Noncurrent liabilities				
Compensated absences payable	1,438,816	-	-	1,438,816
Capital lease payable	-	-	71,682	71,682
Other postemployment benefits payable	5,524,948	-	-	5,524,948
Net pension liability	16,106,518	-	-	16,106,518
Total noncurrent liabilities	23,070,282	-	71,682	23,141,964
Total liabilities	26,220,545	15,837	190,225	26,426,607
Deferred inflows of resources				
Related to pensions	24,343,338	-	-	24,343,338
Related to OPEB	110,608	-	-	110,608
Total deferred inflows of resources	24,453,946	-	-	24,453,946
Net position				
Net investment in capital assets	-	42,351	18,665,944	18,708,295
Unrestricted	(29,631,038)	634,523	2,833,338	(26,163,177)
Total net position	\$ (29,631,038)	\$ 676,874	\$ 21,499,282	\$ (7,454,882)

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, 2021

Statement 34

	Employee Benefits	Insurance	Capital Replacement	Interfund Eliminations	Total
Operating revenues					
Charges for services	\$ 2,970,864	\$ -	\$ 1,283,726	\$ -	\$ 4,254,590
Other	249,737	160,242	5,244	-	415,223
Total operating revenues	3,220,601	160,242	1,288,970	-	4,669,813
Operating expenses					
Personal services	1,292,972	43,737	-	-	1,336,709
Supplies	-	-	665,027	-	665,027
Professional services	71,013	-	162,549	-	233,562
Insurance deductibles and uninsured losses	-	167,152	-	-	167,152
Depreciation	-	-	2,171,004	-	2,171,004
Other	41,040	217	563,985	-	605,242
Total operating expenses	1,405,025	211,106	3,562,565	-	5,178,696
Operating income (loss)	1,815,576	(50,864)	(2,273,595)	-	(508,883)
Nonoperating revenues (expenses)					
Interest income (loss)	10,899	2,141	9,866	-	22,906
Property taxes	150,000	-	1,767,971	-	1,917,971
Intergovernmental revenue	141,726	-	20,696	-	162,422
Gain (loss) on disposal of capital assets	-	-	133,652	-	133,652
Interest expense	-	-	(2,788)	-	(2,788)
Total nonoperating revenues (expenses)	302,625	2,141	1,929,397	-	2,234,163
Income (loss) before transfers	2,118,201	(48,723)	(344,198)	-	1,725,280
Transfers in	720,501	250,000	643,120	(391)	1,613,230
Transfers out	-	(391)	-	391	-
Change in net position	2,838,702	200,886	298,922	-	3,338,510
Net position - January 1	(32,469,740)	475,988	21,200,360	-	(10,793,392)
Net position - December 31	\$ (29,631,038)	\$ 676,874	\$ 21,499,282	\$ -	\$ (7,454,882)

	Employee Benefits	Insurance	Capital Replacement	Total
Cash flows from operating activities				
Receipts from interfund services provided	\$ 2,970,864	\$ -	\$ 1,282,767	\$ 4,253,631
Other operating cash receipts	298,930	145,935	5,244	450,109
Payments to suppliers	264,499	(154,947)	(1,292,106)	(1,182,554)
Payments to employees	(4,060,682)	(43,737)	-	(4,104,419)
Net cash flows provided (used) by operating activities	<u>(526,389)</u>	<u>(52,749)</u>	<u>(4,095)</u>	<u>(583,233)</u>
Cash flows from noncapital financing activities				
Property taxes	150,000	-	1,531,816	1,681,816
Intergovernmental receipts	161,360	-	25,211	186,571
Advances to/from other funds - net change	(91,381)	-	-	(91,381)
Net cash flows provided (used) by noncapital financing activities	<u>219,979</u>	<u>-</u>	<u>1,557,027</u>	<u>1,777,006</u>
Cash flows from capital and related financing activities				
Transfers in	720,501	250,000	643,120	1,613,621
Transfers out	-	(391)	-	(391)
Acquisition of capital assets	-	(42,351)	(930,757)	(973,108)
Principal paid on capital lease	-	-	(61,583)	(61,583)
Interest paid on capital lease	-	-	(2,788)	(2,788)
Net cash flows provided (used) by and related financing activities	<u>720,501</u>	<u>207,258</u>	<u>(352,008)</u>	<u>575,751</u>
Cash flows from investing activities				
Interest received	<u>10,899</u>	<u>2,141</u>	<u>9,866</u>	<u>22,906</u>
Net increase in cash and cash equivalents	424,990	156,650	1,210,790	1,792,430
Cash and cash equivalents - January 1	<u>-</u>	<u>380,179</u>	<u>1,194,778</u>	<u>1,574,957</u>
Cash and cash equivalents - December 31	<u>\$ 424,990</u>	<u>\$ 536,829</u>	<u>\$ 2,405,568</u>	<u>\$ 3,367,387</u>

	Employee Benefits	Insurance	Capital Replacement	Total
Reconciliation of operating income (loss) to net cash provided (used) by operating activities				
Operating income (loss)	\$ 1,815,576	\$ (50,864)	\$ (2,273,595)	\$ (508,883)
Adjustments to reconcile operating income (loss) to net cash flows from operating activities				
Depreciation	-	-	2,171,004	2,171,004
(Increase) decrease in assets/deferred outflows				
Accounts receivable	49,193	(14,307)	(959)	33,927
Prepaid items	335,888	(2,928)	57,456	390,416
Deferred outflows of resources	(12,405,924)	-	-	(12,405,924)
Increase (decrease) in liabilities/deferred inflows				
Accounts payable	40,664	15,350	8,746	64,760
Accrued flex spending	(5,377)	-	-	(5,377)
Due to other governments	-	-	33,253	33,253
Compensated absences payable	(85,294)	-	-	(85,294)
Other postemployment benefits	1,588,117	-	-	1,588,117
Net pension liability	(8,098,771)	-	-	(8,098,771)
Deferred inflows of resources	16,239,539	-	-	16,239,539
Net cash provided (used) by operating activities	<u>\$ (526,389)</u>	<u>\$ (52,749)</u>	<u>\$ (4,095)</u>	<u>\$ (583,233)</u>
Noncash capital and related financing activities				
Disposal of capital assets	\$ -	\$ -	\$ 829,025	\$ 829,025

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III. STATISTICAL SECTION (UNAUDITED)

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Statistical Section (Unaudited)

This statistical part of the City of St. Louis Park's annual comprehensive 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>
Financial Trends These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	168
Revenue Capacity These schedules contain information to help the reader assess the factors affecting the City's ability to generate its property tax.	180
Debt Capacity 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.	186
Demographic and Economic Information 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.	193
Operating Information 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.	196

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			
	2012	2013	2014	2015
Governmental activities				
Net investment in capital assets	\$ 95,020,700	\$ 96,480,493	\$ 94,891,625	\$ 96,286,131
Restricted	18,941,172	13,560,965	10,971,995	10,608,709
Unrestricted	<u>46,413,200</u>	<u>45,688,600</u>	<u>49,971,778</u>	<u>31,667,135</u>
Total governmental activities net position	<u>\$ 160,375,072</u>	<u>\$ 155,730,058</u>	<u>\$ 155,835,398</u>	<u>\$ 138,561,975</u>
Business-type activities				
Net investment in capital assets	\$ 22,906,086	\$ 19,127,309	\$ 22,818,382	\$ 22,753,326
Unrestricted	<u>9,829,024</u>	<u>11,540,303</u>	<u>4,783,696</u>	<u>4,620,302</u>
Total business-type activities net position	<u>\$ 32,735,110</u>	<u>\$ 30,667,612</u>	<u>\$ 27,602,078</u>	<u>\$ 27,373,628</u>
Total primary government				
Net investment in capital assets	\$ 117,926,786	\$ 115,607,802	\$ 117,710,007	\$ 119,039,457
Restricted	18,941,172	13,560,965	10,971,995	10,608,709
Unrestricted	<u>56,242,224</u>	<u>57,228,903</u>	<u>54,755,474</u>	<u>36,287,437</u>
Total primary government	<u>\$ 193,110,182</u>	<u>\$ 186,397,670</u>	<u>\$ 183,437,476</u>	<u>\$ 165,935,603</u>

Note:

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

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

Table 1

Fiscal Year					
2016	2017	2018	2019	2020	2021
\$ 96,458,787	\$ 103,279,857	\$ 107,090,668	\$ 102,644,391	\$ 103,325,878	\$ 86,983,523
10,658,889	11,439,977	13,200,855	22,391,884	15,556,085	24,710,300
31,751,796	26,888,688	23,914,099	11,937,764	24,180,714	35,856,005
<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>	<u>\$ 147,549,828</u>
\$ 23,030,284	\$ 25,716,982	\$ 25,992,377	\$ 27,805,955	\$ 30,198,068	\$ 30,830,919
5,849,650	4,979,057	6,163,907	6,426,698	8,071,994	12,031,336
<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>	<u>\$ 42,862,255</u>
\$ 119,489,071	\$ 128,996,839	\$ 133,083,045	\$ 130,450,346	\$ 133,523,946	\$ 117,814,442
10,658,889	11,439,977	13,200,855	22,391,884	15,556,085	24,710,300
37,601,446	31,867,745	30,078,006	18,364,462	32,252,708	47,887,341
<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>	<u>\$ 190,412,083</u>

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

	Fiscal Year			
	2012	2013	2014	2015
Expenses				
Governmental activities				
General government	\$ 7,387,354	\$ 10,085,905	\$ 9,161,922	\$ 10,712,749
Public safety	13,264,220	13,365,297	13,954,604	15,336,854
Public information	524,012	466,043	507,928	3,057,509
Parks and recreation	-	-	-	-
Operations	-	-	-	-
Operations and recreation	15,209,548	13,487,238	13,318,552	9,996,885
Engineering	5,253,969	16,046,665	21,045,392	10,185,956
Housing and rehabilitation	3,914,261	1,774,657	909,051	707,661
Housing maintenance	116,949	141,250	130,534	84,505
Social and economic development	7,810,635	9,040,280	8,058,914	8,872,479
Interest on long-term debt	1,245,294	1,295,298	1,185,975	1,233,107
Total governmental activities expenses	<u>54,726,242</u>	<u>65,702,633</u>	<u>68,272,872</u>	<u>60,187,705</u>
Business-type activities				
Water	3,890,860	5,747,116	4,609,579	4,684,190
Sewer	4,593,166	5,272,646	4,885,748	5,333,887
Solid Waste	2,562,985	3,614,118	2,813,587	2,917,214
Storm Water	1,485,390	1,390,235	1,422,645	1,400,975
Total business-type activities expenses	<u>12,532,401</u>	<u>16,024,115</u>	<u>13,731,559</u>	<u>14,336,266</u>
Total expenses	<u>\$ 67,258,643</u>	<u>\$ 81,726,748</u>	<u>\$ 82,004,431</u>	<u>\$ 74,523,971</u>
Program revenues				
Governmental activities				
Charges for services				
General government	\$ 1,060,679	\$ 1,024,253	\$ 1,142,294	\$ 1,185,881
Public safety	3,344,449	3,109,813	3,477,244	4,237,819
Public information	-	-	-	10,000
Culture and recreation	2,438,841	-	-	-
Operations and recreation	-	2,035,715	2,089,052	2,344,863
Engineering	-	1,032	318,873	144,151
Housing and rehabilitation	8,162	8,606	7,537	6,315
Housing maintenance	-	-	241	-
Social and economic development	281,002	250,015	224,252	256,557
Interest on long-term debt	-	-	-	-
Operating grants and contributions	2,360,465	2,709,644	2,024,171	3,586,440
Capital grants and contributions	6,290,076	11,881,109	12,066,132	3,178,294
Total governmental activities program revenue	<u>15,783,674</u>	<u>21,020,187</u>	<u>21,349,796</u>	<u>14,950,320</u>
Business-type activities				
Charges for services				
Water	5,109,446	5,037,067	5,188,065	5,766,601
Sewer	5,959,931	5,822,085	5,841,377	6,112,024
Solid Waste	2,858,930	2,912,415	3,179,732	3,189,566
Storm Water	1,977,663	2,054,915	2,246,201	2,472,134
Operating grants and contributions	105,976	135,642	127,742	128,610
Capital grants and contributions	-	-	-	-
Total business-type activities program revenue	<u>16,011,946</u>	<u>15,962,124</u>	<u>16,583,117</u>	<u>17,668,935</u>
Total program revenues	<u>\$ 31,795,620</u>	<u>\$ 36,982,311</u>	<u>\$ 37,932,913</u>	<u>\$ 32,619,255</u>

Table 2
Page 1 of 2

		Fiscal Year									
		2016	2017	2018	2019	2020	2021				
\$	11,182,348	\$	10,648,181	\$	11,051,775	\$	12,022,082	\$	12,065,668	\$	11,981,562
	20,091,787		17,870,131		17,621,109		18,868,900		18,283,411		18,168,010
	549,940		647,316		642,350		594,521		924,428		496,229
	-		-		-		7,463,862		6,454,814		6,782,740
	-		-		-		20,692,741		18,700,327		21,980,357
	13,352,637		13,448,470		15,146,290		-		-		-
	5,091,818		7,859,907		7,491,753		-		-		-
	528,467		480,911		530,192		1,001,834		1,085,356		780,257
	144,204		72,244		19,768		89,828		709,009		-
	8,826,281		10,987,654		12,549,378		16,536,420		11,642,624		11,246,159
	1,620,489		1,511,329		1,456,241		2,139,962		1,818,341		1,991,765
	<u>61,387,971</u>		<u>63,526,143</u>		<u>66,508,856</u>		<u>79,410,150</u>		<u>71,683,978</u>		<u>73,427,079</u>
	4,773,624		4,786,816		5,445,760		5,922,733		5,545,411		5,743,764
	6,002,088		6,227,919		6,083,196		6,387,860		6,020,350		6,828,464
	3,256,804		3,390,874		3,463,412		3,527,810		3,666,565		3,681,072
	1,514,761		1,611,785		2,372,829		2,179,955		2,206,992		2,331,779
	15,547,277		16,017,394		17,365,197		18,018,358		17,534,121		18,585,079
\$	<u>76,935,248</u>	\$	<u>79,543,537</u>	\$	<u>83,874,053</u>	\$	<u>97,428,508</u>	\$	<u>89,218,099</u>	\$	<u>92,012,158</u>
\$	1,184,122	\$	1,143,220	\$	1,214,710	\$	1,231,454	\$	-	\$	1,266,925
	4,354,793		3,962,306		4,049,914		5,212,202		6,353,145		4,719,500
	-		-		-		-		-		-
	-		-		576		-		89,008		-
	2,122,730		2,308,221		2,516,191		2,566,014		1,703,896		2,982,628
	97,688		134,508		136,648		156,330		-		-
	7,607		4,514		633,932		3,467		-		750
	-		-		-		-		-		-
	259,910		255,109		213,944		216,989		330,072		213,828
	-		-		-		-		-		-
	2,512,011		3,670,054		2,666,090		3,360,346		6,426,976		2,886,299
	3,960,739		5,205,879		3,526,377		2,693,816		3,646,262		3,996,798
	<u>14,499,600</u>		<u>16,683,811</u>		<u>14,958,382</u>		<u>15,440,618</u>		<u>18,549,359</u>		<u>16,066,728</u>
	5,674,239		6,089,295		6,469,268		6,908,538		7,989,679		8,535,668
	6,663,731		7,261,014		7,360,679		7,634,597		8,059,428		8,528,207
	2,905,899		3,237,506		3,348,948		3,538,931		3,782,579		4,267,345
	2,642,860		2,816,349		2,887,425		3,059,282		3,158,072		3,322,640
	181,525		159,376		174,250		196,100		196,223		212,446
	799,894		279,801		429,928		556,508		299,018		430,010
	<u>18,868,148</u>		<u>19,843,341</u>		<u>20,670,498</u>		<u>21,893,956</u>		<u>23,484,999</u>		<u>25,296,316</u>
\$	<u>33,367,748</u>	\$	<u>36,527,152</u>	\$	<u>35,628,880</u>	\$	<u>37,334,574</u>	\$	<u>42,034,358</u>	\$	<u>41,363,044</u>

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

	Fiscal Year			
	2012	2013	2014	2015
Net (expenses) revenues				
Governmental activities	\$ (38,942,568)	\$ (44,682,446)	\$ (46,923,076)	\$ (45,237,385)
Business-type activities	3,479,545	(61,991)	2,851,558	3,332,669
Total primary government	<u>\$ (35,463,023)</u>	<u>\$ (44,744,437)</u>	<u>\$ (44,071,518)</u>	<u>\$ (41,904,716)</u>
General Revenues and Other Changes in Net Position				
Governmental activities				
Taxes				
Property taxes	\$ 24,625,789	\$ 26,963,176	\$ 27,398,157	\$ 28,209,567
Tax increment	6,446,389	6,647,729	7,380,995	6,763,951
Franchise taxes	1,954,557	2,211,569	2,268,213	2,915,732
Lodging taxes	-	-	-	-
Grants and contributions not restricted to specific programs	46,422	45,266	504,035	557,671
Unrestricted investment earnings	663,978	138,899	407,753	221,408
Gain on sale of capital assets	60,416	69,237	464,629	577,248
Miscellaneous	2,183,685	2,199,629	2,609,539	2,985,997
Transfers	1,660,035	1,761,927	5,995,095	3,620,449
Total governmental activities general revenues	<u>37,641,271</u>	<u>40,037,432</u>	<u>47,028,416</u>	<u>45,852,023</u>
Business-type activities				
Unrestricted investment earnings	113,260	(3,348)	78,003	59,330
Miscellaneous	-	-	-	-
Transfers	(1,660,035)	(1,761,927)	(5,995,095)	(3,620,449)
Total business-type activities general revenues	<u>(1,546,775)</u>	<u>(1,765,275)</u>	<u>(5,917,092)</u>	<u>(3,561,119)</u>
Total primary government	<u>\$ 36,094,496</u>	<u>\$ 38,272,157</u>	<u>\$ 41,111,324</u>	<u>\$ 42,290,904</u>
Change in net position				
Governmental activities	\$ (1,301,297)	\$ (4,645,014)	\$ 105,340	\$ 614,638
Business-type activities	1,932,770	(1,827,266)	(3,065,534)	(228,450)
Total primary government	<u>\$ 631,473</u>	<u>\$ (6,472,280)</u>	<u>\$ (2,960,194)</u>	<u>\$ 386,188</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									
		2016	2017	2018	2019	2020	2021				
\$	(46,888,371)	\$	(46,842,332)	\$	(51,550,474)	\$	(63,969,532)	\$	(53,134,619)	\$	(57,360,351)
	3,320,871		3,825,947		3,305,301		3,875,598		5,950,878		6,711,237
<u>\$</u>	<u>(43,567,500)</u>	<u>\$</u>	<u>(43,016,385)</u>	<u>\$</u>	<u>(48,245,173)</u>	<u>\$</u>	<u>(60,093,934)</u>	<u>\$</u>	<u>(47,183,741)</u>	<u>\$</u>	<u>(50,649,114)</u>
\$	30,185,703	\$	31,582,993	\$	33,449,668	\$	34,566,143	\$	36,651,274	\$	37,841,783
	7,733,689		8,961,792		10,266,075		11,027,616		12,081,105		12,875,438
	3,079,399		3,763,394		3,804,678		1,074,002		4,569,901		5,122,147
	-		-		1,021,855		4,212,728		339,055		543,133
	584,639		590,978		618,645		319,322		331,454		587,658
	388,647		408,945		739,130		1,669,916		1,232,923		(215,865)
	142,713		106,204		1,751,339		178,509		56,625		149,946
	3,201,122		2,091,334		491,591		1,619,458		1,858,081		2,289,514
	1,879,956		2,075,742		2,004,593		2,070,255		2,102,839		2,196,105
	<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>		<u>61,389,859</u>
	65,391		65,900		159,537		271,026		172,777		(45,939)
	-		-		-		-		-		-
	<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>(2,196,105)</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>(2,242,044)</u>
<u>\$</u>	<u>45,381,303</u>	<u>\$</u>	<u>47,571,540</u>	<u>\$</u>	<u>52,302,518</u>	<u>\$</u>	<u>54,938,720</u>	<u>\$</u>	<u>57,293,195</u>	<u>\$</u>	<u>59,147,815</u>
\$	307,497	\$	2,739,050	\$	2,597,100	\$	(7,231,583)	\$	6,088,638	\$	4,029,508
	1,506,306		1,816,105		1,460,245		2,076,369		4,020,816		4,469,193
<u>\$</u>	<u>1,813,803</u>	<u>\$</u>	<u>4,555,155</u>	<u>\$</u>	<u>4,057,345</u>	<u>\$</u>	<u>(5,155,214)</u>	<u>\$</u>	<u>10,109,454</u>	<u>\$</u>	<u>8,498,701</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
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
2021	50,717,221	5,122,147	55,839,368

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			
	2012	2013	2014	2015
General fund				
Nonspendable	\$ 70,450	\$ 256,251	\$ 397,873	\$ 566,574
Restricted	458,448	498,922	492,223	464,469
Assigned	690,242	691,171	696,293	758,084
Unassigned	10,757,776	14,342,422	14,576,348	15,242,009
Total General fund	\$ 11,976,916	\$ 15,788,766	\$ 16,162,737	\$ 17,031,136
All other governmental funds				
Nonspendable	\$ 426,736	\$ -	\$ -	\$ -
Restricted	20,464,874	15,102,011	12,663,957	12,457,701
Committed	459,160	467,682	483,590	481,009
Assigned	35,947,479	33,481,454	38,701,128	39,567,878
Unassigned	(7,567,117)	(7,020,483)	(8,819,377)	(6,551,326)
Total all other governmental funds	\$ 49,731,132	\$ 42,030,664	\$ 43,029,298	\$ 45,955,262

Table 4

Fiscal Year					
2016	2017	2018	2019	2020	2021
\$ 330,483	\$ 292,821	\$ 258,932	\$ 340,247	\$ 362,022	\$ 517,589
413,787	392,004	272,840	126,683	82,986	94,311
936,663	1,050,569	1,025,207	1,602,523	992,938	1,275,140
16,193,763	17,054,520	17,697,405	18,762,374	25,386,153	21,928,316
<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>	<u>\$ 23,815,356</u>
\$ 23,563	\$ 6,500	\$ 19,700	\$ 6,799	\$ -	\$ 9,500
10,057,843	11,725,590	12,196,553	28,145,222	18,877,118	23,013,971
466,287	696,235	1,064,284	913,497	812,078	1,535,938
41,068,221	33,609,392	33,843,896	31,598,020	30,398,365	33,433,213
(5,187,339)	(3,628,247)	(7,382,436)	(7,310,832)	(5,887,231)	(4,954,407)
<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>	<u>\$ 53,038,215</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			
	2012	2013	2014	2015
Revenues				
Taxes	\$ 24,259,861	\$ 25,658,762	\$ 24,361,524	\$ 26,598,373
Tax increments	6,446,389	6,647,729	7,380,995	6,763,951
Abatement of property taxes	-	-	-	-
Lodging tax	-	-	-	-
Franchise taxes	1,954,557	2,211,569	2,268,213	2,915,732
Licenses and permits	3,241,813	3,069,090	3,413,683	4,312,702
Intergovernmental	2,983,191	13,887,247	13,216,055	6,017,025
Charges for services	3,547,900	3,052,789	3,476,264	3,608,933
Fines and forfeits	341,356	311,882	369,546	263,951
Special assessments	2,233,715	1,505,568	1,268,539	1,238,873
Investment earnings	622,450	123,306	386,263	199,747
Miscellaneous	2,188,262	2,216,820	2,577,300	3,051,946
Total revenues	47,819,494	58,684,762	58,718,382	54,971,233
Expenditures				
General government	6,503,965	7,162,588	7,376,380	7,813,046
Public safety	12,571,356	12,435,341	13,239,729	14,025,463
Parks and recreation	-	-	-	-
Operations and recreation	13,955,142	10,083,541	10,450,789	9,710,604
Operations	-	-	-	-
Engineering	939,416	15,998,842	21,013,383	10,068,447
Public information	470,280	408,683	462,341	561,252
Housing and rehabilitation	3,881,500	1,715,540	875,225	538,411
Housing maintenance	116,949	141,250	130,534	84,505
Social and economic development	7,681,176	8,910,821	7,928,905	8,872,479
Miscellaneous	-	-	-	-
Debt service				
Principal	1,285,000	3,275,000	1,970,000	1,612,827
Interest	1,235,118	1,298,016	1,138,100	1,210,971
Other charges	46,435	3,895	54,433	2,640
Bond issuance costs	-	-	-	-
Capital outlay	3,930,528	2,089,798	2,271,988	3,486,864
Total expenditures	52,616,865	63,523,315	66,911,807	57,987,509
Revenues over (under) expenditures	(4,797,371)	(4,838,553)	(8,193,425)	(3,016,276)
Other financing sources (uses)				
Transfers in	6,395,355	10,472,534	19,317,129	13,296,241
Transfers out	(5,580,044)	(9,531,189)	(15,241,005)	(9,462,850)
Refunding bonds issued	1,290,000	-	-	-
Bonds issued	-	-	5,070,000	-
Proceeds from long term debt	-	-	-	2,200,000
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	777,248
Total other financing sources (uses)	2,990,639	949,935	9,566,030	6,810,639
Net change in fund balances	\$ (1,806,732)	\$ (3,888,618)	\$ 1,372,605	\$ 3,794,363
Debt service as a percentage of noncapital expenditures	5.18%	7.44%	4.81%	5.18%

Table 5

		Fiscal Year									
		2016	2017	2018	2019	2020	2021				
\$	27,734,546	\$	28,941,646	\$	31,853,551	\$	32,598,016	\$	34,531,332	\$	36,198,206
	7,733,689		8,961,792		10,266,075		11,368,332		12,081,105		12,875,438
	-		-		-		(340,716)		112,630		(257,203)
	-		-		1,021,855		4,212,728		339,055		543,133
	3,079,399		3,763,394		3,804,678		1,074,002		4,569,901		5,122,147
	4,320,078		3,985,517		4,001,645		5,264,659		5,294,314		4,997,981
	4,345,482		8,228,158		5,240,175		5,383,495		6,904,307		6,868,059
	3,406,964		3,529,125		3,708,327		3,847,458		3,055,615		4,034,686
	299,808		293,236		282,146		274,339		126,192		150,964
	1,192,628		1,169,859		1,150,577		1,183,508		1,127,497		1,322,729
	362,196		369,203		677,131		1,616,635		1,176,200		(238,771)
	3,230,390		2,218,712		1,529,337		1,701,458		1,901,751		2,348,898
	<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>		<u>73,966,267</u>
	8,188,193		8,142,675		9,075,636		9,372,448		9,490,394		9,458,536
	14,669,251		15,824,577		17,050,302		17,651,051		17,806,753		19,290,081
	-		-		-		6,571,735		6,454,814		6,813,935
	9,688,872		10,665,329		11,031,544		-		-		-
	-		-		-		14,448,732		17,097,698		21,366,729
	480,162		7,754,421		4,449,897		-		-		-
	477,721		495,256		567,653		477,150		875,890		452,420
	482,313		453,940		512,029		796,010		1,060,588		776,654
	144,204		57,370		12,040		60,315		709,009		-
	8,673,638		10,857,645		10,479,359		15,396,270		11,513,051		11,110,229
	-		-		-		26,282		517,651		482,494
	1,681,876		3,650,297		2,055,000		2,990,000		11,915,000		3,495,000
	1,446,371		1,493,780		1,462,325		1,468,620		2,138,151		1,907,737
	2,717		-		-		-		-		-
	111,922		40,419		33,060		309,945		124,200		157,707
	<u>19,894,828</u>		<u>10,159,659</u>		<u>14,388,878</u>		<u>16,857,464</u>		<u>8,140,774</u>		<u>6,339,203</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>81,650,725</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>		<u>(7,684,458)</u>
	8,148,651		5,586,488		7,282,081		3,919,120		7,537,016		10,843,129
	(6,994,545)		(4,182,613)		(5,608,462)		(2,299,247)		(5,573,129)		(10,260,254)
	-		-		-		-		-		-
	10,000,000		3,430,000		2,020,000		32,005,001		10,505,000		12,385,000
	-		-		-		-		-		-
	396,655		196,964		5,659		1,965,386		938,458		529,431
	-		-		-		-		-		-
	-		-		-		(2,160,000)		-		-
	-		-		-		-		-		-
	3,000		-		1,679,945		-		56,625		16,294
	<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>13,513,600</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>5,829,142</u>
	<u>6.02%</u>		<u>8.61%</u>		<u>5.6%</u>		<u>6.0%</u>		<u>17.6%</u>		<u>7.3%</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

	2012	2013	2014	2015
Population	45,505	46,362	47,411	47,502
Real Property				
Total assessed/tax capacity value	\$ 62,602,680	\$ 61,348,576	\$ 62,068,742	\$ 65,599,841
Less tax increment districts - Area-wide allocation (net)	(5,426,995) <u>(3,220,881)</u>	(5,587,609) <u>(2,940,678)</u>	(6,130,653) <u>(3,670,487)</u>	(5,894,025) <u>(3,879,478)</u>
Net assessed/tax capacity value	<u>\$ 53,954,804</u>	<u>\$ 52,820,289</u>	<u>\$ 52,267,602</u>	<u>\$ 55,826,338</u>
Estimated market value	<u>\$ 5,226,900,300</u>	<u>\$ 5,103,186,900</u>	<u>\$ 5,123,316,900</u>	<u>\$ 5,435,136,500</u>
Personal Property				
Assessed/tax capacity value	<u>\$ 490,122</u>	<u>\$ 559,718</u>	<u>\$ 576,427</u>	<u>\$ 607,025</u>
Estimated market value	<u>\$ 24,962,100</u>	<u>\$ 28,487,900</u>	<u>\$ 29,320,000</u>	<u>\$ 30,852,400</u>
Total Real and Personal Property				
Assessed/tax capacity value	<u>\$ 54,444,926</u>	<u>\$ 53,380,007</u>	<u>\$ 52,844,029</u>	<u>\$ 56,433,363</u>
Estimated market value	<u>\$ 5,251,862,400</u>	<u>\$ 5,131,674,800</u>	<u>\$ 5,152,636,900</u>	<u>\$ 5,465,988,900</u>
Tax Capacity Rate	43.9%	46.6%	48.6%	47.8%

Table 6

Fiscal Year						
2016	2017	2018	2019	2020	2021	
48,354	48,747	49,039	48,677	49,834	50,010	
\$ 71,118,692	\$ 77,324,247	\$ 81,272,437	\$ 88,023,090	\$ 95,317,915	\$ 101,379,851	
(6,798,025)	(8,211,886)	(8,746,231)	(10,129,650)	(10,875,524)	(11,817,305)	
<u>(3,168,815)</u>	<u>(4,255,021)</u>	<u>(4,787,086)</u>	<u>(4,741,344)</u>	<u>(5,233,557)</u>	<u>(5,628,072)</u>	
\$ 61,151,852	\$ 64,857,340	\$ 67,739,120	\$ 73,152,096	\$ 79,208,834	\$ 83,934,474	
<u>\$ 5,841,548,800</u>	<u>\$ 6,306,324,900</u>	<u>\$ 6,637,473,500</u>	<u>\$ 7,205,288,500</u>	<u>\$ 7,731,035,100</u>	<u>\$ 8,164,996,400</u>	
<u>\$ 614,793</u>	<u>\$ 650,504</u>	<u>\$ 710,227</u>	<u>\$ 747,358</u>	<u>\$ 739,713</u>	<u>\$ 777,794</u>	
<u>\$ 31,212,200</u>	<u>\$ 33,056,300</u>	<u>\$ 36,048,400</u>	<u>\$ 37,926,900</u>	<u>\$ 37,525,400</u>	<u>\$ 39,320,700</u>	
\$ 61,766,645	\$ 65,507,844	\$ 68,469,347	\$ 73,899,454	\$ 79,948,547	\$ 84,712,268	
<u>\$ 5,872,761,000</u>	<u>\$ 6,339,381,200</u>	<u>\$ 6,673,521,900</u>	<u>\$ 7,243,215,400</u>	<u>\$ 7,768,560,500</u>	<u>\$ 8,204,317,100</u>	
46.2%	46.2%	46.4%	44.7%	43.4%	42.9%	

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

City of St. Louis Park	2012	2013	2014	2015
Operating Rate	40.303	42.902	45.868	45.234
Debt Service Rate	3.563	3.650	2.702	2.520
Total City Direct Rates	43.866	46.552	48.570	47.754
Overlapping Rates				
County				
Operating Rate	48.231	49.461	49.959	46.398
School District				
Operating Rate	13.324	13.976	16.741	15.642
Debt Service Rate	15.946	15.754	15.617	14.698
Other Taxing Districts				
St. Louis Park HRA Levy	1.806	1.676	1.808	1.679
Metro Mosquito Control	0.537	0.556	0.563	0.507
Metro Council	0.940	0.997	1.069	0.976
Metro Transit Debt	1.607	1.689	1.703	1.523
Hennepin County HRA	0.403	0.478	0.514	0.471
Hennepin Parks	3.943	4.054	4.169	3.789
Park Museum	0.799	0.754	0.766	0.702
HC Regional Railroad Authority	1.294	1.561	1.777	1.817
Referendum Market Value Based Rate	-	-	-	-
Watershed	1.705	1.769	1.806	1.738
Total Overlapping Rates	90.535	92.725	96.492	89.940
Total Direct and Overlapping Rates	134.401	139.277	145.062	137.694

Table 7

Fiscal Year						
2016	2017	2018	2019	2020	2021	
43.744	42.933	41.759	40.090	38.656	37.652	
2.451	3.267	4.624	4.616	4.742	5.203	
46.195	46.200	46.383	44.706	43.398	42.855	
45.356	44.087	42.808	41.861	41.084	38.210	
14.887	12.364	14.506	13.578	13.946	14.273	
13.627	13.247	14.529	13.444	13.244	12.205	
1.634	1.661	1.718	1.667	1.668	1.699	
0.483	0.475	0.456	0.427	0.412	0.381	
0.925	0.883	0.844	0.659	0.616	0.631	
1.491	1.463	1.383	1.456	1.433	1.256	
0.439	0.497	0.457	0.535	0.801	0.722	
3.601	3.365	3.161	2.961	2.859	2.793	
0.712	0.711	0.710	0.705	0.710	0.707	
1.879	1.925	1.962	1.807	1.388	1.323	
-	-	-	-	-	-	
1.724	1.738	1.694	1.569	1.493	1.422	
86.758	82.416	84.228	80.669	79.654	75.622	
132.953	128.616	130.611	125.375	123.052	118.477	

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

Table 8

Taxpayer	2021			2012		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
BOF II MN West End Office Park, LLC	\$ 127,153,000	1	1.51 %			
BRI 1880 Towers at West LLC	114,904,000	2	1.36			
Interchange Investors (formerly WHIOP Real Es	112,488,000	3	1.34	\$ 38,500,000	3	0.73
Excelsior & Grand Apts LLC	101,160,000	4	1.20	21,200,000	7	0.40
Bigos	83,590,000	5	0.99			
ARC WEMPSMN001, LLC	80,350,000	6	0.95			
Gateway Knollwood, LLC	79,050,000	7	0.94			
Middleton Park Investors, LLC	67,225,000	8	0.80			
PNMC Holdings	65,735,000	9	0.78	36,208,300	4	0.69
10 West End, LLC	47,300,000	10	0.56			
G & I VII 1600 & Moneygram LLC				63,900,000	1	1.22
Duke-Weeks Realty (formerly MEPC American Properties)				61,623,300	2	1.17
Park Glen				24,070,000	5	0.46
Camerata LLC				23,725,600	6	0.45
Parkdale Property LLC				20,910,000	8	0.40
VIF II/Park Place East LLC				20,872,000	9	0.40
VIF II/Park Place West LLC				17,743,000	10	0.34
Total	\$ 878,955,000		10.43 %	\$ 345,177,200		6.57 %
Total taxable assessed value	\$ 8,425,916,973			\$ 5,251,862,400		

Source: City Assessor's Office

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

Table 9

Fiscal Year Ended December 31	Total Tax Levy for Fiscal Year	Collected Within the Fiscal Year of the Levy		Total Collections to Date	
		Amount	Percentage of Levy	Amount	Percentage of Levy
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	29,591,629	99.92
2017	31,350,534	30,559,213	97.48	31,334,933	99.95
2018	32,921,154	32,737,859	99.44	32,882,796	99.88
2019	34,362,862	34,204,350	99.54	34,318,713	99.87
2020	36,103,499	35,746,281	99.01	36,039,131	99.82
2021	37,772,505	37,266,514	98.66	37,576,919	99.48

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
2021	69,525,000	1,615,000	103,026	-	3,363,842	26,005,000	1,977,066	102,588,934	2.40	1,265.95

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
2021	69,525,000	(5,296,548)	3,363,842	67,592,294	0.82	1,280.59

(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
Overlapping Debt			
Hennepin County	\$ 1,037,033,516	3.77 %	\$ 39,096,164
St. Louis Park Independent School District	124,472,934	99.34	123,651,413
Hopkins Independent School District	155,731,784	3.16	4,921,124
Edina Independent School District	187,450,040	0.06	112,470
Hennepin County Suburban Park District	45,542,541	5.36	2,441,080
Hennepin Regional RR Authority	89,332,530	3.77	3,367,836
Metropolitan Council	<u>73,049,600</u>	<u>1.84</u>	<u>1,344,113</u>
Subtotal of Overlapping Debt	1,712,612,945		174,934,200
Direct Debt			
City of St. Louis Park	<u>62,201,941</u>	<u>100.00</u>	<u>62,201,941</u>
Total of Direct and Overlapping Debt	<u><u>\$ 1,774,814,886</u></u>		<u><u>\$ 237,136,141</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

	2012	2013	2014	2015
Debt Limit	\$ 157,555,872	\$ 153,950,244	\$ 154,579,107	\$ 163,979,667
Total Net Debt Applicable to Limit	14,755,000	13,726,638	18,053,460	17,063,045
Legal Debt Margin	<u>\$ 142,800,872</u>	<u>\$ 140,223,606</u>	<u>\$ 136,525,647</u>	<u>\$ 146,916,622</u>
Total Net Debt Applicable to the Limit as a percentage of Debt Limit	9.36%	8.92%	11.68%	10.41%
Legal Debt Margin Calculation for Fiscal Year				
Estimated Taxable Market Value	<u>\$ 5,251,862,400</u>	<u>\$ 5,131,674,800</u>	<u>\$ 5,152,636,900</u>	<u>\$ 5,465,988,900</u>
Debt Limit (3% of taxable market value)	<u>\$ 157,555,872</u>	<u>\$ 153,950,244</u>	<u>\$ 154,579,107</u>	<u>\$ 163,979,667</u>
Debt applicable to limit				
Total Bonded Debt	\$ 37,930,000	\$ 37,746,638	\$ 45,090,663	\$ 42,355,218
Less:				
G.O. Revenue Bonds	(9,600,000)	(12,785,000)	(16,826,503)	(13,510,000)
G.O. Improvement Bonds	(6,975,000)	(6,365,000)	(5,690,000)	(5,485,000)
G.O. Tax Increment Bonds	(6,600,000)	(4,870,000)	(4,520,700)	(4,175,000)
Notes payable	-	-	-	(2,122,173)
Total Net Debt Applicable to Limit:	<u>14,755,000</u>	<u>13,726,638</u>	<u>18,053,460</u>	<u>17,063,045</u>
Legal Debt Margin:	<u>\$ 142,800,872</u>	<u>\$ 140,223,606</u>	<u>\$ 136,525,647</u>	<u>\$ 146,916,622</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						
2016	2017	2018	2019	2020	2021	
\$ 176,182,830	\$ 190,181,436	\$ 200,205,657	\$ 216,158,655	\$ 233,056,815	\$ 246,129,513	
23,934,703	28,375,000	28,975,000	56,450,000	55,790,000	65,525,000	
<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>	<u>\$ 180,604,513</u>	
13.59%	14.92%	14.47%	26.12%	23.94%	26.62%	
<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>	<u>\$ 8,204,317,100</u>	
<u>\$ 176,182,830</u>	<u>\$ 190,181,436</u>	<u>\$ 200,205,657</u>	<u>\$ 216,158,655</u>	<u>\$ 233,056,815</u>	<u>\$ 246,129,513</u>	
\$ 45,550,000	\$ 50,910,000	\$ 56,280,000	\$ 88,560,000	\$ 90,120,000	\$ 97,145,000	
(10,515,000)	(14,070,000)	(19,475,000)	(24,900,000)	(27,870,000)	(26,005,000)	
(5,270,000)	(5,055,000)	(4,835,000)	(4,650,000)	(4,360,000)	(4,000,000)	
(3,805,000)	(3,410,000)	(2,995,000)	(2,560,000)	(2,100,000)	(1,615,000)	
(2,025,297)	-	-				
23,934,703	28,375,000	28,975,000	56,450,000	55,790,000	65,525,000	
<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>	<u>\$ 180,604,513</u>	

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

Table 14

Fiscal Year	Revenue Bonds ¹					Coverage
	Gross Revenue ²	Less: Operating Expenses ³	Net Revenue Available	Debt Service		
				Principal	Interest	
2012	\$ 13,079,123	\$ (8,387,329)	\$ 4,691,794	\$ 1,405,000	\$ 375,218	2.64
2013	12,659,936	(10,417,099)	2,242,837	985,000	324,393	1.71
2014	13,277,524	(10,514,981)	2,762,543	1,015,000	352,614	2.02
2015	14,379,975	(9,041,931)	5,338,044	1,045,000 ⁴	381,359	3.74
2016	15,481,494	(10,328,560)	5,152,934	1,155,000 ⁵	301,051	3.54
2017	16,495,157	(10,186,997)	6,308,160	1,360,000 ⁶	197,658	4.05
2018	16,851,218	(11,354,272)	5,496,946	1,375,000	320,608	3.24
2019	17,827,318	(11,848,046)	5,979,272	2,095,000	543,388	2.27
2020	19,334,536	(11,095,215)	8,239,321	2,065,000	697,976	2.95
2021	20,311,000	(11,982,334)	8,328,666	2,135,000	858,728	2.78

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

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

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

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

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

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

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

Year	Population (1)	Personal Income (amounts expressed in thousands)	Per Capita Income (1)	Median Age (1)	School Enrollment (2)	Unemployment Rate (3)
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	5.2
2021	50,010	2,639,628	52,782	36.1	4,523	3.0

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

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

Table 16

Employer	Fiscal Year			Fiscal Year		
	2021			2012		
	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 %	5,799	1	21.5 %
Wells Fargo Mortgage	1,400	2	4.2			
St. Louis Park Public Schools (I.S.D. No. 283)	793	3	2.4	671	2	2.5
Japs-Olson Company	600	4	1.8	600	3	2.2
MoneyGram International	442	5	1.3	554	4	2.1
Sholom Home West	420	6	1.3	552	5	2.0
Target (formerly Super Target)	405	7	1.2	435	6	1.6
St. Louis Park, City of	400	8	1.2	429	7	1.6
Center for Diagnostic Imaging	345	9	1.0			
HealthPartners	350	10	1.0			
Golden Living Center				277	8	1.0
Epicor Software Corporation				275	9	1.0
Lifetime Fitness				250	10	0.9
Total	<u>9,805</u>		<u>30.70 %</u>	<u>9,842</u>		<u>36.50 %</u>
Total City employment			33,432			26,982

Source:
 Official Statement from 2021 A Bonds

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

Function	Fiscal Year			
	2012	2013	2014	2015
General government	90.3	88.8	88.4	89.4
Public safety				
Police				
Officers	52.0	52.0	53.0	55.0
Civilians	30.0	34.0	35.0	35.0
Fire				
Firefighters and officers	24.0	24.0	24.0	25.0
Operations and recreation and Engineering	33.0	35.0	34.0	35.0
Water	11.2	10.9	11.2	11.5
Sewer	4.9	4.9	5.5	6.0
Solid Waste	3.3	3.3	4.7	5.8
Storm Water	4.8	4.8	6.2	6.7
Total Employees	253.5	257.7	262.0	269.4

Source: St. Louis Park Human Resources Department

Table 17

Fiscal Year						
2016	2017	2018	2019	2020	2021	
91.6	97.9	91.8	93.9	128.0	126.8	
55.0	57.0	57.0	57.0	58.0	58.0	
35.0	35.0	35.0	36.0	15.0	15.0	
26.0	28.0	28.0	28.0	28.0	30.0	
35.0	28.1	35.0	36.0	37.0	37.0	
11.4	12.5	14.6	12.2	9.7	9.0	
6.0	6.4	5.1	6.1	6.0	7.0	
5.8	5.3	4.9	5.6	3.0	3.0	
6.7	7.1	6.2	6.8	4.0	4.0	
<u>272.5</u>	<u>277.3</u>	<u>277.6</u>	<u>281.6</u>	<u>288.7</u>	<u>289.8</u>	

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Police										
Medical calls	3,152	3,296	2,391	3,756	3,623	3,705	4,375	4,479	3,559	3,683
Traffic stops	7,146	6,674	6,907	6,692	6,939	7,401	6,267	3,956	3,352	3,429
Other	24,354	25,014	27,752	29,299	31,462	31,052	31,882	37,399	43,757	44,508
Fire										
Inspections/medical/all other calls	3,117	3,360	4,747	5,118	6,130	5,513	6,308	5,712	5,032	5,301
Fire calls - residential/structural	142	66	116	135	53	202	297	95	87	130
Fire calls - other	64	48	91	115	41	85	68	50	40	198
Cable TV										
Hours of new programming	-	549.5	311	400	400	368	362	377	249	377
Inspections										
Permits	9,091	10,254	11,111	9,684	10,099	11,246	10,106	10,619	11,215	12,180
Inspections	23,667	26,902	32,543	23,031	23,372	28,484	25,187	21,419	23,090	26,928
Culture and recreation										
Aquatic park attendance	70,270	52,557	51,894	68,355	72,439	65,665	71,977	65,000	26,762	39,963
Hours of ice time	5,444	4,701	4,773	4,626	4,125	6,000	6,400	6,900	4,460	5,718
Water										
Gallons of water production (billions)	2.4	2.2	2.09	2.01	1.78	1.79	1.91	1.83	1.77	1.90
Average watermain breaks per year	30	27	40	41	20	11	38	33	33	29
Public Works										
Snowplowing hours	1,173	6,449	3,752	2,284	3,781	2,859	5,466	4,334	2,546	3,275

Source: St. Louis Park Departments

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

Table 19

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Function										
Public safety										
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	28	26	25	28	28	29	29	29	29	29
Fire										
Stations	2	2	2	2	2	2	2	2	2	2
Vehicles	14	13	13	10	14	15	15	15	15	15
Fire hydrants	1,699	1,699	1,699	1,699	1,772	1,773	1,774	1,774	1,774	1,774
Culture and recreation										
Parks	57	57	57	52	53	53	53	53	53	53
Trails	10	10	10	10	22	22	22	22	22	22
Streets										
Lane miles of streets	311	311	311	311	311	311	311	311	311	311
Miles of streets	155	155	155	155	155	155	155	155	155	155
Water										
Wells	11	11	11	10	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	175	175	175	175	175	178
Sanitary Sewer										
Lift stations	23	23	23	23	23	23	23	23	23	23
Miles of sewermain	147	147	147	147	143	143	143	143	143	144
Storm Sewer										
Lift stations	10	10	10	10	10	11	11	11	11	11
Ponds and lakes	52	52	52	52	52	52	52	52	52	51
Catch basins	3,731	3,731	3,731	3,731	3,885	3,885	3,940	3,940	3,940	4,143

Source: St. Louis Park Departments

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