

# City of Saint Paul Minnesota

Comprehensive Annual Financial Report  
For the Fiscal Year Ended  
December 31, 2005



Office of Financial Services  
Matt Smith, Director

# City of Saint Paul

## Comprehensive Annual Financial Report For the Fiscal Year Ended December 31, 2005

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CITY OF SAINT PAUL  
COMPREHENSIVE ANNUAL FINANCIAL REPORT

INTRODUCTORY  
SECTION

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**Office of the Mayor**  
Office of Financial Services

*Matt Smith, Director*



**City of Saint Paul**

*Mayor Christopher B. Coleman*

*700 City Hall  
15 West Kellogg Boulevard  
Saint Paul, Minnesota 55102-1658*

*Telephone: (651) 266-8800  
Facsimile: (651) 266-8541*

June 30, 2006

To the Honorable Mayor, Members of the City Council, and Citizens of Saint Paul:

The City of Saint Paul's Comprehensive Annual Financial Report (CAFR) for the fiscal year ended December 31, 2005 is hereby submitted. The purpose of this report is to provide the Mayor, City Council, City Staff, citizens, bondholders and other interested parties with useful information concerning the City's operations and financial position. Responsibility for both the accuracy of data and the completeness and fairness of the presentation, including all disclosures, rests with the City.

The CAFR is presented in three main sections:

1. Introductory Section - includes this transmittal letter, the City's organizational chart and a list of principal officials.
2. Financial Section - includes the independent auditor's report, Management's Discussion and Analysis (MD&A), the basic financial statements, notes to the financial statements and supplementary information.
3. Statistical Section - contains selected financial and demographic information presented on a multi-year basis.

Generally Accepted Accounting Principles (GAAP) require that the City provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City of Saint Paul's MD&A can be found immediately following the report of the independent auditors.

**INTERNAL CONTROL**

To provide a reasonable basis for making these representations, the City of Saint Paul has established a comprehensive internal control framework that is designed to protect the government's assets from loss, theft or misuse and to compile sufficient reliable information for the preparation of the City of Saint Paul's financial statements in conformity with Generally Accepted Accounting Principles. Because the cost of internal controls should not outweigh their benefits, the City of Saint Paul's comprehensive framework of internal controls has been designed to provide a reasonable, rather than absolute, assurance that the financial statements will be free from material misstatement. All internal control evaluations occur within this framework. To the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

## **INDEPENDENT AUDIT**

State law requires the State Auditor to perform an annual audit of the City and other cities of the first class in Minnesota. The goal of the independent audit is to provide reasonable assurance that the financial statements of the City of Saint Paul for the fiscal year ended December 30, 2005 are free of 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 the City, and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the City of Saint Paul's financial statements for the fiscal year ended December 31, 2005 are fairly presented in conformity with GAAP. The State Auditor's report is presented as the first component of the financial section of this report. As part of their examination, the State Auditor is also issuing a Management and Compliance letter covering the review of the City's system of internal control over financial reporting and tests of compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The Management and Compliance letter will not modify or affect, in any way, this report.

The City is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act Amendments of 1996 and U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Information related to this single audit including the schedule of expenditures of federal awards, findings and recommendations, and auditor's reports on internal control over financial reporting and tests of compliance with certain provisions of laws, regulations, contracts and grants will be included in the State Auditor's separately-issued Management and Compliance letter.

## **PROFILE OF THE GOVERNMENT**

The City of Saint Paul has been a municipal corporation since 1854. Saint Paul is the state capital and Minnesota's second largest city. The City covers an area of 56 square miles and is situated wholly in Ramsey County. Saint Paul's 2004 population, per the Metropolitan Council, is 287,410. Data recorded by the Metropolitan Council indicates that the number of households in the City has remained relatively stable, and is 112,668 for 2004, a 2.2% increase from 1990.

The City of Saint Paul, Minnesota has a Mayor-Council form of government. The Mayor is elected by the voters of the City at large for four years on a full-time basis. The City is divided into seven wards. Voters of each ward elect a member of the City Council for four years on a part-time basis. Executive power is vested in the Mayor; legislative power is vested in the Council. The Mayor has veto power, which the Council may override with a vote of five members.

City services include: police, fire, street, sewer and bridge maintenance, parks and recreation centers, libraries, licensing, building and housing code inspections, planning and economic development, zoning, public improvements and general administration.

## **REPORTING ENTITY**

The City's financial statements include all funds of the City (primary government) and its component units. The primary government represents all funds under the ultimate control of the Mayor and City Council. The Library Agency and Housing and Redevelopment Authority (HRA) are legally separate; however they both function in essence as a department of the City of Saint Paul and, therefore, have been included as an integral part of the City of Saint Paul's financial statements. The City of Saint Paul is also financially accountable for the legally separate Saint Paul RiverCentre Convention & Visitors Authority, Saint Paul Regional Water Services and the Port Authority of the City of Saint Paul, all of which are reported separately as component units within the City of Saint Paul's financial statements. The nature of the activities of these organizations and the specific justification and methods for inclusion as component units of the City are discussed in the notes to the financial statements.

## BUDGET CONTROL

The annual budget serves as a foundation for the City of Saint Paul's financial planning and control. In August of each year, the Mayor presents the budget to the City Council for the following calendar year. The budget includes proposed expenditures and means of financing them. The Council then holds a public hearing to obtain taxpayer comments. The budget is legally adopted through the passage of a Council resolution.

City budget amendments that authorize an increase in total fund spending require approval of the City Council. In addition, City Council approval is required for budget amendments transferring appropriations between departments within the General Fund.

Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. For the General Fund, Library Agency and the HRA General Fund, this is presented on pages 139-141 as part of the required supplementary comparison information. For other governmental funds with appropriated annual budgets, this comparison is presented in the governmental fund subsection of this report, which starts on page 148.

## ECONOMIC OUTLOOK

Saint Paul is an important part of the overall strong Twin Cities metro area economy, and is poised for solid growth as the national economic recovery continues.

Saint Paul compares favorably when ranked among the 20 largest northeast and Midwest cities on certain economic and social factors<sup>1</sup>.

- 2<sup>nd</sup> lowest in unemployment rate
- 2<sup>nd</sup> lowest in percent of people below poverty level (13.9%)
- 3<sup>rd</sup> highest in percent of population over 25 years with a bachelor's degree (33.6%)
- 6<sup>th</sup> highest in percent of housing that is owner occupied (55%)
- 6<sup>th</sup> highest in median value of owner-occupied houses (\$173,204)
- 8<sup>th</sup> highest in median household income (\$38,731)

Over the years, Saint Paul has consistently registered a lower unemployment rate than that of the U.S. as a whole. For 2005, the City's 4.4% unemployment rate was lower than the U.S. rate of 5.1%. Saint Paul's employment is spread among twelve "super-sectors," with the largest employers being education and health services (48,640 jobs in 2004; 28% of total). The average annual wage in 2005 was \$43,784.

Similarly, tax base growth has been strong and sustained: From Pay 2002 to Pay 2006, Saint Paul's taxable market values have increased 65%. Relatively high incomes and moderate housing costs combine to rank Saint Paul comparatively high in overall housing affordability.

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<sup>1</sup> The cities are Baltimore, Boston, Buffalo, Chicago, Cincinnati, Cleveland, Columbus, Detroit, Indianapolis, Kansas City, Milwaukee, Minneapolis, New York, Newark, Omaha, Philadelphia, Pittsburgh, St. Louis and Toledo.

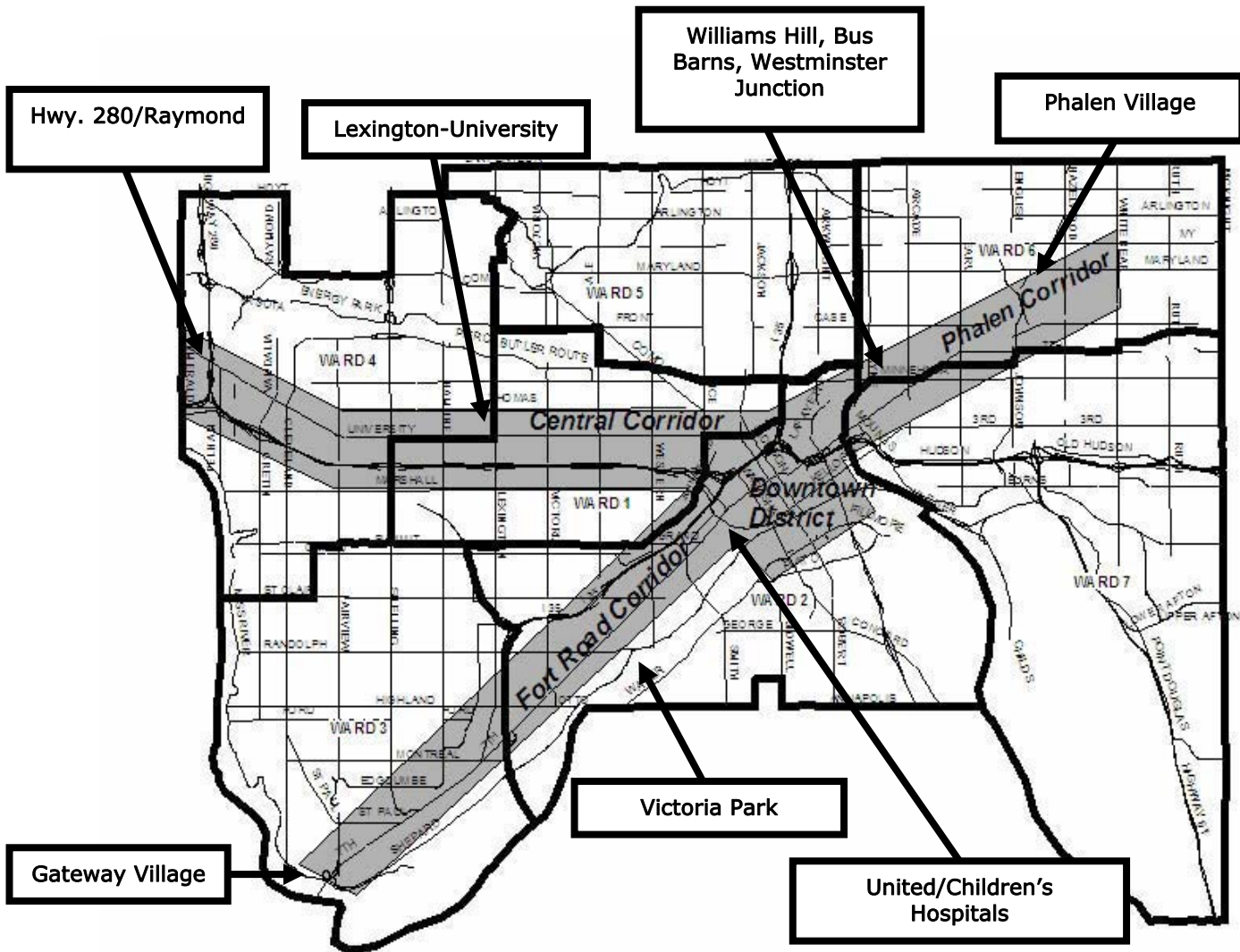


## MAJOR INITIATIVES

### Economic Development

To maintain this economic growth, the City will continue to develop and implement strategic plans to encourage private investment in housing and economic development projects in Saint Paul, the results of which can be seen below.

- **Citywide housing development:** Four years ago, with vacancy rates hovering around 1%, the City established the *Housing 5000 Program* to accelerate housing development. The ambitious goal was the closing on the financing for 5,000 units of new and substantially rehabilitated housing by the end of 2005, 1,000 of which would be affordable. When the *Program* ended, it had closed on the financing for 5,370 new and substantially rehabilitated units and closed on the financing for 1,173 affordable units.
- **Phalen Corridor revitalization:** The formerly-blighted Phalen Corridor, which runs northeast from downtown to the Phalen Village neighborhood, has been transformed. The last section of the new 2.5-mile, \$61 million Phalen Boulevard opened last fall, connecting the East Side directly to Interstate 35E. At Phalen Village on the east end, more than 1,000 units of housing have been developed or rehabilitated, a failed shopping center has been demolished, commercial uses have been repositioned onto Maryland Avenue, and a \$60 million building for the State Bureau of Criminal Apprehension has been built. At Williams Hill on the west end, the Williams Hill Business Center, the Metro Transit bus barns and Westminster Junction Business Center have been developed, which together have almost 1,500 new jobs. With most of the blighting influences in the Phalen Corridor removed, hundreds of units of new ownership and rental housing are being built in the adjacent neighborhoods.
- **Central Corridor revitalization:** The Central Corridor, running along University Avenue from the State Capitol to Minneapolis, has attracted significant investment in the past few years, and stands to attract more in the future if Light Rail Transit (LRT) is developed on University Avenue in the next few years. At the western edge of the Central Corridor, 575 units of new housing have been built or are being developed, and Saint Paul's state-designated Bioscience Zone is operating, the centerpiece of which is the \$24 million, 125,000 square foot, state-of-the-art bioscience incubator operated by University Enterprise Laboratories. Just to the east of Highway 280, construction has started on the Carleton Place Lofts, with 169 units of rental housing being developed out of three vacant warehouses. At the southwest corner of Fairview and University, Episcopal Homes has developed two new senior housing buildings. The southwest corner of Lexington and University is being redeveloped for commercial and residential uses, with Aldi's grocery and TCF Bank now open and the Wilder Foundation headquarters and Episcopal Homes senior housing on the drawing boards. At the southwest corner of Dale and University, a \$24 million, four-story, mixed use project with the Rondo Library on the first floor and 98 affordable residential rental units above, will open this summer.
- **Fort Road:** Running southwest from downtown to Fort Snelling, Fort Road has seen significant development in the past few years. At Gateway Village across from Fort Snelling, 578 units of new rental and ownership housing have been developed. To the east at Victoria Park, 245 housing units for all incomes and life cycles will be built on the bluffs overlooking the Mississippi River. At the western edge of the downtown, United and Children's Hospitals are nearing the end of their decade-long \$41 million expansion, which has already added most of the projected 800 jobs to the existing base of 3,000 medical workers.
- **The Central Business District:** The downtown extends from the State Capitol campus on the north to the West Side Flats across the river. RiverCentre opened in 1998, the Xcel Hockey Arena opened in 2000, and the RiverCentre tunnel, which links both of them to the skyway system and downtown hotels, opened in 2002. Important headquarters companies have expanded downtown, including the Saint Paul Companies, Minnesota Mutual and Ecolab. In 2003, US Bancorp moved its downtown employees into a new 350,000 square foot. back office operations center across the river. In 2005, the State of Minnesota completed two new downtown office buildings adjacent to Interstate 94. The north edge of downtown has grown into a cultural district with the McNally-Smith Music College, a new Minnesota Public Radio building, the Fitzgerald Theater and the Minnesota Business Academy, all within a block of Fitzgerald Park. Since 2002, about 1,400 new housing units have been, and are being developed in new and rehabilitated buildings in four downtown neighborhoods: Lowertown, the North Quadrant, the Upper Landing and the West Side Flats. Some of these units have been in obsolete office buildings converted into apartments and condominiums, which has helped reduce the amount of uncompetitive Class C office space.



**CASH AND INVESTMENT MANAGEMENT**

Cash balances during the year were invested in U.S. Treasuries, Agencies of the Federal Government, commercial paper, certificates of deposit, municipal securities, money market funds and guaranteed investment contracts, in accordance with Minnesota State Statute 118A and the City's Investment Policy. A new investment policy was adopted by the City Council in July 2003 to improve management of the City's investment portfolio. The investment policy's goal is to preserve safety by minimizing credit and market risks, while ensuring liquidity and maintaining a competitive yield on the portfolio.

The City has contracted investment management services with five external managers to manage a portion of the portfolio. As of December 31, 2005, the effective yield on the portfolio was 4.61% and reported interest on investments was \$8.9 million. All securities purchased by the City are held by a third party safekeeping agent in the City's name.

## **DEBT MANAGEMENT**

The City of Saint Paul partners with Ramsey County and Independent School District #625 (Saint Paul Public Schools) as members of the Joint Property Tax Advisory Committee (JPTAC). The JPTAC, created by Minnesota law, is charged with the obligation to reduce the overall tax burden on the citizens of Saint Paul. The Joint Debt Advisory Committee (JDAC), a subcommittee of JPTAC, is charged with overseeing and reporting to the public on joint debt activities. This group evaluates compliance by the jurisdictions within the adopted target ranges for satisfactory debt management and releases its findings in the Joint Debt Book, which is published every two years. The 2005 Joint Debt Report is currently under production and will be released later this year.

The City maintained its AAA bond rating from Standard & Poor's and Aa2 bond rating from Moody's due to strong management and financial performance. In addition to the interest cost savings from having a high bond rating, the City took advantage of low interest rates to refund the 1996 Recreational Facilities Gross Revenue Bonds and the 1995 General Obligation Taxable Tax Increment Bonds, resulting in net present value benefits of \$246,971 and \$977,430, respectively.

The City also entered into its first interest rate swap agreement as a debt management tool to lower interest rate costs on the 1999 Sales Tax Revenue Bonds, with estimated savings of approximately \$500,000 per year beginning in 2009.

## **RISK MANAGEMENT**

The City has a centralized Risk and Employee Benefit Management Division within the Office of Human Resources that provides direction, management, coordination and planning services for risk, insurance and employee benefit programs. The risk management effort covers significant loss exposures, applies effective and reasonable risk controls and suggests funding arrangements for both insured and self-funded risks to ensure that the financial integrity of the City is not impaired after a loss.

The Risk and Employee Benefit Management Division also provides administrative and management services in the areas of health and welfare benefits, tort liability, workers' compensation, occupational health, loss control and safety, emergency preparedness, contract review and property insurance. Additional information on the City of Saint Paul's risk management activities can be found in Note VIII. C. of the notes to the financial statements.

## **AWARDS AND ACKNOWLEDGMENTS**

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 Saint Paul, Minnesota for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended December 31, 2004. This was the 29<sup>th</sup> consecutive year that the City has received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently-organized Comprehensive Annual Financial Report. This 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 our current Comprehensive Annual Financial Report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

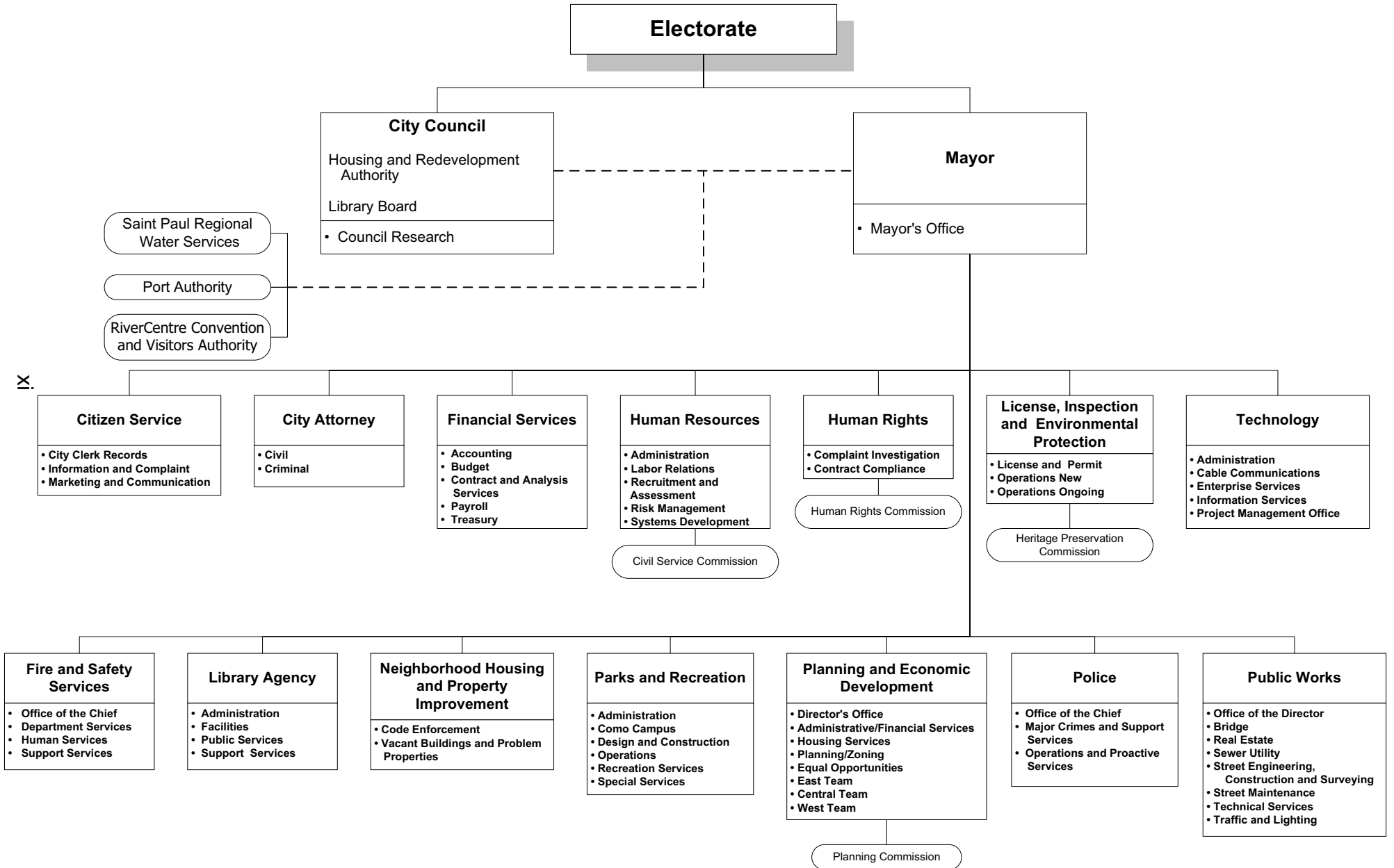
The preparation of the 2005 Comprehensive Annual Financial Report was accomplished through the combined efforts of the Office of Financial Services' accounting staff and departmental accountants. The State Auditor's cooperation in scheduling staff to review statements as they were prepared was very helpful and appreciated.

Cordially,



Matt Smith, Director  
Office of Financial Services

# City of Saint Paul, Minnesota Organizational Chart



**City of Saint Paul, Minnesota**  
**Elected and Appointed Officials**  
**As of December 31, 2005**

**Elected Officials**

<b>Office</b>	<b>Name</b>	<b>Term Expires</b>
Mayor	Randy C. Kelly Christopher B. Coleman	January 1, 2006 January 1, 2010
Councilmember—Ward 1	Debbie Montgomery	January 1, 2008
Councilmember—Ward 2	Dave Thune	January 1, 2008
Councilmember—Ward 3	Patrick Harris	January 1, 2008
Councilmember—Ward 4	Jay Benanav	January 1, 2008
Councilmember—Ward 5	Lee Helgen	January 1, 2008
Councilmember—Ward 6	Kathy Lantry	January 1, 2008

**Appointed Officials**

<b>Department/Division/Office</b>	<b>Director's Name</b>	<b>Term Expires</b>
Citizen Services	Shari Moore	*
City Attorney	Manuel Cervantes	*
Financial Services	Matt Smith	*
Fire and Safety Services	Douglas Holton	August 18, 2009
Human Rights	Tyrone Terrill	*
Human Resources	Angela Nalezny	*
Library Agency	Kathleen Flynn (Interim)	*
License, Inspection and Environmental Protection	Janeen Rosas	*
Mayor's Chief of Staff	Dennis Flaherty	*
Neighborhood Housing and Property Improvement	Andy Dawkins	*
Parks and Recreation	Bob Bierscheid	*
Planning and Economic Development	Susan Kimberly	*
Police	John Harrington	June 30, 2010
Public Works	Bob Sandquist	*
Technology	Karen Johnson	*
Saint Paul Regional Water Services	Stephen Schneider	*

**New Officials Appointed by Mayor Coleman**

<b>Department/Division/Office</b>	<b>Director's Name</b>	<b>Term Expires</b>
City Attorney	John Choi	*
Library Agency	Melanie Huggins	*
License, Inspection and Environmental Protection	Bob Kessler	*
Mayor's Chief of Staff	Ann Mulholland	*
Neighborhood Housing and Property Improvement	Bob Kessler	*
Planning and Economic Development	Cecile Bedor	*
Public Works	Bruce Beese	*
Technology	Andrea Casselton	*

\* Serves at the pleasure of the Mayor

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Saint Paul,  
Minnesota

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
December 31, 2004

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



*Carla E. Perry*

President

*Jeffrey R. Emen*

Executive Director

CITY OF SAINT PAUL  
COMPREHENSIVE ANNUAL FINANCIAL REPORT

FINANCIAL  
SECTION

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PATRICIA ANDERSON  
STATE AUDITOR

# STATE OF MINNESOTA OFFICE OF THE STATE AUDITOR

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SAINT PAUL, MN 55103-2139

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1-800-627-3529 (Relay Service)

## INDEPENDENT AUDITOR'S REPORT

The Honorable Christopher B. Coleman, Mayor,  
and Members of the City Council  
City of Saint Paul, Minnesota

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Saint Paul, Minnesota, as of and for the year ended December 31, 2005, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Saint Paul RiverCentre Convention and Visitors Authority, which represent 1 percent and 16 percent, respectively, and the Port Authority of the City of Saint Paul, which represent 31 percent and 22 percent, respectively, of the assets and program revenues of the aggregate discretely presented component units. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion, insofar as it relates to the amounts included for the Saint Paul RiverCentre Convention and Visitors Authority and the Port Authority of the City of Saint Paul, is based on the reports of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The financial statements of the Saint Paul RiverCentre Convention and Visitors Authority were not audited in accordance with *Government Auditing Standards*. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the reports of other auditors provide a reasonable basis for our opinions.



In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Saint Paul as of December 31, 2005, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As discussed in Note III. C. to the financial statements, the City of Saint Paul changed its reporting entity. The Saint Paul RiverCentre Convention and Visitors Authority was created during the year ended December 31, 2005, and is a discretely presented component unit of the City of Saint Paul.

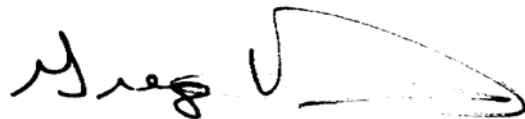
The Management's Discussion and Analysis and the required supplementary information listed in the table of contents are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was made for the purpose of forming opinions on the financial statements that collectively comprise the City of Saint Paul's basic financial statements. The supplementary information and the other supplementary information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly presented in all material respects in relation to the basic financial statements taken as a whole.

In accordance with *Government Auditing Standards*, we are also issuing a report dated June 23, 2006, on our consideration of the City of Saint Paul'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 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit. It does not include the Saint Paul RiverCentre Convention and Visitors Authority or the Port Authority of the City of Saint Paul, which were audited by other auditors.



PATRICIA ANDERSON  
STATE AUDITOR



GREG HIERLINGER, CPA  
DEPUTY STATE AUDITOR

End of Fieldwork: June 23, 2006

CITY OF SAINT PAUL  
COMPREHENSIVE ANNUAL FINANCIAL REPORT

FINANCIAL  
SECTION

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MANAGEMENT'S DISCUSSION AND  
ANALYSIS

# CITY OF SAINT PAUL, MINNESOTA

## MANAGEMENT'S DISCUSSION AND ANALYSIS For Year Ended December 31, 2005

As management of the City of Saint Paul, we offer readers of the City's financial statement this narrative overview and analysis of the financial activities of the City for the fiscal year ended December 31, 2005. We encourage readers to consider the information presented here in conjunction with the City's financial statements and the additional information that we have furnished in our letter of transmittal, which can be found on pages v-x of this report.

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### FINANCIAL HIGHLIGHTS

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- The assets of the City of Saint Paul exceeded its liabilities at the close of the most recent fiscal year by \$1,246.1 million (*net assets*). Of this amount, \$122.3 million (*unrestricted net assets*) may be used to meet the government's obligations to citizens and creditors; \$39.6 million is restricted for specific purposes and \$1,084.2 million is invested in capital assets net of related debt. The total net assets include all major infrastructure networks.
- The City's total net assets decreased by \$7.3 million. Governmental activities decreased by \$16.9 million, whereas business-type activities increased by \$9.5 million.
- The City of Saint Paul's governmental funds reported combined ending fund balances of \$190.2 million, a decrease of \$27.1 million in comparison with the prior year. Approximately 84.3% of this amount, \$160.3 million, is unreserved and available for use within the City's designations and policies.
- The City adopted a fund balance policy for the General and General Debt Service Funds. The policy established specific goals and guidance for future decisions regarding the appropriate level and use of fund balance. The General Fund balance should be maintained at 15% of the next year's planned budget for the General Fund and part of the Library Agency Fund which is financed by property taxes and local government aid. The General Debt Service fund balance should maintain an amount equal to the first half of the subsequent year's debt service, plus 7.5%, in addition to any reserves required by bond indentures, covenants, ordinances, other debt obligations and any net unrealized gains or losses associated with the fair value of investments.
- At the end of the fiscal year, fund balance for the General Fund was \$27.3 million or 15.1% of the budgeted 2006 General Fund expenditures of \$166.8 million plus four Library Agency activities expenditures of \$13.5 million.
- At the end of the fiscal year, fund balance for the General Debt Service Fund was \$24.2 million or 107% of the 2006 budgeted annual debt service payments, which includes principal and interest of \$22.6 million.
- The City's total long-term bonds and notes decreased by \$2.1 million, a 0.4% decrease from 2004 for a total outstanding on December 31, 2005 of \$557.7 million.
- In October 2005, the RiverCentre Authority, whose operating fund was reported as a major enterprise fund of the City of Saint Paul, merged with the Saint Paul Convention and Visitors Bureau and the Saint Paul Convention and Visitors Bureau Foundation. This combined organization has been renamed the Saint Paul RiverCentre Convention & Visitors Authority (RVCA). In accordance with Governmental Accounting Standards Board (GASB) Statement No 14 – *The Financial Reporting Entity*, it has been determined that the new RCVA should be reported as a discretely presented component unit.

# CITY OF SAINT PAUL, MINNESOTA

## MANAGEMENT'S DISCUSSION AND ANALYSIS For Year Ended December 31, 2005

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### OVERVIEW OF THE FINANCIAL STATEMENTS

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This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

#### **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 Assets* presents information on all of the City's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the City is improving or deteriorating. To assess the overall health of the City, one needs to consider additional non-financial factors such as changes in the City's property tax base and the condition of the City's infrastructure.

The *Statement of Activities* presents information showing how the City's net assets changed during the fiscal year. All changes in net assets are reported when the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in the future fiscal periods (e.g., uncollected taxes and earned but unused compensated absences).

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from 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, highways and streets, sanitation, health, culture and recreation, and housing and economic development. The business-type activities of the City of Saint Paul include sewer; development loan programs; parking; parks, recreation and athletics; impound lot; and printing.

The government-wide financial statements include not only the City of Saint Paul itself (known as the primary government), but also Saint Paul RiverCentre Convention & Visitors Authority (RCVA), Saint Paul Regional Water Services (SPRWS) and Port Authority of the City of Saint Paul, which are separate legal entities for which the City of Saint Paul is financially accountable. Financial information for these component units is reported separately from the financial information presented for the primary government itself. The Housing and Redevelopment Authority of the City of Saint Paul (HRA) and the Saint Paul Library Agency, although legally separate, function for all practical purposes as departments of the City of Saint Paul; and therefore, have been included as an integral part of the primary government.

The government-wide financial statements can be found on pages 25-27 of this report.

# CITY OF SAINT PAUL, MINNESOTA

## MANAGEMENT'S DISCUSSION AND ANALYSIS For Year Ended December 31, 2005

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### OVERVIEW OF THE FINANCIAL STATEMENTS

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#### 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 three categories: governmental funds, proprietary funds and fiduciary 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 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 51 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General, Library Agency, HRA General, General Debt Service, HRA General Debt Service and Capital Improvement Projects funds, all of which are considered to be major funds. Data from the other 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 basic governmental fund financial statements can be found on pages 28-34 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 Sewer Utility, HRA Loan Enterprise, HRA Parking, Special Services, Rice and Arlington Sports Dome, Watergate Marina, Impounding Lot and RiverPrint Saint Paul/Ramsey County activities. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses its internal service funds to account for City Attorney-Outside Services, Risk Management Retention, Internal Borrowing, Purchasing's Value Added Services, Real Estate Management, Information Systems, City-Wide Data Processing, Equipment Services Fire-Police, Public Works Engineering, Public Works Traffic, Signal and Lighting Maintenance, Asphalt Plant, Public Works Equipment, Public Works Administration, Parks and Recreation Special Projects, Parks and Recreation Supply and Maintenance, and Planning and Economic Development Administration. The services provided by these funds predominately benefit the governmental rather than the business-type functions. They have been included within governmental activities in the government-wide financial statements.

# CITY OF SAINT PAUL, MINNESOTA

## MANAGEMENT'S DISCUSSION AND ANALYSIS For Year Ended December 31, 2005

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### OVERVIEW OF THE FINANCIAL STATEMENTS

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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 Sewer Utility, HRA Loan Enterprise and HRA Parking funds, since they are considered to be major funds of the City. Data from the other enterprise funds are combined into a single aggregated presentation. All internal service funds are combined into a separate 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.

The basic proprietary fund financial statements can be found on pages 35-41 of this report.

*Fiduciary Funds* – Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statements can be found on page 43 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 can be found on pages 47-138 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, Library Agency and the HRA General Fund to demonstrate compliance with the budget. These schedules can be found on pages 139-142 of this report. The combining statements referred to earlier in connection with nonmajor governmental funds, proprietary funds, internal service funds and other information related to the individual funds are presented immediately following the required supplementary information. Combining and individual statements and schedules can be found on pages 148-204 of this report.

# CITY OF SAINT PAUL, MINNESOTA

## MANAGEMENT'S DISCUSSION AND ANALYSIS For Year Ended December 31, 2005

### FINANCIAL ANALYSIS OF THE GOVERNMENT AS A WHOLE

The analysis of the City's financial position begins with a review of the *Statement of Net Assets* and the *Statement of Changes in Net Assets*. These two statements report the City's net assets and changes therein. It should be noted that the financial position can also be affected by non-financial factors, including economic conditions, population growth and new regulations. Net assets may serve over time as a useful indicator of a government's financial position. In the case of the City of Saint Paul, assets exceeded liabilities by \$1,246.1 million as of December 31, 2005. The City is able to report positive balances in all categories of net assets, for the government as a whole, as well as for its separate categories – governmental and business-type activities.

### CONDENSED STATEMENT OF NET ASSETS

(in thousands of dollars)

	Governmental Activities		Business-Type Activities		Total		Total Percent Change
	2005	2004	2005	2004	2005	2004	
Current and Other Assets	\$ 458,035	\$ 478,940	\$ 162,649	\$ 144,101	\$ 620,684	\$ 623,041	(0.38)%
Capital Assets	1,096,618	1,083,605	351,795	358,716	1,448,413	1,442,321	0.42%
<b>Total Assets</b>	<b>\$1,554,653</b>	<b>\$1,562,545</b>	<b>\$ 514,444</b>	<b>\$ 502,817</b>	<b>\$2,069,097</b>	<b>\$2,065,362</b>	<b>0.18%</b>
Long-Term Liabilities	\$ 462,648	\$ 465,424	\$ 159,615	\$ 158,188	\$ 622,263	\$ 623,612	(0.22)%
Other Liabilities	190,959	179,250	9,759	8,628	200,718	187,878	6.83%
<b>Total Liabilities</b>	<b>\$ 653,607</b>	<b>\$ 644,674</b>	<b>\$ 169,374</b>	<b>\$ 166,816</b>	<b>\$ 822,981</b>	<b>\$ 811,490</b>	<b>1.42%</b>
<b>Net Assets:</b>							
Invested in Capital Assets, Net of Related Debt	\$ 844,290	\$ 825,608	\$ 239,913	\$ 238,809	\$1,084,203	\$1,064,417	1.86%
Restricted	16,618	15,834	22,967	16,105	39,585	31,939	23.94%
Unrestricted	40,138	76,429	82,190	81,087	122,328	157,516	(22.34)%
<b>Total Net Assets</b>	<b>\$ 901,046</b>	<b>\$ 917,871</b>	<b>\$ 345,070</b>	<b>\$ 336,001</b>	<b>\$1,246,116</b>	<b>\$1,253,872</b>	<b>(0.62)%</b>

The largest portion of the City's net assets, \$1,084.2 million (approximately 87%), reflects its investments in capital assets (e.g., land, building, improvements, equipment, infrastructure, and construction in progress), less any debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide service 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.

An additional portion of the City's net assets, \$39.6 million (approximately 3.2%), represents resources that are subject to external restriction on how they may be used. The remaining balance of unrestricted net assets, \$122.3 million, may be used to meet the government's ongoing obligation to citizens and creditors.

# CITY OF SAINT PAUL, MINNESOTA

## MANAGEMENT'S DISCUSSION AND ANALYSIS For Year Ended December 31, 2005

### FINANCIAL ANALYSIS OF THE GOVERNMENT AS A WHOLE

**Analysis of the City's Operations** – The following table provides a summary of the City's operations for the year ended December 31, 2005. Governmental activities decreased the City of Saint Paul's net assets by \$16.9 million. Business-type activities increased the City's net assets by \$9.5 million.

#### CONDENSED STATEMENT OF CHANGES IN NET ASSETS (in thousands of dollars)

	Governmental Activities		Business-Type Activities		Total		Total Percent Change
	2005	2004	2005	2004	2005	2004	
Revenues:							
Program Revenues							
Charges for Services	\$ 88,124	\$ 78,391	\$ 66,035	\$ 68,966	\$ 154,159	\$ 147,357	4.62%
Operating Grants and Contributions	32,976	33,841	488	1,520	33,464	35,361	(5.36)%
Capital Grants and Contributions	26,385	31,801	900	1,445	27,285	33,246	(17.93)%
General Revenues							
Property Taxes	71,859	69,522	1,372	1,220	73,231	70,742	3.52%
City Sales Tax	14,220	13,753	-	-	14,220	13,753	3.40%
Franchise Fees and Other Taxes	24,427	23,786	-	-	24,427	23,786	2.69%
Local Government Aid	53,206	56,713	-	-	53,206	56,713	(6.18)%
Grants and Contributions Not Restricted	10,569	14,254	-	-	10,569	14,254	(25.85)%
Investment Income	10,662	8,188	1,848	1,073	12,510	9,261	35.08%
Miscellaneous	5,551	5,095	626	125	6,177	5,220	18.33%
Total Revenues	\$ 337,979	\$ 335,344	\$ 71,269	\$ 74,349	\$ 409,248	\$ 409,693	(0.11)%



# CITY OF SAINT PAUL, MINNESOTA

## MANAGEMENT'S DISCUSSION AND ANALYSIS For Year Ended December 31, 2005

### FINANCIAL ANALYSIS OF THE GOVERNMENT AS A WHOLE

#### CONDENSED STATEMENT OF CHANGES IN NET ASSETS (in thousands of dollars)

	Governmental Activities		Business-Type Activities		Total		Total Percent Change
	2005	2004	2005	2004	2005	2004	
Expenses:							
General Government	\$ 32,569	\$ 33,153	\$ -	\$ -	\$ 32,569	\$ 33,153	(1.76)%
Public Safety	126,073	119,288	-	-	126,073	119,288	5.69%
Highway and Streets	52,527	53,988	-	-	52,527	53,988	(2.71)%
Sanitation	12,444	8,482	-	-	12,444	8,482	46.71%
Health	3,892	3,674	-	-	3,892	3,674	5.93%
Culture and Recreation	66,028	56,896	-	-	66,028	56,896	16.05%
Housing and Economic Development	44,280	33,805	-	-	44,280	33,805	30.99%
Interest and Fiscal Charges	26,161	23,052	-	-	26,161	23,052	13.49%
Convention Facility	-	-	-	7,548	-	7,548	(100.00)%
Sewer	-	-	25,293	27,104	25,293	27,104	(6.68)%
Development Loan Programs	-	-	7,117	11,244	7,117	11,244	(36.70)%
Parking	-	-	10,508	10,725	10,508	10,725	(2.02)%
Parks, Recreation and Athletics	-	-	5,996	4,996	5,996	4,996	20.02%
Impound Lot	-	-	2,479	1,973	2,479	1,973	25.65%
Printing	-	-	1,231	1,243	1,231	1,243	(0.97)%
Total Expenses	<u>\$ 363,974</u>	<u>\$ 332,338</u>	<u>\$ 52,624</u>	<u>\$ 64,833</u>	<u>\$ 416,598</u>	<u>\$ 397,171</u>	4.89%
Increases in Net Assets before Transfers	\$ (25,995)	\$ 3,006	\$ 18,645	\$ 9,516	\$ (7,350)	\$ 12,522	(158.70)%
Transfers	9,127	(4,161)	(9,127)	4,161	-	-	
Change in Net Assets	<u>\$ (16,868)</u>	<u>\$ (1,155)</u>	<u>\$ 9,518</u>	<u>\$ 13,677</u>	<u>\$ (7,350)</u>	<u>\$ 12,522</u>	(158.70)%
Net Assets - January 1, As Restated (Note III.C)	<u>\$ 917,914</u>	<u>\$ 919,026</u>	<u>\$ 335,552</u>	<u>\$ 322,324</u>	<u>\$1,253,466</u>	<u>\$1,241,350</u>	0.98%
Net Assets - December 31	<u>\$ 901,046</u>	<u>\$ 917,871</u>	<u>\$ 345,070</u>	<u>\$ 336,001</u>	<u>\$1,246,116</u>	<u>\$1,253,872</u>	(0.62)%

# CITY OF SAINT PAUL, MINNESOTA

## MANAGEMENT'S DISCUSSION AND ANALYSIS For Year Ended December 31, 2005

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### FINANCIAL ANALYSIS OF THE GOVERNMENT AS A WHOLE

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#### Governmental Activities

Governmental activities decreased the City's net assets by \$16.9 million. Revenues were stable, increasing by \$2.6 million, which is less than one percent. Transfers In increased by \$13.3 million and expenses increased by \$31.6 million, or 9.5% compared to the previous year.

Three governmental functions contributed to the majority of the increase in expenses: public safety, \$6.8 million; culture and recreation, \$9.1 million; and housing and economic development, \$10.5 million.

Included in the increase in these expenses are:

- Salaries and fringe benefits paid to public safety personnel \$5.7 million
- Expenses in the parks department for 1) the opening of a new visitors center; 2) a new tree maintenance service provided to private property owners; and 3) increased expenses in the general operation of the parks and recreation centers \$2.2 million
- Construction of a building for the Neighborhood House, a nonprofit entity \$5.0 million
- Community development block grant expenditures \$3.0 million
- Housing and development project expenditures \$7.0 million

#### Business -Type Activities

Business type activities had a positive result in 2005 and increased net assets by \$9.5 million. Revenues decreased by \$3.1 million, whereas, net transfers made to governmental activities increased by \$13.3 million and expenses decreased by \$12.2 million, providing a net decrease in the change of net assets of \$4.2 million as compared to the 2004 change in net assets.

The majority of reduction in the business type revenues and expenses is due to the change in reporting entity of the RiverCentre Operating Enterprise fund to a discretely presented component unit. The 2004 fund's expenses reported as convention facility business activity was at \$7.6 million and the associated revenues were \$7.6 million. The development loan program expenses decreased in 2005 by \$4.1 million mainly due to decreasing expenses involving the Housing Land Assembly program which is part of the Housing 5000 Initiative completed in 2005.

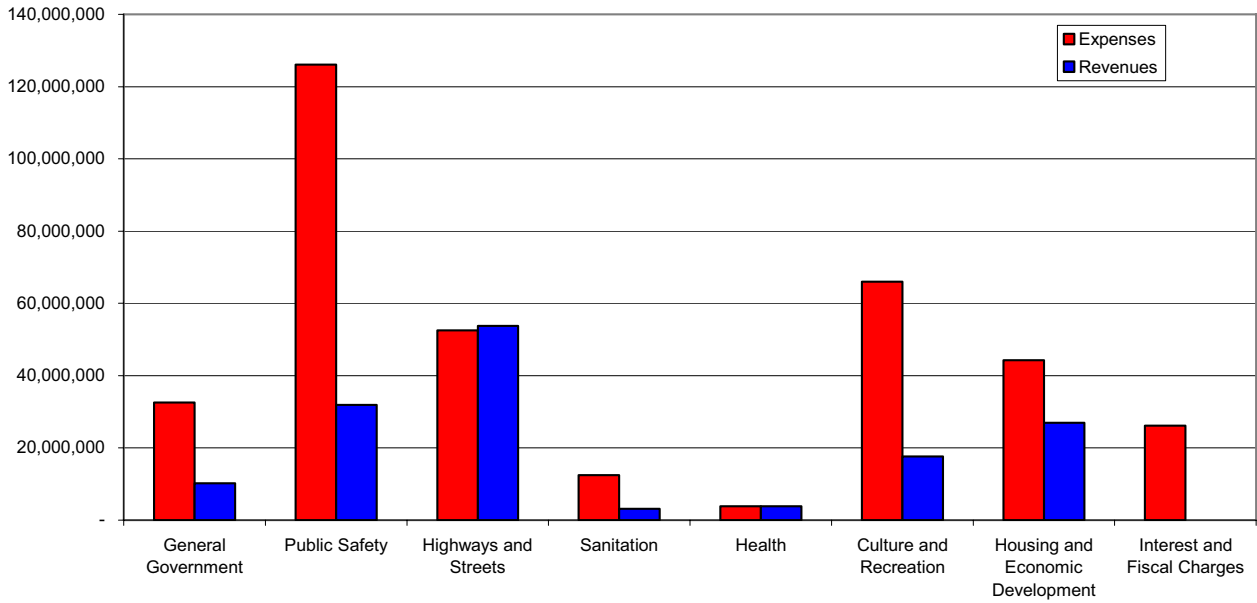
# CITY OF SAINT PAUL, MINNESOTA

## MANAGEMENT'S DISCUSSION AND ANALYSIS

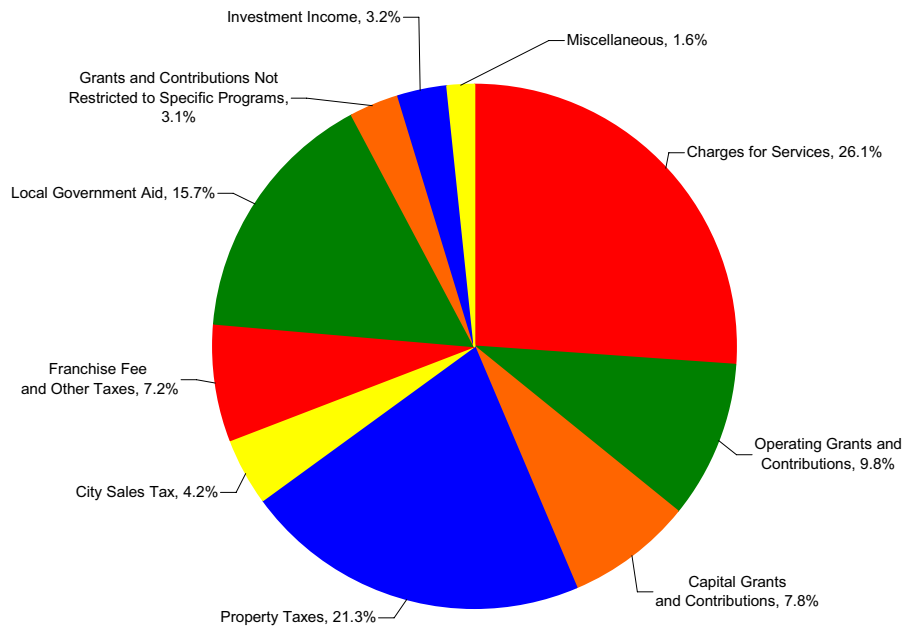
For Year Ended December 31, 2005

### FINANCIAL ANALYSIS OF THE GOVERNMENT AS A WHOLE

#### Expenses and Program Revenues – Governmental Activities



#### Revenue by Source – Governmental Activities



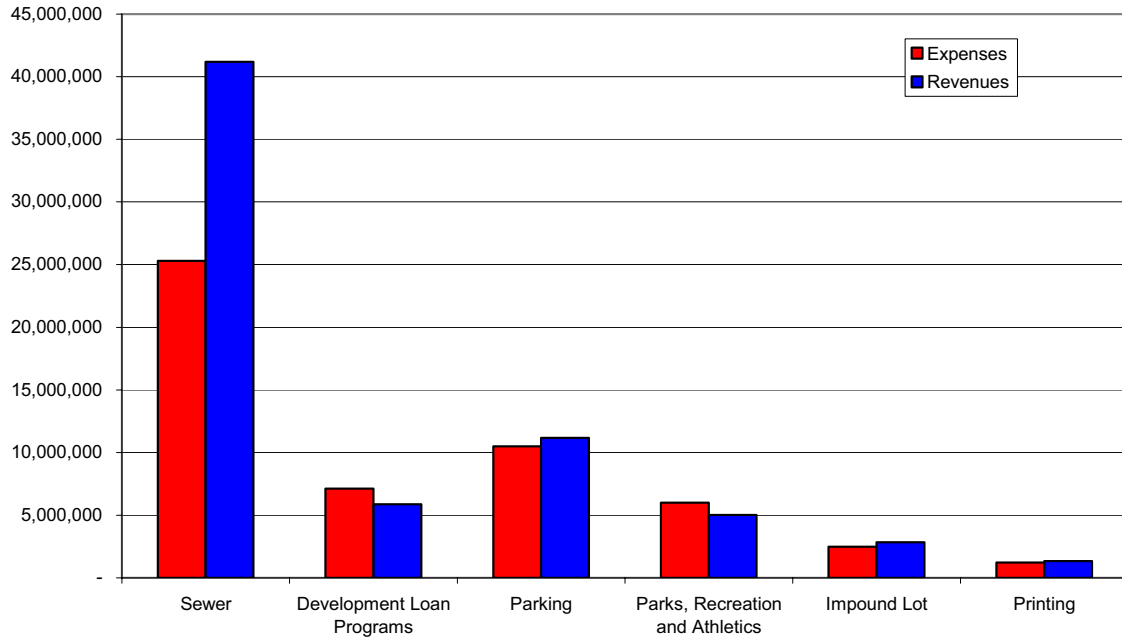
# CITY OF SAINT PAUL, MINNESOTA

## MANAGEMENT'S DISCUSSION AND ANALYSIS

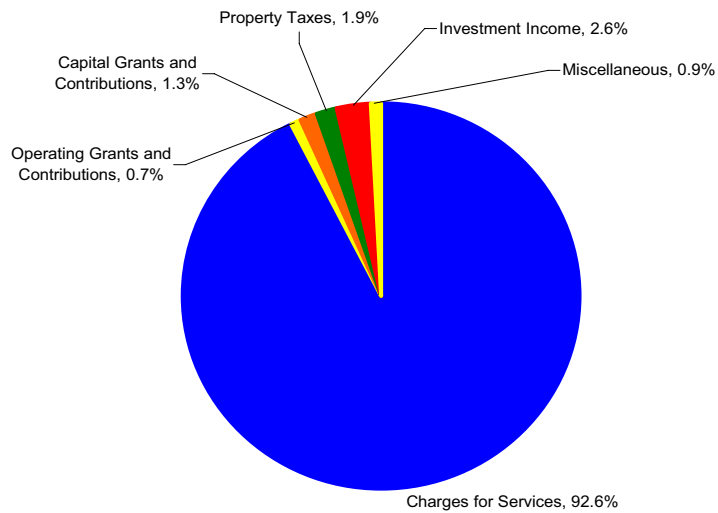
For Year Ended December 31, 2005

### FINANCIAL ANALYSIS OF THE GOVERNMENT AS A WHOLE

#### Expenses and Program Revenues – Business-type Activities



#### Revenues by Source – Business-type Activities



# CITY OF SAINT PAUL, MINNESOTA

## MANAGEMENT'S DISCUSSION AND ANALYSIS For Year Ended December 31, 2005

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### FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

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#### Governmental Funds

The focus of the City of Saint Paul's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unreserved fund balance may serve as a useful measure of the government's net resources available for spending at the end of the fiscal year.

At the end of current fiscal year, the City of Saint Paul's governmental funds reported combined ending fund balances of \$190.2 million. Approximately 84.3% of this total amount (\$160.3 million) constitutes unreserved fund balance. The remainder of the fund balance is reserved to indicate that it is not available for new spending, because it has already been committed to pay for:

	(in thousands)
Encumbrances	\$ 24,322
Imprest Funds	100
Advances to Other Funds	1,262
Advance to Component Unit	1,756
Long-Term Receivable	215
Mandatory 5% for Debt Retirement	1,155
Moral Obligation to Port Authority Hotel Bond	473
Revenue Shortfalls and Unforeseen Expenditures	564
Permanent Funds' Activities	35
	<u>\$ 29,882</u>

Of the \$160.3 million unreserved fund balance, the use is available for specific purposes in which these funds were collected.

	(in thousands)
General Fund	\$ 23,068
Special Revenue Funds	48,777
Debt Service Funds	59,554
Capital Projects Funds	28,852
Permanent Funds	28
	<u>28</u>
Total	<u>\$ 160,279</u>

**General Fund:** The General Fund is the primary operating fund of the City. Total fund balance as of December 31, 2005, was \$27.3 million, of which \$23.1 million was unreserved. It may be useful to compare unreserved fund balance to total fund balance and total fund expenditures as a measure of the fund's liquidity. Unreserved fund balance represents 84.6% of total fund balance and 16.6% of total 2005 fund expenditures including transfers out. The fund balance decreased by \$6.6 million during the current fiscal year. This was a planned spend-down designed to keep the City's property tax levy at a constant level.

# CITY OF SAINT PAUL, MINNESOTA

## MANAGEMENT'S DISCUSSION AND ANALYSIS For Year Ended December 31, 2005

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### FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

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The following tables provide an overview of General Fund revenues by source and expenditures by function.

Revenues by Source			Total
	2005	2004	Percent Change
Property Tax	\$ 42,990,712	\$ 39,235,087	9.57%
Franchise Fees and Other Taxes	19,382,849	18,821,974	2.98%
Intergovernmental	57,473,669	65,260,620	(11.93)%
Fees, Sales and Services	15,351,211	13,794,539	11.28%
Interest	6,388,142	4,492,961	42.18%
Miscellaneous	1,397,396	1,173,740	19.05%
Transfers In	13,381,951	10,101,003	32.48%
Capital Lease	1,000,000	1,008,250	(0.82)%
Total	<u>\$ 157,365,930</u>	<u>\$ 153,888,174</u>	2.26%

Overall, General Fund revenues have increased by \$3.5 million or 2.26% as compared to 2004. In 2005, property tax revenue has increased by \$3.8 million. The General Fund's portion of the levy was increased by \$3.2 million, which represents 72.9% of the total levy. The total property tax levy of \$63.9 million is allocated between the General, General Debt and Library Agency Funds. The levy has been held constant for twelve consecutive years as a strategy to hold down property taxes and draw down fund balance from historically high levels of previous years. Also, additional property tax revenue was received from the decertification of a tax increment district. Franchise fees increased 3.0% due to increased electric usage within the City.

Intergovernmental revenue decreased by \$7.8 million. Local Government Aid (LGA) from the State of Minnesota was reduced by an additional \$3 million due to state budget decisions. The total LGA reduction beginning in 2003 has been \$22.6 million. Also, \$2.9 million of revenue from district court parking fines were deposited directly in the Parking Meter Collections Special Revenue Fund.

Fees, sales and services increased by \$1.6 million. Approximately \$1 million was generated in additional paramedic transport fees. The transport rate was increased by 10% from \$922 in 2004 to \$1,014 in 2005. Also, an additional \$150,000 was collected in continuance for dismissal fees through the City Attorney's office and approximately \$300,000 for Police special services.

Interest earnings increasing by \$1.9 million is mainly associated with security lending transactions. Interest earnings on the collateral received are reported on the operating statement as Interest Earned on Securities Lending. The costs of securities lending transactions are not netted with interest revenue. Borrower rebates are reported on the operating statement as Interest Expenditures on Securities Lending and the bank fees are included in Miscellaneous-Other Expenditures. For fiscal year 2005 net revenue from securities lending transactions was \$60,145.

Transfers In increased by \$3.3 million. An additional \$2.1 million was transferred from Special Revenue Funds, \$800,000 from the Capital Project Funds, and \$400,000 from Enterprise Funds.

# CITY OF SAINT PAUL, MINNESOTA

## MANAGEMENT'S DISCUSSION AND ANALYSIS For Year Ended December 31, 2005

### FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

Expenditures by Function	2005	2004	Total Percent Change
General Government	\$ 20,387,754	\$ 19,934,450	2.27%
Public Safety	105,122,677	99,914,402	5.21%
Highways and Streets	2,096,092	4,960,920	(57.75)%
Culture and Recreation	22,643,432	22,005,540	2.90%
Housing and Economic Development	78,483	84,358	(6.96)%
Miscellaneous	5,734,053	6,025,438	(4.84)%
Debt	5,078,423	2,754,725	84.35%
Transfers Out	2,810,644	2,212,855	27.01%
Total	<u>\$ 163,951,558</u>	<u>\$ 157,892,688</u>	3.84%

Total General Fund expenditures increased by \$6.1 million or 3.84% as compared to 2004. The majority of increases occurred in salary and fringe benefit expenditures. An additional \$2.7 million or 2.9% was spent for salaries and \$2.7 million or 9.2% was spent in fringe benefits. The increase in debt of \$2.3 million, or 27.0% was caused by an increase in securities lending transactions, as explained in the revenue analysis.

General Government expenditures increased by \$453,000 or 2.27%. The Office of Technology upgraded the City's standard desktop software to MS Office. Public Safety expenditures have increased by \$5.2 million, \$3.6 million in Police expenditures and \$1.6 million in Fire expenditures. The increases relate to salary and fringe costs associated with negotiated salary settlements. The Police department's budget authorized six additional police officers and three telecommunicators in the emergency communications center. Fire and Safety Services budget added five entry level fire fighter positions. Highways and Streets expenditures decreased by \$2.9 million. In 2005, the costs for street lighting maintenance was moved to the Right of Way Maintenance Special Revenue Fund and financed by assessment revenue. Culture and Recreation expenditures increased by \$638,000 mainly due to increased utility costs. Transfers Out increased by approximately \$600,000. \$350,000 is associated with the additional transfer from Police fleet operations to the Revenue Notes and Other Long-Term Debt Service Fund for the repayment of the second year of the vehicle capital lease. A transfer of \$163,000 was made to write off the advance made to the Rice and Arlington Sports Dome Enterprise Fund, which is being closed out.

**Library Agency Fund:** The City's Library Agency Fund accounts for the general operations of the Saint Paul Public Library. The purpose of separating the Library from the General Fund was to increase its visibility within the community. Revenues to support the agency are from property taxes, local government aid and market value homestead credit. Revenues reported in this fund totaled \$14.4 million with expenditures and transfers out of \$14 million, which reflects and increase in fund balance of \$378,280. The fund is reporting a fund balance on December 31, 2005, of \$1.3 million.

# CITY OF SAINT PAUL, MINNESOTA

## MANAGEMENT'S DISCUSSION AND ANALYSIS

For Year Ended December 31, 2005

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### FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

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**HRA General Fund:** The HRA General Fund is the chief operating fund of the HRA. Revenues include the HRA property tax levy, fees from conduit revenue bond issues, property rentals, land sale proceeds and investment earnings. The major spending activities are for staff administration of HRA programs, maintenance of HRA properties and professional services for HRA programs and projects. The fund balance in the HRA General Fund increased during 2005 by \$2.8 million to a total of \$8.1 million at December 31, 2005. The increase was primarily due to revenues from the sale of the 1000 Westgate development property in 2005.

**General Debt Service Fund:** The City's General Debt Service Fund accounts for the revenues and expenditures relating to the City's general obligation debt that is supported by property tax revenues. During 2005, \$7.2 million was received in taxes and \$13.2 million in transfers for a total of \$20.4 million. The expenditures made on debt payments during 2005 totaled \$22.3 million resulting in a planned decrease in fund balance of \$1.4 million. The remaining fund balance of \$24.1 million at the end of the fiscal year is to be used for future debt service payments.

**HRA General Debt Service Fund:** The HRA General Debt Service Fund accumulates resources and pays debt service for the HRA debt that is not financed by its two enterprise funds. Debt service on the bonds is financed by property tax increments, City sales taxes, lease payments from the City and investment earnings. At December 31, 2005, the fund balance was \$19.5 million, which is reserved for future debt service. Total debt spending during 2005 was \$21.2 million. The total fund balance decreased in 2005 by \$6.1 million primarily due to the retirement of tax increment revenue bonds with existing funds and the decertification of tax increment financing districts resulting in existing funds being remitted to Ramsey County for subsequent disbursement to the City, County and St. Paul School District.

**Capital Improvement Projects Fund:** The City's Capital Improvement Projects Fund accounts for the major capital improvement projects relating to City-owned capital assets. Total expenditures reported by this fund in 2005 were \$59.2 million. The fund reported reserves for existing contracts of \$16.1 million. The total fund balance at December 31, 2005 was a negative \$5.1 million. The negative fund balance will be resolved as money is received for capital projects financed by grants upon their completion. The City's Residential Street Vitality Program, Sewer Rehabilitation, Phalen Boulevard Project, Paul and Sheila Wellstone Center and the construction of Fire Station No. 8 were among the projects with the largest amount of expenditures in 2005.



# CITY OF SAINT PAUL, MINNESOTA

## MANAGEMENT'S DISCUSSION AND ANALYSIS For Year Ended December 31, 2005

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### FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

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#### Proprietary Funds

The City of Saint Paul's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

**Sewer Utility Fund:** The Sewer Utility Enterprise Fund had another year of strong performance in 2005, with an unrestricted net asset balance of \$22.6 million at December 31, 2005. Operating cash is being maintained in the \$24-\$26 million range. Revenues continue their consistent trend with a one and a half percent (1.5%) increase in both storm and sanitary rates, which was recommended by the Mayor and adopted by the City Council in late 2005 for implementation January 1, 2006.

In the next couple of years the Sewer Utility Enterprise Fund anticipates a decrease in unrestricted net assets as a result of the Ford Motor Plant closing, implementation of an Inflow / Infiltration program, major reconstruction of storm sewer tunnels, and other construction repair work.

**HRA Loan Enterprise Fund:** The HRA Loan Enterprise Fund accounts for loans issued and related servicing for various housing and economic development programs and projects. The Fund has unrestricted net assets totaling \$48.5 million at December 31, 2005. The assets of the Fund include loans receivable, which are reported at \$21.6 million (net of allowance) and, in many cases, have long repayment terms before there will be liquidation to cash. Cash and investments are reported at \$47.6 million at December 31, 2005, which includes the Housing 5000 Land Assembly Bond program of \$24.2 million. The Fund had an operating loss in 2005 of \$570,000.

**HRA Parking Fund:** The HRA Parking Fund accounts for the operation of HRA-owned parking facilities in Saint Paul. The Fund had unrestricted net assets of \$11.4 million at December 31, 2005. Assets in the Fund include capital assets for parking facilities reported at the depreciated amount of \$85.2 million. Long-term debt used for financing the construction of the parking facilities is \$103.9 million in principal outstanding at December 31, 2005. The Fund had operating income of \$4.3 million during 2005. After interest on long-term debt and other nonoperating revenues and expenses are applied, the Fund had a net income of \$365,000.

# CITY OF SAINT PAUL, MINNESOTA

## MANAGEMENT'S DISCUSSION AND ANALYSIS For Year Ended December 31, 2005

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### GENERAL FUND BUDGETARY HIGHLIGHTS

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The final amended budget for the General Fund includes the original adopted budget, plus any previously appropriated funds set aside for the purpose of honoring legally-incurred obligations (prior year encumbrances and commitments), plus any additional supplemental appropriations that were legislated by City Council during the year. The total original adopted budget including transfers out was \$158.3 million, plus reserved for encumbrances carried forward of \$2.1 million, for total original appropriations of \$160.4 million. This compared to final appropriations of \$167.6 million, is \$7.2 million greater than the original budget. The 2005 final General Fund appropriations are \$5.3 million more than 2004 final appropriations of \$162.3 million.

The majority of the difference between the adopted and final budget was related to the following items:

- \$4.1 million additional interest expense relating to security lending transactions which was offset by interest earnings of \$4.2 million.
- \$1.7 million year end adjustment, recognizing increased tax increment revenue from a decertified district, fees, police and fire pension and disability aid and interest revenues to cover additional costs associated with termination and tort liability settlements, police overtime, utility and motor fuel costs and summary nuisance abatement activity.
- \$1 million increase in capital outlay to account for the capital lease for Police vehicles.

2005 actual spending including transfers out was \$163.9 million, as compared to final budget of \$167.6 million resulted in a \$3.7 million positive variance. Actual expenditures were 97.8% of the final budgeted amount. Over the past ten years, the City's actual expenditures compared to budget have averaged 96.3%.

# CITY OF SAINT PAUL, MINNESOTA

## MANAGEMENT'S DISCUSSION AND ANALYSIS For Year Ended December 31, 2005

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### CAPITAL ASSETS

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At the end of 2005, the City had invested a total of \$1,448.4 million in capital assets (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, equipment, infrastructure and construction in progress of the City, including the capital assets recorded for the City's internal service funds which have a depreciated value of \$10.5 million.

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

Public Works completed its tenth year of the Residential Street Vitality Program (RSVP) by completing the Edmund/Galtier project during 2005 in the amount of \$1.9 million. In addition, two projects that will span 2005 and 2006 were begun. These projects are the Arlington/Pascal RSVP in the amount of \$9.1 million and the Baker/Bellows RSVP in the amount of \$4.8 million.

The Sewer System Rehabilitation program is now in its eighth year. The City awarded contracts for the State/University Sewer Relining in the amount of \$1.2 million, the Citywide Sewer Relining project in the amount of \$1.2 million, the Summit/Wheeler Sewer Relining project in the amount of \$1.3 and the Eastside Sewer Relining project in the amount of \$1.0 million. All projects have an estimated completion date of November 30, 2006.

Public Works substantially completed the construction of the second phase of Phalen Boulevard in 2005. Construction of the third phase of Phalen Boulevard was started in 2005 with completion expected in 2006.

The Saint Paul Public Library Agency sold its first bond issue in the spring of 2004 in the amount of \$12,280,000. The issue included \$9.3 million for the construction of a new library at Dale Street and University Avenue to replace the existing Lexington Outreach Library. Completion of the new library is scheduled for June of 2006.

Upper Landing Park, a \$2.9 million improvement on the banks of the Mississippi was completed in 2005. Features of the park include a large lawn area, fountains, sculptures, sitting walls and direct connections to the river's edge.

Wacouta Commons, a new neighborhood park on the northern edge of downtown was opened. The park includes a play area, a lawn for field play, a fountain, gardens and a dog walking area.

Construction continues on the Tropical Encounters Exhibit in the Como Park Visitor's Center. This \$2.5 million project will create an environment where plants and animals can co-exist together in their native habitat and is scheduled to open to the public in the fall of 2006.

Fire Station No. 8 was substantially completed during 2005 at a cost of \$4.0 million. The fire station is housed in the new State of Minnesota Human Services Building and is expected to be occupied by May of 2006.

# CITY OF SAINT PAUL, MINNESOTA

## MANAGEMENT'S DISCUSSION AND ANALYSIS For Year Ended December 31, 2005

### CAPITAL ASSETS

#### CAPITAL ASSETS AT YEAR-END NET OF ACCUMULATED DEPRECIATION (in thousands of dollars)

	Governmental Activities		Business-Type Activities		Total		Total Percent Change
	2005	2004	2005	2004	2005	2004	
Land	\$ 138,804	\$ 138,198	\$ 23,061	\$ 22,956	\$ 161,865	\$ 161,154	0.44%
Buildings	376,237	373,258	68,032	72,889	444,269	446,147	(0.42)%
Improvements other than Buildings	61,077	58,485	-	-	61,077	58,485	4.43%
Public Improvements	-	-	256,149	259,501	256,149	259,501	(1.29)%
Equipment	24,175	25,578	2,302	968	26,477	26,546	(0.26)%
Infrastructure	473,999	443,468	-	-	473,999	443,468	6.88%
Construction in Progress	22,326	44,618	2,251	918	24,577	45,536	(46.03)%
<b>Total</b>	<b>\$ 1,096,618</b>	<b>\$ 1,083,605</b>	<b>\$ 351,795</b>	<b>\$ 357,232</b>	<b>\$ 1,448,413</b>	<b>\$ 1,440,837</b>	<b>0.53%</b>

Additional information on the City of Saint Paul's capital assets can be found in Note VI.E. on pages 89-90 of this report.

# CITY OF SAINT PAUL, MINNESOTA

## MANAGEMENT'S DISCUSSION AND ANALYSIS For Year Ended December 31, 2005

### LONG-TERM OBLIGATIONS

During 2005, the City issued \$65.1 million in bonds and retired/defeased \$56.4 million in bonds, resulting in \$485.4 million in bonds payable and \$72.3 million in notes payable at the end of 2005. Of the bonded debt, \$119.2 million is considered to be gross direct general property tax supported debt; considering the \$24.2 million available in the General Debt Service Fund, the net general property tax supported debt at year end was \$95 million or \$330 per capita.

The City's General Obligation bonds issued in 2005 continued their Aa2 rating from Moody's Investors Service, Inc., with a positive outlook, and AAA rating from Standard & Poor's Corporation. The City's Recreational Facilities Gross Revenue bonds were rated Aa3 by Moody's and AA by Standard & Poor's. The HRA General Obligation Tax Increment Revenue Refunding bonds for Midway Marketplace were rated AAA by Standard & Poor's and Aa2 by Moody's. The HRA Tax Increment Scattered Sites Revenue bonds were insured by Radian and rated Aa3 by Moody's. The HRA Parking Facilities Revenue bonds for Smith Avenue Transit Center were rated AA+ by Standard & Poor's. The HRA Parking Revenue Lowertown Refunding bonds were insured by FSA and rated AAA by both Moody's and Standard & Poor's.

### OUTSTANDING DEBT GENERAL OBLIGATION, REVENUE, LEASE REVENUE AND SALES TAX NOTES AND BONDS (in thousands)

	Governmental Activities		Business-Type Activities		Total		Total Percent Change
	2005	2004	2005	2004	2005	2004	
General Obligation Bonds	\$ 159,285	\$ 159,390	\$ 39,485	\$ 40,815	\$ 198,770	\$ 200,205	(0.72)%
Revenue Bonds	-	-	27,690	29,760	27,690	29,760	(6.96)%
Sales Tax Revenue Bonds	67,750	68,900	-	-	67,750	68,900	(1.67)%
HRA Tax Increment Revenue Bonds	62,170	59,026	-	-	62,170	59,026	5.33%
HRA Parking Facilities Revenue Bonds	-	-	55,420	40,715	55,420	40,715	36.12%
HRA Loan Enterprise Revenue Bonds	-	-	21,830	25,000	21,830	25,000	(12.68)%
HRA Sales Tax Revenue Bonds	44,895	46,115	-	-	44,895	46,115	(2.65)%
HRA Lease Revenue Bonds	6,870	6,920	-	-	6,870	6,920	(0.72)%
Revenue Notes	44,844	46,552	15,825	16,709	60,669	63,261	(4.10)%
HRA Revenue Notes	8,580	14,870	3,090	5,084	11,670	19,954	(41.52)%
Total	<u>\$ 394,394</u>	<u>\$ 401,773</u>	<u>\$ 163,340</u>	<u>\$ 158,083</u>	<u>\$ 557,734</u>	<u>\$ 559,856</u>	(0.38)%

# CITY OF SAINT PAUL, MINNESOTA

## MANAGEMENT'S DISCUSSION AND ANALYSIS For Year Ended December 31, 2005

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### CURRENTLY KNOWN FACTS/ECONOMIC CONDITIONS

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#### Financial Outlook

The City's budget, and in particular the General, Library Agency and General Debt Service funds, remain heavily influenced by state budget decisions of previous years to reduce Local Government Aid payments, and subsequent City budget management decisions which, to date, have not completely restored an ongoing balance between annual operating revenues and expenditures.

State aid payments are an important component of the City's General Fund budget. In the 2006 adopted budget, state aid including Local Government Aid (LGA—the largest program), is the single largest financing source at over 38% of the total (by comparison, property taxes provide 26% of financing in 2006). In the 2003 legislative session, the state resolved its budget deficit in part by reducing aid payments to local governments. In Saint Paul, this had the effect of reducing LGA payments for 2006 by 21.8% (\$16.6 million) below the originally-certified 2003 level.

While the City made significant mid-year spending adjustments in 2003 (including elimination of approximately 139 budgeted positions) that carried forward into the 2004 budget year, permanent revenue and spending adjustments have not completely offset the loss of state aid payments. While the 2006 adopted budget uses no financing from the General Fund fund balance (consistent with the City's newly-adopted fund balance policy), it does rely considerably on one-time financing and transfers from a number of other sources.

The 2005 and 2006 sessions of the Minnesota Legislature adjourned without any action to restore the state aid cuts enacted in 2003. The major task that will confront the City over the next several years will be to find a combination of permanent revenue and spending adjustments necessary to adapt to what likely will be permanently-reduced levels of financial assistance from the state.

#### Employment Outlook

The 2005 annual average unemployment rate for the City of Saint Paul was reported by the Minnesota Department of Employment and Economic Development at 4.4%. This compares to a state unemployment rate of 4% and a U.S. average rate of 5.1%. Saint Paul has a balanced, diversified employment base with no single industry sector dominating. Education and Health Services, Professional and Business Services, and Trade, Transportation and Utilities, and Government (local, state and federal combined) each supplied more than 10% of total employment in 2005.

The third quarter 2005 annual average wage in Saint Paul was \$43,784, compared to \$46,696 in the metro area and \$41,028 in Minnesota.

# **CITY OF SAINT PAUL, MINNESOTA**

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

For Year Ended December 31, 2005

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### **REQUESTS FOR INFORMATION**

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The financial report is designed to provide our citizens, customers, investors and creditors with general overview of the City's finances. If you have questions about this report or need any additional information, contact the Office of Financial Services, Attn: Lori Lee, at 15 W. Kellogg Blvd., Room 700; Saint Paul, Minnesota 55102, call 651-266-8822, or e-mail [lori.lee@ci.stpaul.mn.us](mailto:lori.lee@ci.stpaul.mn.us).

General information relating to the City of Saint Paul, Minnesota, can be found at the City's website, [www.ci.stpaul.mn.us](http://www.ci.stpaul.mn.us).

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CITY OF SAINT PAUL  
COMPREHENSIVE ANNUAL FINANCIAL REPORT

FINANCIAL  
SECTION

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BASIC FINANCIAL STATEMENTS

City of Saint Paul, Minnesota  
**STATEMENT OF NET ASSETS**  
December 31, 2005

Exhibit 1

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Totals	
<b>ASSETS</b>				
Cash and Investments	200,510,894	66,878,124	267,389,018	9,201,728
Investments	-	455,257	455,257	16,152,452
Securities Lending Collateral	136,943,015	-	136,943,015	-
Receivables (Net of Allowance for Uncollectibles)	75,479,793	8,358,239	83,838,032	42,495,386
Due from Component Units	670,116	2,304,438	2,974,554	-
Due from Primary Government	-	-	-	275,822
Due from Other Governmental Units	25,061,744	207,497	25,269,241	773,048
Advance to Component Units	1,756,126	-	1,756,126	-
Internal Balances	(2,911,407)	2,911,407	-	-
Inventories	6,395,505	8,786,392	15,181,897	2,037,078
Other Assets	4,896,516	2,202,917	7,099,433	1,655,241
Restricted Cash and Investments	35,000	48,768,411	48,803,411	40,360,957
Long Term Receivables	9,197,707	21,776,041	30,973,748	1,978,123
Capital Assets, Net of Related Depreciation			-	
Land	138,804,210	23,061,231	161,865,441	9,493,651
Buildings and Structures	376,237,147	68,031,769	444,268,916	78,650,424
Improvements Other than Buildings	61,076,843	-	61,076,843	-
Public Improvements	-	256,149,393	256,149,393	132,177,887
Equipment	24,175,269	2,302,180	26,477,449	21,878,643
Infrastructure	473,998,491	-	473,998,491	-
Construction in Progress	22,325,679	2,250,713	24,576,392	15,777,388
<b>Total Assets</b>	<b>1,554,652,648</b>	<b>514,444,009</b>	<b>2,069,096,657</b>	<b>372,907,828</b>
<b>LIABILITIES</b>				
Accounts Payable and Other Current Liabilities	22,042,788	2,419,941	24,462,729	8,867,685
Accrued Salaries	9,098,891	363,283	9,462,174	1,724,338
Due to Component Units	218,067	57,755	275,822	-
Due to Primary Government	-	-	-	2,974,554
Due to Other Governmental Units	3,922,598	7,237	3,929,835	3,979,473
Unearned Revenue	18,733,853	-	18,733,853	2,397,789
Obligations Under Securities Lending	136,943,015	-	136,943,015	-
Liabilities Payable from Restricted Assets	-	6,910,563	6,910,563	12,514,226
Advance from Primary Government	-	-	-	1,756,126
Noncurrent Liabilities:				
Due Within One Year	41,448,873	14,293,141	55,742,014	2,104,088
Due in More than One Year	421,198,600	145,322,326	566,520,926	133,587,770
<b>Total Liabilities</b>	<b>653,606,685</b>	<b>169,374,246</b>	<b>822,980,931</b>	<b>169,906,049</b>
<b>NET ASSETS</b>				
Investment in Capital Assets, Net of Related Debt	844,290,032	239,912,873	1,084,202,905	152,771,599
Restricted for:				
Public Safety	2,986,460	-	2,986,460	-
Culture and Recreation	1,439,525	-	1,439,525	-
Debt Service	11,733,507	15,720,681	27,454,188	18,224,459
Permanent Activities				
Expendable	22,866	-	22,866	-
Nonexpendable	35,000	-	35,000	-
Operations and Maintenance	-	3,401,800	3,401,800	-
Other Purposes	400,788	3,844,115	4,244,903	-
Unrestricted	40,137,785	82,190,294	122,328,079	32,005,721
<b>Total Net Assets</b>	<b>901,045,963</b>	<b>345,069,763</b>	<b>1,246,115,726</b>	<b>203,001,779</b>

The notes to the financial statements are an integral part of this statement.

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Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets			Component Units
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			
					Governmental Activities	Business-Type Activities	Totals	
<b>Primary Government</b>								
<b>Governmental Activities</b>								
General Government	32,568,766	8,798,527	449,903	970,101	(22,350,235)	-	(22,350,235)	-
Public Safety	126,072,685	27,769,334	4,129,414	-	(94,173,937)	-	(94,173,937)	-
Highways and Streets	52,527,297	32,967,651	5,242,976	15,582,097	1,265,427	-	1,265,427	-
Sanitation	12,443,954	2,449,595	543,413	133,463	(9,317,483)	-	(9,317,483)	-
Health	3,892,004	3,840,090	-	-	(51,914)	-	(51,914)	-
Culture and Recreation	66,028,202	4,222,197	4,216,936	9,199,730	(48,389,339)	-	(48,389,339)	-
Housing and Economic Development	44,280,480	8,076,376	18,393,253	500,000	(17,310,851)	-	(17,310,851)	-
Interest and Fiscal Charges	26,160,599	-	-	-	(26,160,599)	-	(26,160,599)	-
<b>Total Governmental Activities</b>	<b>363,973,987</b>	<b>88,123,770</b>	<b>32,975,895</b>	<b>26,385,391</b>	<b>(216,488,931)</b>	<b>-</b>	<b>(216,488,931)</b>	<b>-</b>
<b>Business-Type Activities</b>								
Sewer	25,292,391	41,108,850	72,711	-	-	15,889,170	15,889,170	-
Development Loan Programs	7,116,666	5,477,876	400,408	-	-	(1,238,382)	(1,238,382)	-
Parking	10,507,965	10,266,046	-	900,000	-	658,081	658,081	-
Parks, Recreation and Athletics	5,996,403	5,007,471	14,841	-	-	(974,091)	(974,091)	-
Impound Lot	2,479,721	2,837,692	-	-	-	357,971	357,971	-
Printing	1,230,610	1,336,638	-	-	-	106,028	106,028	-
<b>Total Business-Type Activities</b>	<b>52,623,756</b>	<b>66,034,573</b>	<b>487,960</b>	<b>900,000</b>	<b>-</b>	<b>14,798,777</b>	<b>14,798,777</b>	<b>-</b>
<b>Total Primary Government</b>	<b>416,597,743</b>	<b>154,158,343</b>	<b>33,463,855</b>	<b>27,285,391</b>	<b>(216,488,931)</b>	<b>14,798,777</b>	<b>(201,690,154)</b>	<b>-</b>
<b>Component Units</b>								
RiverCentre Convention & Visitors Authori	10,837,546	7,052,862	701,079	1,094,190	-	-	-	(1,989,415)
Regional Water Services	33,401,729	33,386,305	77,960	1,347,635	-	-	-	1,410,171
Port Authority	16,385,001	8,269,321	4,155,617	-	-	-	-	(3,960,063)
<b>Total Component Units</b>	<b>60,624,276</b>	<b>48,708,488</b>	<b>4,934,656</b>	<b>2,441,825</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(4,539,307)</b>
<b>General Revenues</b>								
<b>Taxes</b>								
Property Taxes, Levied for General Purposes					64,039,066	1,372,349	65,411,415	-
Property Taxes, Levied for Debt Service					7,820,482	-	7,820,482	1,497,208
City Sales Tax					14,219,562	-	14,219,562	-
Gross Earnings Franchise Fee					21,453,093	-	21,453,093	-
Other Taxes					2,973,717	-	2,973,717	1,484,335
<b>Revenues Not Restricted to Specific Programs</b>								
Local Government Aid					53,206,165	-	53,206,165	-
Grants and Contributions					10,569,389	-	10,569,389	-
<b>Investment Income</b>								
Interest Earned on Investments					9,192,966	2,511,389	11,704,355	2,001,866
Decrease in Fair Value of Investments					(2,690,817)	(663,833)	(3,354,650)	(295,264)
Other Investment Income					4,159,922	-	4,159,922	-
Gain Sale of Capital Assets					86,887	1,055	87,942	3,552,919
Miscellaneous					5,464,179	625,120	6,089,299	875,234
Transfers					9,126,692	(9,126,692)	-	-
<b>Total General Revenues and Transfers</b>					<b>199,621,303</b>	<b>(5,280,612)</b>	<b>194,340,691</b>	<b>9,116,298</b>
<b>Change in Net Assets</b>					<b>(16,867,628)</b>	<b>9,518,165</b>	<b>(7,349,463)</b>	<b>4,576,991</b>
<b>Net Assets - January 1, Restated</b>					<b>917,913,591</b>	<b>335,551,598</b>	<b>1,253,465,189</b>	<b>198,424,788</b>
<b>Net Assets - December 31</b>					<b>901,045,963</b>	<b>345,069,763</b>	<b>1,246,115,726</b>	<b>203,001,779</b>

City of Saint Paul, Minnesota  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
 December 31, 2005

Exhibit 3

	<u>General</u>	<u>Library Agency</u>	<u>HRA General Fund</u>	<u>General Debt Service</u>	<u>HRA General Debt Service</u>	<u>Capital Improvement Projects</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>ASSETS</b>								
Cash and Investments with Treasurer	16,919,355	1,881,653	8,893,339	23,517,011	8,063,608	1,069,709	97,669,026	158,013,701
Cash and Investments with Trustees	-	-	-	-	11,358,295	-	18,095,778	29,454,073
Interfund Receivable for Pooled Cash and Investments Overdrafts	4,022,750	-	-	-	-	-	-	4,022,750
Imprest Funds	59,340	-	-	-	-	-	40,700	100,040
Securities Lending Collateral (Note VI.A.) Receivables	136,943,015	-	-	-	-	-	-	136,943,015
Property Taxes - Due from Ramsey County	632,293	151,593	13,568	126,952	145,774	-	84,196	1,154,376
Property Taxes - Delinquent	1,065,127	190,387	30,616	83,927	422,081	-	8,219	1,800,357
Accounts (net of allowance for estimated uncollectible)	9,326,551	152,645	54,799	147,212	9,608	677,090	1,572,915	11,940,820
Assessments	-	-	-	-	-	14,073,732	26,075,878	40,149,610
Notes and Loans	-	-	-	-	-	-	19,596,731	19,596,731
Accrued Interest	1,176,196	-	78,007	199,506	142,482	1,538	1,186,744	2,784,473
Due from Xcel Energy	1,019,788	-	-	-	-	-	-	1,019,788
Due from Other Funds	14,262,519	-	-	300,000	135,850	2,877,916	2,039,679	19,615,964
Due from Component Units	192	-	-	-	-	435,566	207,721	643,479
Due from Other Governmental Units	1,081,343	6,103	-	-	-	13,899,591	6,821,597	21,808,634
Advance to Other Funds	228,000	-	343,628	-	-	-	690,200	1,261,828
Advance to Component Units	1,525,000	-	-	-	-	-	231,126	1,756,126
Land Held for Resale	-	-	1,440,918	-	-	-	2,808,895	4,249,813
<b>TOTAL ASSETS</b>	<u>188,261,469</u>	<u>2,382,381</u>	<u>10,854,875</u>	<u>24,374,608</u>	<u>20,277,698</u>	<u>33,035,142</u>	<u>177,129,405</u>	<u>456,315,578</u>

continued

City of Saint Paul, Minnesota  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
December 31, 2005

Exhibit 3

	<u>General</u>	<u>Library Agency</u>	<u>HRA General Fund</u>	<u>General Debt Service</u>	<u>HRA General Debt Service</u>	<u>Capital Improvement Projects</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>LIABILITIES AND FUND BALANCES</b>								
<b>Liabilities</b>								
<b>Interfund Payable for Pooled</b>								
Cash and Investments Overdrafts	-	-	-	-	-	-	1,758,654	1,758,654
Accrued Salaries Payable	6,275,117	404,870	-	4,940	-	5,757	1,316,712	8,007,396
Obligations Under Securities Lending (Note VI.A.)	136,943,015	-	-	-	-	-	-	136,943,015
Accounts Payable	3,399,428	213,464	121,931	1,524	-	1,812,978	3,783,164	9,332,489
Contracts/Retention Payable	-	-	743,862	-	-	5,057,554	511,047	6,312,463
Due to Other Funds	1,829,717	234,596	338,871	1,420	176,700	1,577,946	7,985,379	12,144,629
Due to Component Units	-	2,153	-	-	-	214,611	-	216,764
Due to Other Governmental Units	1,582,954	-	-	-	-	-	2,151,416	3,734,370
Advance from Other Funds	125,000	-	-	-	-	1,210,077	6,897,963	8,233,040
Accrued Interest Payable - Securities Lending	494,435	-	-	-	-	-	-	494,435
Deferred Revenue	10,357,046	258,069	1,528,648	216,478	575,961	26,065,717	24,910,563	63,912,482
Unearned Revenue	-	-	-	-	-	2,213,035	12,852,746	15,065,781
<b>Total Liabilities</b>	<b>161,006,712</b>	<b>1,113,152</b>	<b>2,733,312</b>	<b>224,362</b>	<b>752,661</b>	<b>38,157,675</b>	<b>62,167,644</b>	<b>266,155,518</b>
<b>Fund Balances</b>								
<b>Reserved for</b>								
Encumbrances	2,374,841	69,026	97,120	-	-	16,066,923	5,714,550	24,322,460
Imprest Funds	59,340	-	-	-	-	-	40,700	100,040
Advance to Other Funds	228,000	-	343,628	-	-	-	690,200	1,261,828
Advance to Component Units	1,525,000	-	-	-	-	-	231,126	1,756,126
Long-Term Receivable	-	-	-	-	-	-	214,883	214,883
Mandatory 5% for Retirement of Debt	-	-	-	1,128,453	-	-	26,428	1,154,881
Port Authority Hotel Bonds Moral Obligation	-	-	-	472,885	-	-	-	472,885
Revenue Shortfalls and Unforeseen Expenditures	-	-	-	564,226	-	-	-	564,226
Permanent Fund Activities	-	-	-	-	-	-	35,000	35,000
<b>Unreserved, Reported in</b>								
General Fund	23,067,576	-	-	-	-	-	-	23,067,576
Special Revenue Funds	-	1,200,203	7,680,815	-	-	-	39,895,912	48,776,930
Debt Service Funds	-	-	-	21,984,682	19,525,037	-	18,044,045	59,553,764
Capital Projects Funds	-	-	-	-	-	(21,189,456)	50,041,318	28,851,862
Permanent Funds	-	-	-	-	-	-	27,599	27,599
<b>Total Fund Balances</b>	<b>27,254,757</b>	<b>1,269,229</b>	<b>8,121,563</b>	<b>24,150,246</b>	<b>19,525,037</b>	<b>(5,122,533)</b>	<b>114,961,761</b>	<b>190,160,060</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>188,261,469</b>	<b>2,382,381</b>	<b>10,854,875</b>	<b>24,374,608</b>	<b>20,277,698</b>	<b>33,035,142</b>	<b>177,129,405</b>	<b>456,315,578</b>

The notes to the financial statements are an integral part of this statement.

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City of Saint Paul, Minnesota  
**RECONCILIATION OF THE GOVERNMENTAL FUND BALANCE SHEET AND  
 THE GOVERNMENT - WIDE STATEMENT OF NET ASSETS**  
 December 31, 2005

Exhibit 4

**Total Fund Balances - Governmental Funds** **\$ 190,160,060**

**Amounts reported for governmental activities in the Statement of  
 Net Assets are different because:**

**Capital assets used in governmental funds are not financial  
 resources and, therefore, are not reported in the funds.** **1,086,084,880**

**Some receivables that are not currently available are reported as  
 deferred revenue in the fund financial statements, but are recognized  
 as revenue when earned in the government-wide statements.** **63,474,861**

**Internal Service funds are used by management to charge the costs  
 of various services provided to individual funds. The assets and  
 liabilities of the internal service funds are included in governmental  
 activities in the Statement of Net Assets** **22,690,025**

**Some liabilities, including long-term debt, are not due and payable  
 in the current period and, therefore, are not reported in the funds.** **(461,363,863)**

**Net Assets of Governmental Activities** **\$ 901,045,963**

The notes to the financial statements are an integral part of this statement.



City of Saint Paul, Minnesota  
**STATEMENT OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
 For the Fiscal Year Ended December 31, 2005

Exhibit 5

	General	Library Agency	HRA General Fund	General Debt Service	HRA General Debt Service	Capital Improvement Projects	Other Governmental Funds	Total Governmental Funds
<b>REVENUES</b>								
<b>Taxes</b>								
Property Taxes								
Current Taxpayer	41,613,008	7,474,324	821,420	6,066,199	-	-	1,933,230	57,908,181
Current Tax Increment	171,937	32,759	-	21,124	8,051,689	-	4,602,084	12,879,593
Delinquent Taxpayer	231,150	35,827	3,559	55,075	-	-	-	325,611
Delinquent Tax Increment	974,617	-	-	-	-	-	-	974,617
<b>Total Property Taxes</b>	<b>42,990,712</b>	<b>7,542,910</b>	<b>824,979</b>	<b>6,142,398</b>	<b>8,051,689</b>	<b>-</b>	<b>6,535,314</b>	<b>72,088,002</b>
Penalties and Interest on Property Taxes	52,608	-	-	-	-	-	-	52,608
Forfeited Tax Sale Apportionment	37,723	-	-	-	-	-	-	37,723
City Sales Tax	-	-	-	-	-	-	14,219,562	14,219,562
Gross Earnings Franchise Fees	18,559,769	-	-	1,095,058	-	-	1,798,266	21,453,093
Hotel-Motel Tax	726,526	-	-	-	220,000	-	1,782,238	2,728,764
Contamination Tax	4,988	-	-	-	-	-	-	4,988
Drugstore and Mortuary Tax	1,235	-	-	-	-	-	-	1,235
<b>Total Taxes</b>	<b>62,373,561</b>	<b>7,542,910</b>	<b>824,979</b>	<b>7,237,456</b>	<b>8,271,689</b>	<b>-</b>	<b>24,335,380</b>	<b>110,585,975</b>
Licenses and Permits	876,144	-	-	-	-	-	8,877,940	9,754,084
Intergovernmental Revenue (Schedule 34)	57,473,669	5,752,561	54,331	396,752	219,164	22,666,313	32,363,674	118,926,464
Fees, Sales and Services	14,475,067	60,064	9,752,435	5,000	515,000	695,713	23,848,819	49,352,098
Assessments	-	-	-	-	-	3,374,190	22,436,065	25,810,255
Investment Income								
Interest Earned on Investments	3,273,640	-	310,063	794,975	813,381	6,325	4,340,266	9,538,650
Increase (Decrease) in Fair Value of Investments	(1,043,290)	-	(120,899)	(309,206)	(178,817)	(2,383)	(1,123,336)	(2,777,931)
Interest Earned on Securities Lending	4,157,792	-	-	-	-	-	-	4,157,792
Interest Earned - Other	-	-	-	-	330,646	-	519,098	849,744
Miscellaneous Revenue								
Program Income	-	-	-	-	-	-	1,874,084	1,874,084
Other	1,327,428	1,024,848	-	40,508	-	697,928	7,650,221	10,740,933
<b>Total Revenues</b>	<b>142,914,011</b>	<b>14,380,383</b>	<b>10,820,909</b>	<b>8,165,485</b>	<b>9,971,063</b>	<b>27,438,086</b>	<b>125,122,211</b>	<b>338,812,148</b>

continued

City of Saint Paul, Minnesota  
**STATEMENT OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
 For the Fiscal Year Ended December 31, 2005

Exhibit 5

	General	Library Agency	HRA General Fund	General Debt Service	HRA General Debt Service	Capital Improvement Projects	Other Governmental Funds	Total Governmental Funds
<b>EXPENDITURES</b>								
<b>Current</b>								
General Government	20,387,754	-	-	417,580	-	1,550,705	4,640,223	26,996,262
Public Safety	105,122,677	-	-	-	-	40,718	18,540,998	123,704,393
Highways and Streets	2,096,092	-	-	-	-	7,506,905	18,165,339	27,768,336
Sanitation	-	-	-	-	-	9,890,968	2,553,250	12,444,218
Health	-	-	-	-	-	-	3,840,090	3,840,090
Culture and Recreation	22,643,432	13,928,174	-	-	-	6,440,683	8,263,909	51,276,198
Housing and Economic Development	78,483	-	2,226,681	-	3,308,894	-	36,610,171	42,224,229
Miscellaneous	5,734,053	-	-	-	-	-	-	5,734,053
Capital Outlay	-	71,679	-	-	-	33,700,018	7,081,776	40,853,473
<b>Debt Service</b>								
Bond Principal	-	-	-	18,275,000	6,741,162	-	3,405,000	28,421,162
Other Debt Principal	480,000	-	5,750,000	-	540,000	-	2,281,549	9,051,549
Interest - Bonds	-	-	-	4,051,025	8,456,818	-	6,318,280	18,826,123
Interest - Securities Lending	4,057,778	-	-	-	-	-	-	4,057,778
Interest - Other Debt	540,645	-	47,917	-	402,729	-	2,407,709	3,399,000
Bond Issuance Costs	-	-	-	-	46,696	38,069	349,591	434,356
<b>Total Expenditures</b>	<b>161,140,914</b>	<b>13,999,853</b>	<b>8,024,598</b>	<b>22,743,605</b>	<b>19,496,299</b>	<b>59,168,066</b>	<b>114,457,885</b>	<b>399,031,220</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>(18,226,903)</b>	<b>380,530</b>	<b>2,796,311</b>	<b>(14,578,120)</b>	<b>(9,525,236)</b>	<b>(31,729,980)</b>	<b>10,664,326</b>	<b>(60,219,072)</b>
<b>OTHER FINANCING SOURCES (USES)</b>								
Transfers In	13,381,951	-	-	13,232,040	18,519,240	29,921,078	22,471,458	97,525,767
Transfers Out	(2,810,644)	(2,250)	(18,486)	(32,327)	(15,212,494)	(1,877,839)	(75,119,250)	(95,073,290)
Bonds Issued	-	-	-	-	-	2,400,000	26,515,000	28,915,000
Current Refunding Bonds Issued	-	-	-	-	5,130,000	-	-	5,130,000
Refunded Bonds	-	-	-	-	(5,005,000)	-	-	(5,005,000)
Premium on Bonds Issued	-	-	-	-	-	12,559	461,545	474,104
Discount on Bonds Issued	-	-	-	-	(4,601)	-	-	(4,601)
Capital Lease	1,000,000	-	-	-	-	-	-	1,000,000
Sale of Capital Assets	69,968	-	-	-	-	-	16,228	86,196
<b>Total Other Financing Sources (Uses)</b>	<b>11,641,275</b>	<b>(2,250)</b>	<b>(18,486)</b>	<b>13,199,713</b>	<b>3,427,145</b>	<b>30,455,798</b>	<b>(25,655,019)</b>	<b>33,048,176</b>
<b>Net Change in Fund Balances</b>	<b>(6,585,628)</b>	<b>378,280</b>	<b>2,777,825</b>	<b>(1,378,407)</b>	<b>(6,098,091)</b>	<b>(1,274,182)</b>	<b>(14,990,693)</b>	<b>(27,170,896)</b>
<b>FUND BALANCES, January 1</b>	<b>33,840,385</b>	<b>890,949</b>	<b>5,343,738</b>	<b>25,528,653</b>	<b>25,623,128</b>	<b>(3,848,351)</b>	<b>129,952,454</b>	<b>217,330,956</b>
<b>FUND BALANCES, December 31</b>	<b>27,254,757</b>	<b>1,269,229</b>	<b>8,121,563</b>	<b>24,150,246</b>	<b>19,525,037</b>	<b>(5,122,533)</b>	<b>114,961,761</b>	<b>190,160,060</b>

The notes to the financial statements are an integral part of this statement.

City of Saint Paul, Minnesota  
**RECONCILIATION OF THE STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES  
IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES**  
For the Fiscal Year Ended December 31, 2005

Exhibit 6

<b>Net Change in Fund Balances - Total Governmental Funds</b>	<b>\$ (27,170,896)</b>
<b>Amounts reported for governmental activities in the Statement of Activities are different because:</b>	
Governmental funds report capital outlay as expenditures. However, in the Statement of Net Assets, the cost of these assets is capitalized and depreciated over their estimated useful lives with depreciation expense reported in the Statement of Activities.	11,502,165
Net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins) is to increase net assets.	1,821,679
Receivables not currently available are reported as deferred revenue in the fund financial statements but are recognized as revenue when earned in the government-wide financial statements.	(7,384,309)
Debt and lease proceeds provide current financial resources to governmental funds, but issuing these obligations increases long-term liabilities in the Statement of Net Assets. Repayment of principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets.	7,580,977
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.	(34,827)
Some expenses in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	(4,130,747)
Internal Service funds are used by management to charge the costs of various services provided to individual funds. The net revenues of certain activities of internal service funds are reported with governmental activities.	<u>948,330</u>
<b>Change in Net Assets of Governmental Activities</b>	<b><u>\$ (16,867,628)</u></b>

The notes to the financial statements are an integral part of this statement.

City of Saint Paul, Minnesota  
STATEMENT OF NET ASSETS  
PROPRIETARY FUNDS  
December 31, 2005

Exhibit 7

	Business-Type Activities - Enterprise Funds				Totals	Governmental Activities - Internal Service Funds
	Sewer Utility	HRA Loan Enterprise	HRA Parking	Other Enterprise Funds		
<b>ASSETS</b>						
<b>Current Assets</b>						
Cash and Investments with Treasurer	26,844,123	25,327,695	12,859,705	1,840,101	66,871,624	12,977,205
Investments	455,257	-	-	-	455,257	-
Imprest Funds	150	-	-	6,350	6,500	875
<b>Restricted Cash and Cash Equivalents</b>						
Cash for General Obligation Bond Current Debt Service	31,158	-	1,371,466	-	1,402,624	-
Cash for Revenue Bond Current Debt Service	572,621	14,743,984	5,912,014	-	21,228,619	-
Cash for Revenue Bond Operations and Maintenance	-	-	667,487	-	667,487	-
Cash for Revenue Bond Construction	-	7,556,668	10,667,835	-	18,224,503	-
<b>Receivables</b>						
Delinquent Taxes Receivable	-	-	11,820	-	11,820	-
Accounts (net of allowance for estimated uncollectibles)	987,911	718,273	357,676	161,366	2,225,226	267,631
Unbilled	-	-	-	-	-	31,024
Assessments	5,541,335	776	-	-	5,542,111	-
Accrued Interest	99,280	386,381	87,096	18,145	590,902	127,337
Due from Other Funds	391,890	-	-	202,616	594,506	4,148,039
Due from Component Units	2,283,288	-	-	21,150	2,304,438	26,637
Due from Other Governmental Units	51,730	-	-	143,947	195,677	298,377
<b>Inventories</b>						
Materials and Supplies	104,822	-	-	214,947	319,769	2,145,692
Impounded Cars	-	-	-	254,160	254,160	-
Prepaid Items	-	-	-	-	-	2,994,460
Land Held for Resale	-	8,212,463	-	-	8,212,463	-
<b>Total Current Assets</b>	<b>37,363,565</b>	<b>56,946,240</b>	<b>31,935,099</b>	<b>2,862,782</b>	<b>129,107,686</b>	<b>23,017,277</b>
<b>Noncurrent Assets</b>						
<b>Restricted Assets</b>						
Cash for Revenue Bond Operations and Maintenance	2,734,313	-	-	-	2,734,313	-
Cash for Budget and Rate Stabilization	3,844,115	-	-	-	3,844,115	-
Investment for Revenue Bond Debt Service Reserve	-	-	-	666,750	666,750	-
<b>Total Restricted Assets</b>	<b>6,578,428</b>	<b>-</b>	<b>-</b>	<b>666,750</b>	<b>7,245,178</b>	<b>-</b>
<b>Other Assets</b>						
<b>Contract Receivable - Metropolitan</b>						
Council Environmental Services (Note VI.B.)	172,256	-	-	-	172,256	-
Advance to Other Funds	1,485,077	3,946,836	-	-	5,431,913	2,272,343
Deferred Charges	551,301	292,200	1,246,686	112,730	2,202,917	-
Other Long-Term Loans Receivable	-	20,130,403	-	-	20,130,403	9,197,707
Accrued Interest Receivable on Loans	-	1,473,382	-	-	1,473,382	-
<b>Total Other Assets</b>	<b>2,208,634</b>	<b>25,842,821</b>	<b>1,246,686</b>	<b>112,730</b>	<b>29,410,871</b>	<b>11,470,050</b>

continued

City of Saint Paul, Minnesota  
STATEMENT OF NET ASSETS  
PROPRIETARY FUNDS  
December 31, 2005

Exhibit 7

	Business-Type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds	
	Sewer Utility	HRA Loan Enterprise	HRA Parking	Other Enterprise Funds		Totals
<b>Capital Assets</b>						
Land	82,186	-	19,514,990	3,464,055	23,061,231	80,908
Buildings and Structures	3,108,731	-	88,592,212	2,827,880	94,528,823	8,895,311
Less: Accumulated Depreciation	(251,765)	-	(25,432,904)	(812,385)	(26,497,054)	(4,797,571)
Public Improvements	349,279,409	-	1,641,449	-	350,920,858	-
Less: Accumulated Depreciation	(94,338,072)	-	(433,393)	-	(94,771,465)	-
Equipment	1,930,227	-	31,060	3,273,376	5,234,663	24,045,771
Less: Accumulated Depreciation	(897,212)	-	(11,906)	(2,023,365)	(2,932,483)	(17,691,660)
Construction in Progress	917,710	-	1,333,003	-	2,250,713	-
<b>Total Capital Assets</b>	<b>259,831,214</b>	<b>-</b>	<b>85,234,511</b>	<b>6,729,561</b>	<b>351,795,286</b>	<b>10,532,759</b>
<b>Total Noncurrent Assets</b>	<b>268,618,276</b>	<b>25,842,821</b>	<b>86,481,197</b>	<b>7,509,041</b>	<b>388,451,335</b>	<b>22,002,809</b>
<b>TOTAL ASSETS</b>	<b>305,981,841</b>	<b>82,789,061</b>	<b>118,416,296</b>	<b>10,371,823</b>	<b>517,559,021</b>	<b>45,020,086</b>
<b>LIABILITIES</b>						
<b>Current Liabilities (Payable from Current Assets)</b>						
Interfund Payable for Pooled						
Cash and Investments Overdrafts	-	-	-	1,880,975	1,880,975	383,121
Accrued Salaries Payable	142,341	-	-	220,942	363,283	1,091,495
Accounts Payable	161,488	395,014	84,948	490,979	1,132,429	756,916
Contracts Payable	-	260,556	-	85,210	345,766	-
Due to Other Funds	307,803	412,586	87,954	317,882	1,126,225	11,092,414
Due to Component Units	57,755	-	-	-	57,755	1,303
Due to Other Governmental Units	-	-	43	7,194	7,237	188,228
Unearned Revenue	-	-	-	-	-	3,668,072
Compensated Absences Payable	22,376	-	-	17,750	40,126	122,054
General Obligation Bonds Payable	187,917	-	515,285	-	703,202	-
Revenue Bonds Payable	5,724,583	5,936,459	434,227	210,000	12,305,269	-
Revenue Notes Payable	913,280	-	60,000	-	973,280	-
Capital Lease Payable	-	-	-	271,264	271,264	123,437
Accrued Interest Payable						
General Obligation Bonds	-	-	215,658	-	215,658	-
Revenue Bonds	-	-	421,159	47,792	468,951	-
Revenue Notes	183,149	-	72,450	-	255,599	-
Capital Lease	-	-	-	1,521	1,521	32,829
<b>Total Current Liabilities (Payable from Current Assets)</b>	<b>7,700,692</b>	<b>7,004,615</b>	<b>1,891,724</b>	<b>3,551,509</b>	<b>20,148,540</b>	<b>17,459,869</b>

continued

City of Saint Paul, Minnesota  
STATEMENT OF NET ASSETS  
PROPRIETARY FUNDS  
December 31, 2005

Exhibit 7

	Business-Type Activities - Enterprise Funds				Totals	Governmental Activities - Internal Service Funds
	Sewer Utility	HRA Loan Enterprise	HRA Parking	Other Enterprise Funds		
<b>Current Liabilities (Payable from Restricted Assets)</b>						
General Obligation Bonds Payable	17,083	-	784,715	-	801,798	-
Revenue Bonds Payable	520,417	3,368,541	1,190,773	-	5,079,731	-
Accrued Interest Payable						
General Obligation Bonds	14,075	-	586,750	-	600,825	-
Revenue Bonds	52,204	85,624	290,381	-	428,209	-
<b>Total Current Liabilities (Payable from Restricted Assets)</b>	<b>603,779</b>	<b>3,454,165</b>	<b>2,852,619</b>	<b>-</b>	<b>6,910,563</b>	<b>-</b>
<b>Total Current Liabilities</b>	<b>8,304,471</b>	<b>10,458,780</b>	<b>4,744,343</b>	<b>3,551,509</b>	<b>27,059,103</b>	<b>17,459,869</b>
<b>Noncurrent Liabilities</b>						
General Obligation Bonds Payable	3,275,000	-	34,705,000	-	37,980,000	-
Less: Unamortized Discount	(37,646)	-	-	-	(37,646)	-
Revenue Bonds Payable	14,135,000	12,525,000	53,795,000	7,100,000	87,555,000	-
Add: Unamortized Premium	383,979	-	120,346	222,525	726,850	-
Less: Unamortized Discount	(96,162)	-	-	-	(96,162)	-
Revenue Notes Payable	14,911,309	-	3,030,000	-	17,941,309	-
Capital Lease Payable	-	-	-	350,433	350,433	2,176,342
Advance from Other Funds	-	-	-	-	-	733,044
Compensated Absences Payable	201,395	-	-	701,147	902,542	2,068,635
<b>Total Noncurrent Liabilities</b>	<b>32,772,875</b>	<b>12,525,000</b>	<b>91,650,346</b>	<b>8,374,105</b>	<b>145,322,326</b>	<b>4,978,021</b>
<b>TOTAL LIABILITIES</b>	<b>41,077,346</b>	<b>22,983,780</b>	<b>96,394,689</b>	<b>11,925,614</b>	<b>172,381,429</b>	<b>22,437,890</b>
<b>NET ASSETS</b>						
Invested in Capital Assets, Net of Related Debt	235,721,043	-	5,544,000	(1,352,170)	239,912,873	7,799,980
Restricted for:						
Debt Service	-	11,289,819	4,430,862	-	15,720,681	-
Operation and Maintenance	2,734,313	-	667,487	-	3,401,800	-
Rate Stabilization	3,844,115	-	-	-	3,844,115	-
Total Restricted	6,578,428	11,289,819	5,098,349	-	22,966,596	-
Unrestricted	22,605,024	48,515,462	11,379,258	(201,621)	82,298,123	14,782,216
<b>TOTAL NET ASSETS</b>	<b>264,904,495</b>	<b>59,805,281</b>	<b>22,021,607</b>	<b>(1,553,791)</b>	<b>345,177,592</b>	<b>22,582,196</b>
Adjustment to Reflect the Consolidation of Internal Service Fund Activities Related to Enterprise Funds					(107,829)	
<b>Net Assets of Business-Type Activities</b>					<b>345,069,763</b>	

The notes to the financial statements are an integral part of this statement.

**City of Saint Paul, Minnesota**  
**STATEMENT OF REVENUES, EXPENSES**  
**AND CHANGES IN FUND NET ASSETS**  
**PROPRIETARY FUNDS**  
For the Fiscal Year Ended December 31, 2005

**Exhibit 8**

	Business Type Activities - Enterprise Funds				Totals	Governmental Activities - Internal Service Funds
	Sewer Utility	HRA Loan Enterprise	HRA Parking	Other Enterprise Funds		
<b>OPERATING REVENUES</b>						
Fees, Sales and Services	41,097,163	4,022,486	10,266,046	8,415,280	63,800,975	38,069,290
Rents and Leases	-	-	-	687,252	687,252	1,571,355
Interest Earned on Loans	-	1,455,390	-	-	1,455,390	814,162
Miscellaneous	1,798	-	-	94,230	96,028	1,109,676
<b>Total Operating Revenues</b>	<b>41,098,961</b>	<b>5,477,876</b>	<b>10,266,046</b>	<b>9,196,762</b>	<b>66,039,645</b>	<b>41,564,483</b>
<b>OPERATING EXPENSES</b>						
Cost of Merchandise Sold	-	-	-	309,554	309,554	2,259,868
Salaries	2,629,499	-	-	3,983,424	6,612,923	19,614,550
Employee Fringe Benefits	1,176,168	-	-	1,024,390	2,200,558	7,942,203
Agent Services	-	-	2,785,901	-	2,785,901	-
Materials and Supplies	14,752,910	3,586,986	726,162	2,146,569	21,212,627	7,556,252
Depreciation	422,913	1,621	73,041	1,286,397	1,783,972	6,398,770
Bad Debts	4,346,405	-	2,340,510	492,129	7,179,044	2,024,770
Forgivable Loans	39,795	618,682	-	7,722	666,199	111,040
Miscellaneous	-	1,839,768	-	-	1,839,768	-
	243,875	-	-	31,556	275,431	554,889
<b>Total Operating Expenses</b>	<b>23,611,565</b>	<b>6,047,057</b>	<b>5,925,614</b>	<b>9,281,741</b>	<b>44,865,977</b>	<b>46,462,342</b>
<b>OPERATING INCOME (LOSS)</b>	<b>17,487,396</b>	<b>(569,181)</b>	<b>4,340,432</b>	<b>(84,979)</b>	<b>21,173,668</b>	<b>(4,897,859)</b>
<b>NON-OPERATING REVENUES (EXPENSES)</b>						
Property Tax Increment	-	-	1,372,349	-	1,372,349	-
Intergovernmental Revenue (Schedule 34)	72,711	88,500	-	-	161,211	1,881,554
Gain on Sale of Assets	145	-	-	910	1,055	55,451
Investment Income						
Interest Earned on Investments	307,156	1,649,037	512,982	42,214	2,511,389	-
Increase (Decrease) in Fair Value of Investments	(108,745)	(462,485)	(72,261)	(20,342)	(663,833)	-
Interest Earned - Other	9,889	-	-	-	9,889	-
Miscellaneous Other Revenue	-	311,908	625,000	-	936,908	-
Interest Expense						
General Obligation Bonds	(179,656)	-	(1,931,407)	-	(2,111,063)	-
Revenue Bonds	(630,987)	(817,406)	(2,478,667)	(232,096)	(4,159,156)	-
Capital Lease	-	-	-	(18,132)	(18,132)	(134,672)
Revenue Notes	(567,074)	(2,772)	(90,425)	-	(660,271)	-
Contracts	-	(11,777)	-	-	(11,777)	-
Advance from Other Funds	-	-	-	(140,650)	(140,650)	-
Amortization of Bond Issuance Costs	(188,322)	(292,200)	(115,677)	(53,530)	(649,729)	-
<b>Total Non-Operating Revenues (Expenses)</b>	<b>(1,284,883)</b>	<b>462,805</b>	<b>(2,178,106)</b>	<b>(421,626)</b>	<b>(3,421,810)</b>	<b>1,802,333</b>
<b>Income (Loss) Before Capital Contributions and Transfers</b>	<b>16,202,513</b>	<b>(106,376)</b>	<b>2,162,326</b>	<b>(506,605)</b>	<b>17,751,858</b>	<b>(3,095,526)</b>
Capital Contributions	-	-	900,000	-	900,000	-
Transfers In	-	11,500,000	-	3,727,861	15,227,861	4,951,684
Transfers Out	(14,253,849)	(1,724,276)	(2,697,488)	(5,678,940)	(24,354,553)	(914,829)
<b>Change in Net Assets</b>	<b>1,948,664</b>	<b>9,669,348</b>	<b>364,838</b>	<b>(2,457,684)</b>	<b>9,525,166</b>	<b>941,329</b>
<b>TOTAL NET ASSETS, January 1, as restated</b>	<b>262,955,831</b>	<b>50,135,933</b>	<b>21,656,769</b>	<b>903,893</b>		<b>21,640,867</b>
<b>TOTAL NET ASSETS, December 31</b>	<b>264,904,495</b>	<b>59,805,281</b>	<b>22,021,607</b>	<b>(1,553,791)</b>		<b>22,582,196</b>
<b>Adjustment to Reflect the Consolidation of Internal Service Fund Activities Related to Enterprise Funds</b>					<b>(7,001)</b>	
<b>Total change in net assets of business-type activities</b>					<b>9,518,165</b>	

The notes to the financial statements are an integral part of this statement.

City of Saint Paul, Minnesota  
 STATEMENT OF CASH FLOWS  
 PROPRIETARY FUNDS  
 For the Fiscal Year Ended December 31, 2005

Exhibit 9

	Business-type Activities - Enterprise Funds					Governmental Activities - Internal Service Funds
	Sewer Utility	HRA Loan Enterprise	HRA Parking	Other Enterprise Funds	Total	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>						
Receipts from Loan Recipients and Other Customers	39,384,363	19,536,385	10,401,590	8,584,400	77,906,738	7,043,995
Receipts from Other Funds for Services Provided	1,028,259	-	-	542,669	1,570,928	36,041,211
Other Operating Receipts	35,670	-	-	80	35,750	113,106
Payment to Suppliers	(13,458,961)	(17,107,469)	(3,196,021)	(3,428,045)	(37,190,496)	(11,149,604)
Payment to Employees	(3,798,963)	-	-	(4,827,140)	(8,626,103)	(27,050,087)
Payment to Other Funds for Services Used	(1,636,583)	(826,400)	(439,523)	(161,407)	(3,063,913)	(5,307,012)
Other Operating Payments	(295,584)	-	-	(31,556)	(327,140)	-
<b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>	<b>21,258,201</b>	<b>1,602,516</b>	<b>6,766,046</b>	<b>679,001</b>	<b>30,305,764</b>	<b>(308,391)</b>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>						
Transfers In from Other Funds	-	11,500,000	-	3,564,625	15,064,625	4,390,817
Transfers Out to Other Funds	(16,301,766)	(1,553,656)	(2,662,737)	(3,277,454)	(23,795,613)	(678,956)
Property Tax Increments Received	-	-	1,369,213	-	1,369,213	-
Operating Grants Received	72,711	88,500	-	-	161,211	1,881,554
Noncapital Contributions Received from Outside Sources	-	311,908	625,000	-	936,908	-
Advance Received for Pooled Cash and Investments Overdraft	-	-	-	1,391,259	1,391,259	25,741
Repayment of Advance Received for Pooled Cash and Investments Overdrafts	-	-	-	(5,006)	(5,006)	-
Advance Received From Other Funds	-	-	-	-	-	10,312,202
Repayment of Advance Made to Other Funds	905,293	-	-	-	905,293	3,955,501
Principal Payment on Long-Term Revenue Bonds	-	(3,170,000)	-	-	(3,170,000)	-
Principal Payment on Long-Term Revenue Notes	-	(1,934,380)	-	-	(1,934,380)	-
Interest Paid on Long-Term Notes for Noncapital Items	-	(25,714)	-	-	(25,714)	-
Interest Paid on Long-Term Revenue Notes	-	(784,533)	-	-	(784,533)	-
Interest Paid on Noncapital Contracts	-	(11,777)	-	-	(11,777)	-
Payment of Bond Issuance Costs	-	(150,690)	-	-	(150,690)	-
Advance Made to Other Funds	(400,000)	-	-	-	(400,000)	(150,000)
Repayment of Advance Received from Other Funds	-	-	-	(3,800,000)	(3,800,000)	(15,251,093)
<b>NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES</b>	<b>(15,723,762)</b>	<b>4,269,658</b>	<b>(668,524)</b>	<b>(2,126,576)</b>	<b>(14,249,204)</b>	<b>4,485,766</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>						
Payment Received on Current Value Credits						
Principal	74,972	-	-	-	74,972	-
Interest	9,889	-	-	-	9,889	-
Proceeds from Issuance of Revenue Bonds	-	-	23,904,279	7,534,395	31,438,674	-
Proceeds from Issuance of Capital Lease	-	-	-	820,000	820,000	-
Proceeds from Sale of Capital Assets						
Equipment	145	-	-	911	1,056	178,268
Cash Received for Capital Acquisition						
From Grants	-	-	900,000	-	900,000	-
Principal Paid on Debt Maturities						
General Obligation Bonds	(195,000)	-	(1,135,000)	-	(1,330,000)	-
Revenue Bonds	(6,140,000)	-	(9,065,000)	(3,240,000)	(18,445,000)	-
Revenue Notes	(884,025)	-	(60,000)	-	(944,025)	-
Capital Lease	-	-	-	(198,303)	(198,303)	(116,679)
Payments for Acquisition and Construction of Capital Assets						
Land	-	-	-	(355,040)	(355,040)	-
Buildings and Structures	(36,293)	-	(45,720)	(415,347)	(497,360)	(609,263)
Equipment	(751,297)	-	-	(998,538)	(1,749,835)	(1,488,119)
Construction in Progress	(917,710)	-	(1,276,467)	(15,328)	(2,209,505)	-
Interest Paid On						
General Obligation Bonds	(177,475)	-	(1,959,546)	-	(2,137,021)	-
Revenue Bonds	(749,854)	-	(2,545,298)	(181,905)	(3,477,057)	-
Capital Lease	-	-	-	(16,610)	(16,610)	(136,338)
Revenue Notes	(577,149)	-	(94,000)	-	(671,149)	-
Advance From Other Funds	-	-	-	(296,151)	(296,151)	-
Payment of Bond Issuance Costs	-	-	(704,640)	(113,677)	(818,317)	-
<b>NET CASH PROVIDED (USED) IN CAPITAL AND RELATED FINANCING ACTIVITIES</b>	<b>(10,343,797)</b>	<b>-</b>	<b>7,918,608</b>	<b>2,524,407</b>	<b>99,218</b>	<b>(2,172,131)</b>

continued



City of Saint Paul, Minnesota  
 STATEMENT OF CASH FLOWS  
 PROPRIETARY FUNDS  
 For the Fiscal Year Ended December 31, 2005

Exhibit 9

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds	
	Sewer Utility	HRA Loan Enterprise	HRA Parking	Other Enterprise Funds		Total
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>						
Purchase of Investment Securities	-	-	-	(666,750)	(666,750)	-
Proceeds From Sale and Maturities of Investment Securities	-	10,780,000	-	-	10,780,000	-
Interest and Dividends Received	310,932	1,453,400	471,605	27,876	2,263,813	-
Increase (Decrease) in Fair Value of Investments	(77,914)	(441,466)	(59,040)	(18,233)	(596,653)	-
<b>NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES</b>	<b>233,018</b>	<b>11,791,934</b>	<b>412,565</b>	<b>(657,107)</b>	<b>11,780,410</b>	<b>-</b>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(4,576,340)</b>	<b>17,664,108</b>	<b>14,428,695</b>	<b>419,725</b>	<b>27,936,188</b>	<b>2,005,244</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	<b>38,602,820</b>	<b>29,964,239</b>	<b>17,049,812</b>	<b>1,426,726</b>	<b>87,043,597</b>	<b>10,972,836</b>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<b>34,026,480</b>	<b>47,628,347</b>	<b>31,478,507</b>	<b>1,846,451</b>	<b>114,979,785</b>	<b>12,978,080</b>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>						
Operating Income (Loss)	17,487,396	(569,181)	4,340,432	(84,979)	21,173,668	(4,897,859)
<b>Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities</b>						
Depreciation	4,346,405	-	2,340,510	492,129	7,179,044	2,024,770
Increase (Decrease) in Allowance for Uncollectible Accounts/Loans	(6,512)	858,637	-	(3,674)	848,451	25,807
Changes in Assets and Liabilities (Increase) Decrease in						
Accounts Receivable	(983,369)	(697,539)	(23,556)	(27,110)	(1,731,574)	(37,277)
Unbilled Accounts Receivable	-	-	-	-	-	2,481
Assessments Receivable	282,197	238	-	-	282,435	-
Notes and Loans Receivable	-	6,849,622	-	-	6,849,622	1,009,716
Accrued Interest Receivable	-	(489,608)	-	-	(489,608)	(44,167)
Due from Other Funds	28,110	326,632	159,100	5,141	518,983	(118,137)
Due from Component Units	15,553	-	-	13,716	29,269	21,470
Due from Other Governmental Units	53,146	-	-	(49,961)	3,185	(116,519)
Inventories	(3,683)	-	-	(179,829)	(183,512)	(189,564)
Prepaid Items	-	-	-	-	-	642,690
Land Held for Resale	-	(3,439,664)	-	-	(3,439,664)	-
Increase (Decrease) in						
Accrued Salaries Payable	1,061	-	-	52,073	53,134	61,037
Compensated Absences Payable	5,642	-	-	108,741	114,383	376,692
Accounts Payable	40,899	(215,097)	(95,915)	329,585	59,472	337,373
Contracts and Retention Payable	-	(1,087,215)	-	-	(1,087,215)	-
Due to Other Funds	(2,635)	65,691	45,470	27,224	135,750	(589,435)
Due to Component Units	(6,009)	-	-	-	(6,009)	(6,109)
Due to Other Governmental Units	-	-	5	(4,055)	(4,050)	187,145
Unearned Revenue	-	-	-	-	-	1,001,495
<b>Total Adjustments</b>	<b>3,770,805</b>	<b>2,171,697</b>	<b>2,425,614</b>	<b>763,980</b>	<b>9,132,096</b>	<b>4,589,468</b>
<b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>	<b>21,258,201</b>	<b>1,602,516</b>	<b>6,766,046</b>	<b>679,001</b>	<b>30,305,764</b>	<b>(308,391)</b>

continued

City of Saint Paul, Minnesota  
 STATEMENT OF CASH FLOWS  
 PROPRIETARY FUNDS  
 For the Fiscal Year Ended December 31, 2005

Exhibit 9

	Business-type Activities - Enterprise Funds				Total	Governmental Activities - Internal Service Funds
	Sewer Utility	HRA Loan Enterprise	HRA Parking	Other Enterprise Funds		
<b>RECONCILIATION OF CASH AND CASH EQUIVALENTS TO THE STATEMENT OF NET ASSETS</b>						
Cash and Investments with Treasurer	26,844,123	25,327,695	12,859,705	1,840,101	66,871,624	12,977,205
Imprest Funds	150	-	-	6,350	6,500	875
Restricted Cash						
For General Obligation Bond Current Debt Service	31,158	-	1,371,466	-	1,402,624	-
For Revenue Bond Current Debt Service	572,621	14,743,984	5,912,014	-	21,228,619	-
For Revenue Bond Operation and Maintenance	2,734,313	-	633,468	-	3,367,781	-
For Revenue Bond Construction	-	7,556,668	10,701,854	-	18,258,522	-
For Cash for Budget and Rate Stabilization	3,844,115	-	-	-	3,844,115	-
<b>TOTAL CASH AND CASH EQUIVALENTS</b>	<b>34,026,480</b>	<b>47,628,347</b>	<b>31,478,507</b>	<b>1,846,451</b>	<b>114,979,785</b>	<b>12,978,080</b>
<b>NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES</b>						
Capital Assets Purchased on Account						
Land	-	-	-	1,192	1,192	-
Buildings and Structures	-	-	-	85,209	85,209	-
Construction in Progress	-	-	56,536	-	56,536	-
Contributions of Capital Assets to General Capital Assets	-	-	-	(2,401,486)	(2,401,486)	(235,873)

The notes to the financial statements are an integral part of this statement.

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**City of Saint Paul, Minnesota**  
**STATEMENT OF FIDUCIARY NET ASSETS**  
**AGENCY FUNDS**  
**December 31, 2005**

**Exhibit 10**

**ASSETS**

<b>Cash and Investments with Treasurer</b>	<b>2,664,031</b>
<b>Receivables</b>	
<b>Property Taxes - Due from Ramsey County</b>	<b>14,745</b>
<b>Accounts (net of allowance for</b>	
<b>estimated uncollectibles)</b>	<b>12,975</b>
<b>Accrued Interest</b>	<b>7,152</b>
<b>Due from Other Funds</b>	<b>4,759</b>
<b>Due from Other Governmental Units</b>	<b>1,430</b>
	<hr/>
<b>TOTAL ASSETS</b>	<b><u><u>2,705,092</u></u></b>

**LIABILITIES**

<b>Accounts Payable</b>	<b>1,301,220</b>
<b>Due to Other Governmental Units</b>	<b>1,403,872</b>
	<hr/>
<b>TOTAL LIABILITIES</b>	<b><u><u>2,705,092</u></u></b>

**The notes to the financial statements are an integral part of this statement.**

City of Saint Paul, Minnesota  
**STATEMENT OF NET ASSETS**  
**ALL DISCRETELY PRESENTED COMPONENT UNITS**  
December 31, 2005

Exhibit 11

	RiverCentre Convention & Visitors Authority	Regional Water Services	Port Authority	Total
<b>ASSETS</b>				
<b>Current Assets</b>				
Cash and Investments	2,002,486	7,024,578	-	9,027,064
Investments	201,796	15,950,656	-	16,152,452
Departmental Cash	-	167,664	-	167,664
Imprest Funds	-	7,000	-	7,000
<b>Restricted Cash and Cash Equivalents</b>				
Cash for Grants and Other Contributions	-	9,845	-	9,845
Cash for Debt Service	-	-	1,110,380	1,110,380
Investments for Revenue Bond Debt Service	-	2,724,878	-	2,724,878
<b>Receivables</b>				
Taxes	-	-	1,145,278	1,145,278
Accounts (net of allowance for Estimated Uncollectibles)	921,233	3,570,330	9,866,395	14,357,958
Assessments	-	2,447,816	-	2,447,816
Loans	-	-	4,645,036	4,645,036
Accrued Interest	15,081	224,374	-	239,455
Due from Primary Government	-	275,822	-	275,822
Due from Other Governmental Units	-	773,048	-	773,048
Inventory - Materials and Supplies	-	1,856,074	181,004	2,037,078
Prepaid Items	58,885	-	467,890	526,775
<b>Total Current Assets</b>	<b>3,199,481</b>	<b>35,032,085</b>	<b>17,415,983</b>	<b>55,647,549</b>
<b>Noncurrent Assets</b>				
<b>Restricted Assets</b>				
Cash for Operations	873,779	-	2,578,000	3,451,779
Cash for Economic Development	-	-	3,850,118	3,850,118
Cash for Other Funds Held in Trust	-	-	1,825,990	1,825,990
Investments for Port Authority Operations	-	-	4,661,291	4,661,291
Investments for Other Funds Held in Trust	-	-	3,980,090	3,980,090
Investments for Revenue Bond Future Debt Service	-	4,355,507	6,622,541	10,978,048
Investments for Revenue Bond and Notes	-	-	3,351,667	3,351,667
Investments for Revenue Bond Construction	-	-	2,149,985	2,149,985
Investments for Revenue Bond Operations and Maintenance	-	1,078,014	-	1,078,014
Investments for City Obligations	-	-	1,188,872	1,188,872
<b>Total Restricted Assets</b>	<b>873,779</b>	<b>5,433,521</b>	<b>30,208,554</b>	<b>36,515,854</b>
<b>Other Assets</b>				
Deferred Charges	-	127,107	1,001,359	1,128,466
Other Long-Term Receivables	-	519,718	1,458,405	1,978,123
Taxes Receivable	-	-	19,659,843	19,659,843
<b>Total Other Assets</b>	<b>-</b>	<b>646,825</b>	<b>22,119,607</b>	<b>22,766,432</b>
<b>Capital Assets</b>				
Land	-	1,322,083	8,171,568	9,493,651
Buildings and Structures	1,162,402	53,572,306	56,690,025	111,424,733
Less: Accumulated Depreciation	(791,659)	(9,985,272)	(21,997,378)	(32,774,309)
Public Improvements	-	190,425,675	-	190,425,675
Less: Accumulated Depreciation	-	(58,247,788)	-	(58,247,788)
Equipment	4,276,451	35,776,784	19,017,865	59,071,100
Less: Accumulated Depreciation	(3,317,882)	(17,155,395)	(16,719,180)	(37,192,457)
Construction in Progress	-	15,676,036	101,352	15,777,388
<b>Total Capital Assets</b>	<b>1,329,312</b>	<b>211,384,429</b>	<b>45,264,252</b>	<b>257,977,993</b>
<b>Total Noncurrent Assets</b>	<b>2,203,091</b>	<b>217,464,775</b>	<b>97,592,413</b>	<b>317,260,279</b>
<b>Total Assets</b>	<b>5,402,572</b>	<b>252,496,860</b>	<b>115,008,396</b>	<b>372,907,828</b>

continued

City of Saint Paul, Minnesota  
**STATEMENT OF NET ASSETS**  
**ALL DISCRETELY PRESENTED COMPONENT UNITS**  
December 31, 2005

Exhibit 11

	RiverCentre Convention & Visitors Authority	Regional Water Services	Port Authority	Total
<b>LIABILITIES</b>				
<b>Current Liabilities (Payable from Current Assets)</b>				
Accrued Salaries Payable	5,293	742,118	976,927	1,724,338
Compensated Absences Payable	17,798	77,527	135,000	230,325
Claims and Judgments Payable	-	476,009	-	476,009
Accounts Payable	547,506	1,476,111	4,911,285	6,934,902
Contract Retention Payable	-	180,372	367,617	547,989
Due to Primary Government	141,265	2,833,289	-	2,974,554
Due to Other Governmental Units	483	1,487,634	2,491,356	3,979,473
Unearned Revenue	498,240	188,001	1,711,548	2,397,789
Revenue Notes Payable	-	1,240,181	-	1,240,181
Capital Lease Payable	151,788	-	5,785	157,573
Accrued Interest Payable				
Revenue Notes	-	61,125	-	61,125
Capital Lease	34,056	-	-	34,056
Other Liabilities	-	-	1,289,613	1,289,613
<b>Total Current Liabilities (Payable from Current Assets)</b>	<b>1,396,429</b>	<b>8,762,367</b>	<b>11,889,131</b>	<b>22,047,927</b>
<b>Current Liabilities (Payable from Restricted Assets)</b>				
Accounts Payable	-	854	-	854
General Obligation Bonds	-	-	5,035,000	5,035,000
Revenue Bonds Payable	-	1,440,000	1,965,000	3,405,000
Revenue Notes Payable	-	-	353,804	353,804
Accrued Interest Payable				
General Obligation Bonds	-	-	288,635	288,635
Revenue Bonds	-	107,073	3,323,860	3,430,933
<b>Total Current Liabilities (Payable from Restricted Assets)</b>	<b>-</b>	<b>1,547,927</b>	<b>10,966,299</b>	<b>12,514,226</b>
<b>Total Current Liabilities</b>	<b>1,396,429</b>	<b>10,310,294</b>	<b>22,855,430</b>	<b>34,562,153</b>
<b>Noncurrent Liabilities</b>				
General Obligation Bonds Payable	-	-	18,030,000	18,030,000
Less: Unamortized Discount	-	-	(439,279)	(439,279)
Revenue Bonds Payable	-	29,110,000	57,500,843	86,610,843
Less: Unamortized Discount	-	-	(723,411)	(723,411)
Revenue Notes Payable	-	12,737,651	11,390,021	24,127,672
Less: Unamortized Discount	-	(364,215)	-	(364,215)
Accrued Interest Payable on Revenue Note	-	-	1,386,200	1,386,200
Capital Lease Payable	1,328,925	-	-	1,328,925
Advance from Primary Government	1,756,126	-	-	1,756,126
Compensated Absences Payable	-	1,658,878	-	1,658,878
Claims and Judgments Payable	-	1,972,157	-	1,972,157
<b>Total Noncurrent Liabilities</b>	<b>3,085,051</b>	<b>45,114,471</b>	<b>87,144,374</b>	<b>135,343,896</b>
<b>Total Liabilities</b>	<b>4,481,480</b>	<b>55,424,765</b>	<b>109,999,804</b>	<b>169,906,049</b>
<b>NET ASSETS</b>				
Invested in Capital Assets, Net of Related Debt	(151,401)	175,321,991	(22,398,991)	152,771,599
Restricted	-	8,051,326	10,173,133	18,224,459
Unrestricted	1,072,493	13,698,778	17,234,450	32,005,721
<b>Total Net Assets</b>	<b>921,092</b>	<b>197,072,095</b>	<b>5,008,592</b>	<b>203,001,779</b>

The notes to the financial statements are an integral part of this statement.

City of Saint Paul, Minnesota  
**STATEMENT OF ACTIVITIES**  
**ALL DISCRETELY PRESENTED COMPONENT UNITS**  
For The Fiscal Year Ended December 31, 2005

Exhibit 12

	Program Revenues				Net (Expense) Revenue and Changes in Net Assets			Totals
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Component Units			
					RiverCentre Convention & Visitors Authority	Regional Water Services	Port Authority	
RiverCentre Convention & Visitors Authority	10,837,546	7,052,862	701,079	1,094,190	(1,989,415)	-	-	(1,989,415)
Regional Water Services	33,401,729	33,386,305	77,960	1,347,635	-	1,410,171	-	1,410,171
Port Authority	16,385,001	8,269,321	4,155,617	-	-	-	(3,960,063)	(3,960,063)
<b>Total Component Units</b>	<b>60,624,276</b>	<b>48,708,488</b>	<b>4,934,656</b>	<b>2,441,825</b>	<b>(1,989,415)</b>	<b>1,410,171</b>	<b>(3,960,063)</b>	<b>(4,539,307)</b>
<b>General Revenues</b>								
<b>Taxes</b>								
Property Taxes, Levied for Debt Service					-	-	1,497,208	1,497,208
Hotel/Motel Tax					1,484,335	-	-	1,484,335
<b>Investment Income</b>								
Interest Earned on Investments					72,836	1,155,856	773,174	2,001,866
Decrease in Fair Value of Investments					(24,546)	(270,718)	-	(295,264)
Gain on Sale of Capital Assets					-	986,840	2,566,079	3,552,919
Miscellaneous					214,593	22,698	637,943	875,234
<b>Total General Revenues</b>					<b>1,747,218</b>	<b>1,894,676</b>	<b>5,474,404</b>	<b>9,116,298</b>
<b>Change in Net Assets</b>					<b>(242,197)</b>	<b>3,304,847</b>	<b>1,514,341</b>	<b>4,576,991</b>
<b>Net Assets - January 1, as restated</b>					<b>1,163,289</b>	<b>193,767,248</b>	<b>3,494,251</b>	<b>198,424,788</b>
<b>Net Assets - December 31</b>					<b>921,092</b>	<b>197,072,095</b>	<b>5,008,592</b>	<b>203,001,779</b>

The notes to the financial statements are an integral part of this statement.

CITY OF SAINT PAUL  
COMPREHENSIVE ANNUAL FINANCIAL REPORT

FINANCIAL  
SECTION

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NOTES TO THE FINANCIAL STATEMENTS



# City of Saint Paul

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December 31, 2005

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## **Note I. Form of Government**

The City of Saint Paul, Minnesota has a mayor-council form of government. The mayor is elected by the voters of the City at large for four years on a full-time basis. The City is divided into seven wards. Voters of each ward elect a member of the City Council for four years on a part-time basis. Executive power is vested in the mayor; legislative power is vested in the Council. The mayor has veto power, which the Council may override with a vote of five members.

## **Note II. Financial Reporting Entity**

In accordance with Governmental Accounting Standards Board (GASB) Statement No. 14 – *The Financial Reporting Entity*, the City's financial reporting entity consists of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. The primary government is financially accountable for the component unit if it appoints a voting majority of the component unit's governing body and is able to impose its will on the component unit or there is a potential for the component unit to provide specific financial benefits to, or impose specific financial burdens on, the primary government.

As required by generally accepted accounting principles, the financial statements of the reporting entity include those of the City of Saint Paul (the primary government) and its component units (legally separate organizations). The component units discussed below are included in the City's reporting entity because of the significance of their operational or financial relationship with the City.

In conformity with generally accepted accounting principles, the financial statements of component units have been included in the City's reporting entity either as blended component units or as discretely presented component units. Blended component units' financial data is reported as part of the primary government and are reported with similar funds of the primary government. Discretely presented component units' financial data is reported in a column separate from the financial data of the primary government to emphasize that they are legally separate from the City.

**Blended Component Units.** The following component units have been presented as blended component units because the component units' governing bodies are the same as the governing body of the City.

### **Housing and Redevelopment Authority of the City of Saint Paul (HRA)**

The Housing and Redevelopment Authority of the City of Saint Paul (HRA) was established to undertake urban renewal programs. These programs strive to redevelop the residential, commercial and industrial areas of the City of Saint Paul and to provide adequate jobs, a sound fiscal base and a variety of affordable housing for City residents. The City of Saint Paul's City Councilmembers act as the HRA Board. The Authority's budget and tax levy are approved by the City Council. The City has a general obligation pledge on certain HRA debt. Separate financial statements for the HRA can be obtained from the City of Saint Paul, Department of Planning and Economic Development, 1400 City Hall Annex, 25 West Fourth Street, Saint Paul, MN 55102.

### **Saint Paul Library Agency**

The Saint Paul Library Agency was established in 2003 and is responsible for operating the City's public library system. This system provides reading materials to meet the interests of all ages, responds to the community's need for information and facilitates lifelong learning to enrich the quality of life in the community. The City of Saint Paul's City Councilmembers act as the Library Board. The agency's budget is approved by the Board. The agency's tax levy is approved by City Council. The City has a general obligation pledge on Library debt. The Library Agency consists of an operating fund, debt service fund and a capital improvement fund. These funds are incorporated into the City's financial report.

**Discretely Presented Component Units.** The component unit columns in the government-wide financial statements includes the financial data of the City's other component units. The governing bodies of these component units are not substantively the same as the governing body of the primary government and the component units do not provide services exclusively to the primary government.

### **RiverCentre Convention & Visitors Authority**

The Saint Paul RiverCentre Convention & Visitors Authority (RCVA), a Minnesota non-profit corporation, was organized to equip, maintain, manage and operate the RiverCentre Convention Center, Roy Wilkins Auditorium, RiverCentre Parking Ramp and pedestrian connection and operate a convention bureau to market and promote the City as a tourist and convention destination. The Mayor appoints the President and CEO. There are nineteen individuals on the Board of Directors. Ten directors are designated by the Mayor with the approval of City Council, three are City Councilmembers and six directors are members of the RCVA who represent the business community. Debt obligations have been issued on behalf of the RCVA and the operational revenues have been committed to the repayment of those obligations. However, ultimately, the City of Saint Paul or the Saint Paul Housing Redevelopment Authority would be obligated to pay those debt obligations if the RCVA's revenues were insufficient to meet debt service. Separate financial statements for the RCVA can be obtained from the Saint Paul RiverCentre Convention & Visitors Authority; 175 West Kellogg Boulevard; Suite 502; Saint Paul, MN 55102.

### **Saint Paul Regional Water Services**

The Saint Paul Regional Water Services provides safe quality water to Saint Paul and surrounding communities at a reasonable price. The Board of Water Commissioners consists of seven members. Five board members are appointed by the Mayor with the consent of the City Council, three of whom are City Councilmembers and two are citizens. The remaining two board members are appointed by suburban city councils. The City Council approves the Regional Water Services' water rates and the City has issued general obligation bonded debt on behalf of Regional Water Services. As part of the annual audit of the City performed by the State Auditor's Office, the Regional Water Services' financial statements have been included in their audit. Separate financial statements can be obtained from the Regional Water Services; Business Division; 1900 Rice Street; Saint Paul, MN 55113.

### **Port Authority of the City of Saint Paul**

The Port Authority of the City of Saint Paul was established to increase the volume of commerce in the City through the creation of development districts and the acquisition and construction of industrial, commercial and other revenue-producing projects. The Port Authority finances this development in order to expand the tax base and create job opportunities. The Mayor appoints the Port Authority's board of commissioners with the consent of the City Council. Two of the seven board of commissioners are City Councilmembers. The Port Authority has issued general obligation debt and the Authority's development activities are financed in part with tax increment financing. It should be noted that other debt issued by the Port Authority, including industrial development revenue bonds, are not liabilities of the City of Saint Paul. The Port Authority considers these bonds as no-commitment debt, and they are excluded from its financial statements. The Authority defines no-commitment debt as debt for which the Authority has no further financial obligation. The industrial development bonds do not constitute indebtedness of the City and are secured solely by revenues from the commercial organizations on whose behalf the bonds are issued.

The Port Authority's component unit, Capital City Properties (CCP), is a Minnesota not-for-profit corporation established in 1991 for the purpose of performing the functions and carrying out the public purposes of the Port Authority. All of the members of the board of directors of CCP are either commissioners or staff of the Port Authority. CCP operates the Radisson Riverfront Hotel St. Paul, Radisson City Center Hotel St. Paul and Capital City Plaza Parking Garage St. Paul. CCP sold the Riverfront and City Center hotels subsequent to December 31, 2005. The operating results of CCP are included in the Port Authority financial statements.

The City assumes no responsibility for the day-to-day operations of the Port Authority, nor is it responsible for financing deficits. Separate financial statements can be obtained from the Port Authority of the City of Saint Paul; Chief Financial Officer; 1900 Landmark Towers; 345 St. Peter Street; Saint Paul, MN 55102.

**Related Organizations.** The City's officials are also responsible for appointing the members of the boards of other organizations, but the City's accountability for these organizations does not extend beyond making the appointments. Related organizations are not included in the City's reporting entity.

The Public Housing Agency of the City of Saint Paul owns and operates housing projects for low income, elderly and handicapped families. The commissioners of the Public Housing Agency are appointed by the City Council. The City does not provide funding, has no obligation for the debt of the Agency, and cannot impose its will on the Agency.

The Riverfront Redevelopment Corporation was established to effect the planning and implementation of the development and preservation of the Mississippi River Corridor within Saint Paul. The operations of the Redevelopment Corporation are managed by a board of directors consisting of not less than eight, nor more than seventeen members. All members of the board of directors are appointed by the Mayor with the consent of the City Council. Four of the directors of the corporation are designated as the "City representatives." These are (1) Mayor or the Mayor's designee, (2) two members of the City Council and (3) the Director of the City of Saint Paul, Department of Planning and Economic Development. The City has no ability to impose its will to significantly influence the programs, projects or level of services performed or provided by the Riverfront Redevelopment Corporation. The City is not responsible for funding debts, operating deficiencies and/or disposing of surpluses.

**Joint Venture.** The Minneapolis/Saint Paul Housing Finance Board (the Board) was established in accordance with a Joint Powers Agreement entered into between the Housing and Redevelopment Authority of the City of Saint Paul (HRA), the Minneapolis Community Development Agency (MCDA), and accepted by the cities of Minneapolis and Saint Paul under State of Minnesota laws. The governing bodies of the HRA and the MCDA each appoint three of the six members of the Board. The Board was created for the public purpose of providing decent, safe, sanitary and affordable housing to the residents of the City of Saint Paul and the City of Minneapolis. The powers exercised by the Board include the power to undertake financing programs to implement individual components of the housing plan for each city and to issue revenue bonds to finance such programs. All bonds are special limited obligations of the Board and shall be payable only out of funds specifically pledged for each issue. Total net assets at December 31, 2005, was \$11,317,380. The 2005 operations resulted in a decrease of \$2,484,165 to net assets.

During 2005, distributions were made from the HRA and the MCDA to the Board in the total amount of \$1,087,062. These distributions resulted from surplus funds remaining from the closed-out Board-issued revenue bonds. There was no effect to HRA assets or net assets as a result of these distributions.

Upon dissolution of the Board, all properties acquired by the Board and any surplus monies shall be distributed to the HRA and the MCDA in the proportion and otherwise pursuant to directions provided in the related indenture of trust or other bond documents. If properties acquired by the Board and any surplus monies are not traceable to a particular bond issue or the indenture is silent as to distribution of the assets upon discharge of the issue, the assets shall be distributed on the basis of the amount of funds each entity has contributed that would affect those assets. The respective percentage shares of the HRA and the MCDA in the Board's assets, liabilities and equity were not determined at December 31, 2005. There has been no investment made by the HRA in the joint venture. Thus, the financial statements do not reflect an equity interest in the joint venture. Complete financial statements of the Board can be obtained from the MCDA; Suite 700; Crown Roller Mill; 105 Fifth Avenue South; Minneapolis, MN 55401.

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## **Note III. Summary of Significant Accounting Policies**

The financial statements of the City of Saint Paul have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the City's accounting policies are described below.

### **A. Government-Wide and Fund Financial Statements**

#### **Government-Wide Financial Statements**

The statement of net assets and statement of activities display information about the reporting government as a whole. They include all funds of the reporting entity except for fiduciary funds. The statements distinguish between governmental and business-type activities and are prepared on the full accrual basis. Governmental activities generally are financed through taxes, intergovernmental revenues and other nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. The City allocates indirect expenses to functions in the statement of activities. 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 segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not included among program revenues are reported as general revenues.

#### **Fund Financial Statements**

Financial statements of the reporting entity are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts, which constitute its assets, liabilities, fund equity/net assets, revenues and expenditures/expenses. The modified accrual basis of accounting continues to be the appropriate basis of accounting for governmental activity fund financial statements.

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

Funds are organized as major funds or non-major funds within the governmental and proprietary statements. An emphasis is placed on major funds within the governmental and proprietary categories. A fund is considered major if it is the primary operating fund of the City or meets the following criteria:

1. Total assets, liabilities, revenues or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and
2. The same element of the individual governmental fund or enterprise fund that met the 10 percent test is at least 5 percent of the corresponding total for all governmental and enterprise funds combined.
3. In addition, any other governmental or enterprise fund that the City believes is particularly important to financial statement users may be reported as a major fund.

The City reports the following major governmental funds:

*Major Governmental Funds*

- General Fund – accounts for the City's primary operating activities. It is used to account for all financial resources except those required to be accounted for in another fund.
- Library Agency – accounts for the primary operating activities of the Library to provide a full range of library services.
- HRA General Fund – accounts for the HRA's primary operating activities. It is used to account for all financial resources except those required to be accounted for in another fund.
- General Debt Service – accounts for resources accumulated and payments made for principal and interest on long-term obligations other than tax increment district or enterprise fund debt.
- HRA General Debt Service – accounts for HRA resources accumulated and payments made for principal and interest on long-term obligations other than enterprise fund debt.
- Capital Improvement Projects – accounts for proceeds from long-term borrowing and other resources to be used for capital improvement projects.

The City reports the following major enterprise funds:

*Major Enterprise Funds*

- Sewer Utility – accounts for all fees collected from the customers connected to the City sewer system and for all expenses of operating this system.
- HRA Loan Enterprise – accounts for loans issued under HRA housing and business programs.
- HRA Parking – accounts for parking revenues which are used for acquisition, construction, operation and maintenance of HRA-owned parking facilities.



The City reports the following non-major governmental and enterprise funds:

*Non-Major Governmental Funds*

Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specified purposes.

- Special Projects – General Government
- Finance Special Projects
- Cable Communications
- Charitable Gambling Enforcement
- Debt – Capital Improvement
- Utilities Rate Investigation Administration
- Property Code Enforcement
- License and Permit
- Police Services – Pension Assets
- Crime Laboratory
- Parking Enforcement
- Special Projects Police
- Police Officers Clothing
- Fire Responsive Services
- Fire Fighting Equipment
- Fire Protection Clothing
- Right of Way Maintenance
- Parking Meter Collections
- Lighting Maintenance Assessment Districts
- Solid Waste and Recycling
- Special Projects – Division of Health
- Municipal Stadium
- Forestry Special
- Como Campus
- Special Recreation Activities
- Municipal Athletic Programming
- Charitable Gambling
- Parks and Recreation Opportunity
- Parks and Recreation Grants and Aids
- Rella Havens Memorial Fund
- Community Development Block Grant
- State Grant Programs
- HRA Federal and State Programs
- Section 108 Programs

Debt Service Funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs.

- G.O. Special Assessment – Streets
- City Revenue Bonds and Other Long-Term Debt
- Library Debt
- Revenue Notes and Other Long-Term Debt

Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of equipment and/or major capital facilities.

- Capital Improvement Bonds
- City Sales Tax
- Library Capital Projects
- City Downtown Capital Projects
- HRA Tax Increment

Permanent Funds are used to report resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support the reporting government's programs; that is, for the benefit of the government or its citizenry.

- Japanese Gardens
- Hoffman Memorial

#### *Non-Major Enterprise Funds*

Enterprise Funds are used to report any activity for which a fee is charged to external users of goods or services, and must be used for activities which meet certain debt or cost-recovery criteria.

- Special Services
- Rice and Arlington Sports Dome
- Watergate Marina
- Impounding Lot
- RiverPrint Saint Paul/Ramsey County

In addition, the City reports the following fund types:

Internal Service Funds are used 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 governmental units, on a cost-reimbursement basis, including attorney, purchasing, technology, equipment, engineering and administrative services.

Agency Funds are used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, and/or other governmental units. These funds include employee withholding; funds payable to the State of Minnesota for sales and use tax, building permit surcharge and unclaimed property; and others.

## **B. Measurement Focus, Basis of Accounting and Financial Statement Presentation**

### **Government-Wide Financial Statements**

The government-wide statement of net assets and statement of activities are reported using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. 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 are met. Special assessments are recorded as revenue when earned. Unbilled receivables are recorded as revenues when services are provided.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the City's enterprise funds and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

### **Fund Financial Statements – Governmental Funds**

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting.

#### **Revenues**

Governmental fund revenues are recognized in the accounting period in which they become susceptible to accrual; that is, when they become both measurable and available to finance the expenditures of the fiscal period. "Available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Revenues for nonexchange transactions are recognized based on the principal characteristics of the revenue. Exchange transactions are recognized as revenue when the exchange occurs.

#### *Nonexchange Transactions*

Derived tax revenue transactions result from assessments imposed by governments on exchange transactions. Hotel-motel tax and City sales tax are reported as revenue when the underlying exchange occurs and the receivable amount is available.

Imposed nonexchange transactions result from assessments by governments on nongovernmental entities and individuals. Property taxes, franchise fees and capital improvement special assessments are imposed nonexchange transactions. Revenues from property taxes and capital improvement special assessments are recognized in the period for which they were levied, to the extent they are collected in the current period or soon enough thereafter to be used to pay liabilities of the current period.

Property taxes, franchise fees and capital improvement special assessments receivable which are not available are reported as deferred revenue, and will be recognized as revenue in the fiscal year that they become available. The City considers these revenues as available if they are collected within sixty days after year end.

Government-mandated nonexchange transactions occur when a government at one level provides resources to a government at another level and requires that government to use them for a specific purpose. The provider government establishes purpose restrictions and may also establish time requirements. Federal and state grants mandating the City perform particular programs are government-mandated nonexchange transactions. Revenues are recognized when the eligibility and time requirements are met, usually when the corresponding expenditure is incurred, using the guidelines of the legal and contractual requirements of the individual programs.

Voluntary nonexchange transactions result from legislative or contractual agreements, such as grants, entitlements, appropriations and donations. The provider may establish purpose restrictions and eligibility requirements. Revenues are recognized in the year to which they apply according to statute or contract. Gifts and contributions from individuals and miscellaneous revenues are also considered voluntary nonexchange transactions, and are generally recognized when received in cash because they are not measurable until received. Tax credits paid by the state (included in intergovernmental revenue) are recognized as revenue in the fiscal year that they become available. The City considers revenues from tax credits paid by the state as available if they are collected within sixty days after year end.

#### *Exchange Transactions*

Exchange transactions include revenues such as interest earned, service-type special assessments, fees, sales and services, licenses and permits. Sales and services, interest earned and service-type special assessments are reported as revenue when they become both measurable and available to finance expenditures of the fiscal period. The City considers these revenues as available if they are collected within sixty days after year end. Licenses, permits and fees are reported as revenue when received in cash, because they are usually not measurable until received.

#### *Expenditures*

Expenditures are recorded under the modified accrual method when the fund liability is incurred, except for unmatured interest on general long-term debt which is recognized when due, and certain compensated absences, claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources.

#### **Fund Financial Statements – Proprietary Funds and Fiduciary Funds**

Proprietary funds, consisting of enterprise and internal service funds, are reported using the economic resources measurement focus and the accrual basis of accounting. Their revenues are recognized when they are earned, and their expenses are recognized when they are incurred. Material unbilled accounts receivables are recorded at year end.

The 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 proprietary funds are charges to customers for sales and services. Operating expenses for proprietary 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.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the *option* of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The City has elected not to follow subsequent private-sector guidance.

The City's Fiduciary Funds consist solely of Agency Funds. Agency Funds do not have a measurement focus, but are reported on an accrual basis of accounting.

**Fund Financial Statements – All Funds**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

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**C. Restatement of Net Assets**

**1. Change in Reporting Entity**

As of January 1, 2005, the RiverCentre Operating Enterprise Fund, previously reported as part of the City's Proprietary funds, was reclassified to a discretely presented component unit. As a result of this reclassification, the following accounts were restated:

	As Previously Reported	Prior Period Correction	Balance As Restated
<b>Capital Assets</b>			
Land	\$ 22,956,161	\$ -	\$ 22,956,161
Construction in Progress	918,217	-	918,217
Subtotal	<u>23,874,378</u>	<u>-</u>	<u>23,874,378</u>
Buildings and Structures	98,947,673	(1,087,244)	97,860,429
Less: Accumulated Depreciation	(25,706,780)	735,090	(24,971,690)
Public Improvements	350,021,913	-	350,021,913
Less: Accumulated Depreciation	(90,521,445)	-	(90,521,445)
Equipment	7,879,922	(4,145,136)	3,734,786
Less Accumulated Depreciation	(5,779,592)	3,012,920	(2,766,672)
	<u>334,841,691</u>	<u>(1,484,370)</u>	<u>333,357,321</u>
<b>Total</b>	<u><u>358,716,069</u></u>	<u><u>(1,484,370)</u></u>	<u><u>357,231,699</u></u>
<b>Certain Liability Accounts</b>			
Compensated Absences Payable			
Current	48,172	(1,227)	46,945
Long Term	795,447	(14,109)	781,338
<b>Total</b>	<u><u>843,619</u></u>	<u><u>(15,336)</u></u>	<u><u>828,283</u></u>
<b>Capital Lease Payable</b>			
Current	143,744	(143,744)	-
Long Term	1,480,713	(1,480,713)	-
<b>Total</b>	<u><u>1,624,457</u></u>	<u><u>(1,624,457)</u></u>	<u><u>-</u></u>
<b>Total Business-Type Activity Net Assets</b>			
Total Enterprise Funds Net Assets	336,058,828	(406,402)	335,652,426
Adjustment to Reflect Consolidation of Internal Service Fund Activities Related to Enterprise Funds	<u>(58,221)</u>	<u>(42,607)</u>	<u>(100,828)</u>
<b>Total Business-Type Activity Net Assets</b>	<u><u>\$ 336,000,607</u></u>	<u><u>\$ (449,009)</u></u>	<u><u>\$ 335,551,598</u></u>

**2. Prior Period Adjustment of the Construction in Progress Capital Asset**

The January 1, 2005 balance for Construction in Progress, as reported in the City's Capital Assets Used in the Operation of Governmental Funds, was restated due to corrections as follows:

- Incorrect recording of the following projects' costs in the Construction in Progress account:
  - Sibley Pedestrian Way Project – Streetscape related project, sidewalk, landscaping and lighting \$(1,042,905).
  - Gateway Project – Construction work on the bridge that is owned by the State of Minnesota \$(2,741,161).
- Projects' costs not recorded in the Construction in Progress account:
  - Phalen Boulevard/Westminster, Shepard Road, Wabasha West Landmark, RSVP Topping – Construction for these projects occurred in the prior years and capitalized to infrastructure from the Construction in Progress account in 2004 and 2005 for a total amount of \$747,144.

	Amount
Balance, January 1, 2005, as Previously Reported	\$ 47,654,707
Prior Period Adjustment for Correction to Construction in Progress	(3,036,922)
Balance, January 1, 2005, as Restated	\$ 44,617,785

**3. Prior Period Adjustment of the Net Asset Balance in the Governmental Statement of Activities**

The adjustments of the January 1, 2005 balance for Construction in Progress and the Change in Reporting Entity resulted in the corresponding adjustments of the January 1 Net Asset balance of the Governmental Statement of Activities:

	Amount
Balance, January 1, 2005, as Previously Reported	\$ 920,907,906
Prior Period Adjustment for Correction to Construction in Progress	(3,036,922)
Prior Period Adjustment for Change in Reporting the RiverCentre Operating Enterprise Fund	42,607
Balance, January 1, 2005, as Restated	\$ 917,913,591

**D. Assets, Liabilities and Net Assets or Equity**

**1. Cash and Investments**

The City maintains a general portfolio, which is a pool of investments covering pooled cash and cash equivalents. The City’s Office of Financial Services, Treasury Section, also manages the deposit and investment function of the Regional Water Services and the majority of the RiverCentre Convention & Visitors Authority discretely presented component units. Each fund’s portion of this pool is displayed on the financial statements within “Cash and Investments with Treasurer.” Funds which have overdrawn their equity in the cash and investments pool report this overdraft as an interfund payable. The City’s General Fund has reported the offsetting interfund receivable. At December 31, 2005, the following amounts were reported as “Cash and Investments with Treasurer” in the General Fund:

	<u>General Fund</u>
Equity in Cash and Investments Pool	\$ 20,942,105
Less Advance to Other Funds for Overdrafts	(4,022,750)
Cash and Investments with Treasurer	<u>\$ 16,919,355</u>

See Note VI. F. for a detail listing of funds reporting an interfund payable for pooled cash and investments overdrafts.

Cash equivalents are cash on hand, cash in bank and highly-liquid investments adjusted to fair value having original maturities (time span from purchase date to maturity date) of three months or less. Cash equivalents are identified only for the purpose of the Statement of Cash Flows. Included in the classification of cash equivalents are cash and investments with treasurer, cash and investments of imprest funds and restricted cash.

In addition, the City invests non-pooled cash within various funds. In accordance with Governmental Accounting Standards Board Statement No. 31 *Accounting and Financial Reporting for Certain Investments and for External Investment Pools* (Statement 31), the City’s investments are reported at fair value with recognition of the corresponding changes in fair value of investments reported as revenue in the year in which the change occurred. Accordingly, investments are stated at fair value based upon quoted market prices at December 31, 2005. Investments in nonparticipating interest-earning contracts, such as savings accounts and nonnegotiable certificates of deposit are reported at cost. Money market investments and participating interest-earning investment contracts (negotiable certificates of deposit) are reported at amortized cost, since these investments had a remaining maturity of one year or less at the time of purchase. Money market investments are short-term, highly-liquid debt instruments including commercial paper, bankers’ acceptances and U.S. Treasury and agency obligations.

Since it is the City’s practice to ensure that investments can be held to maturity if necessary, a portion of fund equity in the governmental funds is designated for net unrealized gains if applicable. The amounts of unrealized gains or losses are included in investment income as an increase (decrease) in fair value of investments. In 2005, the City recorded a “decrease in fair value of investments” as investment income of \$(3,441,764) for governmental and proprietary funds. The calculation of realized gains and losses is independent of the calculation of the net change in the fair value of investments. Realized gains and losses on investments that have been held in more than one fiscal year and sold in the current year were included as part of the change in the fair value of investments reported in the current year.



In accordance with legal provisions, investment earnings from pooled deposits and investments are recorded in the following funds:

General Fund

Special Revenue Funds:

- HRA General Fund
- Debt – Capital Improvement
- Police Services – Pension Assets
- Special Projects Police
- Municipal Athletic Programming
- Charitable Gambling
- Parks and Recreation Opportunity
- Rella Havens Memorial Fund
- State Grant Programs
- HRA Federal and State Programs

Debt Service Funds:

- General Debt Service
- HRA General Debt Service
- G.O. Special Assessment – Streets
- City Revenue Bonds and Other Long-Term Debt
- Library Debt
- Revenue Notes and Other Long-Term Debt

Capital Projects Funds:

- Capital Improvement Projects
- Capital Improvement Bonds
- City Sales Tax
- Library Capital Projects
- HRA Tax Increment

Permanent Funds:

- Japanese Gardens
- Hoffman Memorial

Enterprise Funds:

- Sewer Utility
- HRA Loan Enterprise
- HRA Parking
- Special Services
- Rice and Arlington Sports Dome

Investment earnings are allocated based on average monthly cash balances.

See Note VI. A. for further information.

## **2. Receivables**

### **Property Taxes**

Property tax levies are set by the City Council in October each year, and are certified to Ramsey County for collection in the following year. In Minnesota, counties act as collection agents for all property taxes.

The county spreads all levies over assessable property. Such taxes become a lien on January 1 and are recorded as receivables by the City at that date. Revenues are accrued and recognized in the year collectible, net of delinquencies.

Real property taxes may be paid by taxpayers in two equal installments, on May 15 and October 15. Personal property taxes on leased government-owned property may be paid in two equal installments on May 15 and October 15; property taxes on other personal property are to be paid in full on May 15.

Taxes which remain unpaid at December 31 are classified as delinquent taxes receivable, and are fully offset by deferred revenue, because they are not known to be available to finance current expenditures. No allowance for uncollectible taxes has been provided, because such amounts are not expected to be material.

### **Accounts Receivable**

Accounts receivable have been shown net of an allowance for uncollectible accounts of \$1,455,228.

### **Interfund Receivables Payables**

During the course of operations, transactions occur between individual funds that may result in amounts owed between funds. Short-term interfund loans are reported as "due to and from other funds." Long-term interfund loans (noncurrent portion) are reported as "advances from and to other funds." Interfund receivables and payables between funds within governmental activities are eliminated in the statement of net assets. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

In the governmental fund financial statements, advances to other funds are offset equally by a fund balance reserve account which indicates that they do not constitute expendable available financial resources and, therefore, are not available for appropriation.

### **Notes and Loans Receivable**

Notes and loans (hereafter referred to as "loans") have been issued to financially assist private developers in various Saint Paul development projects or to provide housing or commercial rehabilitation financing for Saint Paul property owners. All loans are secured by first or second property mortgages, with the exception of the STAR Program loans, which are not always secured.

Loans receivable in governmental funds are reported as an asset in the amount of loan proceeds disbursed less collections on principal. In order to satisfy federal grant reporting requirements, deferred revenue of an equal amount to the asset is also reported on the respective governmental fund balance sheet and revenues are reported when principal payments are received from the loan recipient. An allowance for uncollectible loans, which offsets the total gross loans receivables, is recognized for the amount of loans receivable for which collection is doubtful or questionable.

Deferred revenue is also reduced by the amount of the allowance for uncollectible loans. At the time of the disbursement of the loan, expenditures and loans receivable are debited in the amount of the loan issued, with the loans receivable being offset by a credit to deferred revenue. In the HRA Federal and State Programs Special Revenue Fund, in order to satisfy federal grant reporting requirements, deferred revenue of an equal amount to the asset is also reported in the balance sheet and revenues are reported when principal payments are received from the loan recipient. However, in the case of the loan receivable from Central Towers Limited Partnership in the amount of \$2,100,000, an equal amount of \$2,100,000 is reported as "due to other governmental units" on the balance sheet, since any payments on this loan receivable are owing to the U.S. Department of Housing and Urban Development.

For enterprise funds, loans receivable are reported as an asset in the amount of loan proceeds disbursed less collections on principal. An allowance for uncollectible loans, which offsets the total gross loans receivable, is recognized for the amount of loans receivable for which collection is doubtful or questionable.

The allowance for uncollectible loans is based upon an analysis of credit risk and payment delinquency.

### **3. Inventories and Prepaid Items**

Inventories are valued at cost, which approximates market, using the first-in, first-out (FIFO) method. Proprietary fund inventories are generally used for construction, for operation and maintenance work. They are not for resale. They are valued at cost based on weighted average, and charged to construction, operation and maintenance expense when used.

Certain payments to vendors which reflect costs applicable to future accounting periods are recorded as prepaid items in both government-wide and fund financial statements.

### **4. Land Held for Resale**

Land is acquired by the HRA for subsequent resale for redevelopment purposes and not as an investment program. In order to entice development, the land is often resold at prices substantially lower than the HRA's cost. Land Held for Resale is reported as an asset at the net realizable value in the fund which acquired it. Deferred revenue of an equal amount is also reported on the respective governmental fund balance sheet. In governmental funds, in order to satisfy federal grant reporting requirements, land acquired is reported as an expenditure in the amount of the acquisition cost and as federal revenue for the same amount. When the land is subsequently sold, miscellaneous program income is recognized for the sale amount. Future draw downs from the federal government for reimbursement of expenditures incurred are adjusted by program income available at that date.

**5. Restricted Assets**

Mandatory segregations of assets are presented as restricted assets. Such segregations are required by bond agreements and other external parties. Current liabilities payable from these restricted assets are so classified. The excess of restricted assets over current liabilities payable from restricted assets will be used first for retirement of related long-term debt.

**6. Capital Assets**

**Government-Wide Financial Statements**

Capital assets, which include land, buildings and structures, improvements, equipment and infrastructure (e.g., streets, bridges and sewers), are defined by the City as assets with an initial cost of more than \$5,000 for general capital assets and \$100,000 for infrastructure assets, and an estimated useful life of at least three years. Such assets are recorded at historical cost. Donated capital assets are recorded at estimated fair value on the date received. Certain assets for which actual costs are not available have been valued on the basis of a professional valuation that determined their approximate historical cost. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Prior to January 1, 2002, infrastructure assets of governmental funds were not capitalized. Upon implementing Statement 34, governmental units are required to account for all capital assets, including infrastructure, in the government-wide statements prospectively from the date of implementation. Retroactive reporting of all major general infrastructure assets is encouraged, but not required until January 1, 2006, when Statement 34 required the City to retroactively report all major general infrastructure assets acquired since January 1, 1980. For the year ended December 31, 2005, the City has retroactively reported all major infrastructure networks (streets and bridges).

Additions to and replacements of capital assets of business-type activities are recorded at original cost, which includes material, labor, overhead and an allowance for the cost of funds used during construction when significant. For tax-exempt debt, the amount of interest capitalized equals the interest expense incurred during construction netted against any interest revenue from temporary investment of borrowed fund proceeds. The cost of renewals and betterments relating to retirement units is added to related capital asset accounts. The cost of property replaced, retired or otherwise disposed of, is deducted from capital asset accounts and, generally, together with removal costs less salvage, is charged to accumulated depreciation.

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the statements of activities, with accumulated depreciation reflected in the statement of net assets. Depreciation is spread over the assets' estimated useful lives using the straight line method of depreciation. The range of estimated useful lives and method of depreciation by type of asset is as follows:

Asset	Method	Years
Buildings and Structures	Straight-line	15-75
Public Improvements	Straight-line	15-30
Equipment	Straight-line	3-20
Infrastructure	Straight-line	20-100

## **Fund Financial Statements**

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Capital assets used in proprietary fund operations are accounted for the same way as in the government-wide statements.

### **7. Issuance Costs and Discounts**

In governmental funds, debt issuance costs and bond discounts are recognized as expenditures in the current period. For the government-wide and the proprietary fund type financial statements, debt issuance costs are deferred and amortized on a straight-line basis over the term of the debt issue.

### **8. Compensated Absences**

The compensated absences liability includes earned but unpaid vacation and compensatory time, vested sick leave, an estimate of current vesting sick leave that will eventually vest, and salary-related payments (fringe benefits) associated with the payment of vacation and sick leave balances.

Employees earn vacation based on years of service and their bargaining unit. Vacation must be used in the year it is earned, except for 15 days, which may be carried over to the following year. Employees are paid 100% of their accumulated vacation pay when they terminate their employment.

Sick leave is earned at the rate of .0576 hours per hour up to a maximum of 15 days per year and may be accumulated indefinitely. Terminated employees receive severance pay based upon unused vested sick leave. Eligibility requirements and maximum allowable amounts vary depending upon an employee's bargaining unit.

All vested vacation is accrued when incurred in the government-wide, proprietary and fiduciary fund financial statements. 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, or are payable with expendable available resources.

### **9. Arbitrage Rebate**

Expenditures/expenses for arbitrage rebate are recognized annually in the appropriate funds at the time of the interest payment closest to the date of the bonds. For the fiscal year ended December 31, 2005, the City reported \$280,000 of expenditures relating to arbitrage rebate. These amounts are set aside in the Arbitrage Rebate Agency Fund for subsequent payment to the federal government.

### **10. Long-Term Obligations/Conduit Debt**

All long-term obligations to be repaid from governmental and business-type resources are reported as liabilities in the government-wide statements. The long-term obligations consist primarily of notes and bonds payable, and accrued compensated absences.

Long-term obligations for governmental funds are not reported as liabilities in the fund financial statements. The face value of the debt (plus any premiums) is reported as other financing sources and payments of principal and interest are reported as expenditures. The accounting in proprietary funds is the same as it is in the government-wide statements.

The HRA has issued Commercial/Industrial Development, Homeownership Mortgage and Rental Housing Revenue Bonds to assist developers, businesses and low- to moderate-income homeowners in projects which improve the economic and housing conditions of the City. The bonds are secured by the financed property and are payable solely from the revenues of the individual commercial/industrial or housing projects. The bonds do not constitute a charge, lien or encumbrance, legal or equitable, upon any property or funds of the HRA, nor is the HRA subject to any liability thereon. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

Conduit bonds issued subsequent to January 1, 1996 have an outstanding principal balance of \$1.525 billion at December 31, 2005. The aggregate principal amount payable for conduit bonds issued prior to January 1, 1996 could not be determined; however, their original issue amounts totaled \$2.9 billion. There were 185 conduit bonds issued prior to January 1, 1996 and 87 conduit bonds issued subsequent to January 1, 1996.

#### **11. Claims and Judgments**

Claims and judgments are recorded as liabilities if all the conditions of Governmental Accounting Standards Board pronouncements are met. Claims and judgments that would normally be liquidated with expendable available financial resources are recorded during the year as expenditures in the governmental funds. If they are not to be liquidated with expendable available financial resources, no liability is recognized in the governmental fund statements. The related expenditure is recognized when the liability is liquidated. Claims and judgments are recorded in the government-wide statements and proprietary funds as expenses when the related liabilities are incurred.

#### **12. Equity Classifications**

##### **Government-Wide Financial Statements**

Equity is classified as net assets and displayed in three components:

- a. Invested in capital assets, net of related debt – Consists of capital assets including infrastructure, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets.
- b. Restricted net assets – Consists of net assets with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or 2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net assets – All other net assets that do not meet the definition of “restricted” or “invested in capital assets, net of related debt.”

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

### **Fund Financial Statements**

Governmental fund equity is classified as fund balance. Fund balance is further classified as reserved and unreserved. Reserved fund balance amounts are not available for appropriation or are legally restricted by outside parties for a specific purpose. Unreserved fund balance includes funds set aside by management for specific uses, which are labeled "designated." The balance of unreserved fund balance is labeled "undesignated," which indicates it is available for appropriation. Proprietary fund equity is classified the same as in the government-wide statements.

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## Note IV. Reconciliation of Government-Wide and Fund Financial Statements

### A. Explanation of Certain Differences between the Governmental Fund Balance Sheet and the Statement of Net Assets

Exhibit 4 is a reconciliation between fund balance – total governmental funds as reported in governmental funds and net assets – governmental activities as reported in the government-wide statement of net assets. Details of most of the elements of that reconciliation are as follows:

One element of the reconciliation states that “Capital assets used in governmental funds are not financial resources and, therefore, are not reported in the funds.” These assets, which include land, buildings and structures, improvements other than buildings, equipment, infrastructure and construction in progress are reported in the statement of net assets as shown below.

Historical Cost of Capital Assets	\$ 1,499,487,236
Accumulated Depreciation	<u>(413,402,356)</u>
Net Adjustment to Increase Fund Balance - Total Governmental Funds to Arrive at Net Assets of Governmental Activities	<u>\$ 1,086,084,880</u>

Another element of the reconciliation states that “Some receivables that are not currently available are reported as deferred revenue in the fund financial statements, but are recognized as revenue when earned in the government-wide statements.” Below are details of that difference.

Deferred Revenue	
Property Taxes	\$ 2,400,678
Gross Earnings Franchise Fee	7,164,967
General Government Revenues	1,395,928
Public Safety Revenues	1,565,296
Highways and Streets Revenues	37,069,844
Sanitation Revenues	2,382,894
Culture and Recreation Revenues	940,223
Housing and Economic Development Revenues	9,628,282
Interest Earned on Investments	924,064
Other Revenues and Credits	<u>2,685</u>
Net Adjustment to Increase Fund Balance - Total Governmental Funds to Arrive at Net Assets of Governmental Activities	<u>\$ 63,474,861</u>



Another element of the reconciliation states that “Some liabilities, including long-term debt, are not due and payable in the current period and, therefore, are not reported in the funds.” They are, however, reported in the government-wide statements. Long-term liabilities at the end of the year include the following:

Bonds Payable	\$ (340,969,780)
Discount and Premium	(1,459,248)
Revenue Notes Payable	(53,424,359)
Capital Lease Payable	(20,777,323)
Compensated Absences Payable	(16,973,851)
Claims and Judgments Payable	(24,552,444)
Accrued Interest	(5,108,914)
Deferred Charge - Unamortized Issuance Costs	<u>1,902,056</u>
Net Adjustment to Decrease Fund Balance - Total Governmental Funds to Arrive at Net Assets of Governmental Activities	<u>\$ (461,363,863)</u>

**B. Explanation of Certain Differences between the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balances and the Government-wide Statement of Activities**

Exhibit 6 is a reconciliation between net changes in fund balances – total governmental funds and changes in net assets of governmental activities as reported in the government-wide statement of activities. One element of that reconciliation explains that “Governmental funds report capital outlays as expenditures. However, in the Statement of Net Assets, the cost of those assets is capitalized and depreciated over their estimated useful lives with depreciation expense reported in the Statement of Activities.” The details of this \$11,502,165 difference are as follows:

Capital Outlay Reported as an Expenditure in the Fund Financial Statements	\$ 40,853,473
Add: Some Items Reported as Functional Expenditures were Capitalized	1,892,287
Depreciation Reported in the Government-wide Statements	<u>(31,243,595)</u>
Net Excess of Capital Outlay Over Depreciation	<u>\$ 11,502,165</u>

Another element of that reconciliation states that “Debt and lease proceeds provide current financial resources to governmental funds, but issuing these obligations increases long-term liabilities in the Statement of Net Assets. Repayment of principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets.” Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premium, discount and similar items, when debt is first issued; whereas, these amounts are deferred and amortized in the Statement of Activities. The details of this \$7,580,977 difference are as follows:

Debt Issued or Incurred:		
General Obligations Bonds	\$ (21,400,000)	
Revenue Bonds	(7,515,000)	
Refunding Bonds	(5,130,000)	
Capital Lease	(1,000,000)	
Total Debt Issued		\$ (35,045,000)
Principal Payments		
General Obligations Bonds	21,630,000	
Revenue Bonds	6,791,162	
Refunded Bonds	5,005,000	
Notes	7,849,554	
Capital Lease	1,201,995	
Total Principal Payments		42,477,711
Deletion of Notes and its Recognition as a Contribution		<u>148,266</u>
Net Adjustment to Increase Net Changes in Fund Balances - Total Governmental Funds to Arrive at Changes in Net Assets of Governmental Activities		<u>\$ 7,580,977</u>

Another element of that reconciliation states that “Some expenses in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.” The details of this \$4,130,747 difference are as follows:

Compensated Absences	\$ (138,275)	
Claims and Judgments	(4,102,473)	
Interest on Debt	109,433	
Amortization of Bond Issuance Costs, Discount and Premium	568	
Net Adjustment to Decrease Net Changes in Fund Balances - Total Governmental Funds to Arrive at Changes in Net Assets of Governmental Activities		<u>\$ (4,130,747)</u>

## **Note V. Stewardship, Compliance and Accountability**

### **A. Budgets and Budgetary Accounting**

#### **Budget Control**

Appropriations are controlled administratively at the activity level within multi-year budgeted funds. Governmental funds with annually-adopted budgets are controlled administratively at the activity level within the following major object levels of expenditure: salaries, fringes, debt service, other spending and transfers out. Proprietary funds with annually-adopted budgets are controlled administratively at the fund level within the same major object levels of expenditure as in governmental funds. The legal level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is at the fund level, except for the General Fund, which is at the department/office level.

#### **1. General Budget Procedure – City Funds**

The City Council followed these procedures in establishing the 2005 budgets:

- a. On August 11, 2004, the Mayor presented his budget to the City Council for the following calendar year. The budget included proposed expenditures and advances and the means of financing them.
- b. The City Council held a public hearing on December 7, 2004, to obtain taxpayer comments.
- c. The budget was legally adopted through passage of council resolution #04-1174 during the City Council meeting on December 15, 2004.

City budget amendments that authorize an increase in total fund spending require the approval of the City Council. In addition, City Council approval is required for budget amendments transferring appropriations between departments within the General Fund.

#### **2. General Budget Procedure – HRA Funds**

The Housing and Redevelopment Authority (HRA) followed these procedures in establishing the 2005 budgets:

- a. On August 15, 2004, the Executive Director presented her proposed budget to the HRA Board of Commissioners for the fiscal year commencing the following January 1. This budget included proposed expenditures and other uses and the means of financing them.
- b. Upon approval by the HRA Board, the Executive Director submitted the HRA budget to the Mayor of the City of Saint Paul, who submitted this budget to the City Council for consideration, approval and certification.
- c. The budget was approved through passage of council resolution #04-1181.

HRA budget amendments that authorize an increase in total fund spending require the approval of the HRA Board of Commissioners.

### 3. General Budget Procedure – Library Agency Funds

The Library Agency followed these procedures in establishing the 2005 budgets:

- a. On August 13, 2004, the Mayor presented his proposed budget for the Saint Paul Public Library Agency to the Library Board of Commissioners for the fiscal year commencing the following January 1. The budget included proposed expenditures and other uses and the means of financing them.
- b. The Library Board held a public hearing on November 3, 2004, to obtain taxpayer comments.
- c. The budget was legally adopted through passage of Saint Paul Library Agency resolution #04-007 during the Library Board meeting on December 15, 2004.

Library Agency budget amendments that authorize an increase in total fund spending require the approval of the Library Board.

### 4. Annual and Multi-year Governmental Fund Budgets

Annual governmental fund budgets are reported in the following fund types and are adopted on a basis consistent with Generally Accepted Accounting Principles (GAAP):

*General Fund*

*Special Revenue Funds* (except: Community Development Block Grant, State Grant Programs, HRA Federal and State Programs and Section 108 Programs, which have multi-year budgets).

*Debt Service Funds*

*Permanent Funds*

In addition, multi-year governmental fund budgets are utilized in the capital projects funds.

The following provides a summary reconciliation of the actual results for annually budgeted special revenue funds and multi-year budgeted special revenue funds.

	Revenues	Expenditures	Net Other Financing Sources (Uses)	Fund Balances 12/31/05
<b>SPECIAL REVENUE FUNDS</b>				
Library Agency	\$ 14,380,383	\$ 13,999,853	\$ (2,520)	\$ 1,269,229
HRA General Fund	10,820,909	8,024,598	(18,486)	8,121,563
Annually Budgeted Nonmajor Funds	69,189,850	57,655,294	(13,977,971)	42,777,710
Multi-year Budgeted Nonmajor Funds				
Community Development Block Grant	14,202,886	12,203,669	(1,999,217)	-
State Grant Programs	1,480,548	1,429,542	(257,064)	526,067
HRA Federal and State Programs	4,691,858	4,715,622	23,764	-
Section 108 Programs	422,354	3,634,272	(135,850)	-
	<u>20,797,646</u>	<u>21,983,105</u>	<u>(2,368,367)</u>	<u>526,067</u>
Total Special Revenue Funds	<u>\$ 115,188,788</u>	<u>\$ 101,662,850</u>	<u>\$ (16,367,344)</u>	<u>\$ 52,694,569</u>

## 5. Appropriation Revisions

Budgeted amounts are as originally adopted or as amended by the City Council. During 2005, increases and decreases to annual expenditures, other financing uses and transfers out appropriations were as follows:

	Original Budgeted Amounts	Net Amendments	Final Budgeted Amounts
General Fund	\$ 160,444,622	\$ 7,205,255	\$ 167,649,877
Special Revenue Funds	105,332,294	4,048,695	109,380,989
Debt Service Funds	63,820,697	15,581,341	79,402,038
Permanent Funds	2,000	-	2,000

## 6. Appropriation Year-end Balances

Unexpended appropriation balances lapse at the end of the fiscal year in the annual governmental fund budgets. However, upon City Council approval, the appropriations for the subsequent year are increased in the amount necessary to satisfy the outstanding encumbrances at the end of the fiscal year.

Unexpended appropriation balances do not lapse at the end of the fiscal year in the multi-year governmental fund budgets.

## B. Federal Audit Requirements

The U.S. Office of Management and Budget (OMB) issued Circular A-133, which establishes uniform audit requirements for non-Federal entities that administer Federal awards and implements the Single Audit Act Amendments of 1996, which were signed into law July 5, 1996 (Public Law 104-156)

The purposes of the Single Audit Act Amendments of 1996 are to:

1. promote sound financial management, including effective internal controls, with respect to Federal awards;
2. promote the efficient and effective use of audit resources;
3. reduce burdens on state and local governments, Indian tribes and nonprofit organizations;
4. ensure that Federal departments and agencies, to the maximum extent practicable, rely upon and use audit work done pursuant to Chapter 75 of Title 31, United States Code (the "Single Audit Act").

For 2005, the City of Saint Paul's audit was performed in accordance with Circular A-133. The auditor's report on consideration of the City's internal control over financial reporting and tests of the City's compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters will be issued at a later date.

**C. Deficit Balances**

Generally accepted accounting principles require disclosure of individual funds that have deficit fund or net assets balances at year end.

The following funds had deficit unreserved fund balances or net assets at December 31, 2005:

	Unreserved Fund Balance/ Net Assets	Total Fund Equity
Special Revenue Funds:		
Forestry Special	\$ (376,102)	\$ (262,090)
Municipal Athletic Programming	(24,453)	(24,303)
Capital Projects Fund:		
Capital Improvement Projects	(21,189,456)	(5,122,533)
Enterprise Funds:		
Special Services	(1,544,899)	(3,175,011)
Watergate Marina	(323,837)	(249,053)
Internal Service Fund:		
Information Systems	(267,860)	(267,860)

The Forestry Special Fund provides services to maintain trees and other vegetation growing both on public and private property. Services provided on private property are financed through assessments levied for the cost of the services. The assessments covering the costs for the work done in 2005 were not ratified until early in 2006; therefore, the revenue was not recognized. The timely ratification of these assessments will improve the fund balance in the future.

The Municipal Athletic Programming Fund has not been generating enough user fees to cover all the operating expenses over the last few years. These losses were caused by the continuing decline of participants in the adult sports programs. New efforts taken during 2003 to find new sources of revenues have lowered the deficit in each of the last three years.

The deficit fund balance reported in the Capital Improvement Projects Fund is the result of deferring revenue from the grants relating to the construction projects. The revenue is recognized when it becomes available once the projects are completed and have been inspected.

Special Services Fund is reporting the debt previously reported in the Rice and Arlington Sports Dome Fund but not the associated capital asset in the amount of \$2,394,580, which is part of the general capital assets. This fund is not financially stable, and the City will continue to promote its golf courses. With the opening of the new Highland National Golf Course it is anticipated golf sales will increase in future years. This will allow the fund to continue to make the debt payment on the Recreational Facilities bonds.

The City contracted with an outside business manager to manage and operate the Watergate Marina. This was done in part to ensure that the Marina operated at no net cost or financial risk to the City. The proceeds from this agreement are being used to improve the fund equity position.

The 1997 expenses relating to the Human Resource Management System Project were recorded in the Information Systems Internal Service Fund. These development costs are being reimbursed from all City departments over a ten-year period, which will eliminate the deficit in the Information Systems Fund. This financing plan was adopted by City Council Resolution 97-895. This resolution also authorized the General Fund to provide a working capital advance to the Information Systems Fund to cover the 1997 development costs.

**D. Excess of Expenditures over Appropriations in Individual Funds**

Total expenditures exceeded total appropriations in the following funds:

	Final Budgeted Amounts	Actual	Variance with Final Budgets
Special Revenue Fund:			
Special Recreation Activities	\$ 1,253,197	\$ 1,455,782	\$ (202,585)
Municipal Athletic Programming	471,571	472,421	(850)
Debt Service Fund:			
Revenue Notes and Other Long-Term Debt	1,063,336	1,237,322	(173,986)

The fund managers have been directed that in the future, funds must have an appropriation budget to cover all obligations incurred.

The General Fund did not exceed total appropriations at the fund level; however, total expenditures exceeded appropriations in the following departments/offices:

	Final Budgeted Amounts	Actual	Variance with Final Budgets
General Fund:			
City Attorney	\$ 5,298,131	\$ 5,318,128	\$ (19,997)
Neighborhood, Housing and Property Improvement	2,889,743	3,037,237	(147,494)

## **Note VI. Detailed Notes on All Funds**

### **A. Deposits, Investments and Securities Lending**

#### *Deposits*

In accordance with Minn. Stat. §118A.02 and 118A.04, the City maintains deposits at financial institutions authorized by the City Council.

Minn. Stat. §118A.03 further requires that all City deposits be protected by insurance, surety bond, collateral or an irrevocable letter of credit issued by Federal Home Loan Banks. The market value of collateral pledged must equal 110% of the deposits not covered by insurance or bonds.

Authorized collateral includes treasury bills, notes and bonds; issues of U.S. government agencies; general obligations rated "A" or better, revenue obligations rated "AA" or better; irrevocable standard letters of credit issued by the Federal Home Loan Bank; and certificates of deposit. Minnesota Statutes require that securities pledged as collateral be held in safekeeping in a restricted account at the Federal Reserve Bank or in an account at a trust department of a commercial bank or other financial institution that is not owned or controlled by the financial institution furnishing the collateral.

#### Custodial Credit Risk

Custodial credit risk is the risk that, in the event of a financial institution failure, the City's deposits may not be returned to it. The City's policy for custodial credit risk for deposits is to maintain compliance with Minnesota Statutes that require the City's deposits be protected by insurance, surety bond or pledged collateral.

As of December 31, 2005, the City's bank balance of checking and interest-bearing accounts and certificates of deposit totaled \$28,566,819. Of this amount, \$13,086 was uninsured and uncollateralized. The carrying amount of these balances was \$16,111,800.

#### *Imprest Funds on Hand*

At December 31, 2005, the total imprest funds were \$107,415. Of this amount, the City had \$74,375 on hand. The remaining \$33,040 were in various bank accounts and are included with the collateralized deposits.

#### *Investments*

##### General

The City's Investment Policy Statement governs the investment portfolio of the City of Saint Paul. The goals of the City for the Portfolio are to preserve financial assets for future operating expenses, maintain reserves to fund unplanned shortfalls and generate income to support the activities of the City. The portfolio is managed in three components as follows:

1. **Daily Portfolio:** The daily component represents current operating funds on which draws are made frequently, requiring daily liquidity and preservation of principal. The time horizon on the Daily Portfolio is within a 12-month period.



2. **Short Term Portfolio:** A short-term component serves as a cushion to provide liquidity for possible shortfalls in the Daily Portfolio. Draws against the short-term portfolio are expected to be infrequent. The time horizon on the Short Term Portfolio is between one and three years.
3. **Intermediate Term Portfolio:** The balance of the Portfolio represents the intermediate term component, which serves as a reserve for unplanned shortfalls. In general, the Intermediate Term Portfolio is not expected to experience withdrawals and the time horizon on the Intermediate Portfolio is longer than three years. A portion of the Intermediate Term Portfolio is managed internally and the balance is managed by external managers.

Minnesota Statutes §§ 118A.04 and 118A.05 authorize the following types of investments for local governments:

- a. securities, which are direct obligations or are guaranteed or insured issues of the United States, its agencies, its instrumentalities, or organizations created by an act of Congress, except mortgage-backed securities defined as "high risk" by Minnesota Statutes Section 118A.04, subd. 6;
- b. in shares of an investment company registered under the Federal Investment Company Act of 1940, provided the mutual fund receives certain ratings depending on its investments.
- c. general obligations of the State of Minnesota and its municipalities and in any security which is a general obligation of any state or local government with taxing powers which is rated "A" or better by a national bond rating service.
- d. in bankers acceptances of United States Banks, or in commercial paper issued by United States corporations or their Canadian subsidiaries that is rated in the highest quality category by two nationally recognized rating agencies and matures in 270 days or less.
- e. Repurchase agreements may be entered into with:
  1. a bank qualified as a depository;
  2. any national or state bank in the United States which is a member of the Federal Reserve System and whose combined capital and surplus equals or exceeds \$10,000,000;
  3. primary reporting dealer in United States government securities to the Federal Reserve Bank of New York; or
  4. a securities broker-dealer, licensed pursuant to Chapter 80A, or an affiliate of it, regulated by the Securities and Exchange Commission and maintaining a combined capital and surplus of \$40,000,000 or more, exclusive of subordinated debt.
- f. Securities lending agreements, and Guaranteed investment contracts

#### Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. It is the City's policy to invest only in securities that meet the ratings requirements set by state statute.

The City's exposure to credit risk as of December 31, 2005, is as follows:

<u>Rating Agency</u>	<u>Rating</u>	<u>Fair Value</u>
Moody's	A1	\$ 371,003
Moody's	Aa1	351,436
Moody's	Aa2	566,110
Moody's	Aa3	934,847
Moody's	Aaa	5,942,167
Moody's	P-1	10,020,684
S&P	AAA	152,311,311
S&P	A+	384,365
S&P	A-1	14,604,438
S&P	A-1+	30,056,210
S&P	AA	565,190
S&P	AA-	565,589
S&P	AA+	515,665
Not Rated	N/R	46,941,430
Not Applicable	N/A	37,889,514
Fitch	AAA	<u>2,555,792</u>
Total		<u>\$ 304,575,751</u>

#### Custodial Credit Risk

The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, the City will not be able to recover the value of the investment or collateral securities that are in the possession of an outside party. According to City policy, all securities purchased are held by a third-party safekeeping agent appointed as custodian (US Bank) who is also the lending agent/counterparty. The securities lending agreement in place between the City and its custodian is also consistent with this policy.

The City has no custodial credit risk for investments at December 31, 2005.

#### Concentration of Credit Risk

The concentration of credit risk is the risk of loss that may be caused by the City's investment in a single issuer. It is the City's policy that U.S. Treasury securities, U.S. Agency Securities, and obligations backed by U.S. Treasury and/or U.S. Agency securities, may be held without limit.

At December 31, 2005, the City does not have investments in any one issuer that represent 5% or more of the City's total investments portfolio and therefore, also not subject to concentration of credit risk.

#### Interest Rate Risk

Interest rate risk is the risk that changes in the market interest rates will adversely affect the fair value of an investment. The City's internal portfolio has a shorter overall weighted duration than the benchmarks established for each component portfolio. All else being equal, this would be expected to reduce the risk to adverse effects from rising interest rates.

The External Managers, as part of their mandate, have to satisfy the parameters for liquidity and risk tolerance, a maximum duration of 125% of the benchmark duration. The performance benchmark for External Managers is 80% Lehman Intermediate Government Index/20% 15-year MBS Index.

At December 31, 2005, the City had the following investments:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Less Than 2 years</u>	<u>2-4 Years</u>	<u>5-10 Years</u>	<u>More Than 10 Years</u>
U.S. Agencies	\$ 96,936,536	\$ 18,448,862	\$ 44,571,020	\$ 27,173,849	\$ 6,742,805
State & Local Government Securities	2,874,800	-	724,000	2,150,800	-
Guaranteed Investment Contract	11,209,411	-	11,209,411	-	-
Discount Notes	2,689,052	2,689,052	-	-	-
Municipal Securities	1,910,213	309,433	-	1,600,780	-
Commercial Paper	51,992,280	51,992,280	-	-	-
Mutual Funds	34,087,812	34,087,812	-	-	-
<b>Internal Investment Total</b>	<b>\$ 201,700,104</b>	<b>\$ 107,527,439</b>	<b>\$ 56,504,431</b>	<b>\$ 30,925,429</b>	<b>\$ 6,742,805</b>
U.S. Agencies - Advantus	\$ 18,457,261	\$ 3,558,602	\$ 4,538,442	\$ 4,360,634	\$ 5,999,583
U.S. Agencies - US Bancorp	17,700,022	221,625	7,433,752	3,825,105	6,219,540
U.S. Agencies - Galliard	10,385,928	158,263	1,867,511	1,178,336	7,181,818
U.S. Agencies - NorthShore	3,535,559	996,756	1,243,933	192,626	1,102,244
U.S. Agencies - Voyageur	10,945,501	28,718	2,680,489	2,700,337	5,535,957
Corporate Obligations - US Bancorp	357,077	-	-	357,077	-
Corporate Obligations - Galliard	616,075	46,101	187,836	382,138	-
Corporate Obligations - Voyageur	2,573,128	-	-	848,496	1,724,632
Municipal Securities - US Bancorp	227,724	-	-	-	227,724
Municipal Securities - Galliard	6,381,281	375,745	3,343,959	2,661,577	-
Municipal Securities - NorthShore	956,191	571,637	286,518	98,036	-
Municipal Securities - Voyageur	3,884,468	239,635	1,012,094	2,536,793	95,946
U.S. Deptment of Agriculture - Voyageur	947,241	-	-	-	947,241
U.S. Housing and Urban Development - Galliar	508,595	-	-	508,595	-
U.S. Treasuries - Advantus	5,676,165	-	3,911,437	1,764,728	-
U.S. Treasuries - US Bancorp	5,106,428	416,917	174,488	3,287,865	1,227,158
U.S. Treasuries - Galliard	6,413,646	-	1,882,697	4,162,582	368,367
U.S. Treasuries - NorthShore	1,223,493	-	291,272	932,221	-
U.S. Treasuries - Voyageur	5,385,570	745,105	2,386,354	2,254,111	-
Investment Pool/Mutual Funds - Advantus	463,984	463,984	-	-	-
Investment Pool/Mutual Funds - US Bancorp	169,486	169,486	-	-	-
Investment Pool/Mutual Funds - Galliard	498,464	498,464	-	-	-
Investment Pool/Mutual Funds - NorthShore	62,042	62,042	-	-	-
Investment Pool/Mutual Funds - Voyageur	400,318	400,318	-	-	-
<b>External Managers Investment Total</b>	<b>\$ 102,875,647</b>	<b>\$ 8,953,398</b>	<b>\$ 31,240,782</b>	<b>\$ 32,051,257</b>	<b>\$ 30,630,210</b>
<b>Total Investments</b>	<b>\$ 304,575,751</b>	<b>\$ 116,480,837</b>	<b>\$ 87,745,213</b>	<b>\$ 62,976,686</b>	<b>\$ 37,373,015</b>

Included in the total investment pool of \$304,575,751 is an equity investment of the RiverCentre Convention & Visitors Authority, a component unit of the City, in the amount of \$1,450,209. The remaining amount of \$303,125,542 belongs to the City.

Duration

Duration is a measure of a fixed income investment’s cash flows using present values, weighted for cash flows as a percentage of the investment’s full price. Effective duration makes assumptions regarding the most likely timing and amounts of variable cash flows arising from such investments as callable bonds, prepayments, and variable-rate debt.

As of December 31, 2005, the City had the following investments in its external investment pools.

	<u>Fair Value</u>	<u>Effective Duration</u>
Advantus Capital Management	\$ 24,597,409	2.99
US Bancorp Asset Management	23,560,737	3.10
Galliard Capital Management	24,803,989	3.24
NorthShore Advisors	5,777,285	2.64
Voyageur Asset Management	<u>24,136,226</u>	3.37
	<u>\$ 102,875,647</u>	
Benchmark (80% Lehman Interm Gov't/20% 15 Year MBS)		3.38

*Securities Lending Transactions*

Beginning in 1996, the City has participated in a securities lending program. The City has reported its securities lending transactions in accordance with the provisions of Governmental Accounting Standards Board (GASB) Statement No. 28 *Accounting and Financial Reporting for Securities Lending Transactions*. The City Council approved by resolution a “Policy Statement,” which provides that the General Fund will record the revenue and expenditures relating to securities lending transactions and the “securities lending collateral” asset and “obligations under securities lending” liability. In addition, if monthly net losses should occur during the year from the investment of cash collateral, either principal losses or losses resulting from negative “spreads” between the yield on the investments of cash collateral and the rebate rates paid to borrowers, the losses will be charged to the General Fund.

In accordance with State Statutes and pursuant to the securities lending agreement with the City, US Bank has established a securities lending program that allows the City to enter into securities lending transactions – loans of government and agency securities to broker dealers for collateral with a simultaneous agreement to return the collateral for the same securities in the future. US Bank, the custodian and agent in lending the City’s securities, manages a securities lending and collateral investments pool. There were no significant violations either of State Statutes or contractual provisions with US Bank in 2005.

US Bank receives collateral from borrowers to secure loans on behalf of the program participants in cash and securities of 102 percent of the market value of the lent securities which meet the qualifications established in Minnesota Statutes 118A.05 Subd. 3, including any amendments to the sections adopted after the date of the borrower’s default. The cash and security collateral are adjusted daily to maintain at least 100 percent of the market value of the loaned securities plus accrued interest. No loss indemnification is provided by US Bank’s securities lending program.

All securities loans may be terminated on demand by either the pool participants or the borrower. There are no restrictions as to the total amount of securities that may be loaned at one time. All term loans are matched in maturity to term investments. Cash collateral received for open loans is invested as of year end as follows: 94% of total collateral investments is invested on an overnight/open basis and 6% is invested with maturities greater than overnight.

The weighted average maturity for all investments in the pool in which the City of Saint Paul participates as of year end is 6.78 days. The relationship between the maturities of the investment pool and the City of Saint Paul's loans will be affected by the maturities of the securities loans made by other participants in the pool.

As of December 31, 2005, the securities on loan, the related cash collateral and the pooled investment from such collateral are presented as unclassified in the schedule of investments by custodial credit risk category. The securities on loan at December 31, 2005, had a carrying amount of \$136,943,015, which was also its fair value.

There was no borrower or lending agent default losses and no recoveries of prior-period losses during the year. At December 31, 2005, the securities lending pool participants had no credit risk exposure because all collateral was equal to at least 100% of the market value of the loaned securities plus any accrued interest.

Securities Lent	Underlying Securities	Cash Collateral Investment Value
U.S. Agencies	\$ 90,899,916	\$ 93,292,693
Discount Notes	1,964,000	2,000,000
Internal Investment Total	\$ 92,863,916	\$ 95,292,693
U.S. Agencies		
Advantus Capital Management	\$ 9,436,652	\$ 9,783,419
US Bancorp Asset Management	5,632,548	5,805,556
NorthShore Advisors	483,750	494,375
Voyageur Asset Management	2,222,429	2,278,813
External Managers Subtotal	\$ 17,775,379	\$ 18,362,163
U.S. Treasuries		
Advantus Capital Management	\$ 5,676,165	\$ 5,834,438
US Bancorp Asset Management	5,106,428	5,247,919
Galliard Capital Management	6,413,646	6,531,586
NorthShore Advisors	1,223,493	1,248,195
Voyageur Asset Management	4,339,721	4,426,021
External Managers Subtotal	\$ 22,759,453	\$ 23,288,159
External Managers Investment Total	\$ 40,534,832	\$ 41,650,322
Total Securities Lent	\$ 133,398,748	\$ 136,943,015

Recap

Deposits and investments as described above appear in the City's financial statements consistent with the following analysis:

Cash Deposits	\$ 16,111,800	Cash and Investments with Treasurer	\$240,526,561
Imprest Funds on Hand	74,375	Cash and Investments with Trustees	29,454,073
Cash Collateral Investment Value	136,943,015	Investments	455,257
Investments	<u>303,125,542</u>	Imprest Funds	107,415
		Securities Lending Collateral	136,943,015
		Restricted Cash	48,101,661
		Restricted Investments	<u>666,750</u>
Total	<u>\$ 456,254,732</u>	Total	<u>\$456,254,732</u>

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## B. Receivables

### Summary of Receivables

Receivables as of year end for the City's individual major governmental and enterprise funds, nonmajor, internal service and fiduciary funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

<b>Governmental Activities</b>	General	Library Agency	HRA General Fund	General Debt Service	General Debt Service	Capital Improvement Projects	Nonmajor and Other Funds	Total
Receivables:								
Taxes	\$ 1,697,420	\$ 341,980	\$ 44,184	\$ 210,879	\$ 567,855	\$ -	\$ 92,415	\$ 2,954,733
Accounts	9,526,730	152,645	137,735	147,212	9,608	692,640	2,379,499	13,046,069
Special Assessments	-	-	-	-	-	14,073,732	26,075,878	40,149,610
Interest	1,176,196	-	78,007	199,506	142,482	1,538	1,314,081	2,911,810
Xcel Energy	1,019,788	-	-	-	-	-	-	1,019,788
Intergovernmental	1,081,343	6,103	-	-	-	13,899,591	7,119,974	22,107,011
<b>Gross Receivables</b>	<b>14,501,477</b>	<b>500,728</b>	<b>259,926</b>	<b>557,597</b>	<b>719,945</b>	<b>28,667,501</b>	<b>36,981,847</b>	<b>82,189,021</b>
Less: Allowance for Uncollectibles	(200,179)	-	(82,936)	-	-	(15,550)	(507,929)	(806,594)
<b>Net Total Receivables</b>	<b>\$ 14,301,298</b>	<b>\$ 500,728</b>	<b>\$ 176,990</b>	<b>\$ 557,597</b>	<b>\$ 719,945</b>	<b>\$ 28,651,951</b>	<b>\$ 36,473,918</b>	<b>\$ 81,382,427</b>
Amounts not expected to be collected within one year	\$ 7,164,967	\$ -	\$ -	\$ -	\$ -	\$ 9,731,838	\$ 10,837,920	\$ 27,734,725

<b>Business-type Activities</b>	Sewer	Utility	HRA Loan Enterprise	HRA	Parking	Other Enterprise Funds	Total
Receivables:							
Taxes	\$ -	\$ -	\$ -	\$ 11,820	\$ -	\$ -	\$ 11,820
Accounts	1,517,498	718,273	357,676	279,926	2,873,373		
Special Assessments	5,541,335	776	-	-	5,542,111		
Interest	99,280	386,381	87,096	18,145	590,902		
Intergovernmental	52,217	-	-	143,947	196,164		
<b>Gross Receivables</b>	<b>7,210,330</b>	<b>1,105,430</b>	<b>456,592</b>	<b>442,018</b>	<b>9,214,370</b>		
Less: Allowance for Uncollectibles	(530,074)	-	-	(118,560)	(648,634)		
<b>Net Total Receivables</b>	<b>\$ 6,680,256</b>	<b>\$ 1,105,430</b>	<b>\$ 456,592</b>	<b>\$ 323,458</b>	<b>\$ 8,565,736</b>		
Amounts not expected to be collected within one year	\$ -	\$ -	\$ -	\$ -	\$ -		

**Property Taxes**

For property tax collectible in 2005, Saint Paul's taxable net tax capacity (including Tax Increment Districts) was \$202,575,538; the estimated market value was \$19,629,226,000; the net tax capacity was 1.03% of the estimated market value. Estimated market values are converted to tax capacities based on a statutory rate for each class of property.

Current property tax collections for the year ended December 31, 2005 were as follows:

	<u>City</u>	<u>HRA</u>
Dollar Amount	\$ 60,905,905	\$ 875,750
Percent of Levy Spread	97.27%	97.42%

**Notes and Loans Receivable**

Notes and Loans Receivable are reported as assets in the following funds at December 31, 2005:

Special Revenue Funds:	
Solid Waste and Recycling	\$ 784,786
Community Development Block Grant	3,983,479
State Grant Programs	106,793
HRA Federal and State Programs	<u>7,246,601</u>
Total Special Revenue Funds	<u>12,121,659</u>
Capital Projects Fund:	
City Sales Tax	7,131,998
City Downtown Capital Projects	315,000
HRA Tax Increment	<u>28,074</u>
Total Capital Projects Funds	<u>7,475,072</u>
Total	<u><u>\$ 19,596,731</u></u>

In addition to the above amounts reported as "Notes and Loans Receivable" on Exhibit 3, other long-term loans receivable are included in "Other Long-Term Receivables" in the following funds:

Enterprise Funds:	
HRA Loan Enterprise	<u>\$ 20,130,403</u>
Internal Service Fund:	
Internal Borrowing	<u>9,197,707</u>
Total	<u><u>\$ 29,328,110</u></u>

The amount reported for loans receivable is net of allowances for uncollectible loans. Allowances for uncollectible loans have been established for loans for which collection is doubtful or questionable. At December 31, 2005, the allowance for uncollectible loans recorded was \$74,113,203.



### **Contract Receivable – Metropolitan Council Environmental Services**

The Metropolitan Council Environmental Services (MCES), formerly known as the Metropolitan Waste Control Commission (MWCC) was established as an agency of the Metropolitan Council pursuant to Minnesota Statutes Section 473.503. MCES was created for the purpose of providing the efficient and economic collection, treatment and disposal for sewage. MCES bills actual quarterly sewer treatment charges at a two quarter lag, with first quarter charges billed in the third quarter and all other quarterly charges billed in a similar manner.

In 1971, the Metropolitan Council Environmental Services assumed ownership of all the City's interceptors and treatment works. The takeover by the MCES provided that the City would receive payment for the facilities based on the value of the facilities in 1971. This long-term contract receivable from the MCES at December 31, 2005, as reported in the Sewer Utility Enterprise Fund, was \$172,256.

### **C. Land Held for Resale**

At December 31, 2005, Land Held for Resale was reported as an asset in the following funds:

Special Revenue Funds	
Community Development Block Grant	\$ 2,110,948
HRA General Fund	<u>1,440,918</u>
Total Special Revenue Funds	<u>3,551,866</u>
Capital Projects Fund	
HRA Tax Increment	697,947
Enterprise Fund	
HRA Loan Enterprise	<u>8,212,463</u>
Total	<u><u>\$ 12,462,276</u></u>

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**D. Restricted Assets**

As of December 31, 2005, the following restricted assets were reported in the following enterprise funds:

	Sewer Utility	HRA Loan Enterprise	HRA Parking	Special Services
Cash for General Obligation Bond Current Debt Service	\$ 31,158	\$ -	\$ 1,371,466	\$ -
Cash for Revenue Bond Current Debt Service	572,621	14,743,984	5,912,014	-
Cash for Revenue Bond Operations and Maintenance	2,734,313	-	667,487	-
Cash for Revenue Bond Construction	-	7,556,668	10,667,835	-
Cash for Budget and Rate Stabilization	3,844,115	-	-	-
Investment for Revenue Bond Debt Service Reserve	-	-	-	666,750
Total	<u>\$ 7,182,207</u>	<u>\$ 22,300,652</u>	<u>\$ 18,618,802</u>	<u>\$ 666,750</u>

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**E. Capital Assets**

Capital asset activity for the year ended December 31, 2005 was as follows:

<b>Governmental Activities</b>	Balance			Balance 12/31/05
	01/01/05 Restated	Additions	Deductions	
<b>Capital Assets Not Being Depreciated:</b>				
Land	\$ 138,198,089	\$ 606,121	\$ -	\$ 138,804,210
Construction in Progress	44,617,785	20,467,019	(42,759,125)	22,325,679
<b>Total Capital Assets Not Being Depreciated</b>	<b>182,815,874</b>	<b>21,073,140</b>	<b>(42,759,125)</b>	<b>161,129,889</b>
<b>Capital Assets Being Depreciated:</b>				
Buildings	516,948,702	17,854,798	-	534,803,500
Improvements Other than Buildings	76,610,898	5,271,292	-	81,882,190
Equipment	76,521,762	3,154,493	(2,925,689)	76,750,566
Infrastructure	636,520,453	44,892,667	(3,470,036)	677,943,084
<b>Total Capital Assets Being Depreciated</b>	<b>1,306,601,815</b>	<b>71,173,250</b>	<b>(6,395,725)</b>	<b>1,371,379,340</b>
<b>Less: Accumulated Depreciation for:</b>				
Buildings	(143,690,715)	(14,875,638)	-	(158,566,353)
Improvements Other than Buildings	(18,125,471)	(2,679,876)	-	(20,805,347)
Equipment	(50,943,790)	(4,276,465)	2,644,958	(52,575,297)
Infrastructure	(193,053,006)	(12,502,073)	1,610,486	(203,944,593)
<b>Total Accumulated Depreciation</b>	<b>(405,812,982)</b>	<b>(34,334,052)</b>	<b>4,255,444</b>	<b>(435,891,590)</b>
<b>Total Capital Assets Being Depreciated, Net</b>	<b>900,788,833</b>	<b>36,839,198</b>	<b>(2,140,281)</b>	<b>935,487,750</b>
<b>Governmental Activities Capital Assets, Net</b>	<b>\$ 1,083,604,707</b>	<b>\$ 57,912,338</b>	<b>\$ (44,899,406)</b>	<b>\$ 1,096,617,639</b>

Additions to the accumulated depreciation are the result of:

Depreciation expense was charged to the following governmental functions:

General Government	\$ 883,375
Public Safety	2,483,139
Highways and Streets	14,847,414
Culture and Recreation	14,350,120
Housing and Economic Development	704,316
<b>Total Governmental Activities Depreciation Expense</b>	<b>\$ 33,268,364</b>
Addition to Accumulated Depreciation Due to Assets Transferred from Enterprise Funds	1,065,688
<b>Total Additions to Accumulated Depreciation - Governmental Activities</b>	<b>\$ 34,334,052</b>

The General Capital Assets received capital asset contributions of buildings from the Rice and Arlington Sports Dome Enterprise Fund with a historical cost totaling \$3,416,972 and an accumulated depreciation of \$1,022,385. The General Capital Assets also received capital asset contributions of equipment from a) Special Services Enterprise Fund with a historical cost of \$29,994 and an accumulated depreciation of \$23,094; and b) Rice and Arlington Sports Dome Enterprise Fund with a historical cost of \$20,209 and an accumulated depreciation of \$20,209.

<b>Business-Type Activities</b>	Balance 01/01/05 Restated	Additions	Deductions	Balance 12/31/05
Capital Assets Not Being Depreciated:				
Land	\$ 22,956,161	\$ 105,070	\$ -	\$ 23,061,231
Construction in Progress	918,217	2,250,713	(918,217)	2,250,713
<b>Total Capital Assets Not Being Depreciated</b>	<b>23,874,378</b>	<b>2,355,783</b>	<b>(918,217)</b>	<b>25,311,944</b>
Capital Assets Being Depreciated:				
Buildings and Structures	97,860,429	85,368	(3,416,974)	94,528,823
Public Improvements	350,021,913	898,945	-	350,920,858
Equipment	3,734,786	1,722,238	(222,361)	5,234,663
<b>Total Capital Assets Being Depreciated</b>	<b>451,617,128</b>	<b>2,706,551</b>	<b>(3,639,335)</b>	<b>450,684,344</b>
Less: Accumulated Depreciation for:				
Buildings and Structures	(24,971,690)	(2,547,752)	1,022,388	(26,497,054)
Public Improvements	(90,521,445)	(4,250,020)	-	(94,771,465)
Equipment	(2,766,672)	(381,272)	215,461	(2,932,483)
<b>Total Accumulated Depreciation</b>	<b>(118,259,807)</b>	<b>(7,179,044)</b>	<b>1,237,849</b>	<b>(124,201,002)</b>
<b>Total Capital Assets Being Depreciated, Net</b>	<b>333,357,321</b>	<b>(4,472,493)</b>	<b>(2,401,486)</b>	<b>326,483,342</b>
<b>Business-Type Activities Capital Assets, Net</b>	<b>\$ 357,231,699</b>	<b>\$ (2,116,710)</b>	<b>\$ (3,319,703)</b>	<b>\$ 351,795,286</b>

Depreciation expense was charged to the following business-type functions:

Sewer	\$ 4,346,405
Parking	2,340,510
Parks, Recreation and Athletics	405,345
Impound Lot	7,410
Printing	79,374
<b>Total Business-Type Activities Depreciation Expense</b>	<b>\$ 7,179,044</b>

**F. Interfund Receivables/Payables/Advances and Transfers**

**Interfund Receivables/Payables**

The following is a schedule of interfund receivables and payables including any overdrafts on pooled cash and investment accounts as of December 31, 2005:

**Pooled Cash and Investment Overdrafts**

<b>Receivable Fund</b>	<b>Payable Fund</b>			<b>Total All Funds</b>
	<b>Nonmajor Governmental Funds</b>	<b>Nonmajor Enterprise Funds</b>	<b>Internal Service Funds</b>	
General Fund	\$ 1,758,654	\$ 1,880,975	\$ 383,121	\$ 4,022,750

**Due to/from Other Funds**

<b>Receivable Fund</b>	<b>Payable Fund</b>						
	<b>General Fund</b>	<b>Library Agency</b>	<b>HRA General Fund</b>	<b>General Debt Service</b>	<b>HRA General Debt Service</b>	<b>Capital Improvement Projects</b>	<b>Nonmajor Governmental Funds</b>
General Fund	\$ -	\$ 116,023	\$ -	\$ 1,420	\$ -	\$ 878,786	\$ 2,339,142
General Debt Service	-	-	-	-	-	-	-
HRA General Debt Service	-	-	-	-	-	-	135,850
Capital Improvement Projects	263,558	-	-	-	-	-	2,614,358
Nonmajor Governmental Funds	773,514	-	176,518	-	176,700	203,265	544,818
Sewer Utility	33,578	-	-	-	-	-	158,312
Nonmajor Enterprise Funds	182,306	2,766	-	-	-	15,906	1,300
Internal Service Funds	572,896	115,807	162,353	-	-	479,989	2,190,748
Fiduciary-Agency Funds	3,865	-	-	-	-	-	851
<b>Total All Funds</b>	<b>\$ 1,829,717</b>	<b>\$ 234,596</b>	<b>\$ 338,871</b>	<b>\$ 1,420</b>	<b>\$ 176,700</b>	<b>\$ 1,577,946</b>	<b>\$ 7,985,379</b>

table continued below

<b>Receivable Fund</b>	<b>Payable Fund</b>					<b>Total All Funds</b>
	<b>Sewer Utility</b>	<b>HRA Loan Enterprise</b>	<b>HRA Parking</b>	<b>Nonmajor Enterprise Funds</b>	<b>Internal Service Funds</b>	
General Fund	\$ 40,402	\$ -	\$ -	\$ 303,744	\$ 10,583,002	\$ 14,262,519
General Debt Service	-	300,000	-	-	-	300,000
HRA General Debt Service	-	-	-	-	-	135,850
Capital Improvement Projects	-	-	-	-	-	2,877,916
Nonmajor Governmental Funds	65,717	23,764	34,750	-	40,633	2,039,679
Sewer Utility	-	-	-	-	200,000	391,890
Nonmajor Enterprise Funds	-	-	-	-	338	202,616
Internal Service Funds	201,668	88,822	53,204	14,137	268,415	4,148,039
Fiduciary-Agency Funds	16	-	-	1	26	4,759
<b>Total All Funds</b>	<b>\$ 307,803</b>	<b>\$ 412,586</b>	<b>\$ 87,954</b>	<b>\$ 317,882</b>	<b>\$ 11,092,414</b>	<b>\$ 24,363,268</b>

Interfund balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

**Advances to/from Other Funds**

The following is a schedule of interfund advances as of December 31, 2005:

	<u>Payable Fund</u>				Total All Funds
	General Fund	Capital Improvement Projects	Nonmajor Governmental Funds	Internal Service Funds	
<u>Receivable Fund</u>					
General Fund	\$ -	\$ -	\$ -	\$ 228,000	\$ 228,000
HRA General Fund	-	-	343,628	-	343,628
Nonmajor Governmental Funds	-	375,000	10,156	305,044	690,200
Sewer Utility	-	835,077	450,000	200,000	1,485,077
HRA Loan Enterprise	-	-	3,946,836	-	3,946,836
Internal Service Funds	125,000	-	2,147,343	-	2,272,343
Total All Funds	<u>\$ 125,000</u>	<u>\$ 1,210,077</u>	<u>\$ 6,897,963</u>	<u>\$ 733,044</u>	<u>\$ 8,966,084</u>

The advances shown above are long-term amounts not due within one year. Short-term advances that are due within one year are reported as a due to/from other fund.

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**Transfers**

The following is a schedule of interfund transfers as of December 31, 2005:

<b>Transfers In</b>	<b>Transfers Out</b>						
	General Fund	Library Agency	HRA General Fund	General Debt Service	HRA General Debt Service	Capital Improvement Projects	Nonmajor Governmental Funds
General Fund	\$ -	\$ 2,250	\$ 18,486	\$ 32,327	\$ -	\$ 1,462,898	\$ 10,884,329
General Debt Service	-	-	-	-	-	48,645	9,216,045
HRA General Debt Service	-	-	-	-	-	-	18,126,193
Capital Improvement Projects	700,000	-	-	-	-	-	18,410,174
Nonmajor Governmental Funds	1,585,502	-	-	-	15,212,494	273,627	5,123,389
HRA Loan Enterprise	-	-	-	-	-	-	9,000,000
Nonmajor Enterprise Funds	525,142	-	-	-	-	-	86,001
Internal Service Funds	-	-	-	-	-	92,669	4,273,119
<b>Total Transfers Out</b>	<b>\$ 2,810,644</b>	<b>\$ 2,250</b>	<b>\$ 18,486</b>	<b>\$ 32,327</b>	<b>\$ 15,212,494</b>	<b>\$ 1,877,839</b>	<b>\$ 75,119,250</b>

table continued below

<b>Transfers In</b>	<b>Transfers Out</b>					
	Sewer Utility	HRA Loan Enterprise	HRA Parking	Nonmajor Enterprise Funds	Internal Service Funds	Total Transfers In
General Fund	\$ 309,600	\$ 410,000	\$ -	\$ 134,056	\$ 128,005	\$ 13,381,951
General Debt Service	3,667,350	300,000	-	-	-	13,232,040
HRA General Debt Service	-	393,047	-	-	-	18,519,240
Capital Improvement Projects	10,030,804	568,950	-	-	211,150	29,921,078
Nonmajor Governmental Funds	-	52,279	197,488	26,679	-	22,471,458
HRA Loan Enterprise	-	-	2,500,000	-	-	11,500,000
Nonmajor Enterprise Funds	-	-	-	3,116,718	-	3,727,861
Internal Service Funds	246,095	-	-	-	339,801	4,951,684
<b>Total Transfers Out</b>	<b>\$ 14,253,849</b>	<b>\$ 1,724,276</b>	<b>\$ 2,697,488</b>	<b>\$ 3,277,453</b>	<b>\$ 678,956</b>	<b>\$ 117,705,312</b>
Capital Assets Used in the Operation of Governmental Funds (see note below)				2,401,487	235,873	
				<b>\$ 5,678,940</b>	<b>\$ 914,829</b>	

The total governmental and proprietary funds transfers in is \$117,705,312. The total governmental and proprietary transfers out is \$120,342,672. The variance of \$2,637,360 is comprised of the following:

- Capital asset transfer of \$2,394,587 from the Rice and Arlington Sports Dome Enterprise Fund to the General Capital Assets.
- Capital asset transfer of \$6,900 from the Special Services Enterprise Fund to the General Capital Assets.
- Capital asset transfer of \$235,873 from the Parks and Recreation Supply and Maintenance Internal Service Fund to the General Capital Assets.

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, and (3) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

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## G. Long-Term Obligations

### 1. Changes in Long-Term Obligations

Long-term obligations activity in the year ended December 31, 2005 was as follows:

	Beginning Balance as Restated	Increases	Decreases	Ending Balance	Amounts Due Within One Year
<b>GOVERNMENTAL ACTIVITIES</b>					
Bonds Payable:					
General Obligation Bonds					
Property Tax Supported	\$ 118,475,000	\$ 19,000,000	\$ 18,275,000	\$ 119,200,000	\$ 18,480,000
Special Assessment Debt with Governmental Commitment	23,175,000	2,400,000	2,255,000	23,320,000	2,285,000
HRA Tax Increment	17,740,000	5,130,000	6,105,000	16,765,000	1,275,000
Total General Obligation Bonds	<u>159,390,000</u>	<u>26,530,000</u>	<u>26,635,000</u>	<u>159,285,000</u>	<u>22,040,000</u>
Revenue Bonds					
Sales Tax Revenue Bonds	68,900,000	-	1,150,000	67,750,000	1,470,000
HRA Tax Increment Revenue Bonds	59,025,942	7,515,000	4,371,162	62,169,780	3,340,857
HRA Sales Tax Revenue Bonds	46,115,000	-	1,220,000	44,895,000	1,310,000
HRA Lease Revenue Bonds	6,920,000	-	50,000	6,870,000	300,000
Total Revenue Bonds	<u>180,960,942</u>	<u>7,515,000</u>	<u>6,791,162</u>	<u>181,684,780</u>	<u>6,420,857</u>
Add/(Subtract) Deferred Amounts for: (Discounts)/Premiums Refundings - Gains/(Losses)					
	<u>1,155,849</u>	<u>469,503</u>	<u>166,104</u>	<u>1,459,248</u>	<u>176,434</u>
Total Bonds	<u>341,506,791</u>	<u>34,514,503</u>	<u>33,592,266</u>	<u>342,429,028</u>	<u>28,637,291</u>
Revenue Notes Payable					
Revenue Notes Payable	46,552,179	-	1,707,820	44,844,359	1,893,733
HRA Revenue Notes Payable	14,870,000	-	6,290,000	8,580,000	580,000
Total Revenue Notes	<u>61,422,179</u>	<u>-</u>	<u>7,997,820</u>	<u>53,424,359</u>	<u>2,473,733</u>
Other Liabilities:					
Compensated Absences	18,649,571	791,994	277,025	19,164,540	944,564
Claims and Judgments Payable	20,449,971	10,031,525	5,929,052	24,552,444	7,869,549
Capital Leases	23,395,777	1,000,000	1,318,675	23,077,102	1,523,736
Total Other Liabilities	<u>62,495,319</u>	<u>11,823,519</u>	<u>7,524,752</u>	<u>66,794,086</u>	<u>10,337,849</u>
Total Governmental Activities Long-Term Liabilities	<u>\$ 465,424,289</u>	<u>\$ 46,338,022</u>	<u>\$ 49,114,838</u>	<u>\$ 462,647,473</u>	<u>\$ 41,448,873</u>

	Beginning Balance as Restated	Increases	Decreases	Ending Balance	Amounts Due Within One Year
<b>BUSINESS-TYPE ACTIVITIES</b>					
Bonds Payable:					
General Obligation Bonds					
General Obligation Debt	\$ 3,675,000	\$ -	\$ 195,000	\$ 3,480,000	\$ 205,000
HRA General Obligation Debt	37,140,000	-	1,135,000	36,005,000	1,300,000
Total General Obligation Bonds	<u>40,815,000</u>	<u>-</u>	<u>1,330,000</u>	<u>39,485,000</u>	<u>1,505,000</u>
Revenue Bonds					
Revenue Bonds	29,760,000	7,310,000	9,380,000	27,690,000	6,455,000
HRA Parking Facilities Revenue Bonds	40,715,000	23,770,000	9,065,000	55,420,000	1,625,000
HRA Loan Enterprise Revenue Bonds	25,000,000	-	3,170,000	21,830,000	9,305,000
Total Revenue Bonds	<u>95,475,000</u>	<u>31,080,000</u>	<u>21,615,000</u>	<u>104,940,000</u>	<u>17,385,000</u>
Add/(Subtract) Deferred Amounts for: (Discounts)/Premiums Refundings - Gains/(Losses)					
	336,095	364,799	107,852	593,042	-
Total Bonds	<u>136,626,095</u>	<u>31,444,799</u>	<u>23,052,852</u>	<u>145,018,042</u>	<u>18,890,000</u>
Revenue Notes Payable					
Revenue Notes Payable	16,708,614	-	884,025	15,824,589	913,280
HRA Revenue Notes Payable	5,084,380	-	1,994,380	3,090,000	60,000
Total Revenue Notes Payable	<u>21,792,994</u>	<u>-</u>	<u>2,878,405</u>	<u>18,914,589</u>	<u>973,280</u>
Other Liabilities:					
Compensated Absences	828,283	114,400	15	942,668	40,126
Capital Leases	-	820,000	198,303	621,697	271,264
Total Other Liabilities	<u>828,283</u>	<u>934,400</u>	<u>198,318</u>	<u>1,564,365</u>	<u>311,390</u>
Total Business-Type Activities					
Long-Term Liabilities	<u>\$ 159,247,372</u>	<u>\$ 32,379,199</u>	<u>\$ 26,129,575</u>	<u>\$ 165,496,996</u>	<u>\$ 20,174,670</u>
TOTAL LONG-TERM OBLIGATION	<u>\$ 624,671,661</u>	<u>\$ 78,717,221</u>	<u>\$ 75,244,413</u>	<u>\$ 628,144,469</u>	<u>\$ 61,623,543</u>

Internal Service funds predominantly serve the governmental funds. Accordingly, their long-term liabilities are included as part of the totals reported for governmental funds. At year end, \$2,190,689 for compensated absences and \$2,299,779 of capital leases were included in the amounts reported for the governmental funds.

The government-wide statement of net assets includes \$5,881,529 of the long-term liabilities due within one year for business-type activities in "liabilities payable from restricted assets." The remaining amount of \$14,293,141 was displayed as "noncurrent liabilities due within one year" on the same statement.

## 2. Annual Requirements – Principal and Interest on Long-Term Obligations

Annual debt service requirements to maturity for general obligation bonds are as follows:

Year Ended December 31	Governmental Activities		Business-Type Activities		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2006	\$ 22,040,000	\$ 6,024,955	\$ 1,505,000	\$ 2,055,675	\$ 23,545,000	\$ 8,080,630
2007	25,330,000	5,130,063	1,660,000	1,963,841	26,990,000	7,093,904
2008	19,510,000	4,260,453	1,790,000	1,862,570	21,300,000	6,123,023
2009	18,215,000	3,490,544	1,930,000	1,751,975	20,145,000	5,242,519
2010	16,715,000	2,769,822	2,125,000	1,629,674	18,840,000	4,399,496
2011-2015	46,210,000	6,191,957	13,460,000	5,982,894	59,670,000	12,174,851
2016-2020	8,060,000	1,461,588	9,070,000	2,805,150	17,130,000	4,266,738
2021-2025	3,205,000	278,469	7,945,000	978,381	11,150,000	1,256,850
Total General Obligation Bonds Debt	<u>\$ 159,285,000</u>	<u>\$ 29,607,851</u>	<u>\$ 39,485,000</u>	<u>\$ 19,030,160</u>	<u>\$ 198,770,000</u>	<u>\$ 48,638,011</u>

Revenue bond debt service requirements to maturity are as follows:

Year Ended December 31	Governmental Activities		Business-Type Activities		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2006	\$ 6,420,857	\$ 12,175,889	\$ 17,385,000	\$ 4,698,256	\$ 23,805,857	\$ 16,874,145
2007	6,943,352	11,772,966	10,689,000	4,029,873	17,632,352	15,802,839
2008	7,609,836	11,322,996	8,939,000	3,633,574	16,548,836	14,956,570
2009	6,931,848	10,827,593	6,800,000	3,241,504	13,731,848	14,069,097
2010	6,085,127	10,421,926	2,990,000	2,919,809	9,075,127	13,341,735
2011-2015	36,180,859	45,454,940	30,310,000	10,348,638	66,490,859	55,803,578
2016-2020	41,506,357	32,796,273	10,810,000	5,830,640	52,316,357	38,626,913
2021-2025	55,737,936	16,710,535	11,772,000	3,314,808	67,509,936	20,025,343
2026-2029	14,268,608	2,110,432	5,245,000	719,842	19,513,608	2,830,274
Total Revenue Bonds Debt	<u>\$ 181,684,780</u>	<u>\$ 153,593,550</u>	<u>\$ 104,940,000</u>	<u>\$ 38,736,944</u>	<u>\$ 286,624,780</u>	<u>\$ 192,330,494</u>

Revenue notes debt service requirements to maturity are as follows:

Year Ended December 31	Governmental Activities		Business-Type Activities		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2006	\$ 2,473,733	\$ 293,035	\$ 973,280	\$ 637,540	\$ 3,447,013	\$ 930,575
2007	1,959,228	251,240	1,013,879	602,306	2,973,107	853,546
2008	1,835,221	245,470	1,050,834	565,696	2,886,055	811,166
2009	1,802,816	240,670	1,093,157	527,519	2,895,973	768,189
2010	1,802,816	235,870	1,126,861	488,203	2,929,677	724,073
2011-2015	15,750,545	991,525	6,222,629	1,796,392	21,973,174	2,787,917
2016-2020	26,700,000	540,055	6,223,044	873,420	32,923,044	1,413,475
2021-2025	1,100,000	68,210	1,210,905	174,546	2,310,905	242,756
Total Revenue Notes Debt	<u>\$ 53,424,359</u>	<u>\$ 2,866,075</u>	<u>\$ 18,914,589</u>	<u>\$ 5,665,622</u>	<u>\$ 72,338,948</u>	<u>\$ 8,531,697</u>

### **3. Sources for Long-Term Obligations Repayment**

#### **Governmental Activity Long-Term Obligations**

##### *General Obligation Bonds*

In 2005, the City issued General Obligation Capital Improvement Bonds, Series 2005A in the amount of \$19,000,000; General Obligation Special Assessment Debt with Governmental Commitment, Series 2005B in the amount of \$2,400,000; and General Obligation Taxable Tax Increment Refunding Bonds (Snelling-University Tax Increment Refunding Bonds), Series 2005C in the amount of \$5,130,000; for a total of \$26,530,000.

\$159,285,000 of General Obligation Bonds is payable from the Debt Service Funds. The related interest requirement on this debt was \$29,607,851. These bonds are backed by the full faith and credit of the City.

##### *General Obligation Bonds – Property Tax Supported*

Of the \$159,285,000 of General Obligation Bonds, \$119,200,000 is property tax supported debt to be paid primarily from property taxes levied and collected. The related interest requirement on this debt was \$21,405,576.

##### *General Obligation Special Assessment Debt with Governmental Commitment*

Of the \$159,285,000 of General Obligation Bonds, \$23,320,000 are payable from special assessments to be levied and collected for local improvements and are backed by the full faith and credit of the City. The general credit of the City is obligated only to the extent that liens foreclosed against properties involved in special assessments districts are insufficient to retire outstanding bonds. These bonds (and related interest of \$5,027,556) are being serviced by the G.O. Special Assessment – Streets Debt Service Fund.

##### *General Obligation HRA Tax Increment Bonds*

During March 2005, the City issued General Obligation Snelling-University Tax Increment Refunding Bonds, Series 2005C in the amount of \$5,130,000 to currently refund the Midway Marketplace Tax Increment Bonds, Series 1995A. This current refunding was done to take advantage of lower interest rates and reduce debt service payments by \$1,307,315. The current refunding resulted in an economic gain (difference between the present value of the debt services payments of the refunded and the refunding bonds) of \$977,430. HRA tax increment revenues from the Snelling-University Tax Increment District are to be used to retire the Series 2005C Bonds. The 2005C Bonds had a balance of \$5,130,000 as of December 31, 2005.

During March 2004, the City issued General Obligation Temporary Bonds, Series 2004C in the amount of \$3,950,000 to finance the cost of public infrastructure improvements incurred by the Housing and Redevelopment Authority of the City of Saint Paul within its Koch/Mobil Tax Increment Financing District. The bonds have a City general obligation pledge and will be retired using tax increment revenues or proceeds from a future HRA tax increment bond issue. Prior to the March 1, 2007 final maturity date, the Series 2004C Bonds are expected to be refinanced with a second three-year temporary bond issue. The 2004C Bonds had a balance of \$3,950,000 outstanding as of December 31, 2005.

During November 2000, the City issued General Obligation Riverfront Tax Increment Bonds, Series 2000D in the amount of \$8,335,000 to currently refund the Riverfront Tax Increment Bonds, Series 1993C in order that debt service requirements for the Riverfront Tax Increment Financing District could be reduced through a lower interest rate. The Series 2000D Bonds had a balance of \$5,920,000 as of December 31, 2005.

The Riverfront Tax Increment General Obligation Refunding Bonds, Series 2002C were issued in March 2002 in the amount of \$2,335,000 to currently refund the Riverfront Tax Increment Bonds, Series 1993D to take advantage of lower interest rates and reduce debt service payments. The Series 2002C Bonds had a balance of \$1,765,000 outstanding as of December 31, 2005.

The total General Obligation HRA Tax Increment Bonds as of December 31, 2005 was \$16,765,000. The related interest requirement on this debt was \$3,174,719.

#### Revenue Bonds

##### Sales Tax Revenue Bonds

In 1999, the City issued \$72,570,000 of Sales Tax Revenue Bonds to finance a portion of the costs of demolishing an existing arena facility located in the downtown area of the City and constructing a new multipurpose sports and entertainment arena adjacent and connected to the Saint Paul RiverCentre complex. The debt on these Sales Tax Revenue Bonds is being serviced by the City Revenue Bonds and Other Long-Term Debt – Debt Service Fund. The 1999A Bonds had a balance of \$67,750,000 outstanding as of December 31, 2005. The related interest requirement on this debt was \$64,684,244.

##### HRA Tax Increment Revenue Bonds

The Neighborhood Scattered Site Tax Increment Bonds, Series 2005 were issued in April 2005 in the amount of \$7,515,000 to provide financing for development in the Neighborhood Scattered Site Tax Increment District. The bonds are to be retired using tax increment revenues from this same district. The 2005 Bonds had a balance of \$7,200,000 as of December 31, 2005.

In January 1998, the HRA issued \$24,295,000 in Downtown Tax Increment Refunding Bonds, Series 1998 to advance refunding to the Downtown and Seventh Place Tax Increment Bonds, Series 1993. At December 31, 2005, \$8,585,000 of the 1998 HRA Downtown Tax Increment Refunding Bonds was outstanding.

The Spruce Tree Tax Increment Refunding Bonds, Series 2003 were issued in March 2003 in the amount of \$1,890,000, and along with existing funds of the HRA, currently refunded the Spruce Tree Tax Increment Bonds, Series 1988. HRA tax increment revenues from the Spruce Tree/Metz District are to be used to retire the Series 2003 Bonds. The 2003 Bonds had a balance of \$1,600,780 outstanding as of December 31, 2005.

The North Quadrant Tax Increment Refunding Bonds, Series 2002 were issued in April 2002 in the amount of \$1,089,000 to currently refund the North Quadrant Tax Increment Bonds, Series 2000 issued in November 2000 in the amount of \$1,283,000. HRA tax increment revenues from the North Quadrant District are to be used to retire the Series 2002 Bonds. The 2002 Bonds had a balance of \$1,059,000 outstanding as of December 31, 2005.

The North Quadrant Phase II Tax Increment Bonds, Series 2002 were issued in June 2002 in the amount of \$1,140,000 to provide financing for development in the North Quadrant Tax Increment District. The bonds are to be retired using tax increment revenue from the North Quadrant District. The 2002 Bonds had a balance of \$1,140,000 as of December 31, 2005.

The US Bank Tax Increment Bonds, Series 2001, were issued in August 2001 in the amount of \$12,000,000 to provide a portion of the financing for the construction of a US Bank Operations Center in the HRA Riverfront Renaissance Tax Increment Financing District. The bonds are to be retired using tax increment revenue from the Riverfront Renaissance District. At December 31, 2005, \$11,875,000 of Series 2001 Bonds was outstanding.

The Upper Landing Tax Increment Bonds, Series 2002A, Series 2002B-1 and Series 2002B-2 were issued in October 2002 in the amount of \$19,130,000 to provide financing for development of the Upper Landing area in the HRA Riverfront Renaissance Tax Increment District. The bonds are to be retired using tax increment revenue from the Riverfront Renaissance District. At December 31, 2005, \$19,130,000 of the bonds was outstanding.

The Drake Marble Tax Increment Bonds, Series 2002 were issued in November 2002 in the amount of \$1,800,000 to provide financing for renovation of the Drake Marble building in the Riverfront Renaissance Tax Increment District. The bonds are to be retired using tax increment revenue from the Riverfront Renaissance District. At December 31, 2005, \$1,745,000 of Series 2002 was outstanding.

The Gateway Tax Increment Bonds, Series 2003C and Series 2003D were issued in the amount of \$4,820,000 to provide financing for the Gateway Apartments project. The Bonds were issued at a variable rate of one percent plus prime. The Bonds are to be retired solely through HRA tax increment revenues from the Shepard-Davern Tax Increment Financing District. At December 31, 2005, \$4,820,000 of Series 2003C and 2003D was outstanding.

The 9<sup>th</sup> Street Lofts Tax Increment Bonds, Series 2004, were issued in April 2004 in the amount of \$1,335,000 to provide financing for a rental housing development in the North Quadrant Tax Increment District. The bonds are to be retired using tax increment revenues from the North Quadrant District. At December 31, 2005, \$1,335,000 of the Series 2005 Bonds was outstanding.

The J.J. Hill Tax Increment Bonds, Series 2004, were issued in November 2004 in the amount of \$3,660,000 to provide financing for an owner-occupied housing development in the J.J. Hill Tax Increment District. The bonds are to be retired using tax increment revenues from the J.J. Hill Tax Increment District. At December 31, 2005, \$3,660,000 of Series 2004 Bonds was outstanding.

The HRA Tax Increment Revenue Bonds do not constitute a general obligation of the City and are not backed by the City's full faith and credit. At December 31, 2005, \$62,169,780 of HRA Tax Increment Revenue Bonds was outstanding. The related interest requirement on this debt was \$50,663,622.

*HRA Sales Tax Revenue Bonds*

In April 1996, the HRA issued \$55,865,000 in Sales Tax Revenue Advance Refunding Bonds, Series 1996 to advance refund the Sales Tax Revenue Bonds, Series 1993. At December 31, 2005, \$44,895,000 of HRA Sales Tax Revenue Advance Refunding Bonds was outstanding.

*HRA Lease Revenue Bonds*

The RiverCentre Parking Facility Lease Revenue Bonds, Series 2000 were issued in May 2000 in the amount of \$7,240,000 to finance improvements to the RiverCentre Parking Ramp, which is owned by the City of Saint Paul. The bonds are payable from payments made by the City to the HRA for leasing the improvements. The outstanding balance was \$6,870,000 as of December 31, 2005.

The total Revenue Bonds as of December 31, 2005 was \$181,684,780. The related interest requirement on this debt was \$153,593,550.

Revenue Notes Payable

In 1994, the City implemented the Saint Paul Energy Conservation Project, which is designed to evaluate energy usage in City-owned buildings and make improvements to achieve energy savings. The City has entered into note agreements with Xcel Energy to provide the City interest-free loans to finance the project. The notes are to be paid within ten (10) years. At December 31, 2005, \$184,669 of notes was outstanding.

During 1998, the City began construction of the new multi-purpose RiverCentre Arena, which presently houses a National Hockey League team (completed in 2000). The City received an interest-free loan from the State of Minnesota in the amount of \$65,000,000 for the construction of this arena. Payments on this loan, which will be \$48,000,000 due to the forgiveness of \$17,000,000 by the State, began in 2003 and will be paid through the year 2020. A portion of the payments by the hockey team will be used to repay the loan. The City recorded the proceeds and liability of the loan as it was expended by the State. As of December 31, 2005, the outstanding balance of the RiverCentre Arena Note was \$44,250,000.

In 1997, the City entered into a note agreement with the Saint Paul Foundation to provide the City a \$3,000,000 loan to acquire real property from West Publishing Corporation for the Science Museum Project. The loan is to be repaid with interest of one percent (1%) per annum in ten equal annual installments commencing on January 1, 1998. The loan will be repaid from the repayment of District Energy West Franchise Fees, Ryan Block parking revenues and cultural sales tax. At December 31, 2005, \$409,690 of this Science Museum Revenue Note was outstanding.

\$8,580,000 of Saint Paul's governmental activity long-term obligations consists of HRA Revenue Notes payable.

A summarized analysis of the HRA Revenue Notes payable at December 31, 2005 follows:

Note	Lender	Source for Retirement	Amount Payable 12/31/05	Due Within One Year
HUD Section 108 Note Series 1997A	Public Sale	Tax Increments and Loan Repayments	\$ 580,000	\$ 580,000
HUD Section 108 Note Series 2003A and 2003B	JP Morgan Chase Bank	HUD Grants, Port Authority Payments and Land Proceeds	8,000,000	-
			<u>\$ 8,580,000</u>	<u>\$ 580,000</u>

Compensated Absences

Included in the City's governmental long-term obligations is \$19,164,541 of accrued compensated absences relating to employees not accounted for in proprietary funds. Governmental funds that report salaries in their statement of revenues, expenditures and changes in fund balance are charged on a proportionate basis for the actual payments made by the General Fund of the severance pay portion of the compensated absences liability. Actual payments of the vacation and compensatory time portion of the compensated absences liability are made directly from the same governmental funds that incurred the salary expenditures.

Claims and Judgments Payable

Claim and judgment expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. These liabilities include an estimate of claims that have been incurred but not reported (IBNR). Claim expenditures relating to tort liabilities are paid from the General Fund. Workers' Compensation claim expenditures are recorded in the General Fund and are allocated to other City funds based upon a fringe benefit rate applied to each fund's actual salaries. The liability for claims and judgments is reported in the government-wide financial statements. At December 31, 2005, the claims and judgments liability was \$24,552,444.

Capital Leases

On July 1, 2004 the City entered into an agreement with Banc of America Leasing & Capital, LLC to provide tax-exempt lease financing for 50 police cars for a three-year period ending June 1, 2007. The related equipment capital asset of \$1,008,250 is reported in the City's Government-wide Statement of Net Assets and the Capital Assets Used in the Operation of Governmental Funds. A capital lease payable of \$512,882 was outstanding at December 31, 2005. Annual liquidation of this capital lease liability is reported in the City's General Fund.

On July 6, 2005 the City amended the master equipment lease agreement with Banc of America Leasing & Capital, LLC to provide an additional \$1,000,000 tax exempt lease financing for public safety vehicles for a three-year period ending June 1, 2008. The related equipment capital asset of \$1,000,000 is reported in the City's Government-wide Statement of Net Assets and the Capital Assets Used in the Operation of Governmental Funds. A capital lease payable of \$837,140 was outstanding at December 31, 2005.

On July 1, 2003 the City entered into an agreement with Professional Parking Systems to provide services and leased equipment for a police electronic citation issuance system for a three-year period beginning September 15, 2005. The related equipment capital asset of \$216,100 is reported in the City's Government-wide Statement of Net Assets and Capital Assets Used in the Operation of Governmental Funds. A capital lease payable of \$125,301 was outstanding at December 31, 2005. Annual liquidation of this capital lease liability is reported in the Parking Enforcement Special Revenue Fund.

A 20-year lease agreement in the amount of \$3,000,000, dated October 14, 1998, was entered into to finance the acquisition and renovation of expanded heating, ventilation and air conditioning systems, electrical and fire suppression systems, and workstations for the City Hall Annex. The related equipment of \$315,998 and building of \$2,684,002 are included as capital assets. A capital lease payable of \$2,299,779 was outstanding at December 31, 2005, and reported in the Public Works Administration Internal Service Fund.

A 30-year RiverCentre Pedestrian Link Cooperative Agreement dated May 23, 2002 was entered into with Ramsey County to finance the designing and construction of a pedestrian connection between the RiverCentre Complex and the existing skyway system in Landmark Tower. The related improvement other than building capital asset of \$6,872,000 is reported in the City's Government-wide Statement of Net Assets and Capital Assets Used in Operation of Governmental Funds. A capital lease payable of \$6,407,000 was outstanding at December 31, 2005. Annual liquidation of this capital lease liability is reported in the Revenue Notes and Other Long-Term Debt Service Fund.



A 20-year lease agreement in the amount of \$13,845,000 was entered into with Ramsey County on December 16, 2002 to finance the repair, renovation and remodeling of the Saint Paul Police Headquarters Facility through the use of proceeds of the sale of revenue bonds in the year 2003. The City agreed to reimburse the County for the expense incurred for issuance and repayment of the bonds through rent payments beginning in 2005. The related building capital asset of \$13,845,000 is reported in the City's Government-wide Statement of Net Assets and Capital Assets Used in the Operation of Governmental Funds. A capital lease payable of \$12,895,000 was outstanding as of December 31, 2005. Annual liquidation of this capital lease liability is reported in the City's General Fund.

The following is a schedule by years of future minimum lease payments under this capital lease, together with the present value of the net minimum lease payments of December 31, 2005.

**Capital Leases – Governmental Activity**

Year Ended December 31	City Hall Annex Improvements	RiverCentre Pedestrian Link	Saint Paul Police Headquarters Facility Lease	2004 Saint Paul Police Vehicle Lease	2005 Saint Paul Police Vehicle Lease	Parking Enforcement Citation Issuance System Lease
2006	\$ 253,017	\$ 395,011	\$ 1,048,542	\$ 350,269	\$ 349,106	\$ 79,598
2007	253,017	394,088	1,046,217	175,133	349,106	53,066
2008	253,017	392,985	1,048,368	-	174,553	-
2009	253,017	396,702	1,049,818	-	-	-
2010	253,017	395,061	1,055,568	-	-	-
Thereafter	2,024,135	7,826,780	13,838,470	-	-	-
Total Minimum Lease Payments	3,289,220	9,800,627	19,086,983	525,402	872,765	132,664
Less Amount Representing Interest	(989,441)	(3,393,627)	(6,191,983)	(12,520)	(35,625)	(7,363)
Present Value of Future Capital Lease Payments	\$ 2,299,779	\$ 6,407,000	\$ 12,895,000	\$ 512,882	\$ 837,140	\$ 125,301

## **Business-Type Activity Long-Term Obligations**

### General Obligation Bonds

Included in the City's business-type activity long-term obligations are Sewer Utility General Obligation Bonds issued in 1998. The proceeds of these bonds are being used for sewer rehabilitation construction. At December 31, 2005, \$3,480,000 of outstanding bonds was recorded as a liability in the Sewer Utility Enterprise Fund.

### General Obligation HRA Tax Increment Bonds

During 1998, the City of Saint Paul issued Block 39 Tax Increment General Obligation Bonds, Series 1998A and Series 1998B in the amount of \$21,255,000 and \$18,745,000, respectively. Proceeds from the Series 1998A and Series 1998B are being used to finance the acquisition of Block 39 properties in the downtown area and to construct a parking facility and retail space. The Bonds have a City general obligation pledge, but are to be retired using tax increments from the HRA Block 39 Lawson/Arena District and revenues from the parking facility. The total amount of these bonds outstanding at December 31, 2005 was \$21,255,000 and \$14,750,000 and recognized as a liability in the HRA Parking Enterprise Fund.

### Revenue Bonds

In March 2004, the City issued Sewer Revenue Bonds, Series 2004E in the amount of \$6,300,000 to finance improvements to the City's sewer system, payable from revenues of the Sewer Utility Enterprise Fund. At December 31, 2005 \$5,750,000 of outstanding bonds was recorded as a liability in the Sewer Utility Enterprise Fund.

The Sewer Utility issued \$26,280,000 of Revenue Refunding Bonds in March 2003, payable from revenues of the Sewer Utility Enterprise Fund. The proceeds of this issue, combined with funds in the 1993 Debt Service Account and the 1993 Debt Service Reserve were used to current refund the 2004-2008 maturities, whose amount totaled \$28,435,000, of the Utility's Sewer Revenue Refunding Bonds, Series 1993 on June 1, 2003. At December 31, 2005, \$14,630,000 of Sewer Revenue Refunding Bonds, Series 2003D was outstanding.

The Special Services Enterprise Fund is reporting \$7,310,000 of revenue bonds outstanding at December 31, 2005. The Recreational Facilities Gross Revenue Bonds (Highland National Project), Series 2005 were issued on October 27, 2005 in the amount of \$7,310,000. Bond proceeds in the amount of \$2,955,000, together with other funds on hand, were used to refund the Recreational Facilities Gross Revenue Bonds (Sports Dome Project) on December 1, 2005, while the balance of \$4,355,000 was used to pay for the reconstruction of the Highland National Golf Course. A bond reserve in the amount of \$666,750 has also been established. The sale resulted in the Net Present Value Benefit (NPV) of \$246,971 from the retirement of the Sports Dome Bonds.

### HRA Loan Enterprise Revenue Bonds

Housing 5000 Land Assembly Bonds, Series 2004, were issued in January 2004 in the amount of \$25,000,000 to provide financing for the acquisition and improvement of land to be used in connection with the HRA Housing 5000 Initiative. It is intended that the bonds will be retired through the sale of the acquired land to developers as part of the initiative. The bonds are secured by a letter of credit in the original amount of \$25,369,863 issued by U.S. Bank to the bond trustee for the account of the HRA. The HRA is also required to set aside cash and cash equivalents in the amount of 10% of the principal outstanding on the bonds. In accordance with this requirement, the HRA has restricted cash for the Housing 5000 Land Assembly Bond debt service in the amount of \$2,183,000 in the HRA Parking Enterprise Fund. The outstanding balance of The Series 2004 Bonds as of December 31, 2005 was \$21,830,000.

### *HRA Parking System Revenue Bonds*

The Parking Revenue Refunding Bonds, Series 2005A were issued in February 2005 in the amount of \$7,790,000 to currently refund the Parking Revenue Bonds, Series 1995A. This current refunding was done to take advantage of lower interest rates and reduce debt service payments. Total debt service payments decreased by \$411,804. The current refunding resulted in an economic gain of \$401,496. The reacquisition price and the net carrying amount of the refunded bonds were both \$7,590,000. Parking revenues from various HRA parking facilities are to be used to retire the Series 2005A Bonds. The outstanding balance of December 31, 2005 was \$7,100,000.

The Parking Revenue Bonds (Smith Avenue Transit Center), Series 2005 were issued in June 2005 in the amount of \$15,980,000 to provide financing for the construction of the Smith Avenue Transit Center, which includes a 600-stall parking ramp and transit facility. The bonds are to be retired using revenues from the Transit Center. The outstanding balance as of December 31, 2005 was \$15,980,000.

The Parking Revenue Bonds include the Parking Revenue Refunding Bonds, Series 2001A, which were issued in March 2001 in the amount of \$6,755,000 to currently refund the Variable Rate Demand Parking Revenue Bonds, Series 1995B. At December 31, 2005, \$5,160,000 of the Series 2001A Refunding Bonds was outstanding.

In addition, \$8,635,000 of HRA World Trade Center Ramp Bonds, Series 1997A was outstanding at December 31, 2005.

The Parking Revenue Bonds, Series 2002A and Series 2002B were issued in May 2002 in the total amount of \$18,545,000 to provide financing for the construction of a 1,044-space parking ramp located on Block 19 in the downtown area. The bond proceeds were deposited into the HRA Parking Enterprise Fund and the bonds will be retired using parking revenues in the same enterprise fund. The outstanding balance as of December 31, 2005 was \$18,545,000.

The total amount of HRA Parking System Revenue Bonds outstanding as of December 31, 2005 was \$55,420,000, and is recognized in the HRA Parking Enterprise Fund. The related interest requirement on this debt was \$26,756,131.

### Revenue Notes

From 1993 through 2002, the Department of Public Works entered into loan agreements with the State of Minnesota, Department of Trade and Economic Development, Public Facilities Authority, for long-term notes. The total principal amount of the long-term portion of the loans at December 31, 2005 was \$15,824,589. The proceeds of these loans were used to construct sewer facilities which reduce the amount of groundwater "inflow and infiltration" entering the City's sanitary sewer system, thereby decreasing the cost of sewage treatment. The notes are payable from the Sewer Utility Enterprise Fund.

The RiverCentre Exhibit Hall Parking Ramp Notes were issued in 1995 in the amount of \$1,500,000. The outstanding balance as of December 31, 2005 was \$1,090,000. City parking revenues are used to retire the notes, which are recognized as a liability in the HRA Parking Enterprise Fund.

The Block 39 Municipal Parking Ramp Notes were issued in 1999 in the amount of \$2,000,000. The ramp revenues will be used to retire the notes beginning 2017. The notes are recognized as a liability in the HRA Parking Enterprise Fund.

*Compensated Absences*

Proprietary fund accrued liabilities for compensated absences are also included in the City's long-term obligations of \$942,668. Liabilities have been reported in the appropriate fund's financial statements.

*Capital Lease*

On March 1, 2005 the City amended the master equipment lease agreement with Banc of America Leasing & Capital, LLC to provide \$820,000 tax exempt lease financing for equipment for the Highland National Golf Course for a three-year period ending March 1, 2008. The related equipment capital asset of \$820,000 is reported in the Special Services Enterprise Fund. A capital lease payable of \$621,697 was outstanding at December 31, 2005.

The following is a schedule by years of future minimum lease payments under this capital lease, together with the present value of the net minimum lease payments of December 31, 2005:

	Highland National Golf Course Equipment Lease
Year Ended December 31	
2006	\$ 286,551
2007	286,551
2008	71,638
2009	-
2010	-
Thereafter	-
Total Minimum Lease Payments	644,740
Less Amount Representing Interest	(23,043)
Present Value of Future Capital Lease Payments	<u>\$ 621,697</u>

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**4. Changes in Bonds Payable**

Bonds Payable at January 1, 2005		\$ 476,640,942
New Debt:		
G.O. Bonds -		
Capital Improvement Bonds	\$ 19,000,000	
Special Assessment Debt with Governmental Commitment	2,400,000	
HRA Tax Increment Bonds	5,130,000	
Total G.O. Bonds	<u>26,530,000</u>	\$ 26,530,000
Revenue Bonds -		
Recreation Facility Revenue Bonds	7,310,000	
HRA Tax Increment Revenue Bonds	7,515,000	
HRA Parking Facilities Revenue Bonds	23,770,000	
Total Revenue Bonds	<u>38,595,000</u>	38,595,000
Total New Debt		65,125,000
Debt Retired:		
G.O. Bonds -		
Property Tax Supported G.O. Bonds	(18,275,000)	
Special Assessment Debt with Governmental Commitment G.O. Bonds	(2,255,000)	
Sewer Utility G.O. Bonds	(195,000)	
HRA Tax Increment G.O. Bonds	(6,105,000)	
HRA Parking Facilities G.O. Bonds	(1,135,000)	
Total G.O. Bonds	<u>(27,965,000)</u>	(27,965,000)
Revenue Bonds -		
Sales Tax Revenue Bonds	(1,150,000)	
Rice and Arlington Sports Dome Revenue Bonds	(3,240,000)	
Sewer Utility Revenue Bonds	(6,140,000)	
HRA Tax Increment Revenue Bonds	(4,371,162)	
HRA Sales Tax Revenue Bonds	(1,220,000)	
HRA Lease Revenue Bonds	(50,000)	
HRA Loan Enterprise Revenue Bonds	(3,170,000)	
HRA Parking Facilities Bonds	(9,065,000)	
Total Revenue Bonds	<u>(28,406,162)</u>	(28,406,162)
Total Debt Retired		<u>(56,371,162)</u>
Bonds Payable at December 31, 2005		<u>\$ 485,394,780</u>

**5. Bonds Payable Summary**

G.O. Bonds - Property Tax Supported	\$	119,200,000	
G.O. Special Assessment Debt with Governmental Commitment		23,320,000	
Sales Tax Revenue Bonds		67,750,000	
HRA G.O. Tax Increment		16,765,000	
HRA Tax Increment Revenue Bonds		62,169,780	
HRA Sales Tax Revenue Bonds		44,895,000	
HRA Lease Revenue Bonds		<u>6,870,000</u>	\$ 340,969,780
Sewer Utility Enterprise Fund Debt:			
General Obligation Bonds			
Current		205,000	
Noncurrent		3,275,000	
Revenue Bonds			
Current		6,245,000	
Noncurrent		<u>14,135,000</u>	23,860,000
Special Services Enterprise Fund Debt:			
Revenue Bonds			
Current		210,000	
Noncurrent		<u>7,100,000</u>	7,310,000
HRA Loan Enterprise Fund Debt:			
Revenue Bonds			
Current		9,305,000	
Noncurrent		<u>12,525,000</u>	21,830,000
HRA Parking Facilities Enterprise Fund Debt:			
General Obligation Bonds			
Current		1,300,000	
Noncurrent		34,705,000	
Revenue Bonds			
Current		1,625,000	
Noncurrent		<u>53,795,000</u>	91,425,000
Bonds Payable at December 31, 2005			<u>\$ 485,394,780</u>

**6. Bonds Payable - by Issue**

Bonds payable at December 31, 2005 are composed of the following individual issues:

	Interest Rates	Interest Dates	Issue Date	Final Maturity Date	Authorized and Issued	Outstanding as of 12/31/2005
<b>GENERAL OBLIGATION BONDS</b>						
<u>Property Tax Supported</u>						
Capital Improvement	4.00 to 4.70%	(6/1; 12/1)	12/1/96	12/1/06	\$ 3,000,000	\$ 365,000
	3.85 to 5.00%	(3/1; 9/1)	4/1/97	3/1/07	17,500,000	4,175,000
	4.25 to 4.50%	(4/1; 10/1)	4/1/98	4/1/08	15,000,000	5,100,000
	4.00%	(4/1; 10/1)	4/1/99	4/1/09	16,375,000	7,275,000
	5.125%	(3/1; 9/1)	3/1/00	3/1/10	19,000,000	10,675,000
	4.00 to 5.00%	(3/1; 9/1)	3/1/01	3/1/11	19,000,000	12,195,000
	1.45 to 4.125%	(3/1; 9/1)	3/1/02	3/1/12	19,000,000	13,945,000
	2.00 to 3.625%	(3/1; 9/1)	3/1/03	3/1/13	22,235,000	15,525,000
	2.00 to 3.25%	(3/1; 9/1)	3/1/04	9/1/13	19,000,000	17,035,000
	4.00%	(3/1; 9/1)	3/15/05	3/1/15	19,000,000	19,000,000
Capital Improvement Refunding						
Series 2004D	2.00 to 2.50%	(3/1; 9/1)	3/1/04	3/1/06	3,270,000	1,630,000
					<u>172,380,000</u>	<u>106,920,000</u>
Saint Paul Public Library						
Series 2004	2.00 to 4.75%	(3/1; 9/1)	4/1/04	3/1/24	12,280,000	12,280,000
					<u>12,280,000</u>	<u>12,280,000</u>
Total General Obligation Bonds - Property Tax Supported					<u>\$ 184,660,000</u>	<u>\$ 119,200,000</u>
<u>Special Assessment Debt with Governmental Commitment</u>						
Assessed Reconstruction Work	4.20 to 5.30%	(3/1; 9/1)	3/1/95	3/1/07	\$ 3,110,000	\$ 1,180,000
	3.70 to 5.20%	(3/1; 9/1)	4/1/96	3/1/08	2,220,000	1,140,000
	4.30 to 5.20%	(3/1; 9/1)	4/1/97	3/1/09	2,450,000	1,375,000
	3.70 to 4.75%	(4/1; 10/1)	4/1/98	4/1/10	2,800,000	1,680,000
	4.00 to 4.50%	(4/1; 10/1)	4/1/99	4/1/11	3,730,000	2,415,000
	4.75 to 5.30%	(3/1; 9/1)	3/1/00	3/1/12	2,950,000	2,040,000
	4.00 to 5.00%	(3/1; 9/1)	4/1/01	3/1/13	3,630,000	2,545,000
	1.45 to 4.375%	(3/1; 9/1)	3/1/02	3/1/14	2,915,000	2,035,000
	2.00 to 3.75%	(3/1; 9/1)	3/1/03	3/1/15	3,340,000	2,585,000
	2.00 to 3.75%	(3/1; 9/1)	3/1/04	3/1/16	2,500,000	2,050,000
	3.00 to 4.00%	(3/1; 9/1)	3/15/05	3/1/17	2,400,000	2,400,000
Assessed Reconstruction Work Refunding						
Series 1996C	3.60 to 5.25%	(3/1; 9/1)	4/1/96	3/1/11	6,710,000	1,875,000
					<u>6,710,000</u>	<u>1,875,000</u>
Total General Obligation Bonds - Special Assessment Debt with Governmental Commitment					<u>\$ 38,755,000</u>	<u>\$ 23,320,000</u>

	Interest Rates	Interest Dates	Issue Date	Final Maturity Date	Authorized and Issued	Outstanding as of 12/31/2005
<u>HRA Tax Increment Fund</u>						
Riverfront Tax Increment - Refunding						
Series 2000D	4.50 to 5.00%	(2/1; 8/1)	11/15/00	2/1/12	\$ 8,335,000	\$ 5,920,000
Series 2002C	2.90 to 5.65%	(2/1; 8/1)	3/1/02	2/1/12	2,335,000	1,765,000
University-Snelling Tax Increment - Refunding						
Series 2005A	3.60 to 5.125%	(3/1; 9/1)	3/15/05	3/1/17	5,130,000	5,130,000
Koch Mobil Tax Increment						
Series 2004C	2.25%	(3/1; 9/1)	3/1/04	3/1/07	3,950,000	3,950,000
Total General Obligation Bonds - HRA Tax Increment Bonds					<u>19,750,000</u>	<u>16,765,000</u>
<u>HRA Parking Facilities Enterprise Fund</u>						
Block 39 Tax Increment						
Series 1998A	4.60 to 4.75%	(2/1; 8/1)	1/1/98	2/1/25	21,255,000	21,255,000
Series 1998B	5.68 to 6.45%	(2/1; 8/1)	1/1/98	2/1/13	18,745,000	14,750,000
Total General Obligation Bonds - HRA Parking Facilities Enterprise Fund Bonds					<u>40,000,000</u>	<u>36,005,000</u>
<u>Sewer Utility Enterprise Fund</u>						
Series 1998E	3.70 to 5.00%	(6/1; 12/1)	4/1/98	12/1/18	4,700,000	3,480,000
<b>TOTAL GENERAL OBLIGATION BONDS</b>					<u>\$ 287,865,000</u>	<u>\$ 198,770,000</u>

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	Interest Rates	Interest Dates	Issue Date	Final Maturity Date	Authorized and Issued	Outstanding as of 12/31/2005
<b>REVENUE BONDS</b>						
<u>Sewer Utility Enterprise Fund</u>						
Sewer Revenue Refunding Bonds - Series 2003D	2.00 to 4.00%	(6/1; 12/1)	4/1/03	12/1/08	\$ 26,280,000	\$ 14,630,000
Sewer Revenue Bonds - Series 2004E	2.25 to 4.25%	(6/1; 12/1)	4/1/04	12/1/023	6,300,000	5,750,000
					<u>32,580,000</u>	<u>20,380,000</u>
<u>Special Services Enterprise Fund</u>						
Recreational Facilities Revenue Bonds - Series 2005	3.50 to 5.00%	(4/1; 10/1)	10/27/05	10/1/25	7,310,000	7,310,000
<u>City Revenue Bonds and Other Long-Term Debt - Debt Service Fund</u>						
Sales Tax Revenue Bonds - Series 1999A	5.69 to 7.09%	(5/1; 11/1)	3/2/99	11/1/25	\$ 72,570,000	\$ 67,750,000

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	Interest Rates	Interest Dates	Issue Date	Final Maturity Date	Authorized and Issued	Outstanding as of 12/31/2005
<u>HRA General Debt Service Fund</u>						
HRA Tax Increment Revenue Bonds -						
Downtown Tax Increment District						
Refunding Bonds						
Series 1998	5.00 to 6.50%	(2/1; 8/1)	1/27/98	2/1/09	\$ 24,295,000	\$ 8,585,000
Spruce Tree Center						
Refunding Bonds						
Series 2003	6.50%	(3/1)	3/1/03	3/1/13	1,890,000	1,600,780
North Quadrant Tax Increment						
Refunding Bonds						
Series 2002	7.50%	(2/15; 8/15)	5/1/02	2/15/28	1,089,000	1,059,000
Phase II Bonds						
Series 2002	7.00%	(2/15; 8/15)	6/13/02	2/15/28	1,140,000	1,140,000
U.S. Bank Tax Increment						
Bonds - Series 2001	5.00 to 6.75%	(2/1; 8/1)	8/9/01	2/1/28	12,000,000	11,875,000
Upper Landing Tax Increment						
Bonds - Series 2002A						
	6.80%	(3/1; 9/1)	11/1/02	3/1/29	5,000,000	5,000,000
Bonds - Series 2002B-1						
	6.40 to 7.00%	(3/1; 9/1)	11/1/02	3/1/29	12,130,000	12,130,000
Bonds - Series 2002B-2						
	6.90%	(3/1; 9/1)	11/1/02	3/1/29	2,000,000	2,000,000
Drake Marble Tax Increment						
Bonds -Series 2002A	6.75%	(3/1; 9/1)	11/15/02	3/1/28	1,800,000	1,745,000
Gateway Tax Increment						
Bonds -Series 2003C	Variable-Prime + 1%	(2/1; 8/1)	11/18/03	8/1/31	2,609,000	2,609,000
Bonds -Series 2003D	Variable-Prime + 1%	(2/1; 8/1)	11/18/03	8/1/31	2,211,000	2,211,000
9th St Lofts Tax Increment						
Bonds, Series 2004	6.375%	(2/15; 8/15)	4/14/04	2/15/28	1,335,000	1,335,000
JJ Hill Tax Increment Bonds						
Series 2004	6.25%	(3/1; 9/1)	11/30/04	3/1/29	3,660,000	3,660,000
Neighborhood Scattered Site						
TIF Bonds - Series 2005	4.24 to 5.45%	(3/1; 9/1)	4/28/05	3/1/17	7,515,000	7,220,000
Total HRA Tax Increment Revenue Bonds					<u>\$ 78,674,000</u>	<u>\$ 62,169,780</u>

	<u>Interest Rates</u>	<u>Interest Dates</u>	<u>Issue Date</u>	<u>Final Maturity Date</u>	<u>Authorized and Issued</u>	<u>Outstanding as of 12/31/2005</u>
HRA Sales Tax Revenue Refunding Bonds (RiverCentre Project) Series 1996	7.10%	(5/1; 11/1)	4/1/96	11/1/23	\$ 55,865,000	\$ 44,895,000
HRA Lease Revenue Bonds RiverCentre Parking Facility Series 2000	4.87 to 6.00%	(5/1; 11/1)	5/1/00	5/1/14	7,240,000	6,870,000
Total HRA General Debt Service Fund					141,779,000	113,934,780
<u>HRA Parking System Revenue Bonds</u>						
Refunding Bonds						
Series 2001A	4.00 to 5.00%	(2/1; 8/1)	3/1/01	8/1/17	6,755,000	5,160,000
Series 2005A	2.50 to 3.375%	(2/1; 8/1)	2/8/05	8/1/13	7,790,000	7,100,000
World Trade Center Ramp Bonds						
Series 1997A	6.75%	(6/1; 12/1)	11/13/97	12/1/17	11,305,000	8,635,000
Block 19 Bonds						
Series 2002A	4.85 to 5.35%	(2/1; 8/1)	5/16/02	8/1/29	14,295,000	14,295,000
Series 2002AB	5.10 to 6.50%	(2/1; 8/1)	5/16/02	8/1/16	4,250,000	4,250,000
Smith Ave Transit Center Ramp Bonds - Series 2005A						
	3.865 to 3.896%	(6/1; 12/1)	5/24/05	6/1/12	15,980,000	15,980,000
Total HRA Parking System Revenue Bonds					60,375,000	55,420,000
<u>HRA Loan Enterprise Revenue Bonds</u>						
Housing 5000 Land Assembly Bonds Series 2004	Variable	1st of each month	1/28/04	1/29/07	25,000,000	21,830,000
TOTAL REVENUE BONDS					339,614,000	286,624,780
TOTAL BONDS PAYABLE					\$ 627,479,000	\$ 485,394,780

**7. Prior Year Defeasance of Debt**

In prior years, the City and HRA defeased certain general obligation bonds and self-supporting revenue bonds by placing the proceeds of the advance refunding bonds in special escrow accounts and investing in securities of the U.S. Government and its Agencies. The maturities of these investments coincide with the principal and interest payment dates of the refunded bonds and have been certified to be sufficient to pay all principal and interest on the bonds when due as required by applicable laws. Accordingly, the original refunded bonds have been eliminated and the new advance refunding bonds added to the appropriate financial statements. The City and HRA remain contingently liable to pay the refunded bonds. At December 31, 2005 the City had no balance of refunded debt outstanding. The HRA had \$86,417,628 of refunded debt outstanding at December 31, 2005.

HRA					
Advance Refunding Bonds			Refunded Bonds		
Issue	Issue Amount	Balance Outstanding	Issue	Refunded Amount	Balance Outstanding
HRA Downtown Tax Increment Revenue Bonds, Series 1998	\$ 24,295,000	-	HRA Downtown and Seventh Place Tax Increment Revenue Bonds, Series 1993	\$ 27,073,568	\$ 15,180,000
HRA Downtown and Seventh Place Tax Increment Revenue Bonds, Series 1993	23,950,000	-	HRA Downtown and Seventh Place Tax Increment Revenue Bonds, Series 1989	27,531,034	19,732,628
HRA New Housing and Blighted Lands Tax Increment Bonds, Series 1995	4,720,000	-	HRA New Housing and Blighted Lands Tax Increment Revenue Bonds, Series 1986	4,770,000	1,040,000
HRA Sales Tax Revenue Bonds, Series 1996	55,865,000	-	HRA Sales Tax Revenue Bonds, Series 1993	63,930,000	50,465,000
					<u>\$ 86,417,628</u>

**8. Debt Limit**

The City of Saint Paul's debt limit under State of Minnesota Laws has been calculated as follows:

Estimated Market Values (Levy 2005 - Payable 2006)	
Real Property Value	\$ 18,239,666,600
Personal Property Value	<u>310,928,500</u>
Estimated Market Value for Debt Limit Computation	18,550,595,100
% Allowed for Statutory Bonded Debt Limit - Minnesota Statutes	
Section 475.53, Subd. 3 and City Charter Section 10.14	<u>x 3 1/3%</u>
DEBT LIMIT - Statutory Bonded Debt	<u><u>\$ 618,352,552</u></u>

\$93,370,000 of Saint Paul's \$485,394,780 bonded debt is subject to the Statutory Bonded Debt Limit. The amount of this debt subject to State Law Limitations and the resulting Legal Debt Margin is calculated as follows:

DEBT Limit - Statutory Bonded Debt	\$ 618,352,552
GROSS DEBT (Bonded)	\$ 485,394,780
DEDUCTIONS (Allowable under Minnesota Statutes)	
Section 475.51, Subd. 4):	
General Obligation Bonds	
Reserve for 2005 Maturities within Debt Limit	(13,550,000)
Outside Statutory Debt Limit	(65,050,000)
Outside Statutory Debt Limit - Revenue Supported	(26,800,000)
Revenue Bonds	<u>(286,624,780)</u>
TOTAL NET DEBT (BONDED) APPLICABLE TO DEBT LIMIT	<u>93,370,000</u>
LEGAL DEBT MARGIN	<u><u>\$ 524,982,552</u></u>

### 9. Direct, Overlapping and Underlying Debt

The City of Saint Paul's proportionate share of bonded debt affecting properties in Saint Paul is summarized as follows:

Governmental Unit	Gross Bonded Debt Less Sinking Funds	% Applied to City of Saint Paul	City of Saint Paul's Share
City of Saint Paul	\$ 95,049,754	100.00%	\$ 95,049,754
Independent School District #625	363,594,695	100.00%	363,594,695
County of Ramsey	112,836,080	47.24%	53,303,764
Metropolitan Council	149,226,533	7.57%	11,296,449
Port Authority of Saint Paul	6,405,947	100.00%	6,405,947
Total	\$ 727,113,009		\$ 529,650,609

Based on the City of Saint Paul's 2004 estimated population of 287,410, this resulted in a per capita City debt of \$330.71 and a per capita total debt of \$1,842.83.

### H. Operating Lease

From 1998 through 2005, the City entered into noncancelable operating leases for personal computers with Winthrop Resources and US Bancorp. Total payments made for the leases during 2005 were \$689,351. The following schedule presents the future minimum rental payments for these operating leases:

Year Ending December 31	Amount
2006	\$ 658,439
2007	473,734
2008	148,568
2009	2,547
Total Minimum Payments Required	\$ 1,283,288

**I. Segment Information**

The City issued revenue bonds in 1996 to finance the construction of the Rice and Arlington Sports Dome, which is accounted for in a nonmajor enterprise fund. Summary financial information is presented below:

**Condensed Statement of Net Assets**

	<u>Special Services</u>	<u>Rice and Arlington Sports Dome</u>
<b>ASSETS</b>		
Current Assets	\$ 265,420	\$ 257,575
Restricted Assets	666,750	-
Capital Assets	6,451,619	-
Deferred Charges	112,730	-
	<u>7,496,519</u>	<u>257,575</u>
Total Assets		
<b>LIABILITIES</b>		
Current Liabilities	2,466,526	250,000
Noncurrent Liabilities	8,205,004	-
	<u>10,671,530</u>	<u>250,000</u>
Total Liabilities		
<b>NET ASSETS</b>		
Invested in Capital Assets, Net of Related Debt	(1,630,112)	-
Unrestricted	(1,544,899)	7,575
	<u>(3,175,011)</u>	<u>7,575</u>
<b>TOTAL NET ASSETS</b>	<u>\$ (3,175,011)</u>	<u>\$ 7,575</u>

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**Condensed Statement of Revenues, Expenses and Changes in Net Assets**

	<u>Special Services</u>	<u>Rice and Arlington Sports Dome</u>
Fees, Sales, Services and Rental Charges	\$ 4,997,707	\$ -
Depreciation Expense	(280,414)	(114,028)
Other Operating Expenses	<u>(5,133,699)</u>	<u>(32,456)</u>
Operating Income (Loss)	<u>(416,406)</u>	<u>(146,484)</u>
Nonoperating Revenues (Expenses)		
Gain on Sale of Assets	910	-
Interest Earned on Investments	14,092	7,780
Interest Expense	(204,703)	(186,175)
Amortization of Bond Issuance Cost	(947)	(52,583)
Transfers In (Out)	<u>(3,072,107)</u>	<u>1,222,275</u>
Total Other Nonoperating Revenues (Expenses)	(3,262,755)	991,297
Changes in Net Assets	(3,679,161)	844,813
Beginning Net Assets	<u>504,150</u>	<u>(837,238)</u>
<b>ENDING NET ASSETS</b>	<u><u>\$ (3,175,011)</u></u>	<u><u>\$ 7,575</u></u>

**Condensed Statement of Cash Flows**

	<u>Special Services</u>	<u>Rice and Arlington Sports Dome</u>
Net Cash Provided (Used) by		
Operating Activities	\$ 29,990	\$ (32,456)
Noncapital Financing Activities	(5,473,948)	3,453,625
Capital and Related Financing Activities	6,110,590	(3,421,905)
Investing Activities	<u>(666,632)</u>	<u>9,525</u>
Net Increase (Decrease)	-	8,789
Beginning Cash and Cash Equivalents	<u>5,500</u>	<u>85,550</u>
<b>ENDING CASH AND CASH EQUIVALENTS</b>	<u><u>\$ 5,500</u></u>	<u><u>\$ 94,339</u></u>



**J. Unreserved - Designated Fund Balances**

Unreserved fund balances were designated to show the portion segregated from unreserved spendable (undesigned) resources as follows:

	General	Library Agency	HRA General Fund	General Debt Service	HRA General Debt Service	Other Governmental Funds
Unreserved, Designated for: Next Year's						
Appropriation	\$ -	\$ 368,015	\$ 1,132,947	\$ 17,303,178	\$ -	\$ 9,036,229
Cash Flow	18,035,751	-	500,000	-	-	-
Revenue Variability	4,000,000	-	-	-	-	-
Tort and Other						
Legal Liabilities	1,000,000	-	-	-	-	-
Debt Service	-	-	500,000	4,681,504	19,525,037	18,044,045
Specific Capital Projects	-	-	-	-	-	49,908,020
<b>Total</b>	<b>\$ 23,035,751</b>	<b>\$ 368,015</b>	<b>\$ 2,132,947</b>	<b>\$ 21,984,682</b>	<b>\$ 19,525,037</b>	<b>\$ 76,988,294</b>

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## **Note VII. Discretely Presented Component Units**

### **A. Basis of Presentation and Basis of Accounting**

The RiverCentre Convention & Visitors Authority (RCVA), Saint Paul Regional Water Services (Regional Water Services) and the Port Authority of the City of Saint Paul (Port Authority) are accounted for as proprietary fund types. Proprietary fund types are reported on the accrual basis of accounting. Revenues are recorded when earned, and expenses are recorded when a liability is incurred.

The Regional Water Services and Port Authority have adopted Governmental Accounting Standards Board (GASB) Statement No. 20, Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting. Both entities have elected to implement all applicable GASB pronouncements, as well as Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) Opinions, issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements. The RCVA applies all applicable FASB pronouncements in accounting and reporting for its proprietary operations.

Financial information is presented as a discrete column in the statement of net assets and statement of activities.

#### **Government-Wide Statement of Activities – Restatement of Net Assets, Beginning**

In 2005, the RiverCentre Convention & Visitors Authority (RCVA) was created from the merger of the RiverCentre Operating Enterprise Fund, a fund of the City's in 2004, and the Saint Paul Convention and Visitors Bureau, a nonprofit organization that promotes tourism and other entertainment activities for Saint Paul. The creation of this entity resulted in reporting it as a discretely presented component unit of the City. As a result of this change, the government-wide statement of activities beginning net assets of the component units is adjusted as follows:

Net Assets, January 1, 2005, as Previously Reported	\$ 197,261,499
Net Assets, January 1 of the RiverCentre Convention and Visitors Authority	<u>1,163,289</u>
Net Assets, January 1, 2005, as Restated	<u><u>\$ 198,424,788</u></u>

**B. Deposits and Investments**

**RiverCentre Convention & Visitors Authority:**

Certain balances of the RiverCentre Convention & Visitors Authority's deposits are managed by the City's Office of Financial Services, Treasury Section. City policies are applied to this portfolio of deposits and investments. Deposits are maintained in accordance with Minnesota §118A.02 and 118A.04. Investments are governed by the City's Investment Policy. (See Note VI.A. Deposits, Investments and Securities Lending).

**Deposits**

The RCVA places its cash with several financial institutions. As of December 31, 2005, the RiverCentre Convention & Visitors Authority's deposits in checking and interest bearing accounts total \$1,426,056. None of this amount is managed by the City and therefore is not covered with pledged collateral at 110% of deposits. The amount on deposit may at times exceed the insured limit of the institutions. At December 31, 2005, one account exceeded the insurance of \$100,000 by the Federal Deposit Insurance Corporation by \$179,156. However, the RCVA has not experienced any losses as a result of this exposure to uncovered insurance or nonpledged collateral. The RCVA's policy in managing the custodial credit risk is by depositing their cash in large, stable banking institutions.

**Investments**

The RCVA reports investments at fair value, based on quoted market prices. Investment income and realized and unrealized gains and losses are reflected on the statement of activities as investment income. Certain balances are invested in the cash and investments pool managed and maintained by the City. Earnings from this pool are allocated to the RCVA based on averaged monthly cash balances. The City invests available cash in various securities in accordance with the requirements set forth in Minnesota Statutes.

At December 31, 2005, RCVA's investments include the following:

	Cost	Fair Value
Certificates of Deposit	\$ 146,000	\$ 143,086
Mutual Fund Shares - Stocks	49,107	58,710
Investments with the City's Cash and Investments Pool	1,472,967	1,450,209
Total	<u>\$ 1,668,074</u>	<u>\$ 1,652,005</u>

**Recap**

Deposits	\$ 1,426,056	Cash and Investments	\$ 2,002,486
Investments	1,652,005	Investments	201,796
		Restricted Cash for Operations	873,779
Total	<u>\$ 3,078,061</u>	Total	<u>\$ 3,078,061</u>

### **Regional Water Services:**

Regional Water Services deposit and investment functions are managed by the City's Office of Financial Services, Treasury Section. City policies are applied to the Regional Water Services portfolio of deposits and investments. Deposits are maintained in accordance with Minnesota §118A.02 and 118A.04. Investments are governed by the City's Investment Policy. (See Note VI.A. Deposits, Investments and Securities Lending).

#### ***Deposits***

As of December 31, 2005, the Regional Water Services deposits in checking and interest bearing accounts and certificates of deposits total \$7,029,578. The deposits are covered with insurance or pledged collateral at 110% of deposits that is held in the City's name at a third-party institutions, and therefore are not exposed to custodial credit risk.

#### Custodial Credit Risk

Custodial credit risk is the risk that, in the event of a financial institution failure, the Regional Water Services deposits may not be returned to it. As of December 31, 2005, the Regional Water Services deposits were not exposed to custodial credit risk. All pledged collateral is held in the City's name at third party institutions, pledged at 110% of deposits not covered by insurance or bonds.

#### ***Investments***

#### Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally-recognized statistical rating organization. It is the City's policy to invest only in securities that meet the ratings requirements set by state statute.

The Regional Water Services exposure to credit risk as of December 31, 2005 is as follows:

<u>Rating Agency</u>	<u>Rating</u>	<u>Fair Value</u>
Moody's	Aaa	\$ 1,996,880
S&P	AAA	15,270,641
S&P	A-1+	<u>6,851,379</u>
Total		<u><u>\$ 24,118,900</u></u>

#### Custodial Credit Risk

The custodial risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. At December 31, 2005, all investment securities were in the City's name and were held in the custody of US Bank under the City's name and, therefore, are not subject to custodial credit risk.

Concentration of Credit Risk

The concentration of credit risk is the risk of loss that may be caused by the City's investment in a single issuer. It is the City's policy that U.S. Treasury Securities, U.S. Agency Securities and obligations backed by U.S. Treasury and/or U.S. Agency Securities, may be held without limit.

At December 31, 2005, the City does not have investments in any one issuer that represent 5% or more of the City's total investments portfolio and, therefore, also not subject to concentration of credit risk.

Interest Rate Risk

Interest rate risk is the risk that changes in the market interest rates will adversely affect the fair value of an investment. The City's internal portfolio has a shorter overall weighted duration than the benchmarks established for each component portfolio. All else being equal, this would be expected to reduce the risk to adverse effects from rising interest rates.

At December 31, 2005, Regional Water Services had the following investments:

Investment Type	Fair Value	Less Than 2 years	2-4 Years	5-10 Years
U.S. Government Agency	\$ 21,157,400	\$ 9,006,840	\$ 4,287,340	\$ 7,863,220
Commercial Paper	2,961,500	2,961,500	-	-
Total Investments	\$ 24,118,900	\$ 11,968,340	\$ 4,287,340	\$ 7,863,220

Recap

Deposits	\$ 7,029,578	Cash and Investments	\$ 7,024,578
Imprest Funds on Hand	2,000	Investments	15,950,656
Departmental Cash	167,664	Departmental Cash	167,664
Investments	24,118,900	Imprest Funds	7,000
		Restricted Cash for Debt Service	9,845
		Restricted Investments for Debt Service	8,158,399
Total	\$ 31,318,142		\$ 31,318,142

**Port Authority:**

***Deposits***

Capital City Properties (CCP), a component unit of the Port Authority accounts were maintained at depositories held both by the Port Authority and the Radisson Hotel Corporation (RHC), and consisted of checking, savings and money market accounts. With respect to deposit accounts maintained by the Port Authority, Minnesota Statutes require that all deposits with financial institutions be collateralized in an amount equal to 110% of deposits in excess of FDIC insurance. At December 31, 2005 the carrying amount of CCP's deposits was \$1,078,648.

Custodial Credit Risk

Minnesota statutes require that all deposits with financial institutions be collateralized in an amount equal to 110% of deposits in excess of FDIC insurance (140% if collateralized with notes secured by first mortgages). The Port Authority's accounts were maintained at depositories and consisted of checking, savings, certificates of deposit and money market accounts.

***Investments***

Statutes authorize the Port Authority to invest in certain securities which are direct obligations, guaranteed, or insured issues of the United States, its agencies, its instrumentalities or organizations created by acts of Congress. Also authorized are investments in certain state and local securities, commercial paper with maturities of less than 270 days, guaranteed investment contracts, bankers' acceptances, time deposits, repurchase agreements, securities lending agreements and authorized mutual funds with final maturities no longer than 13 months. The investments for Capital City Properties (CCP), the Port Authority's component unit, are managed by the Port Authority. The Port Authority's investment policy is limited to those investments authorized by statute.

Credit Risk

As a means of managing its exposure that an issuer of a debt security will not fulfill its obligation, it is the Port Authority's practice to follow state law, which limits investments in authorized securities to certain credit risk ratings and maturities. Excluding U.S. government-backed securities, the Port Authority's investments at December 31, 2005, carried the following ratings:

<u>Rating Agency</u>	<u>Rating</u>	<u>Fair Value</u>
Moody's	Aaa	\$ 8,026,970
S&P	AAA	17,500,318
S&P	A-1	4,712,998
Total		<u>\$ 30,240,286</u>

Custodial Credit Risk

For an investment, the custodial credit risk is that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, the Port Authority will not be able to recover the value of its investments that are in the possession of another party. The Port Authority requires all securities purchased to be made in such a manner so that the securities are at all times insured, registered in the Port Authority's name or are in the possession of the Port Authority.

Concentration of Credit Risk

It is the Port Authority's general practice to limit the amount the Port Authority may invest in any one issuer at the time of purchase to no more than 10% of the total investments managed by the Port Authority.

At December 31, 2005, more than 5% of the Port Authority's and Capital City Properties (CCP)'s investments are in the following issuers:

Issuer	Percent of Investments
Federal Home Loan Bank	12%
Federal National Mortgage Association	10%
Bayerische Hypo Und Vereinsbank Ag Guaranteed Investment Contract	6%
Nestle Capital Corporation	5%
San Paolo IMI US	5%
Stanfield Victoria	5%

Interest Rate Risk

As a means of managing its exposure to fair value losses arising from increasing interest rates, it is the Port Authority's practice to match maturities to its liquidity needs, which allows the Port Authority to hold all investments to maturity.

The schedule of the average maturities by investment type as of December 31, 2005, is as follows:

Investment Type	Fair Value	Less Than 1 year	1-5 Years	5-10 Years	Over 10 Years
U.S. Agency	\$ 11,223,874	\$ 4,086,222	\$ 7,095,303	\$ -	\$ 42,349
U.S. Government	1,382,167	-	-	-	1,382,167
Commercial Paper	4,712,998	4,712,998	-	-	-
Guaranteed Investment Contract	4,894,277	-	-	14,810	4,879,467
Money Market	8,026,970	8,026,970	-	-	-
Total Investments	<u>\$ 30,240,286</u>	<u>\$ 16,826,190</u>	<u>\$ 7,095,303</u>	<u>\$ 14,810</u>	<u>\$ 6,303,983</u>

Recap

Deposits	\$ 1,078,648	Restricted Cash	\$ 9,364,488
Investments	<u>30,240,286</u>	Restricted Investments	<u>21,954,446</u>
Total	<u>\$ 31,318,934</u>		<u>\$ 31,318,934</u>

**C. Capital Assets**

**Summary of Changes in Capital Assets of RiverCentre Convention & Visitors Authority:**

	Balance 01/01/05	Additions	Deductions	Balance 12/31/05
Capital Assets Not Being Depreciated:				
Land	\$ -	\$ -	\$ -	\$ -
Construction in Progress	-	-	-	-
Total Capital Assets Not Being Depreciated	-	-	-	-
Capital Assets Being Depreciated:				
Buildings and Structures	1,087,244	75,158	-	1,162,402
Public Improvements	-	-	-	-
Equipment	4,522,694	116,418	(362,661)	4,276,451
Total Capital Assets Being Depreciated	5,609,938	191,576	(362,661)	5,438,853
Less: Accumulated Depreciation for:				
Buildings and Structures	(735,090)	(56,569)	-	(791,659)
Public Improvements	-	-	-	-
Equipment	(3,360,929)	(319,620)	362,667	(3,317,882)
Total Accumulated Depreciation	(4,096,019)	(376,189)	362,667	(4,109,541)
Total Capital Assets Being Depreciated, Net	1,513,919	(184,613)	6	1,329,312
Capital Assets, Net	\$ 1,513,919	\$ (184,613)	\$ 6	\$ 1,329,312

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**Summary of Changes in Capital Assets of Regional Water Services:**

	Balance 01/01/05	Additions	Deductions	Balance 12/31/05
<b>Capital Assets Not Being Depreciated:</b>				
Land	\$ 1,347,735	\$ -	\$ (25,652)	1,322,083
Construction in Progress	25,162,817	9,134,546	(18,621,327)	15,676,036
<b>Total Capital Assets Not Being Depreciated</b>	<b>26,510,552</b>	<b>9,134,546</b>	<b>(18,646,979)</b>	<b>16,998,119</b>
<b>Capital Assets Being Depreciated:</b>				
Buildings and Structures	42,034,107	11,593,905	(55,706)	53,572,306
Public Improvements	188,244,039	2,565,595	(383,959)	190,425,675
Equipment	31,442,441	4,667,177	(332,834)	35,776,784
<b>Total Capital Assets Being Depreciated</b>	<b>261,720,587</b>	<b>18,826,677</b>	<b>(772,499)</b>	<b>279,774,765</b>
<b>Less: Accumulated Depreciation for:</b>				
Buildings and Structures	(8,890,827)	(1,136,471)	42,026	(9,985,272)
Public Improvements	(55,076,419)	(3,329,099)	157,730	(58,247,788)
Equipment	(15,641,818)	(1,821,665)	308,088	(17,155,395)
<b>Total Accumulated Depreciation</b>	<b>(79,609,064)</b>	<b>(6,287,235)</b>	<b>507,844</b>	<b>(85,388,455)</b>
<b>Total Capital Assets Being Depreciated, Net</b>	<b>182,111,523</b>	<b>12,539,442</b>	<b>(264,655)</b>	<b>194,386,310</b>
<b>Capital Assets, Net</b>	<b>\$ 208,622,075</b>	<b>\$ 21,673,988</b>	<b>\$ (18,911,634)</b>	<b>\$ 211,384,429</b>

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**Summary of Changes in Capital Assets of Port Authority:**

	Balance 01/01/05	Additions	Deductions	Balance 12/31/05
<b>Capital Assets Not Being Depreciated:</b>				
Land	\$ 8,171,568	\$ -	\$ -	\$ 8,171,568
Construction in Progress	230,933	-	(129,581)	101,352
<b>Total Capital Assets Not Being Depreciated</b>	<b>8,402,501</b>	<b>-</b>	<b>(129,581)</b>	<b>8,272,920</b>
<b>Capital Assets Being Depreciated:</b>				
Buildings	60,606,394	31,948	(3,948,317)	56,690,025
Equipment	18,043,685	1,205,622	(231,442)	19,017,865
<b>Total Capital Assets Being Depreciated</b>	<b>78,650,079</b>	<b>1,237,570</b>	<b>(4,179,759)</b>	<b>75,707,890</b>
<b>Less: Accumulated Depreciation for:</b>				
Buildings	(23,069,688)	(2,466,638)	3,538,948	(21,997,378)
Equipment	(15,719,675)	(1,229,154)	229,649	(16,719,180)
<b>Total Accumulated Depreciation</b>	<b>(38,789,363)</b>	<b>(3,695,792)</b>	<b>3,768,597</b>	<b>(38,716,558)</b>
<b>Total Capital Assets Being Depreciated, Net</b>	<b>39,860,716</b>	<b>(2,458,222)</b>	<b>(411,162)</b>	<b>36,991,332</b>
<b>Capital Assets, Net</b>	<b>\$ 48,263,217</b>	<b>\$ (2,458,222)</b>	<b>\$ (540,743)</b>	<b>\$ 45,264,252</b>

**D. Long-Term Obligations**

At December 31, 2005, long-term obligations of the RiverCentre Convention & Visitors Authority consisted of:

	Unpaid Balances December 31, 2005	Principal	
		Less Current Maturities	Long Term Maturities
Capital Lease	\$ 1,480,713	\$ 151,788	\$ 1,328,925

At December 31, 2005 long-term obligations of Regional Water Services consisted of:

	Unpaid Balances December 31, 2005	Principal	
		Less Current Maturities	Long Term Maturities
Revenue Bonds	\$ 30,550,000	\$ 1,440,000	\$ 29,110,000
Revenue Notes	13,977,832	1,240,181	12,737,651
Compensated Absences	1,736,405	77,527	1,658,878
Claims and Judgments	2,448,166	476,009	1,972,157
<b>Total</b>	<b>\$ 48,712,403</b>	<b>\$ 3,233,717</b>	<b>\$ 45,478,686</b>

At December 31, 2005 long-term obligations of Port Authority consisted of:

	Unpaid Balances December 31, 2005	Principal	
		Less Current Maturities	Long Term Maturities
General Obligation Bonds	\$ 23,065,000	\$ 5,035,000	\$ 18,030,000
Revenue Bonds	59,465,843	1,965,000	57,500,843
Revenue Notes	11,743,825	353,804	11,390,021
Capital Lease	5,785	5,785	-
Total	<u>\$ 94,280,453</u>	<u>\$ 7,359,589</u>	<u>\$ 86,920,864</u>

**E. Principal and Interest Requirements on Long Term Obligations - Bonds and Notes**

**Regional Water Services:**

Total principal and interest requirements relating to outstanding revenue bonds and notes at December 31, 2005 were as follows:

	Principal	Interest	Total
Revenue Bonds	\$ 30,550,000	\$ 12,732,628	\$ 43,282,628
Revenue Notes	13,977,832	3,103,492	17,081,324
Total	<u>\$ 44,527,832</u>	<u>\$ 15,836,120</u>	<u>\$ 60,363,952</u>

**Port Authority:**

Total principal and interest requirements relating to outstanding revenue bonds and notes at December 31, 2005 were as follows:

	Principal	Interest	Total
General Obligation Bonds	\$ 23,065,000	\$ 8,926,414	\$ 31,991,414
Revenue Bonds and Notes	71,209,668	66,840,641	138,050,309
Total	<u>\$ 94,274,668</u>	<u>\$ 75,767,055</u>	<u>\$ 170,041,723</u>

The Port Authority has issued debt obligations to finance numerous development projects. The debt is secured by the related amounts to be received under leases, loan agreements and ad valorem property taxes. These obligations are not secured by the credit of the Authority, and the Authority is not obligated in any manner for repayment of the debt. Accordingly, this no-commitment debt is not reported as a liability in the Port Authority's financial statements. At December 31, 2005, outstanding no-commitment debt totaled \$351 million.

**F. Net Assets – Restricted**

As of December 31, 2005, net assets were restricted for the following purposes:

	RiverCentre Convention and Visitors Bureau	Regional Water Services	Port Authority	Total
For Revenue Bond Debt Service	\$ -	\$ 6,973,312	\$ -	\$ 6,973,312
For Revenue Bond Operations and Maintenance	-	1,078,014	-	1,078,014
For Bond Indentures	-	-	10,173,133	10,173,133
	<u>\$ -</u>	<u>\$ 8,051,326</u>	<u>\$ 10,173,133</u>	<u>\$ 18,224,459</u>

**G. Condensed Financial Information**

The following provides component unit condensed financial information for the year ended December 31, 2005:

**Condensed Statement of Net Assets**

	RiverCentre Convention and Visitors Authority	Regional Water Services	Port Authority	Total
<b>ASSETS</b>				
Current Assets	\$ 3,199,481	\$ 35,032,085	\$ 17,415,983	\$ 55,647,549
Restricted Assets	873,779	5,433,521	30,208,554	36,515,854
Capital Assets, Net	1,329,312	211,384,429	45,264,252	257,977,993
Other Assets	-	646,825	22,119,607	22,766,432
Total Assets	<u>5,402,572</u>	<u>252,496,860</u>	<u>115,008,396</u>	<u>372,907,828</u>
<b>LIABILITIES</b>				
Current Liabilities	1,396,429	10,310,294	22,855,430	34,562,153
Noncurrent Liabilities	<u>3,085,051</u>	<u>45,114,471</u>	<u>87,144,374</u>	<u>135,343,896</u>
Total Liabilities	<u>4,481,480</u>	<u>55,424,765</u>	<u>109,999,804</u>	<u>169,906,049</u>
<b>NET ASSETS</b>				
Invested in Capital Assets, Net of Related Debt	(151,401)	175,321,991	(22,398,991)	152,771,599
Restricted	-	8,051,326	10,173,133	18,224,459
Unrestricted	<u>1,072,493</u>	<u>13,698,778</u>	<u>17,234,450</u>	<u>32,005,721</u>
TOTAL NET ASSETS	<u>\$ 921,092</u>	<u>\$ 197,072,095</u>	<u>\$ 5,008,592</u>	<u>\$ 203,001,779</u>

**Condensed Statement of Revenues, Expenses and Changes in Net Assets**

	RiverCentre Convention and Visitors Authority	Regional Water Services	Port Authority	Total
Operating Revenues	\$ 9,168,277	\$ 33,386,305	\$ 12,424,939	\$ 54,979,521
Operating Expenses	9,276,400	25,478,009	11,211,594	45,966,003
Depreciation	376,187	5,867,255	1,236,937	7,480,379
Operating Income (Loss)	(484,310)	2,041,041	(23,592)	1,533,139
Total Nonoperating Revenues (Expenses)	(852,077)	(83,829)	1,537,933	602,027
Capital Contributions	1,094,190	1,347,635	-	2,441,825
Changes in Net Assets	(242,197)	3,304,847	1,514,341	4,576,991
Net Assets, January 1, as restated	1,163,289	193,767,248	3,494,251	198,424,788
Net Assets, December 31	\$ 921,092	\$ 197,072,095	\$ 5,008,592	\$ 203,001,779

**H. Pension Plans**

**RiverCentre Convention & Visitors Authority:**

The RiverCentre Convention & Visitors Authority (RCVA) has a defined contribution 401(k) retirement plan that covers substantially all employees meeting certain eligibility requirements. The RCVA has the option to contribute discretionary amounts to the plan. The RCVA makes matching contributions of up to 4% of compensation. During 2004, an additional discretionary contribution of 2% of each participant's salary was approved by the Board. In 2005, a discretionary contribution was not made. Retirement expense was \$28,522 for 2005.

**Regional Water Services:**

Regional Water Services employees are employees of the City of Saint Paul and are covered by the Public Employees Retirement Association (PERA) pension plan. PERA does not make separate measurements of assets and pension benefit obligation for individual employers. Total contributions in 2005 were \$648,531. See Note VIII. A. for disclosures relating to the PERA pension plan.

**Port Authority:**

Prior to July 1, 2003, all full-time employees who met length-of-service requirements were required to participate in a Port Authority sponsored Section 414(d) employee benefit plan. Effective July 1, 2003, all employees hired after June 30, 2003, and employees 45 years of age or younger as of December 31, 2002, as well as any other employee making a permanent election, became participants in the Public Employees Retirement Fund (PERF), which is a cost-sharing, multiple-employer retirement plan. The following is a description of these plans:

Port Authority 414(d) Plan: The Port Authority sponsors a Section 414(d) employee benefit plan covering all full-time employees who were hired prior to June 30, 2003, and did not elect to participate in the PERF. Employee participation in the plan is mandatory, and employees are required to contribute five percent of their salary. The Port Authority provides a matching contribution of five percent. In addition, the Port Authority makes an additional annual contribution of approximately one percent to employees employed as of December 31, 2005. Total contributions were approximately \$42,000 in 2005.

Public Employees Retirement Fund (PERF): All full-time and certain part-time employees of the Port Authority who were hired after June 30, 2003, and those employees hired prior to June 30, 2003, who were required to or elected to participate in PERF are covered by defined benefit plans administered by the Public Employees Retirement Association of Minnesota (PERA). PERA administers the PERF, which is a cost-sharing, multiple-employer retirement plan. This plan is established and administered in accordance with Minnesota Statutes, Chapters 353 and 356.

PERF members belong to the Coordinated Plan. All participating employees of the Port Authority are Coordinated Plan members and are covered by Social Security.

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## **Note VIII. Other Information**

### **A. Pension Plans**

#### **1. Defined Benefit Plans: Public Employees Retirement Association**

##### **a. Plan Descriptions**

All full-time and certain part-time employees of the City of Saint Paul who are not participants of the Housing and Redevelopment Authority Pension Plan are covered by retirement plans administered by the Public Employees Retirement Association of Minnesota (PERA). PERA administers the Public Employees Retirement Fund (PERF) and the Public Employees Police and Fire Fund (PEPFF), which are cost-sharing, multiple-employer retirement plans. These plans are established and administered in accordance with Minnesota Statutes, Chapters 353 and 356.

PERF members belong to either the Coordinated Plan or the Basic Plan. Coordinated Plan members are covered by Social Security and the Basic Plan members are not. All new members must participate in the Coordinated Plan. All police officers, fire fighters and peace officers who qualify for membership by statute are covered by the PEPFF.

PERA provides retirement benefits as well as disability benefits to members, and benefits to survivors upon death of eligible members. Benefits are established by State Statute, and vest after three years of credited service. The defined retirement 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 Coordinated and Basic Plan members. The retiring member receives the higher of a step-rate benefit accrual formula (Method 1) or a level accrual formula (Method 2). Under Method 1, the annuity accrual rate for a Basic Plan member is 2.2 percent of average salary for each of the first ten years of service and 2.7 percent for each remaining year. The annuity accrual rate for a Coordinated Plan member is 1.2 percent of average salary for each of the first ten years and 1.7 percent for each remaining year. Under Method 2, the annuity accrual rate is 2.7 percent of average salary for Basic Plan members and 1.7 percent for Coordinated Plan members for each year of service. For PEPFF members, the annuity accrual rate is 3.0 percent of average salary for each year of service.

For all PEPFF members and for PERF members hired prior to July 1, 1989, whose annuity is calculated using Method 1, a full annuity is available when age plus years of service equal 90. Normal retirement age is 55 for PEPFF members and 65 for Basic and Coordinated members hired prior to July 1, 1989. Normal retirement age is the age for unreduced Social Security benefits capped at 66 for Coordinated members hired on or after July 1, 1989. A reduced retirement annuity is also available to eligible members seeking early retirement.

There are different types of annuities available to members upon retirement. A single annuity is a lifetime annuity that ceases upon the death of the retiree; no survivor annuity is payable. Also available are various types of joint and survivor annuity options that will be payable over joint lives. Members may also leave their contributions in the fund upon termination of public service in order to qualify for a deferred annuity at retirement age. Refunds of contributions are available at any time to members who leave public service, but before retirement benefits begin.

The benefit provisions stated in the previous paragraphs of this section are current provisions and apply to active plan participants. 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.

PERA issues a publicly-available financial report that includes financial statements and required supplementary information for PERF and PEPFF. That report may be obtained on the web at mnpera.org, or by writing to PERA, 60 Empire Drive #200, Saint Paul, Minnesota, 55103-2088 or by calling 651-296-7460 or 1-800-652-9026.

**b. Funding Policy**

Pension benefits are funded from member and employee contributions and income from investment of fund assets. Minnesota Statutes Chapter 353 sets the rates for employer and employee contributions. These Statutes are established and amended by the state legislature. The City makes annual contributions to the pension plans equal to the amount required by state statutes. The following table lists the required contribution rates for employees and employers under the various plans administered by PERA. Rates are applied to annual covered salary.

Retirement Plan	2005		2006	
	Employee	Employer	Employee	Employer
Public Employees Retirement Fund (PERF)				
Basic	9.10%	11.78%	9.10%	11.78%
Coordinated	5.10%	5.53%	5.50%	6.00%
Public Employees Police and Fire Fund (PEPFF)	6.20%	9.30%	7.00%	10.50%

The City's contributions to the cost-sharing retirement plans for the years ending December 31, 2005, 2004 and 2003 were the following:

	2005	2004	2003
Public Employees Retirement Fund (PERF)			
Basic	\$ 15,834	\$ 37,783	\$ 54,509
Coordinated	5,079,965	5,056,320	5,081,932
	5,095,799	5,094,103	5,136,441
Public Employees Police and Fire Fund (PEPFF)	5,930,663	5,699,554	5,612,928
	<u>\$ 11,026,462</u>	<u>\$ 10,793,657</u>	<u>\$ 10,749,369</u>

In 1999, upon the merger of the Police and Fire Consolidation Fund (PFCF) with the PEPFF, relief associations that were underfunded as of July 1, 1999 were required to make a predetermined annual amortization payment to the PEPFF until the year 2010. The City's fire relief association that belonged to the PFCF was underfunded and was required to make annual payments of \$40,967. The annual payment of \$40,967 is included in the City's contribution to PEPFF shown above.



**2. Defined Contribution Plan: Housing and Redevelopment Authority Pension Plan**

**a. Plan Description**

Employees of the City of Saint Paul who were formerly employed by Housing and Redevelopment Authority (HRA) before the latter merged with the City of Saint Paul and who elected to continue to participate in this pension plan upon becoming employees of the City of Saint Paul are covered by the Housing and Redevelopment Authority Pension Plan, a defined contribution plan. The merger was authorized under the provision of Minnesota Laws of 1976, Chapter 234, as amended in 1977 Session Laws, Chapter 165. The law also provided that employees who elected to continue with the HRA pension plan shall be responsible for the difference in cost between the HRA pension plan and the City of Saint Paul pension plan. The HRA Pension Plan Trustees, in conjunction with Principal Financial Group, administers the HRA Pension Plan.

Participants in the HRA Pension Plan will be vested in their own Trust Fund Share attributable to their individual contributions, supplementary contributions and any rollover contributions. Vesting is based on applying a percentage based on the number of years of service with each full year of service to be vested at 20%. If termination of service or death occurs, each participant or participant's beneficiary is entitled to receive interest in the Trust Fund, and it will be paid in accordance with the rules of the pension plan.

**b. Funding Policy**

Each active employee who participates in the HRA Pension Plan contributes 6.47% of the employee's salary. The City of Saint Paul contributes 5.53% of each active employee's salary who belongs in the pension plan. The City and the covered employees contributed \$47,436 and \$55,488, respectively, for the year ending December 31, 2005. The City also contributed \$50,563 for 2004 and \$53,754 for 2003. For each year, the City contribution equals the required contribution for each respective year.

**B. Post-Employment Benefits Other than Pension Benefits**

In addition to the pension benefits described in Note VIII. A., the City provides other post-employment life and health insurance benefits in accordance with the City's collective bargaining agreements with employees' unions. Since the City has 29 bargaining agreements, there is substantial variance in eligibility requirements and contribution levels. The typical eligibility requirements are 20 years of service and currently receiving a public employee pension. The average monthly premium contributions for 2005 were as follows:

	Age	Average Monthly City Contribution	Average Monthly Retiree Contribution
Health Insurance	Less than 65	\$ 348	\$ 305
	65 and older	\$ 294	None
Life Insurance	Less than 65	\$ 3	None
	65 and older	Not applicable	Not applicable

These plans are fully insured.

Expenditures for these post-employment benefits are recognized as premiums and are paid to the insurers. In 2005, these expenditures totaled \$8,046,072 for approximately 1,942 retirees.

**C. Risk Management**

The City is exposed to various risks of losses related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees and natural disasters. The City accounts for and finances its risk management activities in the Risk Management Retention Internal Service Fund. Claim expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. These losses include an estimate of claims that have been incurred but not reported. Claim expenditures relating to tort liabilities are paid from the General Fund and other funds responsible for losses as determined by the tort claim manager. Workers' compensation claim expenditures are directly charged to department funds responsible for the employee at time of injury. The following discloses the change in the balance of the claims liability during fiscal years 2004 and 2005.

	Year Ended December 31, 2005	Year Ended December 31, 2004
Beginning of Fiscal Year Liability	\$ 20,449,971	\$ 18,714,559
Current Year Claims and Changes in Estimates	10,031,525	8,149,114
Claim Payments	(5,929,052)	(6,413,702)
End of Fiscal Year Liability	<u>\$ 24,552,444</u>	<u>\$ 20,449,971</u>

Minnesota Statutes Section 466.04 limits the City's tort financial exposure. The limits are \$300,000 per individual and \$750,000 per accident for any number of claims arising out of a single occurrence for claims arising on or after January 1, 1998, and before January 1, 2000. For claims arising on or after January 1, 2000, the limit per accident for any number of claims arising out of a single occurrence is \$1,000,000 and \$300,000 per individual. The City has also established a designation of fund balance in the General Fund of \$1,000,000 for tort liability.

The City has purchased all risk property insurance coverage of \$1.017 billion for its real and personal property throughout the City. The deductible for each occurrence of damage or loss of property is \$250,000. Each City department participating in the risk retention program is charged a yearly amount based upon pro rata shares of the property insurance coverage, and contributions are made to a risk retention pool to address potential losses not covered by insurance. The City department is responsible for the first \$10,000 of each loss. Losses that exceed \$10,000 are reimbursed by the risk retention pool. There were no significant reductions in insurance from the previous year or settlements in excess of insurance coverage for any of the past three years. The City does not carry commercial liability and collision insurance for City-owned vehicles.

The City purchases coverage for employee health and life insurance benefits. These benefit plans are fully insured. The contributions required by employees to the health and life insurance programs are dependent upon an employee's bargaining unit. 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.

The City self-insures its liability for unemployment compensation benefits and City funds are directly charged for the actual costs incurred.

The City's Risk and Employee Benefit Management Division provides direction, management, coordination and planning services for risk, insurance and employee benefit programs. The Division conducts an audit and actuarial analysis to ensure proper premium, retention and administrative charges. Tort liability, workers' compensation and unemployment compensation programs are administered internally with professional claim managers and attorneys.

**D. Construction and other Significant Commitments**

At December 31, 2005, the City had commitments for the following major construction projects:

Project Title	Remaining Construction Committed
Smith Avenue Transit Center	\$ 18,000,000
Residential Street Vitality Program	7,387,968
Sewer System Rehabilitation	6,210,000
Rhondo Library Construction	4,703,244
London Lane/Burlington Road Improvements	2,596,000
Major Sewer Repairs	2,055,424
Sidewalk Reconstruction	1,642,485
Selby Avenue Improvements: Lexington to Avon	1,400,000
Pierce Butler Route Realignment Phase I	1,200,000
Rice Street Improvements: Sycamore to Front	1,050,000
White Bear Avenue Improvements	880,000
Minnehaha Avenue Improvements: Dale to Arundel	790,000
Total	\$ 47,915,121

**E. Interest Rate Swap Agreement**

On July 13, 2005, the City entered into interest rate swap agreement with Bank of Montreal relating to the 1999 Taxable Sales Tax Revenue Bonds in the notional amount of \$66,300,000. This interest rate swap agreement will take effect on May 1, 2009 and will end on November 1, 2025. In 2009, the 1999 Taxable Sales Tax Revenue Bonds will be refunded through the issuance of taxable variable rate bonds. The objective of this agreement is to be able to refund the bonds at a lower estimated total synthetic interest rate of 5.163% compared to the present interest rates of 6.440% through 7.090% on the original bonds payable from 2009 through 2025. This agreement entails the following risks: a) basis risk, the risk of paying an unknown spread to LIBOR on the variable rate debt; b) termination risks – the risk that the agreement will be terminated beyond the control of the City and thereby incurring additional costs; and c) default risk - the risk that the counterparty will not meet its obligations. The mid-market value of this derivative is \$389,072 and was calculated by DerivActiv, an independent market-to-market valuation service, based upon the market close rate data provided by Bloomberg Financial on 12/30/05.

**F. Contingent Liabilities**

The City, in connection with the normal conduct of its affairs, is involved in various judgments, claims and litigations; it is expected that the final settlement of these matters will not materially affect the financial statements of the City.

**G. Subsequent Events**

In 2006, the City issued the following bonds:

	<u>Amount</u>	<u>Final Maturity</u>
General Obligation Bonds		
Property Tax Supported		
Capital Improvement Bonds	\$ 11,000,000	04/2016
Special Assessment Bonded Debt		
Street Improvement Bonds with Governmental Commitment	12,500,000	04/2026
Revenue Bonds		
Sewer Revenue Bonds	<u>7,040,000</u>	12/2020
Total Issued	<u>\$ 30,540,000</u>	

The General Obligation Bonds issued in 2006 were reaffirmed at Aa2 and AAA by Moody's Investors Service and Standard and Poor's Corporation, respectively. The Sewer Revenue Bonds were upgraded from Aa3 to Aa2 by Moody's and were reaffirmed at AAA by Standard and Poor's.

CITY OF SAINT PAUL  
COMPREHENSIVE ANNUAL FINANCIAL REPORT

FINANCIAL  
SECTION

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REQUIRED SUPPLEMENTARY INFORMATION

City of Saint Paul, Minnesota  
**SCHEDULE OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCE BUDGET AND ACTUAL  
 GENERAL FUND**  
 For the Fiscal Year Ended December 31, 2005

Schedule 1

	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final		
<b>REVENUES</b>				
Taxes				
Property Taxes	42,386,653	43,261,111	42,990,712	(270,399)
Gross Earnings Franchise Fees	17,840,511	17,840,511	18,559,769	719,258
Hotel-Motel Tax	734,900	734,900	726,526	(8,374)
Other Taxes	123,560	122,235	96,554	(25,681)
<b>Total Taxes</b>	<b>61,085,624</b>	<b>61,958,757</b>	<b>62,373,561</b>	<b>414,804</b>
Licenses and Permits	864,443	864,443	876,144	11,701
Intergovernmental Revenue	57,574,719	58,314,501	57,473,669	(840,832)
Fees, Sales and Services	14,873,501	14,808,380	14,475,067	(333,313)
Investment Income				
Interest Earned On Investments	2,631,365	2,831,423	3,273,640	442,217
Decrease in Fair Value of Investments	-	-	(1,043,290)	(1,043,290)
Interest Earned On Securities Lending	-	4,157,792	4,157,792	-
Miscellaneous Revenue - Other	346,635	702,994	1,327,428	624,434
<b>Total Revenues</b>	<b>137,376,287</b>	<b>143,638,290</b>	<b>142,914,011</b>	<b>(724,279)</b>
<b>EXPENDITURES</b>				
Current				
General Government				
City Council	2,262,044	2,262,044	2,193,535	68,509
Mayor	1,371,039	1,341,039	1,250,671	90,368
Citizen Service	844,386	762,170	695,279	66,891
City Attorney	5,262,031	5,298,131	5,318,128	(19,997)
Financial Services	2,186,733	2,186,733	1,822,360	364,373
Human Resources	3,278,044	3,237,844	3,071,328	166,516
Human Rights	520,361	520,361	515,251	5,110
Technology	6,274,085	6,449,085	5,521,202	927,883
<b>Total General Government</b>	<b>21,998,723</b>	<b>22,057,407</b>	<b>20,387,754</b>	<b>1,669,653</b>
Public Safety				
Police	58,807,636	60,164,154	59,652,620	511,534
Fire and Safety Services	42,495,007	42,424,647	41,716,131	708,516
License, Inspection and Environmental Protection	737,657	751,414	716,689	34,725
Neighborhood, Housing and Property Improvement	2,707,398	2,889,743	3,037,237	(147,494)
<b>Total Public Safety</b>	<b>104,747,698</b>	<b>106,229,958</b>	<b>105,122,677</b>	<b>1,107,281</b>
Highways and Streets	2,277,483	2,228,583	2,096,092	132,491
Culture and Recreation	22,112,626	22,673,523	22,643,432	30,091
Housing and Economic Development	78,483	78,483	78,483	-
Miscellaneous - Other	5,796,866	6,433,672	5,734,053	699,619
Debt Service				
Other Debt Principal	1,255,618	1,055,618	480,000	575,618
Interest - Securities Lending	-	4,057,778	4,057,778	-
Interest - Other Debt	-	-	540,645	(540,645)
<b>Total Expenditures</b>	<b>158,267,497</b>	<b>164,815,022</b>	<b>161,140,914</b>	<b>3,674,108</b>
<b>Deficiency of Revenues Under Expenditures</b>	<b>(20,891,210)</b>	<b>(21,176,732)</b>	<b>(18,226,903)</b>	<b>2,949,829</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	13,971,909	13,975,306	13,381,951	(593,355)
Transfers Out	(2,177,125)	(2,834,855)	(2,810,644)	24,211
Capital Lease	-	1,000,000	1,000,000	-
Sale of Capital Assets	55,000	55,000	69,968	14,968
<b>Total Other Financing Sources (Uses)</b>	<b>11,849,784</b>	<b>12,195,451</b>	<b>11,641,275</b>	<b>(554,176)</b>
<b>Net Change in Fund Balance</b>	<b>(9,041,426)</b>	<b>(8,981,281)</b>	<b>(6,585,628)</b>	<b>2,395,653</b>
<b>FUND BALANCE, January 1</b>	<b>33,840,385</b>	<b>33,840,385</b>	<b>33,840,385</b>	<b>-</b>
<b>FUND BALANCE, December 31</b>	<b>24,798,959</b>	<b>24,859,104</b>	<b>27,254,757</b>	<b>2,395,653</b>

The notes to the required supplementary information are an integral part of this statement.

City of Saint Paul, Minnesota  
 COMBINING SCHEDULE OF REVENUES,  
 EXPENDITURES AND CHANGES  
 IN FUND BALANCES  
 BUDGET AND ACTUAL - ANNUALLY BUDGETED  
 MAJOR SPECIAL REVENUE FUNDS  
 For the Fiscal Year Ended December 31, 2005

Schedule 2

	Library Agency				HRA General Fund			
	Budgeted Amounts		Actual Amounts	Variance With Final Budget	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final			Original	Final		
<b>REVENUES</b>								
Taxes								
Property Taxes								
Current Taxpayer	7,574,084	7,574,084	7,474,324	(99,760)	832,722	832,722	821,420	(11,302)
Current Tax Increment	-	-	32,759	32,759	-	-	-	-
Delinquent Taxpayer	-	-	35,827	35,827	-	-	3,559	3,559
Total Property Taxes	7,574,084	7,574,084	7,542,910	(31,174)	832,722	832,722	824,979	(7,743)
Intergovernmental Revenue	5,574,855	5,574,855	5,752,561	177,706	48,637	48,637	54,331	5,694
Fees, Sales and Services	47,850	47,850	60,064	12,214	1,226,224	1,226,224	9,752,435	8,526,211
Investment Income								
Interest Earned on Investments	-	-	-	-	150,000	150,000	310,063	160,063
Increase (Decrease) in Fair Value of Investments	-	-	-	-	-	-	(120,899)	(120,899)
Miscellaneous - Other	1,153,142	1,153,142	1,024,848	(128,294)	-	-	-	-
Total Revenues	14,349,931	14,349,931	14,380,383	30,452	2,257,583	2,257,583	10,820,909	8,563,326
<b>EXPENDITURES</b>								
Current								
Culture and Recreation	14,485,285	14,411,356	13,928,174	483,182	-	-	-	-
Housing and Economic Development	-	-	-	-	3,893,942	3,893,942	2,226,681	1,667,261
Capital Outlay	96,119	167,798	71,679	96,119	-	-	-	-
Debt Service								
Other Debt Principal	-	-	-	-	5,750,000	5,750,000	5,750,000	-
Interest - Other Debt	-	-	-	-	345,000	345,000	47,917	297,083
Bond Issuance Costs	-	-	-	-	35,000	35,000	-	35,000
Total Expenditures	14,581,404	14,579,154	13,999,853	579,301	10,023,942	10,023,942	8,024,598	1,999,344
Excess (Deficiency) of Revenues Over (Under) Expenditures	(231,473)	(229,223)	380,530	609,753	(7,766,359)	(7,766,359)	2,796,311	10,562,670
<b>OTHER FINANCING SOURCES (USES)</b>								
Transfers Out	-	(2,250)	(2,250)	-	-	-	(18,486)	(18,486)
Total Other Financing Sources (Uses)	-	(2,250)	(2,250)	-	-	-	(18,486)	(18,486)
Net Change in Fund Balances	(231,473)	(231,473)	378,280	609,753	(7,766,359)	(7,766,359)	2,777,825	10,544,184
FUND BALANCES, January 1	890,949	890,949	890,949	-	5,343,738	5,343,738	5,343,738	-
FUND BALANCES, December 31	659,476	659,476	1,269,229	609,753	(2,422,621)	(2,422,621)	8,121,563	10,544,184

continued

The notes to the required supplementary information are an integral part of this statement.

City of Saint Paul, Minnesota  
 COMBINING SCHEDULE OF REVENUES,  
 EXPENDITURES AND CHANGES  
 IN FUND BALANCES  
 BUDGET AND ACTUAL - ANNUALLY BUDGETED  
 MAJOR SPECIAL REVENUE FUNDS  
 For the Fiscal Year Ended December 31, 2005

	Total			
	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final		
<b>REVENUES</b>				
Taxes				
Property Taxes				
Current Taxpayer	8,406,806	8,406,806	8,295,744	(111,062)
Current Tax Increment	-	-	32,759	32,759
Delinquent Taxpayer	-	-	39,386	39,386
Total Property Taxes	<u>8,406,806</u>	<u>8,406,806</u>	<u>8,367,889</u>	<u>(38,917)</u>
Intergovernmental Revenue	5,623,492	5,623,492	5,806,892	183,400
Fees, Sales and Services	1,274,074	1,274,074	9,812,499	8,538,425
Investment Income				
Interest Earned on Investments	150,000	150,000	310,063	160,063
Increase (Decrease) in Fair Value of Investments	-	-	(120,899)	(120,899)
Miscellaneous - Other	1,153,142	1,153,142	1,024,848	(128,294)
Total Revenues	<u>16,607,514</u>	<u>16,607,514</u>	<u>25,201,292</u>	<u>8,593,778</u>
<b>EXPENDITURES</b>				
Current				
Culture and Recreation	14,485,285	14,411,356	13,928,174	483,182
Housing and Economic Development	3,893,942	3,893,942	2,226,681	1,667,261
Capital Outlay	96,119	167,798	71,679	96,119
Debt Service				
Other Debt Principal	5,750,000	5,750,000	5,750,000	-
Interest - Other Debt	345,000	345,000	47,917	297,083
Bond Issuance Costs	35,000	35,000	-	35,000
Total Expenditures	<u>24,605,346</u>	<u>24,603,096</u>	<u>22,024,451</u>	<u>2,578,645</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(7,997,832)</u>	<u>(7,995,582)</u>	<u>3,176,841</u>	<u>11,172,423</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers Out	-	(2,250)	(20,736)	(18,486)
Total Other Financing Sources (Uses)	<u>-</u>	<u>(2,250)</u>	<u>(20,736)</u>	<u>(18,486)</u>
Net Change in Fund Balances	<u>(7,997,832)</u>	<u>(7,997,832)</u>	<u>3,156,105</u>	<u>11,153,937</u>
FUND BALANCES, January 1	<u>6,234,687</u>	<u>6,234,687</u>	<u>6,234,687</u>	<u>-</u>
FUND BALANCES, December 31	<u>(1,763,145)</u>	<u>(1,763,145)</u>	<u>9,390,792</u>	<u>11,153,937</u>

The notes to the required supplementary information are an integral part of this statement.



**Budgetary Information**

A budgetary comparison for the City's General Fund and the annually budgeted Library Agency and HRA General Fund are required supplementary information.

All annually budgeted funds including the General Fund, Library Agency and HRA General Fund are adopted on a basis consistent with generally accepted accounting principals. The legal level of budgetary control for the General Fund is at the department/office level and at the fund level for the Library Agency and HRA General Fund. For additional information, see Note V. A. on pages 73-75.

Neither the Library Agency nor HRA General Fund exceeded the legal level of budgetary control for fiscal year ended December 31, 2005.

The General Fund did not exceed total appropriations at the fund level, however total expenditures exceeded appropriations in the following departments/offices:

	<u>Final Budgeted Amounts</u>	<u>Actual</u>	<u>Variance with Final Budgets</u>
General Fund:			
City Attorney	\$ 5,298,131	\$ 5,318,128	\$ (19,997)
Neighborhood, Housing and Property Improvement	2,889,743	3,037,237	(147,494)

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CITY OF SAINT PAUL  
COMPREHENSIVE ANNUAL FINANCIAL REPORT

FINANCIAL  
SECTION

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SUPPLEMENTARY INFORMATION

## Nonmajor Governmental Funds

### Special Revenue Funds

Special revenue funds account for proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specified purposes.

**Special Projects - General Government** - to account for monies received from hotel-motel taxes, interest earnings, the city-wide indirect cost recovery plan and other sources, and expended on various general government activities.

**Finance Special Projects** - to collect assessment service fees to provide administration of street maintenance, storm sewer system charges and various public improvement projects.

**Cable Communications** - to account for cable television franchise fees utilized to monitor and evaluate the cable television franchise and provide city video programming.

**Charitable Gambling Enforcement** - to account for 2 ½ percent tax on charitable gambling net receipts to process, monitor and review all lawful gambling activities and to ensure the integrity of operations as required by state law.

**Debt - Capital Improvement** - to account for proceeds of the sale of city property for which there is no outstanding debt and use remaining proceeds to finance projects in the capital improvement budget.

**Utilities Rate Investigation Administration** - to account for proceeds from District Energy and Energy Park to be used for city rate investigation expenses.

**Property Code Enforcement** - to finance the activities of the Truth-In-Sale of Housing, Nuisance Housing Abatement, Code Enforcement Grants, and Rental Registration programs.

**License and Permit** - to account for revenue received from business and trade licenses, building permits, plan examination, certificate of competency and other fees related to ensuring public safety by monitoring construction activity and businesses.

**Police Services - Pension Assets** - to account for the over funded portion of police pension assets returned to the city from the Public Employees Retirement Association (PERA) following the merging of the city's police pension funds. The returned monies are to be spent solely on police expenditures.

**Crime Laboratory** - to account for the revenue received from the General Fund and outside agencies billed for services provided that is used to support the crime laboratory.

continued

**Parking Enforcement** - to account for utilization of parking enforcement officers' response to citizen complaints for parking violations and to issue parking citations.

**Special Projects Police** - to account for monies received from various grants, contributions, and other sources to perform various miscellaneous police functions.

**Police Officers Clothing** - to account for the clothing allowance for police officers, communications center personnel and radio shop personnel in the Police Department.

**Fire Responsive Services** - to account for monies received by the Department of Fire and Safety Services to perform various fire functions.

**Fire Fighting Equipment** - to account for monies received from other governmental units, private corporations and individuals for fire protection outside the city and to account for the purchase of fire equipment.

**Fire Protection Clothing** - to account for the clothing allowance for each uniformed firefighter.

**Right of Way Maintenance** - to account for revenues received from right-of-way assessments, municipal state aid, county aid, and trunk highway funds for summer street repair and maintenance, winter street activities, boulevard tree maintenance and trimming, sidewalk maintenance, and streetlight maintenance.

**Parking Meter Collections** - to account for city parking meter and parking fine revenue which support maintenance and enforcement.

**Lighting Maintenance Assessment Districts** - to account for levied assessments used to operate above standard (ornamental) street lighting systems in various areas of the city, installed at the request of adjacent property owners.

**Solid Waste and Recycling** - to account for monies received for the city's recycling programs. The recycling programs include the coordinated efforts of the City of Saint Paul, Ramsey County, State of Minnesota, Neighborhood Energy Consortium, Macalester/Groveland District Council and the citizens of Saint Paul.

**Special Projects - Division of Health** - to account for monies received from federal and state agencies to operate specified public health programs.

**Municipal Stadium** - to account for the use of revenue from facility rental and other sources to be used for the operation of the Municipal Stadium.

**Forestry Special** - to account for the services provided to maintain and upkeep the trees and other vegetation growing in the public right-of-way and on private property when requested, which helps maintain a safe traffic corridor for pedestrians and vehicles.

continued

**Como Campus** - to account for proceeds from education programs, commissions and donations from outside parties, to be appropriated for volunteer recruitment and training, purchase of animals, maintenance of zoo and conservatory and other related costs.

**Special Recreation Activities** - to account for user fees used to provide city-wide recreational programs such as concerts, day-camp, field trips, tennis tournaments, special events and in-services.

**Municipal Athletic Programming** - to account for user fees used to coordinate the operation of a city-wide municipal athletic program.

**Charitable Gambling** - to account for the administration of charitable gambling receipts in conformance with City Council action for the support of youth athletics or otherwise as legally determined.

**Parks and Recreation Opportunity** - to account for donations and contributions given to the Department of Parks and Recreation for services, supplies, and/or facilities.

**Parks and Recreation Grants and Aids** - to account for intergovernmental grants and aids received from various federal, state, county and other agencies, and other revenues received to operate specified Parks and Recreation projects.

**Rella Havens Memorial Fund** - to account for the portion of an estate left to the city's public library system by a former library employee, to be administered at the discretion of the library administrator.

**Community Development Block Grant** - to account for monies received from the U.S. Department of Housing and Urban Development under the Community Development Block Grant Program, and other miscellaneous revenues derived from projects operated under this program. These monies are to be expended for the development of a viable urban community, by providing decent housing and a suitable living environment and expanded economic opportunities, principally for persons of low and moderate income.

**State Grant Programs** - to account for various grants received from the State of Minnesota to be used for urban development.

**HRA Federal and State Programs** - to account for intergovernmental revenues provided to the HRA from the federal, state and local governments.

**Section 108 Programs** - to account for monies received under the U.S. Department of Housing and Urban Development Section 108 Loan Guaranty Program.

continued

### **Debt Service Funds**

Debt service funds account for financial resources used for the payment of general long-term debt principal, interest and related costs.

**G.O. Special Assessment - Streets** - to account for monies received from property tax assessments, to be used for the repayment of the principal and interest on special assessment debt with governmental commitment.

**City Revenue Bonds and Other Long-Term Debt** - to account for monies received from various sources for the payment of principal and interest on city issued revenue bonds and other long-term debt.

**Library Debt** - to account for the monies received from property taxes and other various sources for the repayment of principal and interest on city issued general obligation bonds for Library Agency capital projects.

**Revenue Notes and Other Long-Term Debt** - to account for monies received from various sources for the payment of principal and interest on city issued revenue notes and other long-term debt.

### **Capital Projects Funds**

Capital projects funds account for financial resources used for the acquisition or construction of major capital facilities other than those financed by proprietary funds and trust funds.

**Capital Improvement Bonds** - to account for monies received from the sale of general obligation bonds, which are subsequently transferred to the Capital Improvement Projects Fund which accounts for the expenditure of the construction projects.

**City Sales Tax** - to account for the monies received from the one-half percent city sales tax which are used for major RiverCentre capital expenditures, other capital expenditures as determined by the City Council, and the transfer to the HRA General Debt Service Fund for financing the debt service on the HRA Sales Tax Revenue Bonds.

**Library Capital Projects** - to account for monies received from the sale of general obligation bonds for the construction of Library projects.

**City Downtown Capital Projects** - to account for development and capital expenditures primarily in Saint Paul's downtown area. The main source of financing for these expenditures is transfers from the HRA General Debt Service Fund under the Downtown and Seventh Place Redevelopment Project Subordinated Tax Increment Revenue Note.

continued

**HRA Tax Increment** - to account for development and capital expenditures primarily in Saint Paul's Tax Increment Districts using financing from bond proceeds, tax increment revenues, and other sources.

### **Permanent Funds**

Permanent funds account for resources that are legally restricted to the extent that only earnings, not principal, may be used for purposes that support specific programs.

**Japanese Gardens** - to account for donations from the Ordway Family for the construction of the Japanese Garden in Como Park.

**Hoffman Memorial** - to account for the principal of a trust fund and disbursement of interest derived from donation for perpetual maintenance of a memorial located at Como Park Conservatory.

City of Saint Paul, Minnesota  
 COMBINING BALANCE SHEET  
 NONMAJOR GOVERNMENTAL FUNDS  
 December 31, 2005

Schedule 3

	Special Revenue	Debt Service	Capital Projects	Permanent	Total Nonmajor Governmental Funds
<b>ASSETS</b>					
Cash and Investments with Treasurer	36,121,016	12,259,725	49,224,571	63,714	97,669,026
Cash and Investments with Trustees	135,464	4,666,327	13,293,987	-	18,095,778
Imprest Funds	40,700	-	-	-	40,700
Receivables					
Property Taxes - Due from Ramsey County	-	-	84,196	-	84,196
Property Taxes - Delinquent	-	-	8,219	-	8,219
Accounts (net of allowance for estimated uncollectible)	1,521,549	51,366	-	-	1,572,915
Assessments	12,856,263	13,219,615	-	-	26,075,878
Notes and Loans	12,121,659	-	7,475,072	-	19,596,731
Accrued Interest	356,860	144,253	685,026	605	1,186,744
Due from Other Funds	820,916	830,795	387,968	-	2,039,679
Due from Component Units	66,456	141,265	-	-	207,721
Due from Other Governmental Units	5,454,927	40,964	1,325,706	-	6,821,597
Advance to Other Funds	690,200	-	-	-	690,200
Advance to Component Units	-	-	231,126	-	231,126
Land Held for Resale	2,110,948	-	697,947	-	2,808,895
<b>TOTAL ASSETS</b>	<b>72,296,958</b>	<b>31,354,310</b>	<b>73,413,818</b>	<b>64,319</b>	<b>177,129,405</b>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>Liabilities</b>					
Interfund Payable for Pooled					
Cash and Investments Overdrafts	1,754,136	4,518	-	-	1,758,654
Accrued Salaries Payable	1,316,712	-	-	-	1,316,712
Accounts Payable	2,820,261	-	961,453	1,450	3,783,164
Contracts/Retention Payable	44,000	-	467,047	-	511,047
Due to Other Funds	4,611,411	-	3,373,968	-	7,985,379
Due to Other Governmental Units	2,130,579	-	20,837	-	2,151,416
Advance from Other Funds	460,156	-	6,437,807	-	6,897,963
Deferred Revenue	3,003,180	13,279,319	8,627,794	270	24,910,563
Unearned Revenue	12,852,746	-	-	-	12,852,746
<b>Total Liabilities</b>	<b>28,993,181</b>	<b>13,283,837</b>	<b>19,888,906</b>	<b>1,720</b>	<b>62,167,644</b>
<b>Fund Balances</b>					
Reserved for Encumbrances	2,462,082	-	3,252,468	-	5,714,550
Reserved for Imprest Funds	40,700	-	-	-	40,700
Reserved for Advance to Other Funds	690,200	-	-	-	690,200
Reserved for Advance to Component Units	-	-	231,126	-	231,126
Reserved for Long-Term Receivable	214,883	-	-	-	214,883
Reserved for Mandatory 5% Retirement of Debt	-	26,428	-	-	26,428
Reserved for Permanent Fund Activities	-	-	-	35,000	35,000
Unreserved					
Designated for Next Year's Appropriation	9,036,229	-	133,298	-	9,169,527
Designated for Debt Service	-	18,044,045	-	-	18,044,045
Designated for Specific Capital Projects	-	-	49,908,020	-	49,908,020
Undesignated	30,859,683	-	-	27,599	30,887,282
<b>Total Fund Balances</b>	<b>43,303,777</b>	<b>18,070,473</b>	<b>53,524,912</b>	<b>62,599</b>	<b>114,961,761</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>72,296,958</b>	<b>31,354,310</b>	<b>73,413,818</b>	<b>64,319</b>	<b>177,129,405</b>



City of Saint Paul, Minnesota  
**COMBINING STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN  
FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS**  
For the Fiscal Year Ended December 31, 2005

Schedule 4

	Special Revenue	Debt Service	Capital Projects	Permanent	Total Nonmajor Governmental Funds
<b>REVENUES</b>					
Taxes					
Property Taxes					
Current Taxpayer	-	1,933,230	-	-	1,933,230
Current Tax Increment	-	-	4,602,084	-	4,602,084
City Sales Tax	-	-	14,219,562	-	14,219,562
Gross Earnings Franchise Fees	1,798,266	-	-	-	1,798,266
Hotel-Motel Tax	1,782,238	-	-	-	1,782,238
<b>Total Taxes</b>	<b>3,580,504</b>	<b>1,933,230</b>	<b>18,821,646</b>	<b>-</b>	<b>24,335,380</b>
Licenses and Permits	8,877,940	-	-	-	8,877,940
Intergovernmental Revenue	32,155,175	150,782	57,717	-	32,363,674
Fees, Sales and Services	20,070,935	3,500,000	277,884	-	23,848,819
Assessments	19,246,464	3,189,601	-	-	22,436,065
Investment Income					
Interest Earned on Investments	902,556	652,419	2,782,785	2,506	4,340,266
Increase (Decrease) in Fair Value of Investments	(100,649)	(203,306)	(818,443)	(938)	(1,123,336)
Interest Earned - Other	68,883	-	450,215	-	519,098
Miscellaneous Revenue					
Program Income	1,874,084	-	-	-	1,874,084
Other	3,311,604	3,250,309	1,088,308	-	7,650,221
<b>Total Revenues</b>	<b>89,987,496</b>	<b>12,473,035</b>	<b>22,660,112</b>	<b>1,568</b>	<b>125,122,211</b>
<b>EXPENDITURES</b>					
Current					
General Government	4,640,223	-	-	-	4,640,223
Public Safety	18,540,998	-	-	-	18,540,998
Highways and Streets	18,165,339	-	-	-	18,165,339
Sanitation	2,553,250	-	-	-	2,553,250
Health	3,840,090	-	-	-	3,840,090
Culture and Recreation	8,262,459	-	-	1,450	8,263,909
Housing and Economic Development	21,533,105	-	15,077,066	-	36,610,171
Capital Outlay	2,023,337	-	5,058,439	-	7,081,776
Debt Service					
Bond Principal	-	3,405,000	-	-	3,405,000
Other Debt Principal	68,841	2,212,708	-	-	2,281,549
Interest - Bonds	-	6,318,280	-	-	6,318,280
Interest - Other Debt	10,757	274,614	2,122,338	-	2,407,709
Bond Issuance Costs	-	-	349,591	-	349,591
<b>Total Expenditures</b>	<b>79,638,399</b>	<b>12,210,602</b>	<b>22,607,434</b>	<b>1,450</b>	<b>114,457,885</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	10,349,097	262,433	52,678	118	10,664,326
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers In	6,089,965	3,726,496	12,654,997	-	22,471,458
Transfers Out	(22,452,531)	(3,585,610)	(49,081,109)	-	(75,119,250)
Bonds Issued	-	-	26,515,000	-	26,515,000
Premium on Bond Issued	-	-	461,545	-	461,545
Sale of Capital Assets	16,228	-	-	-	16,228
<b>Total Other Financing Sources (Uses)</b>	<b>(16,346,338)</b>	<b>140,886</b>	<b>(9,449,567)</b>	<b>-</b>	<b>(25,655,019)</b>
<b>Net Change in Fund Balances</b>	<b>(5,997,241)</b>	<b>403,319</b>	<b>(9,396,889)</b>	<b>118</b>	<b>(14,990,693)</b>
<b>FUND BALANCES, January 1</b>	<b>49,301,018</b>	<b>17,667,154</b>	<b>62,921,801</b>	<b>62,481</b>	<b>129,952,454</b>
<b>FUND BALANCES, December 31</b>	<b>43,303,777</b>	<b>18,070,473</b>	<b>53,524,912</b>	<b>62,599</b>	<b>114,961,761</b>

City of Saint Paul, Minnesota  
 COMBINING SCHEDULE OF REVENUES,  
 EXPENDITURES AND CHANGES IN FUND BALANCES  
 BUDGET AND ACTUAL - ANNUALLY BUDGETED  
 NONMAJOR SPECIAL REVENUE, ALL DEBT SERVICE  
 AND NONMAJOR PERMANENT FUNDS  
 For the Fiscal Year Ended December 31, 2005

Schedule 5

	Special Revenue				Debt Service			
	Budgeted Amounts		Actual Amount	Variance With Final Budget	Budgeted Amounts		Actual Amount	Variance With Final Budget
	Original	Final			Original	Final		
<b>REVENUES</b>								
Taxes								
Property Taxes								
Current Taxpayer	-	-	-	-	8,030,013	8,030,013	7,999,429	(30,584)
Current Tax Increment	-	-	-	-	10,793,281	10,893,954	8,072,813	(2,821,141)
Delinquent Taxpayer	-	-	-	-	175,000	175,000	55,075	(119,925)
Total Property Taxes	-	-	-	-	18,998,294	19,098,967	16,127,317	(2,971,650)
Gross Earnings Franchise Fees	1,690,000	1,690,000	1,798,266	108,266	880,000	880,000	1,095,058	215,058
Hotel-Motel Tax	1,773,700	1,773,700	1,782,238	8,538	220,000	220,000	220,000	-
Total Taxes	3,463,700	3,463,700	3,580,504	116,804	20,098,294	20,198,967	17,442,375	(2,756,592)
Licenses and Permits	8,892,459	9,105,144	8,877,940	(227,204)	-	-	-	-
Intergovernmental Revenue	14,003,205	15,547,968	13,427,308	(2,120,660)	787,063	787,063	766,698	(20,365)
Fees, Sales and Services	17,866,647	18,202,441	20,014,811	1,812,370	4,255,000	4,255,000	4,020,000	(235,000)
Assessments	20,283,267	20,283,267	19,246,464	(1,036,803)	3,233,334	3,233,334	3,189,601	(43,733)
Investment Income								
Interest Earned on Investments	596,852	596,852	780,355	183,503	1,309,432	1,329,432	2,260,775	931,343
Increase (Decrease) in Fair Value of Investments	-	-	(90,014)	(90,014)	-	-	(691,329)	(691,329)
Interest Earned - Other	-	-	54,454	54,454	-	5,961	330,646	324,685
Miscellaneous Revenue - Other	2,745,508	3,219,599	3,298,028	78,429	3,325,989	3,325,989	3,290,817	(35,172)
Total Revenues	67,851,638	70,418,971	69,189,850	(1,229,121)	33,009,112	33,135,746	30,609,583	(2,526,163)
<b>EXPENDITURES</b>								
Current								
General Government	5,050,817	5,187,408	4,640,223	547,185	584,349	584,349	417,580	166,769
Public Safety	18,967,136	21,164,789	18,540,998	2,623,791	-	-	-	-
Highways and Streets	19,190,662	18,842,870	18,165,339	677,531	-	-	-	-
Sanitation	3,079,361	2,929,361	2,553,250	376,111	-	-	-	-
Health	3,997,722	3,997,722	3,840,090	157,632	-	-	-	-
Culture and Recreation	7,701,704	8,565,410	8,262,459	302,951	-	-	-	-
Housing and Economic Development	-	-	-	-	-	6,848,349	3,308,894	3,539,455
Capital Outlay	3,938,633	4,205,309	1,573,337	2,631,972	-	-	-	-
Debt Service								
Bond Principal	-	-	-	-	27,097,162	28,082,162	28,421,162	(339,000)
Other Debt Principal	70,756	70,756	68,841	1,915	2,989,683	2,989,683	2,752,708	236,975
Interest - Bonds	-	-	-	-	18,872,336	18,872,336	18,826,123	46,213
Interest - Other Debt	8,843	8,843	10,757	(1,914)	597,205	597,205	677,343	(80,138)
Bond Issuance Costs	-	-	-	-	5,000	53,230	46,696	6,534
Total Expenditures	62,005,634	64,972,468	57,655,294	7,317,174	50,145,735	58,027,314	54,450,506	3,576,808
Excess (Deficiency) of Revenues Over (Under) Expenditures	5,846,004	5,446,503	11,534,556	6,088,053	(17,136,623)	(24,891,568)	(23,840,923)	1,050,645
<b>OTHER FINANCING SOURCES (USES)</b>								
Transfers In	5,634,602	5,707,827	5,587,886	(119,941)	27,109,390	27,199,177	35,477,776	8,278,599
Transfers Out	(18,721,314)	(19,803,175)	(19,582,085)	221,090	(13,674,962)	(16,365,123)	(18,830,431)	(2,465,308)
Current Refunding Bonds Issued	-	-	-	-	-	5,130,000	5,130,000	-
Refunded Bonds	-	-	-	-	-	(5,005,000)	(5,005,000)	-
Discount on Bonds Issued	-	-	-	-	-	(4,601)	(4,601)	-
Sale of Capital Assets	8,000	8,000	16,228	8,228	-	-	-	-
Total Other Financing Sources (Uses)	(13,078,712)	(14,087,348)	(13,977,971)	109,377	13,434,428	10,954,453	16,767,744	5,813,291
Net Change in Fund Balances	(7,232,708)	(8,640,845)	(2,443,415)	6,197,430	(3,702,195)	(13,937,115)	(7,073,179)	6,863,936
FUND BALANCES, January 1	45,221,125	45,221,125	45,221,125	-	68,818,935	68,818,935	68,818,935	-
FUND BALANCES, December 31	37,988,417	36,580,280	42,777,710	6,197,430	65,116,740	54,881,820	61,745,756	6,863,936

continued

City of Saint Paul, Minnesota  
 COMBINING SCHEDULE OF REVENUES,  
 EXPENDITURES AND CHANGES IN FUND BALANCES  
 BUDGET AND ACTUAL - ANNUALLY BUDGETED  
 NONMAJOR SPECIAL REVENUE, ALL DEBT SERVICE  
 AND NONMAJOR PERMANENT FUNDS  
 For the Fiscal Year Ended December 31, 2005

Schedule 5

	Permanent				Total			
	Budgeted Amounts		Actual Amount	Variance With Final Budget	Budgeted Amounts		Actual Amount	Variance With Final Budget
	Original	Final			Original	Final		
<b>REVENUES</b>								
Taxes								
Property Taxes								
Current Taxpayer	-	-	-	-	8,030,013	8,030,013	7,999,429	(30,584)
Current Tax Increment	-	-	-	-	10,793,281	10,893,954	8,072,813	(2,821,141)
Delinquent Taxpayer	-	-	-	-	175,000	175,000	55,075	(119,925)
Total Property Taxes	-	-	-	-	18,998,294	19,098,967	16,127,317	(2,971,650)
Gross Earnings Franchise Fees	-	-	-	-	2,570,000	2,570,000	2,893,324	323,324
Hotel-Motel Tax	-	-	-	-	1,993,700	1,993,700	2,002,238	8,538
Total Taxes	-	-	-	-	23,561,994	23,662,667	21,022,879	(2,639,788)
Licenses and Permits	-	-	-	-	8,892,459	9,105,144	8,877,940	(227,204)
Intergovernmental Revenue	-	-	-	-	14,790,268	16,335,031	14,194,006	(2,141,025)
Fees, Sales and Services	-	-	-	-	22,121,647	22,457,441	24,034,811	1,577,370
Assessments	-	-	-	-	23,516,601	23,516,601	22,436,065	(1,080,536)
Investment Income								
Interest Earned on Investments	2,000	2,000	2,506	506	1,908,284	1,928,284	3,043,636	1,115,352
Increase (Decrease) in Fair Value of Investments	-	-	(938)	(938)	-	-	(782,281)	(782,281)
Interest Earned - Other	-	-	-	-	-	5,961	385,100	379,139
Miscellaneous Revenue - Other	-	-	-	-	6,071,497	6,545,588	6,588,845	43,257
Total Revenues	2,000	2,000	1,568	(432)	100,862,750	103,556,717	99,801,001	(3,755,716)
<b>EXPENDITURES</b>								
Current								
General Government	-	-	-	-	5,635,166	5,771,757	5,057,803	713,954
Public Safety	-	-	-	-	18,967,136	21,164,789	18,540,998	2,623,791
Highways and Streets	-	-	-	-	19,190,662	18,842,870	18,165,339	677,531
Sanitation	-	-	-	-	3,079,361	2,929,361	2,553,250	376,111
Health	-	-	-	-	3,997,722	3,997,722	3,840,090	157,632
Culture and Recreation	2,000	2,000	1,450	550	7,703,704	8,567,410	8,263,909	303,501
Housing and Economic Development	-	-	-	-	-	6,848,349	3,308,894	3,539,455
Capital Outlay	-	-	-	-	3,938,633	4,205,309	1,573,337	2,631,972
Debt Service								
Bond Principal	-	-	-	-	27,097,162	28,082,162	28,421,162	(339,000)
Other Debt Principal	-	-	-	-	3,060,439	3,060,439	2,821,549	238,890
Interest - Bonds	-	-	-	-	18,872,336	18,872,336	18,826,123	46,213
Interest - Other Debt	-	-	-	-	606,048	606,048	688,100	(82,052)
Bond Issuance Costs	-	-	-	-	5,000	53,230	46,696	6,534
Total Expenditures	2,000	2,000	1,450	550	112,153,369	123,001,782	112,107,250	10,894,532
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	118	118	(11,290,619)	(19,445,065)	(12,306,249)	7,138,816
<b>OTHER FINANCING SOURCES (USES)</b>								
Transfers In	-	-	-	-	32,743,992	32,907,004	41,065,662	8,158,658
Transfers Out	-	-	-	-	(32,396,276)	(36,168,298)	(38,412,516)	(2,244,218)
Current Refunding Bonds Issued	-	-	-	-	-	5,130,000	5,130,000	-
Refunded Bonds	-	-	-	-	-	(5,005,000)	(5,005,000)	-
Discount on Bonds Issued	-	-	-	-	-	(4,601)	(4,601)	-
Sale of Capital Assets	-	-	-	-	8,000	8,000	16,228	8,228
Total Other Financing Sources (Uses)	-	-	-	-	355,716	(3,132,895)	2,789,773	5,922,668
Net Change in Fund Balances	-	-	118	118	(10,934,903)	(22,577,960)	(9,516,476)	13,061,484
FUND BALANCES, January 1	62,481	62,481	62,481	-	114,102,541	114,102,541	114,102,541	-
FUND BALANCES, December 31	62,481	62,481	62,599	118	103,167,638	91,524,581	104,586,065	13,061,484

City of Saint Paul, Minnesota  
**COMBINING BALANCE SHEET**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
 December 31, 2005

Schedule 6

	Special Projects - General Government	Finance Special Projects	Cable Communications	Charitable Gambling Enforcement	Debt - Capital Improvement	Utilities Rate Investigation Administration	Property Code Enforcement	License and Permit	Police Services - Pension Assets
<b>ASSETS</b>									
Cash and Investments with Treasurer	1,255,170	-	1,337,666	95,217	234,437	8,857	438,960	4,476,315	846,461
Cash and Investments with Trustees	-	-	-	-	-	-	-	-	-
Imprest Funds	-	-	100	1,000	-	-	-	3,300	-
Receivables									
Accounts (net of allowance for estimated uncollectible)	285	-	444,149	1,692	-	15,000	-	19,297	-
Assessments	-	-	-	-	-	-	-	-	-
Notes and Loans	-	-	-	-	-	-	-	-	-
Accrued Interest	-	-	-	-	1,973	-	-	-	42,007
Due from Other Funds	15,196	166,807	-	-	-	-	56,720	11,330	-
Due from Component Units	63,221	-	-	-	-	-	-	-	-
Due from Other Governmental Units	359,331	488,032	11,081	-	-	-	-	-	-
Advance to Other Funds	-	-	-	-	-	-	-	-	-
Land Held for Resale	-	-	-	-	-	-	-	-	-
<b>TOTAL ASSETS</b>	<b>1,693,203</b>	<b>654,839</b>	<b>1,792,996</b>	<b>97,909</b>	<b>236,410</b>	<b>23,857</b>	<b>495,680</b>	<b>4,510,242</b>	<b>888,468</b>
<b>LIABILITIES AND FUND BALANCES</b>									
<b>Liabilities</b>									
Interfund Payable for Pooled									
Cash and Investments Overdrafts	-	654,839	-	-	-	-	-	-	-
Accrued Salaries Payable	39,679	-	19,147	10,730	-	1,535	14,316	332,555	10,493
Accounts Payable	307,110	-	55,688	161	-	-	309	81,164	-
Contracts Payable	-	-	-	-	-	-	-	44,000	-
Due to Other Funds	9,088	-	29,757	3,062	-	441	4,066	268,287	2,995
Due to Other Governmental Units	-	-	15	-	-	-	-	-	-
Advance from Other Funds	-	-	-	-	-	-	-	-	-
Deferred Revenue	-	-	-	-	879	-	-	-	18,720
Unearned Revenue	-	-	-	-	-	-	-	-	-
<b>Total Liabilities</b>	<b>355,877</b>	<b>654,839</b>	<b>104,607</b>	<b>13,953</b>	<b>879</b>	<b>1,976</b>	<b>18,691</b>	<b>726,006</b>	<b>32,208</b>
<b>Fund Balances</b>									
Reserved for Encumbrances	-	-	138,833	1,953	-	-	56,855	22,418	-
Reserved for Imprest Funds	-	-	100	1,000	-	-	-	3,300	-
Reserved for Advance to Other Funds	-	-	-	-	-	-	-	-	-
Reserved for Long-Term Receivable	-	-	-	-	-	-	-	-	-
Unreserved									
Designated for Next Year's Appropriation	140,804	-	704,000	75,958	-	19,554	17,904	1,115,550	295,171
Undesignated	1,196,522	-	845,456	5,045	235,531	2,327	402,230	2,642,968	561,089
<b>Total Fund Balances</b>	<b>1,337,326</b>	<b>-</b>	<b>1,688,389</b>	<b>83,956</b>	<b>235,531</b>	<b>21,881</b>	<b>476,989</b>	<b>3,784,236</b>	<b>856,260</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>1,693,203</b>	<b>654,839</b>	<b>1,792,996</b>	<b>97,909</b>	<b>236,410</b>	<b>23,857</b>	<b>495,680</b>	<b>4,510,242</b>	<b>888,468</b>

continued

City of Saint Paul, Minnesota  
**COMBINING BALANCE SHEET**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
 December 31, 2005

Schedule 6

	Crime Laboratory	Parking Enforcement	Special Projects Police	Police Officers Clothing	Fire Responsive Services	Fire Fighting Equipment	Fire Protection Clothing	Right of Way Maintenance	Parking Meter Collections
<b>ASSETS</b>									
Cash and Investments with Treasurer	78,035	-	3,612,283	382,370	73,583	2,090,213	227,562	13,360,228	1,794,490
Cash and Investments with Trustees	-	-	-	-	-	-	-	-	-
Imprest Funds	-	-	36,000	-	-	-	-	-	-
Receivables									
Accounts (net of allowance for estimated uncollectible)	-	-	133,790	220	2,400	117,944	-	217,296	263,680
Assessments	-	-	-	-	-	-	-	10,349,660	-
Notes and Loans	-	-	-	-	-	-	-	-	-
Accrued Interest	-	-	9,906	-	-	-	-	-	-
Due from Other Funds	-	383,230	450	1,444	25	-	-	159,872	1,378
Due from Component Units	-	-	-	-	-	-	-	1,690	1,545
Due from Other Governmental Units	45,785	-	1,250,338	-	202,699	88,570	-	1,023,750	-
Advance to Other Funds	-	-	-	-	-	-	-	690,200	-
Land Held for Resale	-	-	-	-	-	-	-	-	-
<b>TOTAL ASSETS</b>	<b>123,820</b>	<b>383,230</b>	<b>5,042,767</b>	<b>384,034</b>	<b>278,707</b>	<b>2,296,727</b>	<b>227,562</b>	<b>25,802,696</b>	<b>2,061,093</b>
<b>LIABILITIES AND FUND BALANCES</b>									
Liabilities									
Interfund Payable for Pooled									
Cash and Investments Overdrafts	-	305,215	-	-	-	-	-	-	-
Accrued Salaries Payable	2,377	48,157	101,079	-	-	-	-	375,836	8,680
Accounts Payable	-	15,324	439,863	32,084	67,850	-	10,731	454,047	1,363
Contracts Payable	-	-	-	-	-	-	-	-	-
Due to Other Funds	209	14,534	242,798	180	105	-	25	1,273,139	2,039,715
Due to Other Governmental Units	-	-	29,271	-	-	-	-	615	-
Advance from Other Funds	-	-	-	-	-	-	-	-	10,156
Deferred Revenue	29,895	-	4,415	-	-	3,388	-	531,685	1,179
Unearned Revenue	-	-	536,050	-	-	-	-	-	-
<b>Total Liabilities</b>	<b>32,481</b>	<b>383,230</b>	<b>1,353,476</b>	<b>32,264</b>	<b>67,955</b>	<b>3,388</b>	<b>10,756</b>	<b>2,635,322</b>	<b>2,061,093</b>
Fund Balances									
Reserved for Encumbrances	-	-	64,999	-	-	1,133,190	-	782,287	-
Reserved for Imprest Funds	-	-	36,000	-	-	-	-	-	-
Reserved for Advance to Other Funds	-	-	-	-	-	-	-	690,200	-
Reserved for Long-Term Receivable	-	-	-	-	-	-	-	-	-
Unreserved									
Designated for Next Year's Appropriation	-	-	1,128,246	-	-	397,917	-	4,897,147	-
Undesignated	91,339	-	2,460,046	351,770	210,752	762,232	216,806	16,797,740	-
<b>Total Fund Balances</b>	<b>91,339</b>	<b>-</b>	<b>3,689,291</b>	<b>351,770</b>	<b>210,752</b>	<b>2,293,339</b>	<b>216,806</b>	<b>23,167,374</b>	<b>-</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>123,820</b>	<b>383,230</b>	<b>5,042,767</b>	<b>384,034</b>	<b>278,707</b>	<b>2,296,727</b>	<b>227,562</b>	<b>25,802,696</b>	<b>2,061,093</b>

continued

City of Saint Paul, Minnesota  
 COMBINING BALANCE SHEET  
 NONMAJOR SPECIAL REVENUE FUNDS  
 December 31, 2005

Schedule 6

	Lighting Maintenance Assessment Districts	Solid Waste and Recycling	Special Projects - Division of Health	Municipal Stadium	Forestry Special	Como Campus	Special Recreation Activities	Municipal Athletic Programming	Charitable Gambling
<b>ASSETS</b>									
Cash and Investments with Treasurer	159,182	1,582,029	-	219,776	-	313,470	308,458	-	76,812
Cash and Investments with Trustees	-	-	-	-	-	-	-	-	-
Imprest Funds	-	-	-	-	-	150	-	150	-
Receivables									
Accounts (net of allowance for estimated uncollectible)	61	-	-	1,411	555	278,039	24,900	730	-
Assessments	123,709	2,382,894	-	-	-	-	-	-	-
Notes and Loans	-	784,786	-	-	-	-	-	-	-
Accrued Interest	-	-	-	-	-	-	-	-	643
Due from Other Funds	-	-	-	-	-	-	700	-	-
Due from Component Units	-	-	-	-	-	-	-	-	-
Due from Other Governmental Units	2,503	41,038	804,894	-	-	67,500	-	-	-
Advance to Other Funds	-	-	-	-	-	-	-	-	-
Land Held for Resale	-	-	-	-	-	-	-	-	-
<b>TOTAL ASSETS</b>	<b>285,455</b>	<b>4,790,747</b>	<b>804,894</b>	<b>221,187</b>	<b>555</b>	<b>659,159</b>	<b>334,058</b>	<b>880</b>	<b>77,455</b>
<b>LIABILITIES AND FUND BALANCES</b>									
<b>Liabilities</b>									
<b>Interfund Payable for Pooled</b>									
Cash and Investments Overdrafts	-	-	543,844	-	154,929	-	-	13,497	-
Accrued Salaries Payable	-	3,862	161,538	6,892	55,047	75,020	17,905	7,360	-
Accounts Payable	-	82,164	-	212	34,827	90,727	58,972	2,392	-
Contracts Payable	-	-	-	-	-	-	-	-	-
Due to Other Funds	3,975	151,072	46,015	8,505	17,287	19,381	2,604	1,934	-
Due to Other Governmental Units	-	-	-	-	-	678	-	-	-
Advance from Other Funds	-	450,000	-	-	-	-	-	-	-
Deferred Revenue	14,462	2,382,894	-	-	555	-	-	-	287
Unearned Revenue	-	-	-	-	-	-	16,053	-	-
<b>Total Liabilities</b>	<b>18,437</b>	<b>3,069,992</b>	<b>751,397</b>	<b>15,609</b>	<b>262,645</b>	<b>185,806</b>	<b>95,534</b>	<b>25,183</b>	<b>287</b>
<b>Fund Balances</b>									
Reserved for Encumbrances	-	-	-	-	114,012	32,619	5,480	-	-
Reserved for Imprest Funds	-	-	-	-	-	150	-	150	-
Reserved for Advance to Other Funds	-	-	-	-	-	-	-	-	-
Reserved for Long-Term Receivable	-	214,883	-	-	-	-	-	-	-
Unreserved									
Designated for Next Year's Appropriation	9,511	209,590	-	-	-	3,105	-	-	-
Undesignated	257,507	1,296,282	53,497	205,578	(376,102)	437,479	233,044	(24,453)	77,168
<b>Total Fund Balances</b>	<b>267,018</b>	<b>1,720,755</b>	<b>53,497</b>	<b>205,578</b>	<b>(262,090)</b>	<b>473,353</b>	<b>238,524</b>	<b>(24,303)</b>	<b>77,168</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>285,455</b>	<b>4,790,747</b>	<b>804,894</b>	<b>221,187</b>	<b>555</b>	<b>659,159</b>	<b>334,058</b>	<b>880</b>	<b>77,455</b>

continued

City of Saint Paul, Minnesota  
 COMBINING BALANCE SHEET  
 NONMAJOR SPECIAL REVENUE FUNDS  
 December 31, 2005

Schedule 6

	Parks and Recreation Opportunity	Parks and Recreation Grants and Aids	Rella Havens Memorial Fund	Community Development Block Grant	State Grant Programs	HRA Federal and State Programs	Section 108 Programs	Total Nonmajor Special Revenue Funds
<b>ASSETS</b>								
Cash and Investments with Treasurer	72,776	985,225	391,531	-	1,064,634	635,276	-	36,121,016
Cash and Investments with Trustees	-	-	-	-	-	-	135,464	135,464
Imprest Funds	-	-	-	-	-	-	-	40,700
Receivables								
Accounts (net of allowance for estimated uncollectible)	100	-	-	-	-	-	-	1,521,549
Assessments	-	-	-	-	-	-	-	12,856,263
Notes and Loans	-	-	-	3,983,479	106,793	7,246,601	-	12,121,659
Accrued Interest	270	-	3,688	120,355	10,065	167,567	386	356,860
Due from Other Funds	-	-	-	-	-	23,764	-	820,916
Due from Component Units	-	-	-	-	-	-	-	66,456
Due from Other Governmental Units	-	164,477	-	812,263	43,593	49,073	-	5,454,927
Advance to Other Funds	-	-	-	-	-	-	-	690,200
Land Held for Resale	-	-	-	2,110,948	-	-	-	2,110,948
<b>TOTAL ASSETS</b>	<b>73,146</b>	<b>1,149,702</b>	<b>395,219</b>	<b>7,027,045</b>	<b>1,225,085</b>	<b>8,122,281</b>	<b>135,850</b>	<b>72,296,958</b>
<b>LIABILITIES AND FUND BALANCES</b>								
<b>Liabilities</b>								
Interfund Payable for Pooled								
Cash and Investments Overdrafts	-	-	-	81,812	-	-	-	1,754,136
Accrued Salaries Payable	-	24,504	-	-	-	-	-	1,316,712
Accounts Payable	-	9,750	-	464,539	585,854	25,130	-	2,820,261
Contracts Payable	-	-	-	-	-	-	-	44,000
Due to Other Funds	-	49,079	-	265,913	-	21,395	135,850	4,611,411
Due to Other Governmental Units	-	-	-	-	-	2,100,000	-	2,130,579
Advance from Other Funds	-	-	-	-	-	-	-	460,156
Deferred Revenue	120	10,000	1,643	-	3,058	-	-	3,003,180
Unearned Revenue	-	-	-	6,214,781	110,106	5,975,756	-	12,852,746
<b>Total Liabilities</b>	<b>120</b>	<b>93,333</b>	<b>1,643</b>	<b>7,027,045</b>	<b>699,018</b>	<b>8,122,281</b>	<b>135,850</b>	<b>28,993,181</b>
<b>Fund Balances</b>								
Reserved for Encumbrances	-	99,436	-	-	10,000	-	-	2,462,082
Reserved for Imprest Funds	-	-	-	-	-	-	-	40,700
Reserved for Advance to Other Funds	-	-	-	-	-	-	-	690,200
Reserved for Long-Term Receivable	-	-	-	-	-	-	-	214,883
Unreserved								
Designated for Next Year's Appropriation	-	21,772	-	-	-	-	-	9,036,229
Undesignated	73,026	935,161	393,576	-	516,067	-	-	30,859,683
<b>Total Fund Balances</b>	<b>73,026</b>	<b>1,056,369</b>	<b>393,576</b>	<b>-</b>	<b>526,067</b>	<b>-</b>	<b>-</b>	<b>43,303,777</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>73,146</b>	<b>1,149,702</b>	<b>395,219</b>	<b>7,027,045</b>	<b>1,225,085</b>	<b>8,122,281</b>	<b>135,850</b>	<b>72,296,958</b>

City of Saint Paul, Minnesota  
**COMBINING STATEMENT OF REVENUES,  
 EXPENDITURES AND CHANGES IN  
 FUND BALANCES**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
 For the Fiscal Year Ended December 31, 2005

Schedule 7

	Special Projects - General Government	Finance Special Projects	Cable Communications	Charitable Gambling Enforcement	Debt - Capital Improvement	Utilities Rate Investigation Administration	Property Code Enforcement	License and Permit	Police Services - Pension Assets
<b>REVENUES</b>									
Taxes									
Gross Earnings Franchise Fees	-	-	1,798,266	-	-	-	-	-	-
Hotel-Motel Tax	1,782,238	-	-	-	-	-	-	-	-
<b>Total Taxes</b>	<b>1,782,238</b>	<b>-</b>	<b>1,798,266</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Licenses and Permits	-	-	-	253,913	-	-	4,400	8,412,185	-
Intergovernmental Revenue	389,133	-	-	-	-	-	-	-	-
Fees, Sales and Services	4,818,731	-	98,079	-	84,860	71,980	386,101	1,681,921	-
Assessments	-	-	-	-	-	-	-	-	-
Investment Income									
Interest Earned on Investments	538,242	-	-	-	6,986	-	-	-	176,043
Increase (Decrease) in Fair Value of Investments	-	-	-	-	(3,059)	-	-	-	(65,106)
Interest Earned - Other	-	-	-	-	-	-	-	-	-
Miscellaneous Revenue									
Program Income	-	-	-	-	-	-	-	-	-
Other	57,789	-	813,425	-	-	-	-	38,366	-
<b>Total Revenues</b>	<b>7,586,133</b>	<b>-</b>	<b>2,709,770</b>	<b>253,913</b>	<b>88,787</b>	<b>71,980</b>	<b>390,501</b>	<b>10,132,472</b>	<b>110,937</b>
<b>EXPENDITURES</b>									
Current									
General Government	2,719,543	228,181	1,367,891	285,565	-	39,043	-	-	-
Public Safety	-	-	-	-	-	-	503,884	9,710,055	217,342
Highways and Streets	-	-	-	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-	-
Culture and Recreation	-	-	-	-	-	-	-	-	-
Housing and Economic Development	-	-	-	-	-	-	-	-	-
Capital Outlay	-	-	310,904	-	-	-	-	54,131	-
Debt Service									
Other Debt Principal	-	-	-	-	-	-	-	-	-
Interest - Other Debt	-	-	-	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>2,719,543</b>	<b>228,181</b>	<b>1,678,795</b>	<b>285,565</b>	<b>-</b>	<b>39,043</b>	<b>503,884</b>	<b>9,764,186</b>	<b>217,342</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	4,866,590	(228,181)	1,030,975	(31,652)	88,787	32,937	(113,383)	368,286	(106,405)
<b>OTHER FINANCING SOURCES (USES)</b>									
Transfers In	15,196	166,807	-	-	-	-	154,827	18,920	-
Transfers Out	(4,832,052)	(232,779)	(1,050,256)	(10,000)	-	(22,962)	(55,963)	(153,082)	(3,370)
Sale of Capital Assets	-	-	-	-	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>(4,816,856)</b>	<b>(65,972)</b>	<b>(1,050,256)</b>	<b>(10,000)</b>	<b>-</b>	<b>(22,962)</b>	<b>98,864</b>	<b>(134,162)</b>	<b>(3,370)</b>
<b>Net Change in Fund Balances</b>	<b>49,734</b>	<b>(294,153)</b>	<b>(19,281)</b>	<b>(41,652)</b>	<b>88,787</b>	<b>9,975</b>	<b>(14,519)</b>	<b>234,124</b>	<b>(109,775)</b>
<b>FUND BALANCES, January 1</b>	<b>1,287,592</b>	<b>294,153</b>	<b>1,707,670</b>	<b>125,608</b>	<b>146,744</b>	<b>11,906</b>	<b>491,508</b>	<b>3,550,112</b>	<b>966,035</b>
<b>FUND BALANCES, December 31</b>	<b>1,337,326</b>	<b>-</b>	<b>1,688,389</b>	<b>83,956</b>	<b>235,531</b>	<b>21,881</b>	<b>476,989</b>	<b>3,784,236</b>	<b>856,260</b>

continued



City of Saint Paul, Minnesota  
**COMBINING STATEMENT OF REVENUES,  
 EXPENDITURES AND CHANGES IN  
 FUND BALANCES**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
 For the Fiscal Year Ended December 31, 2005

Schedule 7

	<u>Crime Laboratory</u>	<u>Parking Enforcement</u>	<u>Special Projects Police</u>	<u>Police Officers Clothing</u>	<u>Fire Responsive Services</u>	<u>Fire Fighting Equipment</u>	<u>Fire Protection Clothing</u>	<u>Right of Way Maintenance</u>	<u>Parking Meter Collections</u>
<b>REVENUES</b>									
Taxes									
Gross Earnings Franchise Fees	-	-	-	-	-	-	-	-	-
Hotel-Motel Tax	-	-	-	-	-	-	-	-	-
<b>Total Taxes</b>	-	-	-	-	-	-	-	-	-
Licenses and Permits	-	-	201,529	-	-	-	-	5,913	-
Intergovernmental Revenue	-	-	3,584,615	-	355,700	-	-	3,361,422	3,628,685
Fees, Sales and Services	70,010	-	2,031,552	-	10,835	510,755	-	2,049,176	1,800,973
Assessments	-	-	-	-	-	-	-	16,800,397	-
Investment Income									
Interest Earned on Investments	-	-	41,260	-	-	-	-	-	-
Increase (Decrease) in Fair Value of Investments	-	-	(15,354)	-	-	-	-	-	-
Interest Earned - Other	-	-	-	-	-	-	-	-	-
Miscellaneous Revenue	-	-	-	-	-	-	-	-	-
Program Income	-	-	-	-	-	-	-	-	-
Other	71,329	-	355,748	-	92,399	10,453	-	19,539	-
<b>Total Revenues</b>	<b>141,339</b>	<b>-</b>	<b>6,199,350</b>	<b>-</b>	<b>458,934</b>	<b>521,208</b>	<b>-</b>	<b>22,236,447</b>	<b>5,429,658</b>
<b>EXPENDITURES</b>									
Current									
General Government	-	-	-	-	-	-	-	-	-
Public Safety	91,863	1,187,085	5,643,824	532,781	438,938	1,321	213,905	-	-
Highways and Streets	-	-	-	-	-	-	-	17,581,499	448,838
Sanitation	-	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-	-
Culture and Recreation	-	-	-	-	-	-	-	-	-
Housing and Economic Development	-	-	-	-	-	-	-	-	-
Capital Outlay	-	-	412,790	-	45,000	131,110	-	398,106	-
Debt Service									
Other Debt Principal	-	68,841	-	-	-	-	-	-	-
Interest - Other Debt	-	10,757	-	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>91,863</b>	<b>1,266,683</b>	<b>6,056,614</b>	<b>532,781</b>	<b>483,938</b>	<b>132,431</b>	<b>213,905</b>	<b>17,979,605</b>	<b>448,838</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>49,476</b>	<b>(1,266,683)</b>	<b>142,736</b>	<b>(532,781)</b>	<b>(25,004)</b>	<b>388,777</b>	<b>(213,905)</b>	<b>4,256,842</b>	<b>4,980,820</b>
<b>OTHER FINANCING SOURCES (USES)</b>									
Transfers In	31,000	1,254,064	199,482	538,122	-	-	232,283	-	-
Transfers Out	-	(4,680)	(195,254)	-	-	-	-	(7,223,383)	(4,980,820)
Sale of Capital Assets	-	-	-	-	2,000	13,425	-	803	-
<b>Total Other Financing Sources (Uses)</b>	<b>31,000</b>	<b>1,249,384</b>	<b>4,228</b>	<b>538,122</b>	<b>2,000</b>	<b>13,425</b>	<b>232,283</b>	<b>(7,222,580)</b>	<b>(4,980,820)</b>
<b>Net Change in Fund Balances</b>	<b>80,476</b>	<b>(17,299)</b>	<b>146,964</b>	<b>5,341</b>	<b>(23,004)</b>	<b>402,202</b>	<b>18,378</b>	<b>(2,965,738)</b>	<b>-</b>
<b>FUND BALANCES, January 1</b>	<b>10,863</b>	<b>17,299</b>	<b>3,542,327</b>	<b>346,429</b>	<b>233,756</b>	<b>1,891,137</b>	<b>198,428</b>	<b>26,133,112</b>	<b>-</b>
<b>FUND BALANCES, December 31</b>	<b>91,339</b>	<b>-</b>	<b>3,689,291</b>	<b>351,770</b>	<b>210,752</b>	<b>2,293,339</b>	<b>216,806</b>	<b>23,167,374</b>	<b>-</b>

continued

City of Saint Paul, Minnesota  
**COMBINING STATEMENT OF REVENUES,  
 EXPENDITURES AND CHANGES IN  
 FUND BALANCES**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
 For the Fiscal Year Ended December 31, 2005

Schedule 7

	Lighting Maintenance Assessment Districts	Solid Waste and Recycling	Special Projects - Division of Health	Municipal Stadium	Forestry Special	Como Campus	Special Recreation Activities	Municipal Athletic Programming	Charitable Gambling
<b>REVENUES</b>									
Taxes									
Gross Earnings Franchise Fees	-	-	-	-	-	-	-	-	-
Hotel-Motel Tax	-	-	-	-	-	-	-	-	-
<b>Total Taxes</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Licenses and Permits	-	-	-	-	-	-	-	-	-
Intergovernmental Revenue	-	543,413	-	-	-	129,000	-	-	-
Fees, Sales and Services	-	-	3,840,090	353,848	-	384,660	1,295,045	471,407	28,811
Assessments	158,792	2,287,275	-	-	-	-	-	-	-
Investment Income									
Interest Earned on Investments	-	-	-	-	-	-	-	-	2,366
Increase (Decrease) in Fair Value of Investments	-	-	-	-	-	-	-	636	(997)
Interest Earned - Other	-	54,454	-	-	-	-	-	-	-
Miscellaneous Revenue	-	-	-	-	-	-	-	-	-
Program Income	-	-	-	-	-	-	-	-	-
Other	-	-	-	499	-	1,627,062	25,039	29,774	1,524
<b>Total Revenues</b>	<b>158,792</b>	<b>2,885,142</b>	<b>3,840,090</b>	<b>354,347</b>	<b>-</b>	<b>2,140,722</b>	<b>1,320,084</b>	<b>501,817</b>	<b>31,704</b>
<b>EXPENDITURES</b>									
Current									
General Government	-	-	-	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-	-	-	-
Highways and Streets	135,002	-	-	-	-	-	-	-	-
Sanitation	-	2,553,250	-	-	-	-	-	-	-
Health	-	-	3,840,090	-	-	-	-	-	-
Culture and Recreation	-	-	-	383,562	2,329,026	2,412,064	1,392,889	472,421	-
Housing and Economic Development	-	-	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	45,460	62,583	62,893	-	-
Debt Service									
Other Debt Principal	-	-	-	-	-	-	-	-	-
Interest - Other Debt	-	-	-	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>135,002</b>	<b>2,553,250</b>	<b>3,840,090</b>	<b>383,562</b>	<b>2,374,486</b>	<b>2,474,647</b>	<b>1,455,782</b>	<b>472,421</b>	<b>-</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	23,790	331,892	-	(29,215)	(2,374,486)	(333,925)	(135,698)	29,396	31,704
<b>OTHER FINANCING SOURCES (USES)</b>									
Transfers In	-	7,191	53,497	73,261	1,998,662	407,489	7,000	-	-
Transfers Out	-	-	-	-	-	(106,832)	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>7,191</b>	<b>53,497</b>	<b>73,261</b>	<b>1,998,662</b>	<b>300,657</b>	<b>7,000</b>	<b>-</b>	<b>-</b>
<b>Net Change in Fund Balances</b>	<b>23,790</b>	<b>339,083</b>	<b>53,497</b>	<b>44,046</b>	<b>(375,824)</b>	<b>(33,268)</b>	<b>(128,698)</b>	<b>29,396</b>	<b>31,704</b>
<b>FUND BALANCES, January 1</b>	<b>243,228</b>	<b>1,381,672</b>	<b>-</b>	<b>161,532</b>	<b>113,734</b>	<b>506,621</b>	<b>367,222</b>	<b>(53,699)</b>	<b>45,464</b>
<b>FUND BALANCES, December 31</b>	<b>267,018</b>	<b>1,720,755</b>	<b>53,497</b>	<b>205,578</b>	<b>(262,090)</b>	<b>473,353</b>	<b>238,524</b>	<b>(24,303)</b>	<b>77,168</b>

continued

City of Saint Paul, Minnesota  
**COMBINING STATEMENT OF REVENUES,  
 EXPENDITURES AND CHANGES IN  
 FUND BALANCES**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
 For the Fiscal Year Ended December 31, 2005

	<u>Parks and Recreation Opportunity</u>	<u>Parks and Recreation Grants and Aids</u>	<u>Rella Havens Memorial Fund</u>	<u>Community Development Block Grant</u>	<u>State Grant Programs</u>	<u>HRA Federal and State Programs</u>	<u>Section 108 Programs</u>	<u>Total Nonmajor Special Revenue Funds</u>
<b>REVENUES</b>								
<b>Taxes</b>								
Gross Earnings Franchise Fees	-	-	-	-	-	-	-	1,798,266
Hotel-Motel Tax	-	-	-	-	-	-	-	1,782,238
<b>Total Taxes</b>	-	-	-	-	-	-	-	3,580,504
Licenses and Permits	-	-	-	-	-	-	-	8,877,940
Intergovernmental Revenue	-	1,435,340	-	12,518,622	1,447,120	4,431,478	330,647	32,155,175
Fees, Sales and Services	1,260	24,717	-	-	-	56,124	-	20,070,935
Assessments	-	-	-	-	-	-	-	19,246,464
<b>Investment Income</b>								
Interest Earned on Investments	1,114	-	14,344	-	30,487	7	91,707	902,556
Increase (Decrease) in Fair Value of Investments	(418)	-	(5,716)	-	(10,635)	-	-	(100,649)
Interest Earned - Other	-	-	-	-	-	14,429	-	68,883
<b>Miscellaneous Revenue</b>								
Program Income	-	-	-	1,684,264	-	189,820	-	1,874,084
Other	38,347	116,735	-	-	13,576	-	-	3,311,604
<b>Total Revenues</b>	<b>40,303</b>	<b>1,576,792</b>	<b>8,628</b>	<b>14,202,886</b>	<b>1,480,548</b>	<b>4,691,858</b>	<b>422,354</b>	<b>89,987,496</b>
<b>EXPENDITURES</b>								
<b>Current</b>								
General Government	-	-	-	-	-	-	-	4,640,223
Public Safety	-	-	-	-	-	-	-	18,540,998
Highways and Streets	-	-	-	-	-	-	-	18,165,339
Sanitation	-	-	-	-	-	-	-	2,553,250
Health	-	-	-	-	-	-	-	3,840,090
Culture and Recreation	51,319	1,205,977	15,201	-	-	-	-	8,262,459
Housing and Economic Development	-	-	-	12,203,669	979,542	4,715,622	3,634,272	21,533,105
Capital Outlay	1,900	48,460	-	-	450,000	-	-	2,023,337
<b>Debt Service</b>								
Other Debt Principal	-	-	-	-	-	-	-	68,841
Interest - Other Debt	-	-	-	-	-	-	-	10,757
<b>Total Expenditures</b>	<b>53,219</b>	<b>1,254,437</b>	<b>15,201</b>	<b>12,203,669</b>	<b>1,429,542</b>	<b>4,715,622</b>	<b>3,634,272</b>	<b>79,638,399</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>(12,916)</b>	<b>322,355</b>	<b>(6,573)</b>	<b>1,999,217</b>	<b>51,006</b>	<b>(23,764)</b>	<b>(3,211,918)</b>	<b>10,349,097</b>
<b>OTHER FINANCING SOURCES (USES)</b>								
Transfers In	-	430,085	-	478,315	-	23,764	-	6,089,965
Transfers Out	-	(710,652)	-	(2,477,532)	(257,064)	-	(135,850)	(22,452,531)
Sale of Capital Assets	-	-	-	-	-	-	-	16,228
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>(280,567)</b>	<b>-</b>	<b>(1,999,217)</b>	<b>(257,064)</b>	<b>23,764</b>	<b>(135,850)</b>	<b>(16,346,338)</b>
<b>Net Change in Fund Balances</b>	<b>(12,916)</b>	<b>41,788</b>	<b>(6,573)</b>	<b>-</b>	<b>(206,058)</b>	<b>-</b>	<b>(3,347,768)</b>	<b>(5,997,241)</b>
<b>FUND BALANCES, January 1</b>	<b>85,942</b>	<b>1,014,581</b>	<b>400,149</b>	<b>-</b>	<b>732,125</b>	<b>-</b>	<b>3,347,768</b>	<b>49,301,018</b>
<b>FUND BALANCES, December 31</b>	<b>73,026</b>	<b>1,056,369</b>	<b>393,576</b>	<b>-</b>	<b>526,067</b>	<b>-</b>	<b>-</b>	<b>43,303,777</b>

City of Saint Paul, Minnesota  
**COMBINING SCHEDULE OF REVENUES,  
EXPENDITURES AND CHANGES  
IN FUND BALANCES**  
**BUDGET AND ACTUAL - ANNUALLY BUDGETED  
NONMAJOR SPECIAL REVENUE FUNDS**  
For the Fiscal Year Ended December 31, 2005

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	Special Projects - General Government				Finance Special Projects			
	Budgeted Amounts		Actual Amounts	Variance With Final Budget	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final			Original	Final		
<b>REVENUES</b>								
Taxes								
Gross Earnings Franchise Fees	-	-	-	-	-	-	-	-
Hotel-Motel Tax	1,773,700	1,773,700	1,782,238	8,538	-	-	-	-
<b>Total Taxes</b>	<b>1,773,700</b>	<b>1,773,700</b>	<b>1,782,238</b>	<b>8,538</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Licenses and Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	467,982	467,982	389,133	(78,849)	-	-	-	-
Fees, Sales and Services	4,734,746	4,734,746	4,818,731	83,985	-	-	-	-
Assessments	-	-	-	-	-	-	-	-
Investment Income								
Interest Earned on Investments	480,000	480,000	538,242	58,242	-	-	-	-
Increase (Decrease) in Fair Value of Investments	-	-	-	-	-	-	-	-
Interest Earned - Other	-	-	-	-	-	-	-	-
Miscellaneous - Other	235,000	235,000	57,789	(177,211)	-	-	-	-
<b>Total Revenues</b>	<b>7,691,428</b>	<b>7,691,428</b>	<b>7,586,133</b>	<b>(105,295)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>EXPENDITURES</b>								
Current								
General Government	2,983,759	2,933,759	2,719,543	214,216	76,352	239,543	228,181	11,362
Public Safety	-	-	-	-	-	-	-	-
Highways and Streets	-	-	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-
Culture and Recreation	-	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	321,501	61,734	-	61,734
Debt Service								
Other Debt Principal	-	-	-	-	-	-	-	-
Interest - Other Debt	-	-	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>2,983,759</b>	<b>2,933,759</b>	<b>2,719,543</b>	<b>214,216</b>	<b>397,853</b>	<b>301,277</b>	<b>228,181</b>	<b>73,096</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	4,707,669	4,757,669	4,866,590	108,921	(397,853)	(301,277)	(228,181)	73,096
<b>OTHER FINANCING SOURCES (USES)</b>								
Transfers In	36,092	36,092	15,196	(20,896)	-	-	166,807	166,807
Transfers Out	(4,949,540)	(4,949,540)	(4,832,052)	117,488	-	(232,779)	(232,779)	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>(4,913,448)</b>	<b>(4,913,448)</b>	<b>(4,816,856)</b>	<b>96,592</b>	<b>-</b>	<b>(232,779)</b>	<b>(65,972)</b>	<b>166,807</b>
<b>Net Change in Fund Balances</b>	<b>(205,779)</b>	<b>(155,779)</b>	<b>49,734</b>	<b>205,513</b>	<b>(397,853)</b>	<b>(534,056)</b>	<b>(294,153)</b>	<b>239,903</b>
<b>FUND BALANCES, January 1</b>	<b>1,287,592</b>	<b>1,287,592</b>	<b>1,287,592</b>	<b>-</b>	<b>294,153</b>	<b>294,153</b>	<b>294,153</b>	<b>-</b>
<b>FUND BALANCES, December 31</b>	<b>1,081,813</b>	<b>1,131,813</b>	<b>1,337,326</b>	<b>205,513</b>	<b>(103,700)</b>	<b>(239,903)</b>	<b>-</b>	<b>239,903</b>

continued

City of Saint Paul, Minnesota  
**COMBINING SCHEDULE OF REVENUES,  
EXPENDITURES AND CHANGES  
IN FUND BALANCES**  
**BUDGET AND ACTUAL - ANNUALLY BUDGETED  
NONMAJOR SPECIAL REVENUE FUNDS**  
For the Fiscal Year Ended December 31, 2005

Schedule 8

	Cable Communications				Charitable Gambling Enforcement			
	Budgeted Amounts		Actual Amounts	Variance With Final Budget	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final			Original	Final		
<b>REVENUES</b>								
Taxes								
Gross Earnings Franchise Fees	1,690,000	1,690,000	1,798,266	108,266	-	-	-	-
Hotel-Motel Tax	-	-	-	-	-	-	-	-
<b>Total Taxes</b>	<b>1,690,000</b>	<b>1,690,000</b>	<b>1,798,266</b>	<b>108,266</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Licenses and Permits	-	-	-	-	310,000	310,000	253,913	(56,087)
Intergovernmental Revenue	-	-	-	-	-	-	-	-
Fees, Sales and Services	90,825	90,825	98,079	7,254	-	-	-	-
Assessments	-	-	-	-	-	-	-	-
Investment Income								
Interest Earned on Investments	-	-	-	-	-	-	-	-
Increase (Decrease) in Fair Value of Investments	-	-	-	-	-	-	-	-
Interest Earned - Other	-	-	-	-	-	-	-	-
Miscellaneous - Other	796,000	819,400	813,425	(5,975)	-	-	-	-
<b>Total Revenues</b>	<b>2,576,825</b>	<b>2,600,225</b>	<b>2,709,770</b>	<b>109,545</b>	<b>310,000</b>	<b>310,000</b>	<b>253,913</b>	<b>(56,087)</b>
<b>EXPENDITURES</b>								
Current								
General Government	1,596,229	1,619,629	1,367,891	251,738	355,434	355,434	285,565	69,869
Public Safety	-	-	-	-	-	-	-	-
Highways and Streets	-	-	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-
Culture and Recreation	-	-	-	-	-	-	-	-
Capital Outlay	469,189	469,189	310,904	158,285	-	-	-	-
Debt Service								
Other Debt Principal	-	-	-	-	-	-	-	-
Interest - Other Debt	-	-	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>2,065,418</b>	<b>2,088,818</b>	<b>1,678,795</b>	<b>410,023</b>	<b>355,434</b>	<b>355,434</b>	<b>285,565</b>	<b>69,869</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	511,407	511,407	1,030,975	519,568	(45,434)	(45,434)	(31,652)	13,782
<b>OTHER FINANCING SOURCES (USES)</b>								
Transfers In	-	-	-	-	-	-	-	-
Transfers Out	(1,051,042)	(1,051,042)	(1,050,256)	786	(10,000)	(10,000)	(10,000)	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>(1,051,042)</b>	<b>(1,051,042)</b>	<b>(1,050,256)</b>	<b>786</b>	<b>(10,000)</b>	<b>(10,000)</b>	<b>(10,000)</b>	<b>-</b>
<b>Net Change in Fund Balances</b>	<b>(539,635)</b>	<b>(539,635)</b>	<b>(19,281)</b>	<b>520,354</b>	<b>(55,434)</b>	<b>(55,434)</b>	<b>(41,652)</b>	<b>13,782</b>
<b>FUND BALANCES, January 1</b>	<b>1,707,670</b>	<b>1,707,670</b>	<b>1,707,670</b>	<b>-</b>	<b>125,608</b>	<b>125,608</b>	<b>125,608</b>	<b>-</b>
<b>FUND BALANCES, December 31</b>	<b>1,168,035</b>	<b>1,168,035</b>	<b>1,688,389</b>	<b>520,354</b>	<b>70,174</b>	<b>70,174</b>	<b>83,956</b>	<b>13,782</b>

continued

City of Saint Paul, Minnesota  
**COMBINING SCHEDULE OF REVENUES,  
EXPENDITURES AND CHANGES  
IN FUND BALANCES**  
**BUDGET AND ACTUAL - ANNUALLY BUDGETED  
NONMAJOR SPECIAL REVENUE FUNDS**  
For the Fiscal Year Ended December 31, 2005

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	Debt - Capital Improvement				Utilities Rate Investigation Administration			
	Budgeted Amounts		Actual Amounts	Variance With Final Budget	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final			Original	Final		
<b>REVENUES</b>								
Taxes								
Gross Earnings Franchise Fees	-	-	-	-	-	-	-	-
Hotel-Motel Tax	-	-	-	-	-	-	-	-
<b>Total Taxes</b>	-	-	-	-	-	-	-	-
Licenses and Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	-	-	-	-	-	-	-	-
Fees, Sales and Services	-	-	84,860	84,860	65,000	65,000	71,980	6,980
Assessments	-	-	-	-	-	-	-	-
Investment Income								
Interest Earned on Investments	-	-	6,986	6,986	-	-	-	-
Increase (Decrease) in Fair Value of Investments	-	-	(3,059)	(3,059)	-	-	-	-
Interest Earned - Other	-	-	-	-	-	-	-	-
Miscellaneous - Other	-	-	-	-	-	-	-	-
<b>Total Revenues</b>	-	-	<b>88,787</b>	<b>88,787</b>	<b>65,000</b>	<b>65,000</b>	<b>71,980</b>	<b>6,980</b>
<b>EXPENDITURES</b>								
Current								
General Government	-	-	-	-	39,043	39,043	39,043	-
Public Safety	-	-	-	-	-	-	-	-
Highways and Streets	-	-	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-
Culture and Recreation	-	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-	-
Debt Service								
Other Debt Principal	-	-	-	-	-	-	-	-
Interest - Other Debt	-	-	-	-	-	-	-	-
<b>Total Expenditures</b>	-	-	-	-	<b>39,043</b>	<b>39,043</b>	<b>39,043</b>	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	88,787	88,787	25,957	25,957	32,937	6,980
<b>OTHER FINANCING SOURCES (USES)</b>								
Transfers In	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	(22,962)	(22,962)	(22,962)	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	-	-	-	-	<b>(22,962)</b>	<b>(22,962)</b>	<b>(22,962)</b>	-
<b>Net Change in Fund Balances</b>	-	-	<b>88,787</b>	<b>88,787</b>	<b>2,995</b>	<b>2,995</b>	<b>9,975</b>	<b>6,980</b>
<b>FUND BALANCES, January 1</b>	<b>146,744</b>	<b>146,744</b>	<b>146,744</b>	-	<b>11,906</b>	<b>11,906</b>	<b>11,906</b>	-
<b>FUND BALANCES, December 31</b>	<b>146,744</b>	<b>146,744</b>	<b>235,531</b>	<b>88,787</b>	<b>14,901</b>	<b>14,901</b>	<b>21,881</b>	<b>6,980</b>

continued

City of Saint Paul, Minnesota  
**COMBINING SCHEDULE OF REVENUES,  
EXPENDITURES AND CHANGES  
IN FUND BALANCES**  
**BUDGET AND ACTUAL - ANNUALLY BUDGETED  
NONMAJOR SPECIAL REVENUE FUNDS**  
For the Fiscal Year Ended December 31, 2005

	Property Code Enforcement				License and Permit			
	Budgeted Amounts		Actual Amounts	Variance With Final Budget	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final			Original	Final		
<b>REVENUES</b>								
Taxes								
Gross Earnings Franchise Fees	-	-	-	-	-	-	-	-
Hotel-Motel Tax	-	-	-	-	-	-	-	-
<b>Total Taxes</b>	-	-	-	-	-	-	-	-
Licenses and Permits	4,000	4,000	4,400	400	8,578,459	8,505,234	8,412,185	(93,049)
Intergovernmental Revenue	-	-	-	-	-	-	-	-
Fees, Sales and Services	319,745	319,745	386,101	66,356	1,460,655	1,460,655	1,681,921	221,266
Assessments	-	-	-	-	-	-	-	-
Investment Income								
Interest Earned on Investments	-	-	-	-	-	-	-	-
Increase (Decrease) in Fair Value of Investments	-	-	-	-	-	-	-	-
Interest Earned - Other	-	-	-	-	-	-	-	-
Miscellaneous - Other	200,000	200,000	-	(200,000)	28,000	28,808	38,366	9,558
<b>Total Revenues</b>	<b>523,745</b>	<b>523,745</b>	<b>390,501</b>	<b>(133,244)</b>	<b>10,067,114</b>	<b>9,994,697</b>	<b>10,132,472</b>	<b>137,775</b>
<b>EXPENDITURES</b>								
Current								
General Government	-	-	-	-	-	-	-	-
Public Safety	783,500	783,500	503,884	279,616	9,888,923	10,131,197	9,710,055	421,142
Highways and Streets	-	-	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-
Culture and Recreation	-	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	655	20,655	54,131	(33,476)
Debt Service								
Other Debt Principal	-	-	-	-	-	-	-	-
Interest - Other Debt	-	-	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>783,500</b>	<b>783,500</b>	<b>503,884</b>	<b>279,616</b>	<b>9,889,578</b>	<b>10,151,852</b>	<b>9,764,186</b>	<b>387,666</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>(259,755)</b>	<b>(259,755)</b>	<b>(113,383)</b>	<b>146,372</b>	<b>177,536</b>	<b>(157,155)</b>	<b>368,286</b>	<b>525,441</b>
<b>OTHER FINANCING SOURCES (USES)</b>								
Transfers In	200,000	200,000	154,827	(45,173)	30,600	103,825	18,920	(84,905)
Transfers Out	(56,830)	(56,830)	(55,963)	867	(164,008)	(164,008)	(153,082)	10,926
Sale of Capital Assets	-	-	-	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>143,170</b>	<b>143,170</b>	<b>98,864</b>	<b>(44,306)</b>	<b>(133,408)</b>	<b>(60,183)</b>	<b>(134,162)</b>	<b>(73,979)</b>
<b>Net Change in Fund Balances</b>	<b>(116,585)</b>	<b>(116,585)</b>	<b>(14,519)</b>	<b>102,066</b>	<b>44,128</b>	<b>(217,338)</b>	<b>234,124</b>	<b>451,462</b>
<b>FUND BALANCES, January 1</b>	<b>491,508</b>	<b>491,508</b>	<b>491,508</b>	<b>-</b>	<b>3,550,112</b>	<b>3,550,112</b>	<b>3,550,112</b>	<b>-</b>
<b>FUND BALANCES, December 31</b>	<b>374,923</b>	<b>374,923</b>	<b>476,989</b>	<b>102,066</b>	<b>3,594,240</b>	<b>3,332,774</b>	<b>3,784,236</b>	<b>451,462</b>

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City of Saint Paul, Minnesota  
**COMBINING SCHEDULE OF REVENUES,  
EXPENDITURES AND CHANGES  
IN FUND BALANCES**  
**BUDGET AND ACTUAL - ANNUALLY BUDGETED  
NONMAJOR SPECIAL REVENUE FUNDS**  
For the Fiscal Year Ended December 31, 2005

Schedule 8

	Police Services - Pension Assets				Crime Laboratory			
	Budgeted Amounts		Actual Amounts	Variance With Final Budget	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final			Original	Final		
<b>REVENUES</b>								
Taxes								
Gross Earnings Franchise Fees	-	-	-	-	-	-	-	-
Hotel-Motel Tax	-	-	-	-	-	-	-	-
<b>Total Taxes</b>	-	-	-	-	-	-	-	-
Licenses and Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	-	-	-	-	-	-	-	-
Fees, Sales and Services	-	-	-	-	26,000	58,090	70,010	11,920
Assessments	-	-	-	-	-	-	-	-
Investment Income								
Interest Earned on Investments	51,792	51,792	176,043	124,251	-	-	-	-
Increase (Decrease) in Fair Value of Investments	-	-	(65,106)	(65,106)	-	-	-	-
Interest Earned - Other	-	-	-	-	-	-	-	-
Miscellaneous - Other	-	-	-	-	-	-	71,329	71,329
<b>Total Revenues</b>	<b>51,792</b>	<b>51,792</b>	<b>110,937</b>	<b>59,145</b>	<b>26,000</b>	<b>58,090</b>	<b>141,339</b>	<b>83,249</b>
<b>EXPENDITURES</b>								
Current								
General Government	-	-	-	-	-	-	-	-
Public Safety	218,007	218,007	217,342	665	64,950	97,040	91,863	5,177
Highways and Streets	-	-	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-
Culture and Recreation	-	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-	-
Debt Service								
Other Debt Principal	-	-	-	-	-	-	-	-
Interest - Other Debt	-	-	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>218,007</b>	<b>218,007</b>	<b>217,342</b>	<b>665</b>	<b>64,950</b>	<b>97,040</b>	<b>91,863</b>	<b>5,177</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>(166,215)</b>	<b>(166,215)</b>	<b>(106,405)</b>	<b>59,810</b>	<b>(38,950)</b>	<b>(38,950)</b>	<b>49,476</b>	<b>88,426</b>
<b>OTHER FINANCING SOURCES (USES)</b>								
Transfers In	-	-	-	-	31,000	31,000	31,000	-
Transfers Out	(3,370)	(3,370)	(3,370)	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>(3,370)</b>	<b>(3,370)</b>	<b>(3,370)</b>	<b>-</b>	<b>31,000</b>	<b>31,000</b>	<b>31,000</b>	<b>-</b>
<b>Net Change in Fund Balances</b>	<b>(169,585)</b>	<b>(169,585)</b>	<b>(109,775)</b>	<b>59,810</b>	<b>(7,950)</b>	<b>(7,950)</b>	<b>80,476</b>	<b>88,426</b>
<b>FUND BALANCES, January 1</b>	<b>966,035</b>	<b>966,035</b>	<b>966,035</b>	<b>-</b>	<b>10,863</b>	<b>10,863</b>	<b>10,863</b>	<b>-</b>
<b>FUND BALANCES, December 31</b>	<b>796,450</b>	<b>796,450</b>	<b>856,260</b>	<b>59,810</b>	<b>2,913</b>	<b>2,913</b>	<b>91,339</b>	<b>88,426</b>

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City of Saint Paul, Minnesota  
**COMBINING SCHEDULE OF REVENUES,  
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IN FUND BALANCES**  
**BUDGET AND ACTUAL - ANNUALLY BUDGETED  
NONMAJOR SPECIAL REVENUE FUNDS**  
For the Fiscal Year Ended December 31, 2005

Schedule 8

	Parking Enforcement				Special Projects Police			
	Budgeted Amounts		Actual Amounts	Variance With Final Budget	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final			Original	Final		
<b>REVENUES</b>								
Taxes								
Gross Earnings Franchise Fees	-	-	-	-	-	-	-	-
Hotel-Motel Tax	-	-	-	-	-	-	-	-
<b>Total Taxes</b>	-	-	-	-	-	-	-	-
Licenses and Permits	-	-	-	-	-	285,910	201,529	(84,381)
Intergovernmental Revenue	-	-	-	-	3,904,024	4,807,213	3,584,615	(1,222,598)
Fees, Sales and Services	-	-	-	-	2,139,980	2,154,642	2,031,552	(123,090)
Assessments	-	-	-	-	-	-	-	-
Investment Income								
Interest Earned on Investments	-	-	-	-	39,397	39,397	41,260	1,863
Increase (Decrease) in Fair Value of Investments	-	-	-	-	-	-	(15,354)	(15,354)
Interest Earned - Other	-	-	-	-	-	-	-	-
Miscellaneous - Other	-	-	-	-	263,808	263,808	355,748	91,940
<b>Total Revenues</b>	-	-	-	-	6,347,209	7,550,970	6,199,350	(1,351,620)
<b>EXPENDITURES</b>								
Current								
General Government	-	-	-	-	-	-	-	-
Public Safety	1,288,902	1,288,902	1,187,085	101,817	5,856,553	7,138,069	5,643,824	1,494,245
Highways and Streets	-	-	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-
Culture and Recreation	-	-	-	-	-	-	-	-
Capital Outlay	31,708	31,708	-	31,708	942,270	995,244	412,790	582,454
Debt Service								
Other Debt Principal	70,756	70,756	68,841	1,915	-	-	-	-
Interest - Other Debt	8,843	8,843	10,757	(1,914)	-	-	-	-
<b>Total Expenditures</b>	1,400,209	1,400,209	1,266,683	133,526	6,798,823	8,133,313	6,056,614	2,076,699
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	(1,400,209)	(1,400,209)	(1,266,683)	133,526	(451,614)	(582,343)	142,736	725,079
<b>OTHER FINANCING SOURCES (USES)</b>								
Transfers In	1,404,889	1,404,889	1,254,064	(150,825)	199,482	199,482	199,482	-
Transfers Out	(4,680)	(4,680)	(4,680)	-	(272,419)	(327,050)	(195,254)	131,796
Sale of Capital Assets	-	-	-	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	1,400,209	1,400,209	1,249,384	(150,825)	(72,937)	(127,568)	4,228	131,796
<b>Net Change in Fund Balances</b>	-	-	(17,299)	(17,299)	(524,551)	(709,911)	146,964	856,875
<b>FUND BALANCES, January 1</b>	17,299	17,299	17,299	-	3,542,327	3,542,327	3,542,327	-
<b>FUND BALANCES, December 31</b>	17,299	17,299	-	(17,299)	3,017,776	2,832,416	3,689,291	856,875

continued

City of Saint Paul, Minnesota  
**COMBINING SCHEDULE OF REVENUES,  
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**BUDGET AND ACTUAL - ANNUALLY BUDGETED  
NONMAJOR SPECIAL REVENUE FUNDS**  
For the Fiscal Year Ended December 31, 2005

Schedule 8

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	Police Officers Clothing				Fire Responsive Services			
	Budgeted Amounts		Actual Amounts	Variance With Final Budget	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final			Original	Final		
<b>REVENUES</b>								
Taxes								
Gross Earnings Franchise Fees	-	-	-	-	-	-	-	-
Hotel-Motel Tax	-	-	-	-	-	-	-	-
<b>Total Taxes</b>	-	-	-	-	-	-	-	-
Licenses and Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	-	-	-	-	-	525,741	355,700	(170,041)
Fees, Sales and Services	-	-	-	-	750	750	10,835	10,085
Assessments	-	-	-	-	-	-	-	-
Investment Income								
Interest Earned on Investments	-	-	-	-	-	-	-	-
Increase (Decrease) in Fair Value of Investments	-	-	-	-	-	-	-	-
Interest Earned - Other	-	-	-	-	-	-	-	-
Miscellaneous - Other	-	-	-	-	43,200	43,200	92,399	49,199
<b>Total Revenues</b>	-	-	-	-	43,950	569,691	458,934	(110,757)
<b>EXPENDITURES</b>								
Current								
General Government	-	-	-	-	-	-	-	-
Public Safety	532,781	532,781	532,781	-	102,626	744,399	438,938	305,461
Highways and Streets	-	-	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-
Culture and Recreation	-	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	45,000	45,000	-
Debt Service								
Other Debt Principal	-	-	-	-	-	-	-	-
Interest - Other Debt	-	-	-	-	-	-	-	-
<b>Total Expenditures</b>	532,781	532,781	532,781	-	102,626	789,399	483,938	305,461
Excess (Deficiency) of Revenues Over (Under) Expenditures	(532,781)	(532,781)	(532,781)	-	(58,676)	(219,708)	(25,004)	194,704
<b>OTHER FINANCING SOURCES (USES)</b>								
Transfers In	532,781	532,781	538,122	5,341	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	2,000	2,000
<b>Total Other Financing Sources (Uses)</b>	532,781	532,781	538,122	5,341	-	-	2,000	2,000
<b>Net Change in Fund Balances</b>	-	-	5,341	5,341	(58,676)	(219,708)	(23,004)	196,704
<b>FUND BALANCES, January 1</b>	346,429	346,429	346,429	-	233,756	233,756	233,756	-
<b>FUND BALANCES, December 31</b>	346,429	346,429	351,770	5,341	175,080	14,048	210,752	196,704

continued

City of Saint Paul, Minnesota  
**COMBINING SCHEDULE OF REVENUES,  
EXPENDITURES AND CHANGES  
IN FUND BALANCES**  
**BUDGET AND ACTUAL - ANNUALLY BUDGETED  
NONMAJOR SPECIAL REVENUE FUNDS**  
For the Fiscal Year Ended December 31, 2005

Schedule 8

	Fire Fighting Equipment				Fire Protection Clothing			
	Budgeted Amounts		Actual Amounts	Variance With Final Budget	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final			Original	Final		
<b>REVENUES</b>								
Taxes								
Gross Earnings Franchise Fees	-	-	-	-	-	-	-	-
Hotel-Motel Tax	-	-	-	-	-	-	-	-
<b>Total Taxes</b>	-	-	-	-	-	-	-	-
Licenses and Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	-	-	-	-	-	-	-	-
Fees, Sales and Services	497,695	497,695	510,755	13,060	-	-	-	-
Assessments	-	-	-	-	-	-	-	-
Investment Income								
Interest Earned on Investments	-	-	-	-	-	-	-	-
Increase (Decrease) in Fair Value of Investments	-	-	-	-	-	-	-	-
Interest Earned - Other	-	-	-	-	-	-	-	-
Miscellaneous - Other	-	-	10,453	10,453	-	-	-	-
<b>Total Revenues</b>	<b>497,695</b>	<b>497,695</b>	<b>521,208</b>	<b>23,513</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>EXPENDITURES</b>								
Current								
General Government	-	-	-	-	-	-	-	-
Public Safety	1,321	1,321	1,321	-	229,573	229,573	213,905	15,668
Highways and Streets	-	-	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-
Culture and Recreation	-	-	-	-	-	-	-	-
Capital Outlay	1,264,300	1,264,300	131,110	1,133,190	-	-	-	-
Debt Service								
Other Debt Principal	-	-	-	-	-	-	-	-
Interest - Other Debt	-	-	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>1,265,621</b>	<b>1,265,621</b>	<b>132,431</b>	<b>1,133,190</b>	<b>229,573</b>	<b>229,573</b>	<b>213,905</b>	<b>15,668</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(767,926)	(767,926)	388,777	1,156,703	(229,573)	(229,573)	(213,905)	15,668
<b>OTHER FINANCING SOURCES (USES)</b>								
Transfers In	-	-	-	-	229,573	229,573	232,283	2,710
Transfers Out	-	-	-	-	-	-	-	-
Sale of Capital Assets	8,000	8,000	13,425	5,425	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>8,000</b>	<b>8,000</b>	<b>13,425</b>	<b>5,425</b>	<b>229,573</b>	<b>229,573</b>	<b>232,283</b>	<b>2,710</b>
<b>Net Change in Fund Balances</b>	<b>(759,926)</b>	<b>(759,926)</b>	<b>402,202</b>	<b>1,162,128</b>	<b>-</b>	<b>-</b>	<b>18,378</b>	<b>18,378</b>
<b>FUND BALANCES, January 1</b>	<b>1,891,137</b>	<b>1,891,137</b>	<b>1,891,137</b>	<b>-</b>	<b>198,428</b>	<b>198,428</b>	<b>198,428</b>	<b>-</b>
<b>FUND BALANCES, December 31</b>	<b>1,131,211</b>	<b>1,131,211</b>	<b>2,293,339</b>	<b>1,162,128</b>	<b>198,428</b>	<b>198,428</b>	<b>216,806</b>	<b>18,378</b>

continued

City of Saint Paul, Minnesota  
**COMBINING SCHEDULE OF REVENUES,  
EXPENDITURES AND CHANGES  
IN FUND BALANCES**  
**BUDGET AND ACTUAL - ANNUALLY BUDGETED  
NONMAJOR SPECIAL REVENUE FUNDS**  
For the Fiscal Year Ended December 31, 2005

Schedule 8

	Right of Way Maintenance				Parking Meter Collections			
	Budgeted Amounts		Actual Amounts	Variance With Final Budget	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final			Original	Final		
<b>REVENUES</b>								
Taxes								
Gross Earnings Franchise Fees	-	-	-	-	-	-	-	-
Hotel-Motel Tax	-	-	-	-	-	-	-	-
<b>Total Taxes</b>	-	-	-	-	-	-	-	-
Licenses and Permits	-	-	5,913	5,913	-	-	-	-
Intergovernmental Revenue	3,409,045	3,409,045	3,361,422	(47,623)	4,000,000	4,000,000	3,628,685	(371,315)
Fees, Sales and Services	462,318	462,318	2,049,176	1,586,858	1,813,985	1,813,985	1,800,973	(13,012)
Assessments	17,228,583	17,228,583	16,800,397	(428,186)	-	-	-	-
Investment Income								
Interest Earned on Investments	-	-	-	-	-	-	-	-
Increase (Decrease) in Fair Value of Investments	-	-	-	-	-	-	-	-
Interest Earned - Other	-	-	-	-	-	-	-	-
Miscellaneous - Other	-	-	19,539	19,539	-	-	-	-
<b>Total Revenues</b>	<b>21,099,946</b>	<b>21,099,946</b>	<b>22,236,447</b>	<b>1,136,501</b>	<b>5,813,985</b>	<b>5,813,985</b>	<b>5,429,658</b>	<b>(384,327)</b>
<b>EXPENDITURES</b>								
Current								
General Government	-	-	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-	-	-
Highways and Streets	18,586,854	18,240,331	17,581,499	658,832	465,702	464,433	448,838	15,595
Sanitation	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-
Culture and Recreation	-	-	-	-	-	-	-	-
Capital Outlay	733,620	1,035,377	398,106	637,271	40,800	30,512	-	30,512
Debt Service								
Other Debt Principal	-	-	-	-	-	-	-	-
Interest - Other Debt	-	-	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>19,320,474</b>	<b>19,275,708</b>	<b>17,979,605</b>	<b>1,296,103</b>	<b>506,502</b>	<b>494,945</b>	<b>448,838</b>	<b>46,107</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,779,472	1,824,238	4,256,842	2,432,604	5,307,483	5,319,040	4,980,820	(338,220)
<b>OTHER FINANCING SOURCES (USES)</b>								
Transfers In	-	-	-	-	-	-	-	-
Transfers Out	(6,100,893)	(6,845,659)	(7,223,383)	(377,724)	(5,307,483)	(5,317,771)	(4,980,820)	336,951
Sale of Capital Assets	-	-	803	803	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>(6,100,893)</b>	<b>(6,845,659)</b>	<b>(7,222,580)</b>	<b>(376,921)</b>	<b>(5,307,483)</b>	<b>(5,317,771)</b>	<b>(4,980,820)</b>	<b>336,951</b>
<b>Net Change in Fund Balances</b>	<b>(4,321,421)</b>	<b>(5,021,421)</b>	<b>(2,965,738)</b>	<b>2,055,683</b>	<b>-</b>	<b>1,269</b>	<b>-</b>	<b>(1,269)</b>
<b>FUND BALANCES, January 1</b>	<b>26,133,112</b>	<b>26,133,112</b>	<b>26,133,112</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCES, December 31</b>	<b>21,811,691</b>	<b>21,111,691</b>	<b>23,167,374</b>	<b>2,055,683</b>	<b>-</b>	<b>1,269</b>	<b>-</b>	<b>(1,269)</b>

continued

City of Saint Paul, Minnesota  
 COMBINING SCHEDULE OF REVENUES,  
 EXPENDITURES AND CHANGES  
 IN FUND BALANCES  
 BUDGET AND ACTUAL - ANNUALLY BUDGETED  
 NONMAJOR SPECIAL REVENUE FUNDS  
 For the Fiscal Year Ended December 31, 2005

	Lighting Maintenance Assessment Districts				Solid Waste and Recycling			
	Budgeted Amounts		Actual Amounts	Variance With Final Budget	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final			Original	Final		
<b>REVENUES</b>								
Taxes								
Gross Earnings Franchise Fees	-	-	-	-	-	-	-	-
Hotel-Motel Tax	-	-	-	-	-	-	-	-
Total Taxes	-	-	-	-	-	-	-	-
Licenses and Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	-	-	-	-	539,549	539,549	543,413	3,864
Fees, Sales and Services	-	-	-	-	-	-	-	-
Assessments	129,584	129,584	158,792	29,208	2,525,100	2,525,100	2,287,275	(237,825)
Investment Income								
Interest Earned on Investments	-	-	-	-	-	-	-	-
Increase (Decrease) in Fair Value of Investments	-	-	-	-	-	-	-	-
Interest Earned - Other	-	-	-	-	-	-	54,454	54,454
Miscellaneous - Other	-	-	-	-	-	-	-	-
Total Revenues	129,584	129,584	158,792	29,208	3,064,649	3,064,649	2,885,142	(179,507)
<b>EXPENDITURES</b>								
Current								
General Government	-	-	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-	-	-
Highways and Streets	138,106	138,106	135,002	3,104	-	-	-	-
Sanitation	-	-	-	-	3,079,361	2,929,361	2,553,250	376,111
Health	-	-	-	-	-	-	-	-
Culture and Recreation	-	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-	-
Debt Service								
Other Debt Principal	-	-	-	-	-	-	-	-
Interest - Other Debt	-	-	-	-	-	-	-	-
Total Expenditures	138,106	138,106	135,002	3,104	3,079,361	2,929,361	2,553,250	376,111
Excess (Deficiency) of Revenues Over (Under) Expenditures	(8,522)	(8,522)	23,790	32,312	(14,712)	135,288	331,892	196,604
<b>OTHER FINANCING SOURCES (USES)</b>								
Transfers In	-	-	-	-	7,191	7,191	7,191	-
Transfers Out	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	7,191	7,191	7,191	-
Net Change in Fund Balances	(8,522)	(8,522)	23,790	32,312	(7,521)	142,479	339,083	196,604
FUND BALANCES, January 1	243,228	243,228	243,228	-	1,381,672	1,381,672	1,381,672	-
FUND BALANCES, December 31	234,706	234,706	267,018	32,312	1,374,151	1,524,151	1,720,755	196,604

continued

City of Saint Paul, Minnesota  
 COMBINING SCHEDULE OF REVENUES,  
 EXPENDITURES AND CHANGES  
 IN FUND BALANCES

Schedule 8

BUDGET AND ACTUAL - ANNUALLY BUDGETED  
 NONMAJOR SPECIAL REVENUE FUNDS  
 For the Fiscal Year Ended December 31, 2005

	Special Projects - Division of Health				Municipal Stadium			
	Budgeted Amounts		Actual Amounts	Variance With Final Budget	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final			Original	Final		
<b>REVENUES</b>								
Taxes								
Gross Earnings Franchise Fees	-	-	-	-	-	-	-	-
Hotel-Motel Tax	-	-	-	-	-	-	-	-
Total Taxes	-	-	-	-	-	-	-	-
Licenses and Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	-	-	-	-	-	-	-	-
Fees, Sales and Services	3,997,722	3,997,722	3,840,090	(157,632)	360,000	360,000	353,848	(6,152)
Assessments	-	-	-	-	-	-	-	-
Investment Income								
Interest Earned on Investments	-	-	-	-	-	-	-	-
Increase (Decrease) in Fair Value of Investments	-	-	-	-	-	-	-	-
Interest Earned - Other	-	-	-	-	-	-	-	-
Miscellaneous - Other	-	-	-	-	-	-	499	499
Total Revenues	3,997,722	3,997,722	3,840,090	(157,632)	360,000	360,000	354,347	(5,653)
<b>EXPENDITURES</b>								
Current								
General Government	-	-	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-	-	-
Highways and Streets	-	-	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-	-	-
Health	3,997,722	3,997,722	3,840,090	157,632	-	-	-	-
Culture and Recreation	-	-	-	-	400,161	400,161	383,562	16,599
Capital Outlay	-	-	-	-	22,249	22,249	-	22,249
Debt Service								
Other Debt Principal	-	-	-	-	-	-	-	-
Interest - Other Debt	-	-	-	-	-	-	-	-
Total Expenditures	3,997,722	3,997,722	3,840,090	157,632	422,410	422,410	383,562	38,848
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-	(62,410)	(62,410)	(29,215)	33,195
<b>OTHER FINANCING SOURCES (USES)</b>								
Transfers In	53,497	53,497	53,497	-	73,261	73,261	73,261	-
Transfers Out	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	53,497	53,497	53,497	-	73,261	73,261	73,261	-
Net Change in Fund Balances	53,497	53,497	53,497	-	10,851	10,851	44,046	33,195
FUND BALANCES, January 1	-	-	-	-	161,532	161,532	161,532	-
FUND BALANCES, December 31	53,497	53,497	53,497	-	172,383	172,383	205,578	33,195

continued

City of Saint Paul, Minnesota  
**COMBINING SCHEDULE OF REVENUES,  
EXPENDITURES AND CHANGES  
IN FUND BALANCES**  
**BUDGET AND ACTUAL - ANNUALLY BUDGETED  
NONMAJOR SPECIAL REVENUE FUNDS**  
For the Fiscal Year Ended December 31, 2005

	Forestry Special				Como Campus			
	Budgeted Amounts		Actual Amounts	Variance With Final Budget	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final			Original	Final		
<b>REVENUES</b>								
Taxes								
Gross Earnings Franchise Fees	-	-	-	-	-	-	-	-
Hotel-Motel Tax	-	-	-	-	-	-	-	-
Total Taxes	-	-	-	-	-	-	-	-
Licenses and Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	-	-	-	-	361,500	429,000	129,000	(300,000)
Fees, Sales and Services	-	-	-	-	512,300	453,842	384,660	(69,182)
Assessments	400,000	400,000	-	(400,000)	-	-	-	-
Investment Income								
Interest Earned on Investments	-	-	-	-	-	-	-	-
Increase (Decrease) in Fair Value of Investments	-	-	-	-	-	-	-	-
Interest Earned - Other	-	-	-	-	-	-	-	-
Miscellaneous - Other	-	-	-	-	1,103,500	1,422,277	1,627,062	204,785
Total Revenues	400,000	400,000	-	(400,000)	1,977,300	2,305,119	2,140,722	(164,397)
<b>EXPENDITURES</b>								
Current								
General Government	-	-	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-	-	-
Highways and Streets	-	-	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-
Culture and Recreation	2,500,487	2,500,487	2,329,026	171,461	2,295,037	2,655,372	2,412,064	243,308
Capital Outlay	-	-	45,460	(45,460)	21,321	43,321	62,583	(19,262)
Debt Service								
Other Debt Principal	-	-	-	-	-	-	-	-
Interest - Other Debt	-	-	-	-	-	-	-	-
Total Expenditures	2,500,487	2,500,487	2,374,486	126,001	2,316,358	2,698,693	2,474,647	224,046
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,100,487)	(2,100,487)	(2,374,486)	(273,999)	(339,058)	(393,574)	(333,925)	59,649
<b>OTHER FINANCING SOURCES (USES)</b>								
Transfers In	1,998,662	1,998,662	1,998,662	-	407,489	407,489	407,489	-
Transfers Out	-	-	-	-	(67,435)	(106,832)	(106,832)	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	1,998,662	1,998,662	1,998,662	-	340,054	300,657	300,657	-
Net Change in Fund Balances	(101,825)	(101,825)	(375,824)	(273,999)	996	(92,917)	(33,268)	59,649
FUND BALANCES, January 1	113,734	113,734	113,734	-	506,621	506,621	506,621	-
FUND BALANCES, December 31	11,909	11,909	(262,090)	(273,999)	507,617	413,704	473,353	59,649

continued

City of Saint Paul, Minnesota  
**COMBINING SCHEDULE OF REVENUES,  
EXPENDITURES AND CHANGES  
IN FUND BALANCES**  
**BUDGET AND ACTUAL - ANNUALLY BUDGETED  
NONMAJOR SPECIAL REVENUE FUNDS**  
For the Fiscal Year Ended December 31, 2005

	Special Recreation Activities				Municipal Athletic Programming			
	Budgeted Amounts		Actual Amounts	Variance With Final Budget	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final			Original	Final		
<b>REVENUES</b>								
Taxes								
Gross Earnings Franchise Fees	-	-	-	-	-	-	-	-
Hotel-Motel Tax	-	-	-	-	-	-	-	-
Total Taxes	-	-	-	-	-	-	-	-
Licenses and Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	-	-	-	-	-	-	-	-
Fees, Sales and Services	967,604	1,249,104	1,295,045	45,941	385,070	451,070	471,407	20,337
Assessments	-	-	-	-	-	-	-	-
Investment Income								
Interest Earned on Investments	-	-	-	-	-	-	-	-
Increase (Decrease) in Fair Value of Investments	-	-	-	-	-	-	636	636
Interest Earned - Other	-	-	-	-	-	-	-	-
Miscellaneous - Other	1,000	1,000	25,039	24,039	-	20,500	29,774	9,274
Total Revenues	968,604	1,250,104	1,320,084	69,980	385,070	471,570	501,817	30,247
<b>EXPENDITURES</b>								
Current								
General Government	-	-	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-	-	-
Highways and Streets	-	-	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-
Culture and Recreation	972,008	1,188,197	1,392,889	(204,692)	385,071	471,571	472,421	(850)
Capital Outlay	-	65,000	62,893	2,107	-	-	-	-
Debt Service								
Other Debt Principal	-	-	-	-	-	-	-	-
Interest - Other Debt	-	-	-	-	-	-	-	-
Total Expenditures	972,008	1,253,197	1,455,782	(202,585)	385,071	471,571	472,421	(850)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,404)	(3,093)	(135,698)	(132,605)	(1)	(1)	29,396	29,397
<b>OTHER FINANCING SOURCES (USES)</b>								
Transfers In	-	-	7,000	7,000	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	7,000	7,000	-	-	-	-
Net Change in Fund Balances	(3,404)	(3,093)	(128,698)	(125,605)	(1)	(1)	29,396	29,397
FUND BALANCES, January 1	367,222	367,222	367,222	-	(53,699)	(53,699)	(53,699)	-
FUND BALANCES, December 31	363,818	364,129	238,524	(125,605)	(53,700)	(53,700)	(24,303)	29,397

continued



City of Saint Paul, Minnesota  
 COMBINING SCHEDULE OF REVENUES,  
 EXPENDITURES AND CHANGES  
 IN FUND BALANCES

Schedule 8

BUDGET AND ACTUAL - ANNUALLY BUDGETED  
 NONMAJOR SPECIAL REVENUE FUNDS  
 For the Fiscal Year Ended December 31, 2005

	Charitable Gambling				Parks and Recreation Opportunity			
	Budgeted Amounts		Actual Amounts	Variance With Final Budget	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final			Original	Final		
<b>REVENUES</b>								
Taxes								
Gross Earnings Franchise Fees	-	-	-	-	-	-	-	-
Hotel-Motel Tax	-	-	-	-	-	-	-	-
Total Taxes	-	-	-	-	-	-	-	-
Licenses and Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	-	-	-	-	-	-	-	-
Fees, Sales and Services	15,000	15,000	28,811	13,811	5,000	5,000	1,260	(3,740)
Assessments	-	-	-	-	-	-	-	-
Investment Income								
Interest Earned on Investments	-	-	2,366	2,366	-	-	1,114	1,114
Increase (Decrease) in Fair Value of Investments	-	-	(997)	(997)	-	-	(418)	(418)
Interest Earned - Other	-	-	-	-	-	-	-	-
Miscellaneous - Other	-	-	1,524	1,524	10,000	59,076	38,347	(20,729)
Total Revenues	15,000	15,000	31,704	16,704	15,000	64,076	40,303	(23,773)
<b>EXPENDITURES</b>								
Current								
General Government	-	-	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-	-	-
Highways and Streets	-	-	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-
Culture and Recreation	15,000	15,000	-	15,000	4,909	53,985	51,319	2,666
Capital Outlay	-	-	-	-	10,000	10,000	1,900	8,100
Debt Service								
Other Debt Principal	-	-	-	-	-	-	-	-
Interest - Other Debt	-	-	-	-	-	-	-	-
Total Expenditures	15,000	15,000	-	15,000	14,909	63,985	53,219	10,766
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	31,704	31,704	91	91	(12,916)	(13,007)
<b>OTHER FINANCING SOURCES (USES)</b>								
Transfers In	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	-	-	-
Net Change in Fund Balances	-	-	31,704	31,704	91	91	(12,916)	(13,007)
FUND BALANCES, January 1	45,464	45,464	45,464	-	85,942	85,942	85,942	-
FUND BALANCES, December 31	45,464	45,464	77,168	31,704	86,033	86,033	73,026	(13,007)

continued

City of Saint Paul, Minnesota  
 COMBINING SCHEDULE OF REVENUES,  
 EXPENDITURES AND CHANGES  
 IN FUND BALANCES

Schedule 8

BUDGET AND ACTUAL - ANNUALLY BUDGETED  
 NONMAJOR SPECIAL REVENUE FUNDS  
 For the Fiscal Year Ended December 31, 2005

	Parks and Recreation Grant and Aids				Rella Havens Memorial Fund			
	Budgeted Amounts		Actual Amounts	Variance With Final Budget	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final			Original	Final		
<b>REVENUES</b>								
Taxes								
Gross Earnings Franchise Fees	-	-	-	-	-	-	-	-
Hotel-Motel Tax	-	-	-	-	-	-	-	-
Total Taxes	-	-	-	-	-	-	-	-
Licenses and Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	1,321,105	1,369,438	1,435,340	65,902	-	-	-	-
Fees, Sales and Services	12,252	12,252	24,717	12,465	-	-	-	-
Assessments	-	-	-	-	-	-	-	-
Investment Income								
Interest Earned on Investments	-	-	-	-	25,663	25,663	14,344	(11,319)
Increase (Decrease) in Fair Value of Investments	-	-	-	-	-	-	(5,716)	(5,716)
Interest Earned - Other	-	-	-	-	-	-	-	-
Miscellaneous - Other	65,000	126,530	116,735	(9,795)	-	-	-	-
Total Revenues	1,398,357	1,508,220	1,576,792	68,572	25,663	25,663	8,628	(17,035)
<b>EXPENDITURES</b>								
Current								
General Government	-	-	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-	-	-
Highways and Streets	-	-	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-
Culture and Recreation	1,103,368	1,254,974	1,205,977	48,997	25,663	25,663	15,201	10,462
Capital Outlay	81,020	111,020	48,460	62,560	-	-	-	-
Debt Service								
Other Debt Principal	-	-	-	-	-	-	-	-
Interest - Other Debt	-	-	-	-	-	-	-	-
Total Expenditures	1,184,388	1,365,994	1,254,437	111,557	25,663	25,663	15,201	10,462
Excess (Deficiency) of Revenues Over (Under) Expenditures	213,969	142,226	322,355	180,129	-	-	(6,573)	(6,573)
<b>OTHER FINANCING SOURCES (USES)</b>								
Transfers In	430,085	430,085	430,085	-	-	-	-	-
Transfers Out	(710,652)	(710,652)	(710,652)	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	(280,567)	(280,567)	(280,567)	-	-	-	-	-
Net Change in Fund Balances	(66,598)	(138,341)	41,788	180,129	-	-	(6,573)	(6,573)
FUND BALANCES, January 1	1,014,581	1,014,581	1,014,581	-	400,149	400,149	400,149	-
FUND BALANCES, December 31	947,983	876,240	1,056,369	180,129	400,149	400,149	393,576	(6,573)

continued

City of Saint Paul, Minnesota  
 COMBINING SCHEDULE OF REVENUES,  
 EXPENDITURES AND CHANGES  
 IN FUND BALANCES  
 BUDGET AND ACTUAL - ANNUALLY BUDGETED  
 NONMAJOR SPECIAL REVENUE FUNDS  
 For the Fiscal Year Ended December 31, 2005

	Total			
	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final		
<b>REVENUES</b>				
<b>Taxes</b>				
Gross Earnings Franchise Fees	1,690,000	1,690,000	1,798,266	108,266
Hotel-Motel Tax	1,773,700	1,773,700	1,782,238	8,538
<b>Total Taxes</b>	<b>3,463,700</b>	<b>3,463,700</b>	<b>3,580,504</b>	<b>116,804</b>
Licenses and Permits	8,892,459	9,105,144	8,877,940	(227,204)
Intergovernmental Revenue	14,003,205	15,547,968	13,427,308	(2,120,660)
Fees, Sales and Services	17,866,647	18,202,441	20,014,811	1,812,370
Assessments	20,283,267	20,283,267	19,246,464	(1,036,803)
<b>Investment Income</b>				
Interest Earned on Investments	596,852	596,852	780,355	183,503
Increase (Decrease) in Fair Value of Investments	-	-	(90,014)	(90,014)
Interest Earned - Other	-	-	54,454	54,454
Miscellaneous - Other	2,745,508	3,219,599	3,298,028	78,429
<b>Total Revenues</b>	<b>67,851,638</b>	<b>70,418,971</b>	<b>69,189,850</b>	<b>(1,229,121)</b>
<b>EXPENDITURES</b>				
<b>Current</b>				
General Government	5,050,817	5,187,408	4,640,223	547,185
Public Safety	18,967,136	21,164,789	18,540,998	2,623,791
Highways and Streets	19,190,662	18,842,870	18,165,339	677,531
Sanitation	3,079,361	2,929,361	2,553,250	376,111
Health	3,997,722	3,997,722	3,840,090	157,632
Culture and Recreation	7,701,704	8,565,410	8,262,459	302,951
Capital Outlay	3,938,633	4,205,309	1,573,337	2,631,972
<b>Debt Service</b>				
Other Debt Principal	70,756	70,756	68,841	1,915
Interest - Other Debt	8,843	8,843	10,757	(1,914)
<b>Total Expenditures</b>	<b>62,005,634</b>	<b>64,972,468</b>	<b>57,655,294</b>	<b>7,317,174</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>5,846,004</b>	<b>5,446,503</b>	<b>11,534,556</b>	<b>6,088,053</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	5,634,602	5,707,827	5,587,886	(119,941)
Transfers Out	(18,721,314)	(19,803,175)	(19,582,085)	221,090
Sale of Capital Assets	8,000	8,000	16,228	8,228
<b>Total Other Financing Sources (Uses)</b>	<b>(13,078,712)</b>	<b>(14,087,348)</b>	<b>(13,977,971)</b>	<b>109,377</b>
<b>Net Change in Fund Balances</b>	<b>(7,232,708)</b>	<b>(8,640,845)</b>	<b>(2,443,415)</b>	<b>6,197,430</b>
<b>FUND BALANCES, January 1</b>	<b>45,221,125</b>	<b>45,221,125</b>	<b>45,221,125</b>	<b>-</b>
<b>FUND BALANCES, December 31</b>	<b>37,988,417</b>	<b>36,580,280</b>	<b>42,777,710</b>	<b>6,197,430</b>
			<b>FUND BALANCES, Multi-Year Funds</b>	<b>526,067</b>
			<b>FUND BALANCES, December 31</b>	<b>43,303,777</b>

City of Saint Paul, Minnesota  
**COMBINING BALANCE SHEET**  
**NONMAJOR DEBT SERVICE FUNDS**  
December 31, 2005

Schedule 9

	G.O. Special Assessment - Streets	City Revenue Bonds and Other Long-Term Debt	Library Debt	Revenue Notes and Other Long-Term Debt	Total Nonmajor Debt Service Funds
<b>ASSETS</b>					
Cash and Investments with Treasurer	11,098,771	-	988,100	172,854	12,259,725
Cash and Investments with Trustees	-	4,666,327	-	-	4,666,327
Receivables					
Accounts (net of allowance for estimated uncollectible)	51,366	-	-	-	51,366
Assessments	13,219,615	-	-	-	13,219,615
Accrued Interest	114,236	14,480	12,097	3,440	144,253
Due from Other Funds	200,974	-	105,000	524,821	830,795
Due from Component Units	-	-	-	141,265	141,265
Due from Other Governmental Units	40,964	-	-	-	40,964
<b>TOTAL ASSETS</b>	<b>24,725,926</b>	<b>4,680,807</b>	<b>1,105,197</b>	<b>842,380</b>	<b>31,354,310</b>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>Liabilities</b>					
Interfund Payable for Pooled					
Cash and Investments Overdrafts	-	4,518	-	-	4,518
Deferred Revenue	13,270,522	1,873	5,391	1,533	13,279,319
<b>Total Liabilities</b>	<b>13,270,522</b>	<b>6,391</b>	<b>5,391</b>	<b>1,533</b>	<b>13,283,837</b>
<b>Fund Balances</b>					
Reserved for					
Mandatory 5% for Retirement of Debt	-	-	26,428	-	26,428
Unreserved					
Designated for Debt Service	11,455,404	4,674,416	1,073,378	840,847	18,044,045
<b>Total Fund Balances</b>	<b>11,455,404</b>	<b>4,674,416</b>	<b>1,099,806</b>	<b>840,847</b>	<b>18,070,473</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>24,725,926</b>	<b>4,680,807</b>	<b>1,105,197</b>	<b>842,380</b>	<b>31,354,310</b>

City of Saint Paul, Minnesota  
**COMBINING STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN  
FUND BALANCES**  
**NONMAJOR DEBT SERVICE FUNDS**  
For the Fiscal Year Ended December 31, 2005

Schedule 10

	G.O. Special Assessment - Streets	City Revenue Bonds and Other Long-Term Debt	Library Debt	Revenue Notes and Other Long-Term Debt	Total Nonmajor Debt Service Funds
<b>REVENUES</b>					
Taxes					
Property Taxes					
Current Taxpayer	-	-	1,933,230	-	1,933,230
<b>Total Taxes</b>	<b>-</b>	<b>-</b>	<b>1,933,230</b>	<b>-</b>	<b>1,933,230</b>
Intergovernmental Revenue					
Fees, Sales and Services	-	-	150,782	-	150,782
Assessments	3,189,601	-	-	-	3,189,601
Investment Income					
Interest Earned on Investments	475,711	109,104	50,524	17,080	652,419
Decrease in Fair Value of Investments	(177,051)	(2,176)	(18,748)	(5,331)	(203,306)
Miscellaneous Revenue - Other	-	2,929,669	-	320,640	3,250,309
<b>Total Revenues</b>	<b>3,488,261</b>	<b>6,536,597</b>	<b>2,115,788</b>	<b>332,389</b>	<b>12,473,035</b>
<b>EXPENDITURES</b>					
Debt Service					
Bond Principal	2,255,000	1,150,000	-	-	3,405,000
Other Debt Principal	-	1,250,000	-	962,708	2,212,708
Interest - Bonds	1,016,962	4,772,768	528,550	-	6,318,280
Interest - Other Debt	-	-	-	274,614	274,614
<b>Total Expenditures</b>	<b>3,271,962</b>	<b>7,172,768</b>	<b>528,550</b>	<b>1,237,322</b>	<b>12,210,602</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>216,299</b>	<b>(636,171)</b>	<b>1,587,238</b>	<b>(904,933)</b>	<b>262,433</b>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers In	8,409	2,382,274	105,000	1,230,813	3,726,496
Transfers Out	-	(1,168,810)	(2,302,140)	(114,660)	(3,585,610)
<b>Total Other Financing Sources (Uses)</b>	<b>8,409</b>	<b>1,213,464</b>	<b>(2,197,140)</b>	<b>1,116,153</b>	<b>140,886</b>
<b>Net Change in Fund Balances</b>	<b>224,708</b>	<b>577,293</b>	<b>(609,902)</b>	<b>211,220</b>	<b>403,319</b>
<b>FUND BALANCES, January 1</b>	<b>11,230,696</b>	<b>4,097,123</b>	<b>1,709,708</b>	<b>629,627</b>	<b>17,667,154</b>
<b>FUND BALANCES, December 31</b>	<b>11,455,404</b>	<b>4,674,416</b>	<b>1,099,806</b>	<b>840,847</b>	<b>18,070,473</b>

City of Saint Paul, Minnesota  
 COMBINING SCHEDULE OF REVENUES,  
 EXPENDITURES AND CHANGES  
 IN FUND BALANCES

Schedule 11

BUDGET AND ACTUAL - ANNUALLY BUDGETED  
 DEBT SERVICE FUNDS

For the Fiscal Year Ended December 31, 2005

	General Debt Service				HRA General Debt Service			
	Budgeted Amounts		Actual Amounts	Variance With Final Budget	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final			Original	Final		
<b>REVENUES</b>								
Taxes								
Property Taxes								
Current Taxpayer	6,096,783	6,096,783	6,066,199	(30,584)	-	-	-	-
Current Tax Increment	-	-	21,124	21,124	10,793,281	10,893,954	8,051,689	(2,842,265)
Delinquent Taxpayer	175,000	175,000	55,075	(119,925)	-	-	-	-
Total Property Taxes	6,271,783	6,271,783	6,142,398	(129,385)	10,793,281	10,893,954	8,051,689	(2,842,265)
Gross Earnings Franchise Fees	880,000	880,000	1,095,058	215,058	-	-	-	-
Hotel-Motel Tax	-	-	-	-	220,000	220,000	220,000	-
Total Taxes	7,151,783	7,151,783	7,237,456	85,673	11,013,281	11,113,954	8,271,689	(2,842,265)
Intergovernmental Revenue	426,038	426,038	396,752	(29,286)	210,243	210,243	219,164	8,921
Fees, Sales and Services	-	-	5,000	5,000	755,000	755,000	515,000	(240,000)
Assessments	-	-	-	-	-	-	-	-
Investment Income								
Interest Earned on Investments	504,526	504,526	794,975	290,449	469,384	489,384	813,381	323,997
Decrease in Fair Value of Investments	-	-	(309,206)	(309,206)	-	-	(178,817)	(178,817)
Interest Earned - Other	-	-	-	-	-	5,961	330,646	324,685
Miscellaneous Revenue - Other	-	-	40,508	40,508	-	-	-	-
Total Revenues	8,082,347	8,082,347	8,165,485	83,138	12,447,908	12,574,542	9,971,063	(2,603,479)
<b>EXPENDITURES</b>								
Current								
General Government	584,349	584,349	417,580	166,769	-	-	-	-
Housing and Economic Development	-	-	-	-	-	6,848,349	3,308,894	3,539,455
Debt Service								
Bond Principal	18,275,000	18,275,000	18,275,000	-	5,417,162	6,402,162	6,741,162	(339,000)
Other Debt Principal	-	-	-	-	950,000	950,000	540,000	410,000
Interest - Bonds	4,099,584	4,099,584	4,051,025	48,559	8,153,822	8,153,822	8,456,818	(302,996)
Interest - Other Debt	-	-	-	-	323,552	323,552	402,729	(79,177)
Bond Issuance Costs	5,000	5,000	-	5,000	-	48,230	46,696	1,534
Total Expenditures	22,963,933	22,963,933	22,743,605	220,328	14,844,536	22,726,115	19,496,299	3,229,816
Excess (Deficiency) of Revenues Over (Under) Expenditures	(14,881,586)	(14,881,586)	(14,578,120)	303,466	(2,396,628)	(10,151,573)	(9,525,236)	626,337
<b>OTHER FINANCING SOURCES (USES)</b>								
Transfers In	12,571,571	12,571,571	13,232,040	660,469	13,765,803	13,855,590	18,519,240	4,663,650
Transfers Out	(32,327)	(32,327)	(32,327)	-	(11,225,835)	(13,915,996)	(15,212,494)	(1,296,498)
Current Refunding Bonds Issued	-	-	-	-	-	5,130,000	5,130,000	-
Refunded Bonds	-	-	-	-	-	(5,005,000)	(5,005,000)	-
Discount on Bonds Issued	-	-	-	-	-	(4,601)	(4,601)	-
Total Other Financing Sources (Uses)	12,539,244	12,539,244	13,199,713	660,469	2,539,968	59,993	3,427,145	3,367,152
Net Change in Fund Balances	(2,342,342)	(2,342,342)	(1,378,407)	963,935	143,340	(10,091,580)	(6,098,091)	3,993,489
FUND BALANCES, January 1	25,528,653	25,528,653	25,528,653	-	25,623,128	25,623,128	25,623,128	-
FUND BALANCES, December 31	23,186,311	23,186,311	24,150,246	963,935	25,766,468	15,531,548	19,525,037	3,993,489

continued

City of Saint Paul, Minnesota  
 COMBINING SCHEDULE OF REVENUES,  
 EXPENDITURES AND CHANGES  
 IN FUND BALANCES

Schedule 11

BUDGET AND ACTUAL - ANNUALLY BUDGETED  
 DEBT SERVICE FUNDS

For the Fiscal Year Ended December 31, 2005

	G.O. Special Assessment - Streets				City Revenue Bonds and Other Long-Term Debt			
	Budgeted Amounts		Actual Amounts	Variance With Final Budget	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final			Original	Final		
<b>REVENUES</b>								
Taxes								
Property Taxes								
Current Taxpayer	-	-	-	-	-	-	-	-
Current Tax Increment	-	-	-	-	-	-	-	-
Delinquent Taxpayer	-	-	-	-	-	-	-	-
Total Property Taxes	-	-	-	-	-	-	-	-
Gross Earnings Franchise Fees	-	-	-	-	-	-	-	-
Hotel-Motel Tax	-	-	-	-	-	-	-	-
Total Taxes	-	-	-	-	-	-	-	-
Intergovernmental Revenue	-	-	-	-	-	-	-	-
Fees, Sales and Services	-	-	-	-	3,500,000	3,500,000	3,500,000	-
Assessments	3,233,334	3,233,334	3,189,601	(43,733)	-	-	-	-
Investment Income								
Interest Earned on Investments	300,000	300,000	475,711	175,711	-	-	109,104	109,104
Decrease in Fair Value of Investments	-	-	(177,051)	(177,051)	-	-	(2,176)	(2,176)
Interest Earned - Other	-	-	-	-	-	-	-	-
Miscellaneous Revenue - Other	-	-	-	-	2,929,669	2,929,669	2,929,669	-
Total Revenues	3,533,334	3,533,334	3,488,261	(45,073)	6,429,669	6,429,669	6,536,597	106,928
<b>EXPENDITURES</b>								
Current								
General Government	-	-	-	-	-	-	-	-
Housing and Economic Development	-	-	-	-	-	-	-	-
Debt Service								
Bond Principal	2,255,000	2,255,000	2,255,000	-	1,150,000	1,150,000	1,150,000	-
Other Debt Principal	-	-	-	-	1,250,000	1,250,000	1,250,000	-
Interest - Bonds	1,053,337	1,053,337	1,016,962	36,375	4,772,768	4,772,768	4,772,768	-
Interest - Other Debt	-	-	-	-	-	-	-	-
Bond Issuance Costs	-	-	-	-	-	-	-	-
Total Expenditures	3,308,337	3,308,337	3,271,962	36,375	7,172,768	7,172,768	7,172,768	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	224,997	224,997	216,299	(8,698)	(743,099)	(743,099)	(636,171)	106,928
<b>OTHER FINANCING SOURCES (USES)</b>								
Transfers In	-	-	8,409	8,409	-	-	2,382,274	2,382,274
Transfers Out	-	-	-	-	-	-	(1,168,810)	(1,168,810)
Current Refunding Bonds Issued	-	-	-	-	-	-	-	-
Refunded Bonds	-	-	-	-	-	-	-	-
Discount on Bonds Issued	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	8,409	8,409	-	-	1,213,464	1,213,464
Net Change in Fund Balances	224,997	224,997	224,708	(289)	(743,099)	(743,099)	577,293	1,320,392
FUND BALANCES, January 1	11,230,696	11,230,696	11,230,696	-	4,097,123	4,097,123	4,097,123	-
FUND BALANCES, December 31	11,455,693	11,455,693	11,455,404	(289)	3,354,024	3,354,024	4,674,416	1,320,392

continued

City of Saint Paul, Minnesota  
 COMBINING SCHEDULE OF REVENUES,  
 EXPENDITURES AND CHANGES  
 IN FUND BALANCES

Schedule 11

BUDGET AND ACTUAL - ANNUALLY BUDGETED  
 DEBT SERVICE FUNDS

For the Fiscal Year Ended December 31, 2005

	Library Debt				Revenue Notes and Other Long-Term Debt			
	Budgeted Amounts		Actual Amounts	Variance With Final Budget	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final			Original	Final		
<b>REVENUES</b>								
Taxes								
Property Taxes								
Current Taxpayer	1,933,230	1,933,230	1,933,230	-	-	-	-	-
Current Tax Increment	-	-	-	-	-	-	-	-
Delinquent Taxpayer	-	-	-	-	-	-	-	-
Total Property Taxes	1,933,230	1,933,230	1,933,230	-	-	-	-	-
Gross Earnings Franchise Fees	-	-	-	-	-	-	-	-
Hotel-Motel Tax	-	-	-	-	-	-	-	-
Total Taxes	1,933,230	1,933,230	1,933,230	-	-	-	-	-
Intergovernmental Revenue	150,782	150,782	150,782	-	-	-	-	-
Fees, Sales and Services	-	-	-	-	-	-	-	-
Assessments	-	-	-	-	-	-	-	-
Investment Income								
Interest Earned on Investments	35,522	35,522	50,524	15,002	-	-	17,080	17,080
Decrease in Fair Value of Investments	-	-	(18,748)	(18,748)	-	-	(5,331)	(5,331)
Interest Earned - Other	-	-	-	-	-	-	-	-
Miscellaneous Revenue - Other	-	-	-	-	396,320	396,320	320,640	(75,680)
Total Revenues	2,119,534	2,119,534	2,115,788	(3,746)	396,320	396,320	332,389	(63,931)
<b>EXPENDITURES</b>								
Current								
General Government	-	-	-	-	-	-	-	-
Housing and Economic Development	-	-	-	-	-	-	-	-
Debt Service								
Bond Principal	-	-	-	-	-	-	-	-
Other Debt Principal	-	-	-	-	789,683	789,683	962,708	(173,025)
Interest - Bonds	792,825	792,825	528,550	264,275	-	-	-	-
Interest - Other Debt	-	-	-	-	273,653	273,653	274,614	(961)
Bond Issuance Costs	-	-	-	-	-	-	-	-
Total Expenditures	792,825	792,825	528,550	264,275	1,063,336	1,063,336	1,237,322	(173,986)
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,326,709	1,326,709	1,587,238	260,529	(667,016)	(667,016)	(904,933)	(237,917)
<b>OTHER FINANCING SOURCES (USES)</b>								
Transfers In	105,000	105,000	105,000	-	667,016	667,016	1,230,813	563,797
Transfers Out	(2,302,140)	(2,302,140)	(2,302,140)	-	(114,660)	(114,660)	(114,660)	-
Current Refunding Bonds Issued	-	-	-	-	-	-	-	-
Refunded Bonds	-	-	-	-	-	-	-	-
Discount on Bonds Issued	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	(2,197,140)	(2,197,140)	(2,197,140)	-	552,356	552,356	1,116,153	563,797
Net Change in Fund Balances	(870,431)	(870,431)	(609,902)	260,529	(114,660)	(114,660)	211,220	325,880
FUND BALANCES, January 1	1,709,708	1,709,708	1,709,708	-	629,627	629,627	629,627	-
FUND BALANCES, December 31	839,277	839,277	1,099,806	260,529	514,967	514,967	840,847	325,880

continued



City of Saint Paul, Minnesota  
 COMBINING SCHEDULE OF REVENUES,  
 EXPENDITURES AND CHANGES  
 IN FUND BALANCES  
 BUDGET AND ACTUAL - ANNUALLY BUDGETED  
 DEBT SERVICE FUNDS  
 For the Fiscal Year Ended December 31, 2005

	Total			
	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final		
<b>REVENUES</b>				
Taxes				
Property Taxes				
Current Taxpayer	8,030,013	8,030,013	7,999,429	(30,584)
Current Tax Increment	10,793,281	10,893,954	8,072,813	(2,821,141)
Delinquent Taxpayer	175,000	175,000	55,075	(119,925)
Total Property Taxes	<u>18,998,294</u>	<u>19,098,967</u>	<u>16,127,317</u>	<u>(2,971,650)</u>
Gross Earnings Franchise Fees				
Hotel-Motel Tax	880,000	880,000	1,095,058	215,058
Total Taxes	<u>20,098,294</u>	<u>20,198,967</u>	<u>17,442,375</u>	<u>(2,756,592)</u>
Intergovernmental Revenue				
Fees, Sales and Services	787,063	787,063	766,698	(20,365)
Assessments	4,255,000	4,255,000	4,020,000	(235,000)
Investment Income	3,233,334	3,233,334	3,189,601	(43,733)
Interest Earned on Investments	1,309,432	1,329,432	2,260,775	931,343
Decrease in Fair Value of Investments	-	-	(691,329)	(691,329)
Interest Earned - Other	-	5,961	330,646	324,685
Miscellaneous Revenue - Other	<u>3,325,989</u>	<u>3,325,989</u>	<u>3,290,817</u>	<u>(35,172)</u>
Total Revenues	<u>33,009,112</u>	<u>33,135,746</u>	<u>30,609,583</u>	<u>(2,526,163)</u>
<b>EXPENDITURES</b>				
Current				
General Government	584,349	584,349	417,580	166,769
Housing and Economic Development	-	6,848,349	3,308,894	3,539,455
Debt Service	27,097,162	28,082,162	28,421,162	(339,000)
Bond Principal	2,989,683	2,989,683	2,752,708	236,975
Interest - Bonds	18,872,336	18,872,336	18,826,123	46,213
Interest - Other Debt	597,205	597,205	677,343	(80,138)
Bond Issuance Costs	<u>5,000</u>	<u>53,230</u>	<u>46,696</u>	<u>6,534</u>
Total Expenditures	<u>50,145,735</u>	<u>58,027,314</u>	<u>54,450,506</u>	<u>3,576,808</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(17,136,623)</u>	<u>(24,891,568)</u>	<u>(23,840,923)</u>	<u>1,050,645</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	27,109,390	27,199,177	35,477,776	8,278,599
Transfers Out	(13,674,962)	(16,365,123)	(18,830,431)	(2,465,308)
Current Refunding Bonds Issued	-	5,130,000	5,130,000	-
Refunded Bonds	-	(5,005,000)	(5,005,000)	-
Discount on Bonds Issued	-	(4,601)	(4,601)	-
Total Other Financing Sources (Uses)	<u>13,434,428</u>	<u>10,954,453</u>	<u>16,767,744</u>	<u>5,813,291</u>
Net Change in Fund Balances	<u>(3,702,195)</u>	<u>(13,937,115)</u>	<u>(7,073,179)</u>	<u>6,863,936</u>
FUND BALANCES, January 1	<u>68,818,935</u>	<u>68,818,935</u>	<u>68,818,935</u>	<u>-</u>
FUND BALANCES, December 31	<u>65,116,740</u>	<u>54,881,820</u>	<u>61,745,756</u>	<u>6,863,936</u>

City of Saint Paul, Minnesota  
 COMBINING BALANCE SHEET  
 NONMAJOR CAPITAL PROJECTS FUNDS  
 December 31, 2005

Schedule 12

	Capital Improvement Bonds	City Sales Tax	Library Capital Projects	City Downtown Capital Projects	HRA Tax Increment	Total Nonmajor Capital Projects Funds
<b>ASSETS</b>						
Cash and Investments with Treasurer	18,306,867	11,919,100	5,454,750	20,167	13,523,687	49,224,571
Cash and Investments with Trustees	-	527,217	-	-	12,766,770	13,293,987
Receivables						
Property Taxes - Due from Ramsey County	-	-	-	-	84,196	84,196
Property Taxes - Delinquent	-	-	-	-	8,219	8,219
Notes and Loans	-	7,131,998	-	315,000	28,074	7,475,072
Accrued Interest	213,914	254,948	66,245	-	149,919	685,026
Due from Other Funds	-	34,750	-	176,700	176,518	387,968
Due from Other Governmental Units	-	1,325,706	-	-	-	1,325,706
Advance to Component Units	-	231,126	-	-	-	231,126
Land Held for Resale	-	-	-	-	697,947	697,947
<b>TOTAL ASSETS</b>	<b>18,520,781</b>	<b>21,424,845</b>	<b>5,520,995</b>	<b>511,867</b>	<b>27,435,330</b>	<b>73,413,818</b>
<b>LIABILITIES AND FUND BALANCES</b>						
<b>Liabilities</b>						
Accounts Payable	-	-	54,850	20,167	886,436	961,453
Contracts/Retention Payable	-	-	467,047	-	-	467,047
Due to Other Funds	2,438,590	173,173	105,000	176,700	480,505	3,373,968
Due to Other Governmental Units	-	-	-	-	20,837	20,837
Advance from Other Funds	-	-	-	-	6,437,807	6,437,807
Deferred Revenue	95,327	7,291,291	29,521	315,000	896,655	8,627,794
<b>Total Liabilities</b>	<b>2,533,917</b>	<b>7,464,464</b>	<b>656,418</b>	<b>511,867</b>	<b>8,722,240</b>	<b>19,888,906</b>
<b>Fund Balances</b>						
Reserved for Encumbrances	-	-	3,079,779	-	172,689	3,252,468
Reserved for Advance to Component Units	-	231,126	-	-	-	231,126
Unreserved						
Designated for Next Year's Appropriation	-	-	133,298	-	-	133,298
Designated for Specific Capital Projects	15,986,864	13,729,255	1,651,500	-	18,540,401	49,908,020
<b>Total Fund Balances</b>	<b>15,986,864</b>	<b>13,960,381</b>	<b>4,864,577</b>	<b>-</b>	<b>18,713,090</b>	<b>53,524,912</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>18,520,781</b>	<b>21,424,845</b>	<b>5,520,995</b>	<b>511,867</b>	<b>27,435,330</b>	<b>73,413,818</b>

City of Saint Paul, Minnesota  
**COMBINING STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN  
FUND BALANCES**  
**NONMAJOR CAPITAL PROJECTS FUNDS**  
For the Fiscal Year Ended December 31, 2005

Schedule 13

	Capital Improvement Bonds	City Sales Tax	Library Capital Projects	City Downtown Capital Projects	HRA Tax Increment	Total Nonmajor Capital Projects Funds
<b>REVENUES</b>						
Taxes						
Property Taxes						
Current Tax Increment	-	-	-	-	4,602,084	4,602,084
Total Property Taxes	-	-	-	-	4,602,084	4,602,084
City Sales Tax	-	14,219,562	-	-	-	14,219,562
Total Taxes	-	14,219,562	-	-	4,602,084	18,821,646
Intergovernmental Revenue	-	-	-	-	57,717	57,717
Fees, Sales and Services	-	2,976	-	-	274,908	277,884
Investment Income						
Interest Earned on Investments	937,152	716,219	311,112	-	818,302	2,782,785
Decrease in Fair Value of Investments	(331,536)	(267,394)	(102,671)	-	(116,842)	(818,443)
Interest Earned - Other	-	450,215	-	-	-	450,215
Miscellaneous Revenue - Other	-	959,647	-	-	128,661	1,088,308
Total Revenues	605,616	16,081,225	208,441	-	5,764,830	22,660,112
<b>EXPENDITURES</b>						
Current						
Housing and Economic Development	-	3,940,330	-	2,068,453	9,068,283	15,077,066
Capital Outlay	-	-	3,979,928	-	1,078,511	5,058,439
Debt Service						
Interest - Other Debt	-	-	-	-	2,122,338	2,122,338
Bond Issuance Costs	69,420	-	-	-	280,171	349,591
Total Expenditures	69,420	3,940,330	3,979,928	2,068,453	12,549,303	22,607,434
Excess (Deficiency) of Revenues Over (Under) Expenditures	536,196	12,140,895	(3,771,487)	(2,068,453)	(6,784,473)	52,678
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers In	-	8,801,427	-	1,519,148	2,334,422	12,654,997
Transfers Out	(17,060,818)	(29,148,678)	(105,000)	(100,000)	(2,666,613)	(49,081,109)
Bonds Issued	19,000,000	-	-	-	7,515,000	26,515,000
Premium on Bond Issued	461,545	-	-	-	-	461,545
Total Other Financing Sources (Uses)	2,400,727	(20,347,251)	(105,000)	1,419,148	7,182,809	(9,449,567)
Net Change in Fund Balances	2,936,923	(8,206,356)	(3,876,487)	(649,305)	398,336	(9,396,889)
FUND BALANCES, January 1	13,049,941	22,166,737	8,741,064	649,305	18,314,754	62,921,801
FUND BALANCES, December 31	15,986,864	13,960,381	4,864,577	-	18,713,090	53,524,912

City of Saint Paul, Minnesota  
**COMBINING BALANCE SHEET**  
**NONMAJOR PERMANENT FUNDS**  
 December 31, 2005

Schedule 14

	Japanese Gardens	Hoffman Memorial	Total Nonmajor Permanent Funds
<b>ASSETS</b>			
Cash and Investments with Treasurer	54,032	9,682	63,714
Receivables			
Accrued Interest	513	92	605
<b>TOTAL ASSETS</b>	<b>54,545</b>	<b>9,774</b>	<b>64,319</b>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>Liabilities</b>			
Accounts Payable	1,450	-	1,450
Deferred Revenue	229	41	270
<b>Total Liabilities</b>	<b>1,679</b>	<b>41</b>	<b>1,720</b>
<b>Fund Balances</b>			
Reserved for Permanent Fund Activities	30,000	5,000	35,000
Unreserved			
Undesignated	22,866	4,733	27,599
<b>Total Fund Balances</b>	<b>52,866</b>	<b>9,733</b>	<b>62,599</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>54,545</b>	<b>9,774</b>	<b>64,319</b>

City of Saint Paul, Minnesota  
**COMBINING STATEMENT OF REVENUES,  
 EXPENDITURES AND CHANGES IN  
 FUND BALANCES**  
**NONMAJOR PERMANENT FUNDS**  
 For the Fiscal Year Ended December 31, 2005

Schedule 15

	Japanese Gardens	Hoffman Memorial	Total Nonmajor Permanent Funds
<b>REVENUES</b>			
Investment Income			
Interest Earned on Investments	2,125	381	2,506
Decrease in Fair Value of Investments	(795)	(143)	(938)
<b>Total Revenues</b>	<b>1,330</b>	<b>238</b>	<b>1,568</b>
<b>EXPENDITURES</b>			
Current			
Culture and Recreation	1,450	-	1,450
<b>Total Expenditures</b>	<b>1,450</b>	<b>-</b>	<b>1,450</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>(120)</b>	<b>238</b>	<b>118</b>
<b>Net Change in Fund Balances</b>	<b>(120)</b>	<b>238</b>	<b>118</b>
<b>FUND BALANCES, January 1</b>	<b>52,986</b>	<b>9,495</b>	<b>62,481</b>
<b>FUND BALANCES, December 31</b>	<b>52,866</b>	<b>9,733</b>	<b>62,599</b>

City of Saint Paul, Minnesota  
**COMBINING SCHEDULE OF REVENUES,  
EXPENDITURES AND CHANGES  
IN FUND BALANCES  
BUDGET AND ACTUAL - ANNUALLY BUDGETED  
NONMAJOR PERMANENT FUNDS  
For the Fiscal Year Ended December 31, 2005**

Schedule 16

	Japanese Gardens				Hoffman Memorial			
	Budgeted Amounts		Actual Amounts	Variance With Final Budget	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final			Original	Final		
<b>REVENUES</b>								
Investment Income								
Interest Earned on Investments	1,700	1,700	2,125	425	300	300	381	81
Decrease in Fair Value of Investments	-	-	(795)	(795)	-	-	(143)	(143)
<b>Total Revenues</b>	<b>1,700</b>	<b>1,700</b>	<b>1,330</b>	<b>(370)</b>	<b>300</b>	<b>300</b>	<b>238</b>	<b>(62)</b>
<b>EXPENDITURES</b>								
Current								
Culture and Recreation	1,700	1,700	1,450	250	300	300	-	300
<b>Total Expenditures</b>	<b>1,700</b>	<b>1,700</b>	<b>1,450</b>	<b>250</b>	<b>300</b>	<b>300</b>	<b>-</b>	<b>300</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>-</b>	<b>-</b>	<b>(120)</b>	<b>(120)</b>	<b>-</b>	<b>-</b>	<b>238</b>	<b>238</b>
<b>Net Change in Fund Balances</b>	<b>-</b>	<b>-</b>	<b>(120)</b>	<b>(120)</b>	<b>-</b>	<b>-</b>	<b>238</b>	<b>238</b>
<b>FUND BALANCES, January 1</b>	<b>52,986</b>	<b>52,986</b>	<b>52,986</b>	<b>-</b>	<b>9,495</b>	<b>9,495</b>	<b>9,495</b>	<b>-</b>
<b>FUND BALANCES, December 31</b>	<b>52,986</b>	<b>52,986</b>	<b>52,866</b>	<b>(120)</b>	<b>9,495</b>	<b>9,495</b>	<b>9,733</b>	<b>238</b>

continued

City of Saint Paul, Minnesota  
 COMBINING SCHEDULE OF REVENUES,  
 EXPENDITURES AND CHANGES  
 IN FUND BALANCES  
 BUDGET AND ACTUAL - ANNUALLY BUDGETED  
 NONMAJOR PERMANENT FUNDS  
 For the Fiscal Year Ended December 31, 2005

187

	Total			
	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final		
<b>REVENUES</b>				
Investment Income				
Interest Earned on Investments	2,000	2,000	2,506	506
Decrease in Fair Value of Investments	-	-	(938)	(938)
<b>Total Revenues</b>	<b>2,000</b>	<b>2,000</b>	<b>1,568</b>	<b>(432)</b>
<b>EXPENDITURES</b>				
Current				
Culture and Recreation	2,000	2,000	1,450	550
<b>Total Expenditures</b>	<b>2,000</b>	<b>2,000</b>	<b>1,450</b>	<b>550</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>-</b>	<b>-</b>	<b>118</b>	<b>118</b>
<b>Net Change in Fund Balances</b>	<b>-</b>	<b>-</b>	<b>118</b>	<b>118</b>
<b>FUND BALANCES, January 1</b>	<b>62,481</b>	<b>62,481</b>	<b>62,481</b>	<b>-</b>
<b>FUND BALANCES, December 31</b>	<b>62,481</b>	<b>62,481</b>	<b>62,599</b>	<b>118</b>

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## **Nonmajor Enterprise Funds**

### **Enterprise Funds**

Enterprise funds account for operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods and services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred and/or net income is appropriate.

**Special Services** - to account for the operations of park pavilions, refreshment stands, golf courses, canoe and boat rentals, swimming pools and beaches, tennis instructions, ski instructions, and ski facilities.

**Rice and Arlington Sports Dome** - to account for the operation and maintenance of the Rice and Arlington Sports Dome.

**Watergate Marina** - to account for the operation and maintenance of the Marina.

**Impounding Lot** - to account for the city's vehicle impounding operations. Charges are made for the towing and storage of impounded vehicles and are collected when vehicles are claimed. Unclaimed vehicles are sold at public auction and proceeds retained. Funds are also received from the salvage of vehicles junked.

**River Print Saint Paul/Ramsey County** - to account for printing services rendered to city departments, offices, and other governmental units.

City of Saint Paul, Minnesota  
**COMBINING STATEMENT OF NET ASSETS**  
**NONMAJOR ENTERPRISE FUNDS**  
December 31, 2005

Schedule 17

	<u>Special Services</u>	<u>Rice and Arlington Sports Dome</u>	<u>Watergate Marina</u>	<u>Impounding Lot</u>	<u>RiverPrint Saint Paul/ Ramsey County</u>	<u>Total</u>
<b>ASSETS</b>						
<b>Current Assets</b>						
Cash and Investments with Treasurer	-	94,339	-	976,891	768,871	1,840,101
Imprest Funds	5,500	-	-	850	-	6,350
<b>Receivables</b>						
Accounts (net of allowance for estimated uncollectibles)	154,360	-	5,000	-	2,006	161,366
Accrued Interest	18,145	-	-	-	-	18,145
Due from Other Funds	15,906	163,236	-	6,877	16,597	202,616
Due from Component Units	-	-	-	-	21,150	21,150
Due from Other Governmental Units	591	-	-	-	143,356	143,947
<b>Inventories</b>						
Materials and Supplies	70,918	-	-	-	144,029	214,947
Impounded Cars	-	-	-	254,160	-	254,160
<b>Total Current Assets</b>	<b>265,420</b>	<b>257,575</b>	<b>5,000</b>	<b>1,238,778</b>	<b>1,096,009</b>	<b>2,862,782</b>
<b>Noncurrent Assets</b>						
<b>Restricted Assets</b>						
Investment for Revenue Bond Debt Service Reserve	666,750	-	-	-	-	666,750
<b>Total Restricted Assets</b>	<b>666,750</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>666,750</b>
<b>Other Assets</b>						
Deferred Charges	112,730	-	-	-	-	112,730
<b>Total Other Assets</b>	<b>112,730</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>112,730</b>
<b>Capital Assets</b>						
Land	3,464,055	-	-	-	-	3,464,055
Buildings and Structures	2,482,193	-	332,293	13,394	-	2,827,880
Less: Accumulated Depreciation	(541,482)	-	(257,509)	(13,394)	-	(812,385)
Equipment	2,411,515	-	68,126	74,097	719,638	3,273,376
Less: Accumulated Depreciation	(1,364,662)	-	(68,126)	(27,169)	(563,408)	(2,023,365)
<b>Total Capital Assets</b>	<b>6,451,619</b>	<b>-</b>	<b>74,784</b>	<b>46,928</b>	<b>156,230</b>	<b>6,729,561</b>
<b>Total Noncurrent Assets</b>	<b>7,231,099</b>	<b>-</b>	<b>74,784</b>	<b>46,928</b>	<b>156,230</b>	<b>7,509,041</b>
<b>TOTAL ASSETS</b>	<b>7,496,519</b>	<b>257,575</b>	<b>79,784</b>	<b>1,285,706</b>	<b>1,252,239</b>	<b>10,371,823</b>

continued

City of Saint Paul, Minnesota  
**COMBINING STATEMENT OF NET ASSETS**  
**NONMAJOR ENTERPRISE FUNDS**  
December 31, 2005

Schedule 17

	<u>Special Services</u>	<u>Rice and Arlington Sports Dome</u>	<u>Watergate Marina</u>	<u>Impounding Lot</u>	<u>RiverPrint Saint Paul/ Ramsey County</u>	<u>Total</u>
<b>LIABILITIES</b>						
<b>Current Liabilities (Payable from Current Assets)</b>						
<b>Interfund Payable for Pooled</b>						
Cash and Investments Overdrafts	1,552,414	-	328,561	-	-	1,880,975
Accrued Salaries Payable	128,944	-	-	74,917	17,081	220,942
Accounts Payable	109,042	-	276	263,160	118,501	490,979
Contracts Payable	85,210	-	-	-	-	85,210
Due to Other Funds	47,488	250,000	-	15,720	4,674	317,882
Due to Other Governmental Units	2,371	-	-	4,569	254	7,194
Compensated Absences Payable	10,480	-	-	4,781	2,489	17,750
Revenue Bonds Payable	210,000	-	-	-	-	210,000
Capital Leases Payable	271,264	-	-	-	-	271,264
Accrued Interest Payable						
Revenue Bonds	47,792	-	-	-	-	47,792
Capital Lease	1,521	-	-	-	-	1,521
<b>Total Current Liabilities (Payable from Current Assets)</b>	<u>2,466,526</u>	<u>250,000</u>	<u>328,837</u>	<u>363,147</u>	<u>142,999</u>	<u>3,551,509</u>
<b>Noncurrent Liabilities</b>						
Revenue Bonds Payable	7,100,000	-	-	-	-	7,100,000
Add: Unamortized Premium	222,525	-	-	-	-	222,525
Capital Lease Payable	350,433	-	-	-	-	350,433
Compensated Absences Payable	532,046	-	-	115,839	53,262	701,147
<b>Total Noncurrent Liabilities</b>	<u>8,205,004</u>	<u>-</u>	<u>-</u>	<u>115,839</u>	<u>53,262</u>	<u>8,374,105</u>
<b>TOTAL LIABILITIES</b>	<u>10,671,530</u>	<u>250,000</u>	<u>328,837</u>	<u>478,986</u>	<u>196,261</u>	<u>11,925,614</u>
<b>NET ASSETS</b>						
Invested in Capital Assets, Net of Related Debt Unrestricted	(1,630,112)	-	74,784	46,928	156,230	(1,352,170)
	<u>(1,544,899)</u>	<u>7,575</u>	<u>(323,837)</u>	<u>759,792</u>	<u>899,748</u>	<u>(201,621)</u>
<b>TOTAL NET ASSETS</b>	<u>(3,175,011)</u>	<u>7,575</u>	<u>(249,053)</u>	<u>806,720</u>	<u>1,055,978</u>	<u>(1,553,791)</u>

City of Saint Paul, Minnesota  
**COMBINING STATEMENT OF REVENUES, EXPENSES  
AND CHANGES IN FUND NET ASSETS  
NONMAJOR ENTERPRISE FUNDS**  
For the Fiscal Year Ended December 31, 2005

Schedule 18

	Special Services	Rice and Arlington Sports Dome	Watergate Marina	Impounding Lot	RiverPrint Saint Paul/ Ramsey County	Total
<b>OPERATING REVENUES</b>						
Fees, Sales and Services	4,216,305	-	24,645	2,837,692	1,336,638	8,415,280
Rents and Leases	687,252	-	-	-	-	687,252
Miscellaneous	94,150	-	-	-	80	94,230
<b>Total Operating Revenues</b>	<b>4,997,707</b>	<b>-</b>	<b>24,645</b>	<b>2,837,692</b>	<b>1,336,718</b>	<b>9,196,762</b>
<b>OPERATING EXPENSES</b>						
Cost of Merchandise Sold	309,554	-	-	-	-	309,554
Salaries	2,760,746	-	-	892,295	330,383	3,983,424
Employee Fringe Benefits	659,917	-	-	254,067	110,406	1,024,390
Services	639,635	900	1,219	1,234,749	270,066	2,146,569
Materials and Supplies	756,125	-	2,674	86,770	440,828	1,286,397
Depreciation	280,414	114,028	10,903	7,410	79,374	492,129
Bad Debts	7,722	-	-	-	-	7,722
Miscellaneous	-	31,556	-	-	-	31,556
<b>Total Operating Expenses</b>	<b>5,414,113</b>	<b>146,484</b>	<b>14,796</b>	<b>2,475,291</b>	<b>1,231,057</b>	<b>9,281,741</b>
<b>OPERATING INCOME (LOSS)</b>	<b>(416,406)</b>	<b>(146,484)</b>	<b>9,849</b>	<b>362,401</b>	<b>105,661</b>	<b>(84,979)</b>
<b>NON-OPERATING REVENUES (EXPENSES)</b>						
Gain on Sale of Assets	910	-	-	-	-	910
Investment Income						
Interest Earned on Investments	42,214	-	-	-	-	42,214
Increase (Decrease) in Fair Value of Investments	(28,122)	7,780	-	-	-	(20,342)
Interest Expense						
Revenue Bonds	(45,921)	(186,175)	-	-	-	(232,096)
Capital Lease	(18,132)	-	-	-	-	(18,132)
Advance from Other Funds	(140,650)	-	-	-	-	(140,650)
Amortization of Bond Issuance Costs	(947)	(52,583)	-	-	-	(53,530)
<b>Total Non-Operating Revenues (Expenses)</b>	<b>(190,648)</b>	<b>(230,978)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(421,626)</b>
<b>Income (Loss) Before Capital Contributions and Transfers</b>	<b>(607,054)</b>	<b>(377,462)</b>	<b>9,849</b>	<b>362,401</b>	<b>105,661</b>	<b>(506,605)</b>
Transfers In	111,000	3,616,861	-	-	-	3,727,861
Transfers Out	(3,183,107)	(2,394,586)	-	(97,632)	(3,615)	(5,678,940)
<b>Change in Net Assets</b>	<b>(3,679,161)</b>	<b>844,813</b>	<b>9,849</b>	<b>264,769</b>	<b>102,046</b>	<b>(2,457,684)</b>
<b>TOTAL NET ASSETS, January 1</b>	<b>504,150</b>	<b>(837,238)</b>	<b>(258,902)</b>	<b>541,951</b>	<b>953,932</b>	<b>903,893</b>
<b>TOTAL NET ASSETS, December 31</b>	<b>(3,175,011)</b>	<b>7,575</b>	<b>(249,053)</b>	<b>806,720</b>	<b>1,055,978</b>	<b>(1,553,791)</b>

City of Saint Paul, Minnesota  
 COMBINING STATEMENT OF CASH FLOWS  
 NONMAJOR ENTERPRISE FUNDS  
 For the Fiscal Year Ended December 31, 2005

Schedule 19

	Special Services	Rice and Arlington Sports Dome	Watergate Marina	Impounding Lot	River Print Saint Paul/ Ramsey County	Total
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>						
Receipts from Customers	4,911,531	-	31,145	2,786,990	854,734	8,584,400
Receipts from Other Funds for Services Provided	25,415	-	-	53,747	463,507	542,669
Other Operating Receipts	-	-	-	-	80	80
Payment to Suppliers	(1,507,045)	(900)	(3,736)	(1,277,787)	(638,577)	(3,428,045)
Payment to Employees	(3,275,019)	-	-	(1,113,083)	(439,038)	(4,827,140)
Payment to Other Funds for Services Used	(124,892)	-	-	(11,029)	(25,486)	(161,407)
Other Operating Payments	-	(31,556)	-	-	-	(31,556)
<b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>	<b>29,990</b>	<b>(32,456)</b>	<b>27,409</b>	<b>438,838</b>	<b>215,220</b>	<b>679,001</b>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>						
Transfers In from Other Funds	111,000	3,453,625	-	-	-	3,564,625
Transfers Out to Other Funds	(3,176,207)	-	-	(97,632)	(3,615)	(3,277,454)
Advance Received for Pooled Cash and Investments Overdraft	1,391,259	-	-	-	-	1,391,259
Repayment of Advance Received for Pooled Cash and Investments Overdrafts	-	-	(5,006)	-	-	(5,006)
Repayment of Advance Received From Other Funds	(3,800,000)	-	-	-	-	(3,800,000)
<b>NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES</b>	<b>(5,473,948)</b>	<b>3,453,625</b>	<b>(5,006)</b>	<b>(97,632)</b>	<b>(3,615)</b>	<b>(2,126,576)</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>						
Proceeds from Issuance of Revenue Bonds	7,534,395	-	-	-	-	7,534,395
Proceeds from Issuance of Capital Lease	820,000	-	-	-	-	820,000
Proceeds from Sale of Capital Assets						
Equipment	911	-	-	-	-	911
Principal Paid on Debt Maturities						
Revenue Bonds	-	(3,240,000)	-	-	-	(3,240,000)
Capital Lease	(198,303)	-	-	-	-	(198,303)
Payments for Acquisition and Construction of Capital Assets						
Land	(355,040)	-	-	-	-	(355,040)
Buildings and Structures	(408,272)	-	(7,075)	-	-	(415,347)
Equipment	(856,663)	-	-	-	(141,875)	(998,538)
Construction in Progress	-	-	(15,328)	-	-	(15,328)
Interest Paid On						
Revenue Bonds	-	(181,905)	-	-	-	(181,905)
Capital Lease	(16,610)	-	-	-	-	(16,610)
Advance From Other Funds	(296,151)	-	-	-	-	(296,151)
Payment of Bond Issuance Costs	(113,677)	-	-	-	-	(113,677)
<b>NET CASH PROVIDED (USED) IN CAPITAL AND RELATED FINANCING ACTIVITIES</b>	<b>6,110,590</b>	<b>(3,421,905)</b>	<b>(22,403)</b>	<b>-</b>	<b>(141,875)</b>	<b>2,524,407</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>						
Purchase of Investment Securities	(666,750)	-	-	-	-	(666,750)
Interest and Dividends Received	26,390	1,486	-	-	-	27,876
Increase (Decrease) in Fair Value of Investments	(26,272)	8,039	-	-	-	(18,233)
<b>NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES</b>	<b>(666,632)</b>	<b>9,525</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(657,107)</b>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>-</b>	<b>8,789</b>	<b>-</b>	<b>341,206</b>	<b>69,730</b>	<b>419,725</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	<b>5,500</b>	<b>85,550</b>	<b>-</b>	<b>636,535</b>	<b>699,141</b>	<b>1,426,726</b>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<b>5,500</b>	<b>94,339</b>	<b>-</b>	<b>977,741</b>	<b>768,871</b>	<b>1,846,451</b>

continued

City of Saint Paul, Minnesota  
 COMBINING STATEMENT OF CASH FLOWS  
 NONMAJOR ENTERPRISE FUNDS  
 For the Fiscal Year Ended December 31, 2005

Schedule 19

	Special Services	Rice and Arlington Sports Dome	Watergate Marina	Impounding Lot	River Print Saint Paul/ Ramsey County	Total
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>						
Operating Income (Loss)	(416,406)	(146,484)	9,849	362,401	105,661	(84,979)
<b>Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities</b>						
Depreciation	280,414	114,028	10,903	7,410	79,374	492,129
Increase (Decrease) in Allowance for Uncollectible Accounts/Loans	(3,972)	-	-	298	-	(3,674)
Changes in Assets and Liabilities (Increase) Decrease in						
Accounts Receivable	(51,962)	-	6,500	(298)	18,650	(27,110)
Due from Other Funds	2,896	-	-	3,045	(800)	5,141
Due from Component Units	-	-	-	-	13,716	13,716
Due from Other Governmental Units	-	-	-	-	(49,961)	(49,961)
Inventories	(20,660)	-	-	(171,130)	11,961	(179,829)
Increase (Decrease) in						
Accrued Salaries Payable	28,519	-	-	27,738	(4,184)	52,073
Compensated Absences Payable	102,937	-	-	(16)	5,820	108,741
Accounts Payable	79,841	-	157	214,718	34,869	329,585
Due to Other Funds	26,012	-	-	1,098	114	27,224
Due to Other Governmental Units	2,371	-	-	(6,426)	-	(4,055)
<b>Total Adjustments</b>	<b>446,396</b>	<b>114,028</b>	<b>17,560</b>	<b>76,437</b>	<b>109,559</b>	<b>763,980</b>
<b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>	<b>29,990</b>	<b>(32,456)</b>	<b>27,409</b>	<b>438,838</b>	<b>215,220</b>	<b>679,001</b>
<b>DETAILS OF CASH AND CASH EQUIVALENTS</b>						
Cash and Investments with Treasurer	-	94,339	-	976,891	768,871	1,840,101
Imprest Funds	5,500	-	-	850	-	6,350
<b>TOTAL CASH AND CASH EQUIVALENTS</b>	<b>5,500</b>	<b>94,339</b>	<b>-</b>	<b>977,741</b>	<b>768,871</b>	<b>1,846,451</b>
<b>NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES</b>						
Capital Assets Purchased on Account						
Land	1,192	-	-	-	-	1,192
Buildings and Structures	85,209	-	-	-	-	85,209
Contribution of Capital Assets to General Capital Assets	(6,900)	(2,394,586)	-	-	-	(2,401,486)

## **Internal Service Funds**

Internal Service funds account for the financing of goods or services provided by one department to other departments or to other governmental units.

**City Attorney - Outside Services** - to account for recoverable legal services rendered to non-city agencies.

**Risk Management Retention** - to account for the management of the city's workers' compensation, property insurance and tort liability claims.

**Internal Borrowing** - to account for internal borrowing from the city's cash pool and assets secured to support repayment of loan principal with interest to the pool.

**Purchasing's Value Added Services** - to account for the service provided by the purchasing division to users such as Ramsey County, the City of Saint Paul, and various smaller agencies.

**Real Estate Management** - to account for rents received from occupants of the City Hall Annex and to pay all expenses incurred in operating and maintaining the building.

**Information Systems** - to account for the costs associated with the design and implementation of new information systems.

**City-Wide Data Processing** - to account for information services provided to License, Inspection and Environmental Protection, Planning and Economic Development, and Public Works financed through special funds.

**Equipment Services Fire-Police** - to account for the operations of the Public Safety repair shop.

**Public Works Engineering** - to account for recoverable engineering and professional services rendered by the Department of Public Works.

**Public Works Traffic, Signal and Lighting Maintenance** - to account for costs incurred by city forces to maintain or upgrade traffic sign, street marking, traffic signal, and street lighting infrastructure.

**Asphalt Plant** - to account for the manufacturing of asphalt products.

**Public Works Equipment** - to account for the purchase and repair of most vehicles used by the Department of Public Works.

**Public Works Administration** - to account for the costs of administrative services provided for the divisions of the Department of Public Works.

**Parks and Recreation Special Projects** - to account for materials purchased and design services performed by the Division of Parks and Recreation for other departments' capital funds, and outside parties.

**Parks and Recreation Supply and Maintenance** - to account for all supplies, materials, repair parts, and equipment purchased for use in park and playground maintenance and repair and the recovery of the costs thereof.

**Planning and Economic Development Administration** - to account for administrative operations within the Department of Planning and Economic Development.

	City Attorney- Outside Services	Risk Management Retention	Internal Borrowing	Purchasing's Value Added Services	Real Estate Management	Information Systems	City-Wide Data Processing	Equipment Services Fire-Police	Public Works Engineering
<b>ASSETS</b>									
<b>Current Assets</b>									
Cash and Investments with Treasury	33,544	539,171	-	858,316	-	72,140	-	883,073	6,036,949
Imprest Funds	-	-	-	150	-	-	-	100	150
Receivables									
Accounts (net of allowance for estimated uncollectibles)	-	-	-	8,637	-	-	-	774	1,795
Unbilled Accounts	-	-	-	-	-	-	-	-	31,024
Accrued Interest	-	-	127,337	-	-	-	-	-	-
Due from Other Funds	85,043	214,232	265,301	-	-	-	468,931	201,489	9,345
Due from Component Units	-	-	-	-	-	-	-	-	-
Due from Other Governmental Units	90,257	-	-	6,412	-	-	-	508	-
Inventories - Materials and Supplies	-	-	-	-	-	-	-	201,538	-
Prepaid Items	-	239,542	-	-	-	-	-	-	2,743,654
<b>Total Current Assets</b>	<b>208,844</b>	<b>992,945</b>	<b>392,638</b>	<b>873,515</b>	<b>-</b>	<b>72,140</b>	<b>468,931</b>	<b>1,287,482</b>	<b>8,822,917</b>
<b>Non-Current Assets</b>									
<b>Other Assets</b>									
Advance to Other Funds	-	-	2,147,343	-	-	-	-	-	-
Other Long-Term Loans Receivable	-	-	9,197,707	-	-	-	-	-	-
<b>Total Other Assets</b>	<b>-</b>	<b>-</b>	<b>11,345,050</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Capital Assets</b>									
Land	-	-	-	-	-	-	-	-	32,000
Buildings and Structures	-	-	-	-	-	-	-	1,152,341	-
Less: Accumulated Depreciation	-	-	-	-	-	-	-	(674,726)	-
Equipment	17,624	-	-	25,666	-	-	-	245,029	1,231,977
Less: Accumulated Depreciation	(17,624)	-	-	(20,447)	-	-	-	(202,967)	(1,046,958)
<b>Total Capital Assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,219</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>519,677</b>	<b>217,019</b>
<b>Total Noncurrent Assets</b>	<b>-</b>	<b>-</b>	<b>11,345,050</b>	<b>5,219</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>519,677</b>	<b>217,019</b>
<b>TOTAL ASSETS</b>	<b>208,844</b>	<b>992,945</b>	<b>11,737,688</b>	<b>878,734</b>	<b>-</b>	<b>72,140</b>	<b>468,931</b>	<b>1,807,159</b>	<b>9,039,936</b>
<b>LIABILITIES</b>									
<b>Current Liabilities (Payable from Current Assets)</b>									
Interfund Payable for Pooled Cash and Investments Overdrafts	-	-	-	-	-	-	383,121	-	-
Accrued Salaries Payable	36,685	-	-	32,994	-	-	66,672	37,250	166,455
Accounts Payable	153	11,851	-	1,112	-	-	-	143,241	58,968
Due to Other Funds	10,545	-	9,912,203	9,186	-	170,000	19,138	55,862	49,201
Due to Component Units	-	-	-	-	-	-	-	-	-
Due to Other Governmental Units	1,010	186,050	-	-	-	-	-	-	75
Unearned Revenue	-	-	-	462,879	-	-	-	-	3,205,193
Compensated Absences Payable	5,237	-	-	4,206	-	-	-	5,186	24,637
Capital Lease Payable	-	-	-	-	-	-	-	-	-
Accrued Interest Payable	-	-	-	-	-	-	-	-	-
Capital Lease	-	-	-	-	-	-	-	-	-
<b>Total Current Liabilities (Payable from Current Assets)</b>	<b>53,630</b>	<b>197,901</b>	<b>9,912,203</b>	<b>510,377</b>	<b>-</b>	<b>170,000</b>	<b>468,931</b>	<b>241,539</b>	<b>3,504,529</b>
<b>Noncurrent Liabilities</b>									
Capital Lease Payable	-	-	-	-	-	-	-	-	-
Advance from Other Funds	-	-	-	-	-	170,000	-	-	-
Compensated Absences Payable	65,617	-	-	92,290	-	-	-	73,265	387,075
<b>Total Noncurrent Liabilities</b>	<b>65,617</b>	<b>-</b>	<b>-</b>	<b>92,290</b>	<b>-</b>	<b>170,000</b>	<b>-</b>	<b>73,265</b>	<b>387,075</b>
<b>TOTAL LIABILITIES</b>	<b>119,247</b>	<b>197,901</b>	<b>9,912,203</b>	<b>602,667</b>	<b>-</b>	<b>340,000</b>	<b>468,931</b>	<b>314,804</b>	<b>3,891,604</b>
<b>NET ASSETS</b>									
Invested in Capital Assets	-	-	-	5,219	-	-	-	519,677	217,019
Unrestricted	89,597	795,044	1,825,485	270,848	-	(267,860)	-	972,678	4,931,313
<b>TOTAL NET ASSETS</b>	<b>89,597</b>	<b>795,044</b>	<b>1,825,485</b>	<b>276,067</b>	<b>-</b>	<b>(267,860)</b>	<b>-</b>	<b>1,492,355</b>	<b>5,148,332</b>

continued



	Public Works Traffic, Signal and Lighting Maintenance	Asphalt Plant	Public Works Equipment	Public Works Administration	Parks and Recreation Special Projects	Parks and Recreation Supply and Maintenance	Planning and Economic Development Administration	Total
<b>ASSETS</b>								
<b>Current Assets</b>								
Cash and Investments with Treasury	187,945	497,884	732,205	1,321,453	133,267	705,090	976,168	12,977,205
Imprest Funds	225	50	-	-	-	-	200	875
Receivables								
Accounts (net of allowance for estimated uncollectibles)	126,035	72,389	3,785	53,670	1	545	-	267,631
Unbilled Accounts	-	-	-	-	-	-	-	31,024
Accrued Interest	-	-	-	-	-	-	-	127,337
Due from Other Funds	379,279	34,775	797,323	423,115	277,727	228,510	762,969	4,148,039
Due from Component Units	17,015	2,107	-	7,515	-	-	-	26,637
Due from Other Governmental Units	127,149	8,413	21,778	22,598	-	5,107	16,155	298,377
Inventories - Materials and Supplies	979,156	240,493	558,401	-	-	166,104	-	2,145,692
Prepaid Items	-	-	11,264	-	-	-	-	2,994,460
<b>Total Current Assets</b>	<b>1,816,804</b>	<b>856,111</b>	<b>2,124,756</b>	<b>1,828,351</b>	<b>410,995</b>	<b>1,105,356</b>	<b>1,755,492</b>	<b>23,017,277</b>
<b>Non-Current Assets</b>								
<b>Other Assets</b>								
Advance to Other Funds	-	-	-	125,000	-	-	-	2,272,343
Other Long-Term Loans Receivable	-	-	-	-	-	-	-	9,197,707
<b>Total Other Assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>125,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>11,470,050</b>
<b>Capital Assets</b>								
Land	-	23,665	25,243	-	-	-	-	80,908
Buildings and Structures	59,649	697,930	1,678,617	5,291,166	-	15,608	-	8,895,311
Less: Accumulated Depreciation	(24,899)	(668,478)	(1,206,944)	(2,221,310)	-	(1,214)	-	(4,797,571)
Equipment	854,304	353,057	19,931,179	679,742	30,568	528,975	147,650	24,045,771
Less: Accumulated Depreciation	(643,985)	(225,395)	(14,605,035)	(488,964)	(30,568)	(280,670)	(129,047)	(17,691,660)
<b>Total Capital Assets</b>	<b>245,069</b>	<b>180,779</b>	<b>5,823,060</b>	<b>3,260,634</b>	<b>-</b>	<b>262,699</b>	<b>18,603</b>	<b>10,532,759</b>
<b>Total Noncurrent Assets</b>	<b>245,069</b>	<b>180,779</b>	<b>5,823,060</b>	<b>3,385,634</b>	<b>-</b>	<b>262,699</b>	<b>18,603</b>	<b>22,002,809</b>
<b>TOTAL ASSETS</b>	<b>2,061,873</b>	<b>1,036,890</b>	<b>7,947,816</b>	<b>5,213,985</b>	<b>410,995</b>	<b>1,368,055</b>	<b>1,774,095</b>	<b>45,020,086</b>
<b>LIABILITIES</b>								
<b>Current Liabilities (Payable from Current Assets)</b>								
<b>Interfund Payable for Pooled</b>								
Cash and Investments Overdrafts	-	-	-	-	-	-	-	383,121
Accrued Salaries Payable	201,552	10,090	63,369	112,716	43,663	36,506	283,543	1,091,495
Accounts Payable	171,296	28,224	119,598	169,228	587	31,446	21,212	756,916
Due to Other Funds	151,568	3,258	33,826	497,397	12,551	12,501	155,178	11,092,414
Due to Component Units	-	-	-	1,303	-	-	-	1,303
Due to Other Governmental Units	-	139	-	-	-	287	667	188,228
Unearned Revenue	-	-	-	-	-	-	-	3,668,072
Compensated Absences Payable	13,678	1,432	8,034	14,403	6,915	3,415	34,911	122,054
Capital Lease Payable	-	-	-	123,437	-	-	-	123,437
Accrued Interest Payable	-	-	-	-	-	-	-	-
Capital Lease	-	-	-	32,829	-	-	-	32,829
<b>Total Current Liabilities (Payable from Current Assets)</b>	<b>538,094</b>	<b>43,143</b>	<b>224,827</b>	<b>951,313</b>	<b>63,716</b>	<b>84,155</b>	<b>495,511</b>	<b>17,459,869</b>
<b>Noncurrent Liabilities</b>								
Capital Lease Payable	-	-	-	2,176,342	-	-	-	2,176,342
Advance from Other Funds	305,044	-	-	258,000	-	-	-	733,044
Compensated Absences Payable	203,558	20,580	110,633	288,040	135,905	46,900	644,772	2,068,635
<b>Total Noncurrent Liabilities</b>	<b>508,602</b>	<b>20,580</b>	<b>110,633</b>	<b>2,722,382</b>	<b>135,905</b>	<b>46,900</b>	<b>644,772</b>	<b>4,978,021</b>
<b>TOTAL LIABILITIES</b>	<b>1,046,696</b>	<b>63,723</b>	<b>335,460</b>	<b>3,673,695</b>	<b>199,621</b>	<b>131,055</b>	<b>1,140,283</b>	<b>22,437,890</b>
<b>NET ASSETS</b>								
Invested in Capital Assets	245,069	180,779	5,823,060	527,855	-	262,699	18,603	7,799,980
Unrestricted	770,108	792,388	1,789,296	1,012,435	211,374	974,301	615,209	14,782,216
<b>TOTAL NET ASSETS</b>	<b>1,015,177</b>	<b>973,167</b>	<b>7,612,356</b>	<b>1,540,290</b>	<b>211,374</b>	<b>1,237,000</b>	<b>633,812</b>	<b>22,582,196</b>

City of Saint Paul, Minnesota  
**COMBINING STATEMENT OF REVENUES,  
 EXPENSES AND CHANGES IN FUND NET ASSETS**  
**INTERNAL SERVICE FUNDS**  
 For the Fiscal Year Ended December 31, 2005

Schedule 21

	City Attorney- Outside Services	Risk Management Retention	Internal Borrowing	Purchasing's Value Added Services	Real Estate Management	Information Systems	City-Wide Data Processing	Equipment Services Fire-Police	Public Works Engineering
<b>OPERATING REVENUES</b>									
Fees, Sales and Services	785,752	1,024,720	-	863,110	-	-	1,597,188	2,295,187	7,033,620
Rents and Leases	75,600	-	-	-	-	-	-	-	-
Interest Earned on Loans	-	-	814,162	-	-	-	-	-	-
Miscellaneous	-	419,756	-	-	-	161,959	40	60	6,225
<b>Total Operating Revenues</b>	<b>861,352</b>	<b>1,444,476</b>	<b>814,162</b>	<b>863,110</b>	<b>-</b>	<b>161,959</b>	<b>1,597,228</b>	<b>2,295,247</b>	<b>7,039,845</b>
<b>OPERATING EXPENSES</b>									
Cost of Merchandise Sold	-	-	-	-	-	-	-	-	-
Salaries	667,738	-	-	585,923	-	-	1,158,693	705,219	3,498,298
Employee Fringe Benefits	210,576	861,486	-	184,454	-	-	352,265	222,619	1,364,017
Services	34,254	220,400	-	71,483	-	-	86,270	98,070	1,507,189
Materials and Supplies	9,870	-	-	7,704	-	-	-	1,259,718	294,421
Depreciation	5,875	-	-	3,364	-	-	-	38,240	183,259
Bad Debts	-	-	-	-	-	-	-	-	-
Miscellaneous	-	280	526,077	-	-	-	-	-	-
<b>Total Operating Expenses</b>	<b>928,313</b>	<b>1,082,166</b>	<b>526,077</b>	<b>852,928</b>	<b>-</b>	<b>-</b>	<b>1,597,228</b>	<b>2,323,866</b>	<b>6,847,184</b>
<b>OPERATING INCOME (LOSS)</b>	<b>(66,961)</b>	<b>362,310</b>	<b>288,085</b>	<b>10,182</b>	<b>-</b>	<b>161,959</b>	<b>-</b>	<b>(28,619)</b>	<b>192,661</b>
<b>NON-OPERATING REVENUES (EXPENSES)</b>									
Intergovernmental Revenue	-	-	-	-	-	-	-	-	-
Gain on Sale of Assets	-	-	-	-	-	-	-	-	3,000
Interest Expense on Capital Lease	-	-	-	-	-	-	-	-	-
<b>Total Non-Operating Revenues (Expenses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,000</b>
<b>Income (Loss) Before Capital Contributions and Transfers</b>	<b>(66,961)</b>	<b>362,310</b>	<b>288,085</b>	<b>10,182</b>	<b>-</b>	<b>161,959</b>	<b>-</b>	<b>(28,619)</b>	<b>195,661</b>
Transfers In	14,911	432,734	-	-	-	-	-	-	211,150
Transfers Out	(691)	-	-	(5,961)	(296,530)	-	-	-	(263,244)
<b>Change in Net Assets</b>	<b>(52,741)</b>	<b>795,044</b>	<b>288,085</b>	<b>4,221</b>	<b>(296,530)</b>	<b>161,959</b>	<b>-</b>	<b>(28,619)</b>	<b>143,567</b>
<b>TOTAL NET ASSETS, January 1</b>	<b>142,338</b>	<b>-</b>	<b>1,537,400</b>	<b>271,846</b>	<b>296,530</b>	<b>(429,819)</b>	<b>-</b>	<b>1,520,974</b>	<b>5,004,765</b>
<b>TOTAL NET ASSETS, December 31</b>	<b>89,597</b>	<b>795,044</b>	<b>1,825,485</b>	<b>276,067</b>	<b>-</b>	<b>(267,860)</b>	<b>-</b>	<b>1,492,355</b>	<b>5,148,332</b>

continued

City of Saint Paul, Minnesota  
**COMBINING STATEMENT OF REVENUES,  
 EXPENSES AND CHANGES IN FUND NET ASSETS**  
**INTERNAL SERVICE FUNDS**  
 For the Fiscal Year Ended December 31, 2005

Schedule 21

	Public Works Traffic, Signal and Lighting Maintenance	Asphalt Plant	Public Works Equipment	Public Works Administration	Parks and Recreation Special Projects	Parks and Recreation Supply and Maintenance	Planning and Economic Development Administration	Total
<b>OPERATING REVENUES</b>								
Fees, Sales and Services	3,105,077	1,857,907	5,066,641	3,236,944	1,157,746	1,680,308	8,365,090	38,069,290
Rents and Leases	-	-	8,000	1,487,755	-	-	-	1,571,355
Interest Earned on Loans	-	-	-	-	-	-	-	814,162
Miscellaneous	439,768	-	9,099	30,424	8,395	33,890	60	1,109,676
<b>Total Operating Revenues</b>	<b>3,544,845</b>	<b>1,857,907</b>	<b>5,083,740</b>	<b>4,755,123</b>	<b>1,166,141</b>	<b>1,714,198</b>	<b>8,365,150</b>	<b>41,564,483</b>
<b>OPERATING EXPENSES</b>								
Cost of Merchandise Sold	-	-	1,878,702	-	-	381,166	-	2,259,868
Salaries	3,549,593	217,301	1,131,175	1,921,808	780,767	464,867	4,933,168	19,614,550
Employee Fringe Benefits	1,727,418	68,881	393,035	590,108	240,537	161,234	1,565,573	7,942,203
Services	1,570,224	77,070	651,133	1,566,049	133,868	177,019	1,363,223	7,556,252
Materials and Supplies	2,550,945	1,501,991	155,727	504,241	5,308	48,610	60,235	6,398,770
Depreciation	67,839	15,087	1,222,224	428,152	2,356	46,704	11,670	2,024,770
Bad Debts	93,438	17,602	-	-	-	-	-	111,040
Miscellaneous	25,745	-	-	1,709	-	-	1,078	554,889
<b>Total Operating Expenses</b>	<b>9,585,202</b>	<b>1,897,932</b>	<b>5,431,996</b>	<b>5,012,067</b>	<b>1,162,836</b>	<b>1,279,600</b>	<b>7,934,947</b>	<b>46,462,342</b>
<b>OPERATING INCOME (LOSS)</b>	<b>(6,040,357)</b>	<b>(40,025)</b>	<b>(348,256)</b>	<b>(256,944)</b>	<b>3,305</b>	<b>434,598</b>	<b>430,203</b>	<b>(4,897,859)</b>
<b>NON-OPERATING REVENUES (EXPENSES)</b>								
Intergovernmental Revenue	1,881,554	-	-	-	-	-	-	1,881,554
Gain on Sale of Assets	-	-	50,677	-	-	1,774	-	55,451
Interest Expense on Capital Lease	-	-	-	(134,672)	-	-	-	(134,672)
<b>Total Non-Operating Revenues (Expenses)</b>	<b>1,881,554</b>	<b>-</b>	<b>50,677</b>	<b>(134,672)</b>	<b>-</b>	<b>1,774</b>	<b>-</b>	<b>1,802,333</b>
<b>Income (Loss) Before Capital Contributions and Transfers</b>	<b>(4,158,803)</b>	<b>(40,025)</b>	<b>(297,579)</b>	<b>(391,616)</b>	<b>3,305</b>	<b>436,372</b>	<b>430,203</b>	<b>(3,095,526)</b>
Transfers In	3,759,225	-	-	533,664	-	-	-	4,951,684
Transfers Out	(22,364)	-	(10,062)	(44,515)	-	(244,699)	(26,763)	(914,829)
<b>Change in Net Assets</b>	<b>(421,942)</b>	<b>(40,025)</b>	<b>(307,641)</b>	<b>97,533</b>	<b>3,305</b>	<b>191,673</b>	<b>403,440</b>	<b>941,329</b>
<b>TOTAL NET ASSETS, January 1</b>	<b>1,437,119</b>	<b>1,013,192</b>	<b>7,919,997</b>	<b>1,442,757</b>	<b>208,069</b>	<b>1,045,327</b>	<b>230,372</b>	<b>21,640,867</b>
<b>TOTAL NET ASSETS, December 31</b>	<b>1,015,177</b>	<b>973,167</b>	<b>7,612,356</b>	<b>1,540,290</b>	<b>211,374</b>	<b>1,237,000</b>	<b>633,812</b>	<b>22,582,196</b>

City of Saint Paul, Minnesota  
**COMBINING STATEMENT OF CASH FLOWS**  
**INTERNAL SERVICE FUNDS**  
For the Fiscal Year Ended December 31, 2005

	City Attorney- Outside Services	Risk Management Retention	Internal Borrowing	Purchasing's Value Added Services	Real Estate Management	Information Systems	City-Wide Data Processing	Equipment Services Fire-Police	Public Works Engineering
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>									
Receipts from Loan Recipients and Other Customers	386,124	270,779	1,558,702	438,910	-	161,959	-	116,423	52,919
Receipts from Other Funds for Services Provided	422,333	929,919	169,165	487,747	-	-	1,567,977	2,175,714	8,324,343
Other Operating Receipts	-	29,546	-	43,935	-	-	-	-	6,225
Payment to Suppliers	(41,478)	(262,321) *	-	(77,996)	-	-	-	(1,291,510)	(52,244)
Payment to Employees	(869,298)	(861,486)	-	(766,494)	-	-	(1,507,448)	(934,034)	(4,525,477)
Payment to Other Funds for Services Used	(1,483)	-	(526,077)	(2,181)	-	-	(86,270)	(1,149)	(854,890)
<b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>	<b>(103,802)</b>	<b>106,437</b>	<b>1,201,790</b>	<b>123,921</b>	<b>-</b>	<b>161,959</b>	<b>(25,741)</b>	<b>65,444</b>	<b>2,950,876</b>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>									
Transfers In from Other Funds	26,404	432,734	-	-	-	-	-	-	211,150
Transfers Out to Other Funds	(691)	-	-	(5,961)	(296,530)	-	-	-	(263,244)
Operating Grants Received	-	-	-	-	-	-	-	-	-
Advance Received for Pooled Cash and Investments Overdraft	-	-	-	-	-	-	25,741	-	-
Advance Received from Other Funds	-	-	9,912,202	-	-	-	-	-	-
Repayment of Advance Made to Other Funds	-	-	3,955,501	-	-	-	-	-	-
Advance Made to Other Funds	-	-	-	-	-	-	-	-	-
Repayment of Advance Received from Other Funds	-	-	(15,069,493)	-	-	(170,000)	-	-	-
<b>NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES</b>	<b>25,713</b>	<b>432,734</b>	<b>(1,201,790)</b>	<b>(5,961)</b>	<b>(296,530)</b>	<b>(170,000)</b>	<b>25,741</b>	<b>-</b>	<b>(52,094)</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>									
<b>Proceeds from Sale of Capital Assets</b>									
Equipment	-	-	-	-	-	-	-	-	3,000
<b>Principal Paid on Debt Maturities</b>									
Capital Lease	-	-	-	-	-	-	-	-	-
<b>Payments for Acquisition and Construction of Capital Assets</b>									
Buildings and Structures	-	-	-	-	-	-	-	-	-
Equipment	-	-	-	(5,566)	-	-	-	(10,898)	(88,123)
<b>Interest Paid On</b>									
Capital Lease	-	-	-	-	-	-	-	-	-
<b>NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(5,566)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(10,898)</b>	<b>(85,123)</b>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(78,089)</b>	<b>539,171</b>	<b>-</b>	<b>112,394</b>	<b>(296,530)</b>	<b>(8,041)</b>	<b>-</b>	<b>54,546</b>	<b>2,813,659</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	<b>111,633</b>	<b>-</b>	<b>-</b>	<b>746,072</b>	<b>296,530</b>	<b>80,181</b>	<b>-</b>	<b>828,627</b>	<b>3,223,440</b>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<b>33,544</b>	<b>539,171</b>	<b>-</b>	<b>858,466</b>	<b>-</b>	<b>72,140</b>	<b>-</b>	<b>883,173</b>	<b>6,037,099</b>

continued

City of Saint Paul, Minnesota  
 COMBINING STATEMENT OF CASH FLOWS  
 INTERNAL SERVICE FUNDS  
 For the Fiscal Year Ended December 31, 2005

	City Attorney- Outside Services	Risk Management Retention	Internal Borrowing	Purchasing's Value Added Services	Real Estate Management	Information Systems	City-Wide Data Processing	Equipment Services Fire-Police	Public Works Engineering
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>									
Operating Income (Loss)	(66,961)	362,310	288,085	10,182	-	161,959	-	(28,619)	192,661
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities									
Depreciation	5,875	-	-	3,364	-	-	-	38,240	183,259
Increase (Decrease) in Allowance for Uncollectible Accounts	-	-	(51,844)	-	-	-	-	-	-
Changes in Assets and Liabilities									
(Increase) Decrease in									
Accounts Receivable	-	-	-	13,504	-	-	-	(644)	(591)
Unbilled Accounts Receivable	-	-	-	-	-	-	-	-	2,481
Notes and Loans Receivable	-	-	1,009,716	-	-	-	-	-	-
Accrued Interest Receivable	-	-	(44,167)	-	-	-	-	-	-
Due from Other Funds	(11,241)	(214,232)	-	-	-	-	(29,251)	(11,258)	434,146
Due from Component Units	-	-	-	-	-	-	-	-	-
Due from Other Governmental Units	(41,654)	-	-	(2,235)	-	-	-	8,793	-
Inventories	-	-	-	-	-	-	-	(17,630)	-
Prepaid Items	-	(239,543)	-	-	-	-	-	-	881,182
Increase (Decrease) in									
Accrued Salaries Payable	1,889	-	-	(2,520)	-	-	(893)	(498)	18,375
Compensated Absences Payable	4,304	-	-	5,102	-	-	-	(8,005)	304,316
Accounts Payable	153	11,852	-	(990)	-	-	-	38,496	35,335
Due to Other Funds	2,823	-	-	1,301	-	-	4,403	46,569	(7,930)
Due to Component Units	-	-	-	-	-	-	-	-	-
Due to Other Governmental Units	1,010	186,050	-	-	-	-	-	-	37
Unearned Revenue	-	-	-	96,213	-	-	-	-	907,605
Total Adjustments	(36,841)	(255,873)	913,705	113,739	-	-	(25,741)	94,063	2,758,215
<b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>	<b>(103,802)</b>	<b>106,437</b>	<b>1,201,790</b>	<b>123,921</b>	<b>-</b>	<b>161,959</b>	<b>(25,741)</b>	<b>65,444</b>	<b>2,950,876</b>
<b>RECONCILIATION OF CASH AND CASH EQUIVALENTS TO THE STATEMENT OF NET ASSETS</b>									
Cash and Investments with Treasurer	33,544	539,171	-	858,316	-	72,140	-	883,073	6,036,949
Imprest Funds	-	-	-	150	-	-	-	100	150
<b>TOTAL CASH AND CASH EQUIVALENTS</b>	<b>33,544</b>	<b>539,171</b>	<b>-</b>	<b>858,466</b>	<b>-</b>	<b>72,140</b>	<b>-</b>	<b>883,173</b>	<b>6,037,099</b>
<b>NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES</b>									
Contributions of Capital Assets to General Capital Assets	-	-	-	-	-	-	-	-	-

continued

City of Saint Paul, Minnesota  
**COMBINING STATEMENT OF CASH FLOWS**  
**INTERNAL SERVICE FUNDS**  
For the Fiscal Year Ended December 31, 2005

Schedule 22

	Public Works Traffic, Signal and Lighting Maintenance	Asphalt Plant	Public Works Equipment	Public Works Administration	Parks and Recreation Special Projects	Parks and Recreation Supply and Maintenance	Planning and Economic Development Administration	Total
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>								
Receipts from Loan Recipients and Other Customers	2,117,558	661,216	46,068	107,329	13,082	3,977	1,108,949	7,043,995
Receipts from Other Funds for Services Provided	1,578,404	1,157,197	5,351,861	4,497,893	1,162,794	1,510,924	6,704,940	36,041,211
Other Operating Receipts	-	-	9,370	84	-	23,946	-	113,106
Payment to Suppliers	(2,747,123)	(1,580,389)	(2,267,425)	(963,282)	(82,686)	(529,410)	(1,253,740)	(11,149,604)
Payment to Employees	(5,133,015)	(301,176)	(1,510,930)	(2,551,122)	(1,024,198)	(600,116)	(6,465,293)	(27,050,087)
Payment to Other Funds for Services Used	(1,506,841)	(51,542)	(400,813)	(940,552)	(57,589)	(69,538)	(808,087)	(5,307,012)
<b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>	<b>(5,691,017)</b>	<b>(114,694)</b>	<b>1,228,131</b>	<b>150,350</b>	<b>11,403</b>	<b>339,783</b>	<b>(713,231)</b>	<b>(308,391)</b>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>								
Transfers In from Other Funds	3,433,094	-	-	287,435	-	-	-	4,390,817
Transfers Out to Other Funds	(22,364)	-	(10,062)	(44,515)	-	(8,826)	(26,763)	(678,956)
Operating Grants Received	1,881,554	-	-	-	-	-	-	1,881,554
Advance Received for Pooled Cash and Investments Overdraft	-	-	-	-	-	-	-	25,741
Advance Received from Other Funds	-	-	-	400,000	-	-	-	10,312,202
Repayment of Advance Made to Other Funds	-	-	-	-	-	-	-	3,955,501
Advance Made to Other Funds	-	-	-	(150,000)	-	-	-	(150,000)
Repayment of Advance Received from Other Funds	-	-	-	(11,600)	-	-	-	(15,251,093)
<b>NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES</b>	<b>5,292,284</b>	<b>-</b>	<b>(10,062)</b>	<b>481,320</b>	<b>-</b>	<b>(8,826)</b>	<b>(26,763)</b>	<b>4,485,766</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>								
<b>Proceeds from Sale of Capital Assets</b>								
Equipment	-	-	173,494	-	-	1,774	-	178,268
<b>Principal Paid on Debt Maturities</b>								
Capital Lease	-	-	-	(116,679)	-	-	-	(116,679)
<b>Payments for Acquisition and Construction of Capital Assets</b>								
Buildings and Structures	-	-	-	(609,263)	-	-	-	(609,263)
Equipment	(204,632)	-	(904,258)	(84,756)	-	(189,886)	-	(1,488,119)
<b>Interest Paid On</b>								
Capital Lease	-	-	-	(136,338)	-	-	-	(136,338)
<b>NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES</b>	<b>(204,632)</b>	<b>-</b>	<b>(730,764)</b>	<b>(947,036)</b>	<b>-</b>	<b>(188,112)</b>	<b>-</b>	<b>(2,172,131)</b>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(603,365)</b>	<b>(114,694)</b>	<b>487,305</b>	<b>(315,366)</b>	<b>11,403</b>	<b>142,845</b>	<b>(739,994)</b>	<b>2,005,244</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	<b>791,535</b>	<b>612,628</b>	<b>244,900</b>	<b>1,636,819</b>	<b>121,864</b>	<b>562,245</b>	<b>1,716,362</b>	<b>10,972,836</b>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<b>188,170</b>	<b>497,934</b>	<b>732,205</b>	<b>1,321,453</b>	<b>133,267</b>	<b>705,090</b>	<b>976,368</b>	<b>12,978,080</b>

continued

City of Saint Paul, Minnesota  
 COMBINING STATEMENT OF CASH FLOWS  
 INTERNAL SERVICE FUNDS  
 For the Fiscal Year Ended December 31, 2005

Schedule 22

	Public Works Traffic, Signal and Lighting Maintenance	Asphalt Plant	Public Works Equipment	Public Works Administration	Parks and Recreation Special Projects	Parks and Recreation Supply and Maintenance	Planning and Economic Development Administration	Total
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>								
Operating Income (Loss)	(6,040,357)	(40,025)	(348,256)	(256,944)	3,305	434,598	430,203	(4,897,859)
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities								
Depreciation	67,839	15,087	1,222,224	428,152	2,356	46,704	11,670	2,024,770
Increase (Decrease) in Allowance for Uncollectible Accounts	78,292	17,602	(18,243)	-	-	-	-	25,807
Changes in Assets and Liabilities								
(Increase) Decrease in								
Accounts Receivable	13,151	(25,726)	(3,785)	(38,671)	-	5,455	30	(37,277)
Unbilled Accounts Receivable	-	-	-	-	-	-	-	2,481
Notes and Loans Receivable	-	-	-	-	-	-	-	1,009,716
Accrued Interest Receivable	-	-	-	-	-	-	-	(44,167)
Due from Other Funds	243,793	(17,927)	316,677	(107,043)	12,058	(187,087)	(546,772)	(118,137)
Due from Component Units	(17,015)	133	18,226	13,845	-	6,281	-	21,470
Due from Other Governmental Units	(73,666)	4,025	10,685	(17,948)	-	-	(4,519)	(116,519)
Inventories	(88,559)	(41,224)	(29,384)	-	-	(12,767)	-	(189,564)
Prepaid Items	-	-	1,051	-	-	-	-	642,690
Increase (Decrease) in								
Accrued Salaries Payable	41,306	(3,528)	(1,827)	(4,827)	(1,923)	14,596	887	61,037
Compensated Absences Payable	88,928	(11,338)	10,399	(39,473)	(2,800)	11,389	13,870	376,692
Accounts Payable	122,800	(11,537)	43,461	90,270	(1,099)	13,142	(4,510)	337,373
Due to Other Funds	(120,117)	(246)	6,903	81,686	1,829	7,185	(613,841)	(589,435)
Due to Component Units	(7,412)	-	-	1,303	-	-	-	(6,109)
Due to Other Governmental Units	-	10	-	-	-	287	(249)	187,145
Unearned Revenue	-	-	-	-	(2,323)	-	-	1,001,495
Total Adjustments	349,340	(74,669)	1,576,387	407,294	8,098	(94,815)	(1,143,434)	4,589,468
<b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>	<b>(5,691,017)</b>	<b>(114,694)</b>	<b>1,228,131</b>	<b>150,350</b>	<b>11,403</b>	<b>339,783</b>	<b>(713,231)</b>	<b>(308,391)</b>
<b>RECONCILIATION OF CASH AND CASH EQUIVALENTS TO THE STATEMENT OF NET ASSETS</b>								
Cash and Investments with Treasurer	187,945	497,884	732,205	1,321,453	133,267	705,090	976,168	12,977,205
Imprest Funds	225	50	-	-	-	-	200	875
<b>TOTAL CASH AND CASH EQUIVALENTS</b>	<b>188,170</b>	<b>497,934</b>	<b>732,205</b>	<b>1,321,453</b>	<b>133,267</b>	<b>705,090</b>	<b>976,368</b>	<b>12,978,080</b>
<b>NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES</b>								
Contributions of Capital Assets to General Capital Assets	-	-	-	-	-	(235,873)	-	(235,873)

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## **Fiduciary Funds**

### **Agency Funds**

Agency funds account for assets held in a custodial capacity for others and/or other funds.

**Employee Withholding** - to account for monies withheld from employees' salaries and remitted to governmental and outside agencies.

**Miscellaneous** - to account for proceeds from Comcast for distribution relating to the city's Cable Access Program and to account for taxes levied and collected by Ramsey County and remitted to the Port Authority of the City of Saint Paul.

**Unclaimed Property** - to account for outstanding checks, which have been written off and are being held under the Minnesota Uniform Disposition of Unclaimed Property Act.

**Suspense** - to account for receipts and disbursements for which proper accounting cannot be made at time of transaction.

**Minnesota Selective Excise Tax Collection** - to account for receipts and disbursements of sales tax as required by the Tax Reform and Relief Act.

**Building Permits - State Surcharge** - to account for city collection of building permit surcharge.

**Confiscated and Unclaimed Monies** - to account for cash received by the Police Department that is lost, unclaimed, or contraband collected during the course of Police business.

**Arbitrage Rebate** - to account for the arbitrage rebate due to the Federal Government on the city's bond issues.

City of Saint Paul, Minnesota  
**COMBINING STATEMENT OF FIDUCIARY NET ASSETS**  
**ALL AGENCY FUNDS**  
 December 31, 2005

Schedule 23

	<u>Employee Withholding</u>	<u>Miscellaneous</u>	<u>Unclaimed Property</u>	<u>Suspense</u>	<u>Minnesota Selective Excise Tax Collection</u>	<u>Building Permits State Surcharge</u>	<u>Confiscated and Unclaimed Monies</u>	<u>Arbitrage Rebate</u>	<u>Total</u>
<b>ASSETS</b>									
Cash and Investments with Treasurer	612,703	-	24,301	-	43,328	19,632	1,010,657	953,410	2,664,031
Receivables									
Property Taxes - Due from Ramsey County	-	14,745	-	-	-	-	-	-	14,745
Accounts (net of allowance for estimated uncollectibles)	-	-	-	-	12,975	-	-	-	12,975
Accrued Interest	-	-	-	-	-	-	-	7,152	7,152
Due from Other Funds	-	-	-	-	4,759	-	-	-	4,759
Due from Other Governmental Units	-	-	-	-	1,430	-	-	-	1,430
<b>TOTAL ASSETS</b>	<u>612,703</u>	<u>14,745</u>	<u>24,301</u>	<u>-</u>	<u>62,492</u>	<u>19,632</u>	<u>1,010,657</u>	<u>960,562</u>	<u>2,705,092</u>
<b>LIABILITIES</b>									
Accounts Payable	275,818	14,745	-	-	-	-	1,010,657	-	1,301,220
Due to Other Governmental Units	336,885	-	24,301	-	62,492	19,632	-	960,562	1,403,872
<b>TOTAL LIABILITIES</b>	<u>612,703</u>	<u>14,745</u>	<u>24,301</u>	<u>-</u>	<u>62,492</u>	<u>19,632</u>	<u>1,010,657</u>	<u>960,562</u>	<u>2,705,092</u>

City of Saint Paul, Minnesota  
**STATEMENT OF CHANGES IN ASSETS  
 AND LIABILITIES - ALL AGENCY FUNDS**  
 For the Fiscal Year Ended December 31, 2005

Schedule 24

	Employee Withholding				Miscellaneous				Unclaimed Property			
	01/01/05	Additions	Deductions	12/31/05	01/01/05	Additions	Deductions	12/31/05	01/01/05	Additions	Deductions	12/31/05
<b>ASSETS</b>												
Cash and Investments with Treasurer	539,176	42,332,439	42,258,912	612,703	-	1,207,059	1,207,059	-	28,781	21,343	25,823	24,301
Receivables												
Property Taxes - Due from Ramsey County	-	-	-	-	5,682	14,745	5,682	14,745	-	-	-	-
Accounts (net of allowance for estimated uncollectibles)	-	-	-	-	-	-	-	-	-	-	-	-
Accrued Interest	-	-	-	-	-	-	-	-	-	-	-	-
Due from Other Funds	-	-	-	-	-	-	-	-	-	-	-	-
Due from Other Governmental Units	-	-	-	-	-	-	-	-	-	-	-	-
<b>TOTAL ASSETS</b>	<u>539,176</u>	<u>42,332,439</u>	<u>42,258,912</u>	<u>612,703</u>	<u>5,682</u>	<u>1,221,804</u>	<u>1,212,741</u>	<u>14,745</u>	<u>28,781</u>	<u>21,343</u>	<u>25,823</u>	<u>24,301</u>
<b>LIABILITIES</b>												
Accounts Payable	218,500	8,639,055	8,581,737	275,818	5,682	1,221,804	1,212,741	14,745	-	-	-	-
Due to Other Governmental Units	320,676	33,728,781	33,712,572	336,885	-	-	-	-	28,781	21,418	25,898	24,301
<b>TOTAL LIABILITIES</b>	<u>539,176</u>	<u>42,367,836</u>	<u>42,294,309</u>	<u>612,703</u>	<u>5,682</u>	<u>1,221,804</u>	<u>1,212,741</u>	<u>14,745</u>	<u>28,781</u>	<u>21,418</u>	<u>25,898</u>	<u>24,301</u>

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City of Saint Paul, Minnesota  
**STATEMENT OF CHANGES IN ASSETS  
 AND LIABILITIES - ALL AGENCY FUNDS**  
 For the Fiscal Year Ended December 31, 2005

Schedule 24

	Suspense				Minnesota Selective Excise Tax Collection				Building Permits State Surcharge			
	01/01/05	Additions	Deductions	12/31/05	01/01/05	Additions	Deductions	12/31/05	01/01/05	Additions	Deductions	12/31/05
<b>ASSETS</b>												
Cash and Investments with Treasurer	100,000	77,740	177,740	-	24,276	634,456	615,404	43,328	20,177	206,122	206,667	19,632
Receivables												
Property Taxes - Due from Ramsey County	-	-	-	-	-	-	-	-	-	-	-	-
Accounts (net of allowance for												
estimated uncollectibles)	-	-	-	-	12,283	44,794	44,102	12,975	-	-	-	-
Accrued Interest	-	-	-	-	-	-	-	-	-	-	-	-
Due from Other Funds	-	-	-	-	5,054	4,759	5,054	4,759	-	-	-	-
Due from Other Governmental Units	-	-	-	-	1,151	1,430	1,151	1,430	-	-	-	-
<b>TOTAL ASSETS</b>	<b>100,000</b>	<b>77,740</b>	<b>177,740</b>	<b>-</b>	<b>42,764</b>	<b>685,439</b>	<b>665,711</b>	<b>62,492</b>	<b>20,177</b>	<b>206,122</b>	<b>206,667</b>	<b>19,632</b>
<b>LIABILITIES</b>												
Accounts Payable	100,000	16,874	116,874	-	-	-	-	-	16	715	731	-
Due to Other Governmental Units	-	-	-	-	42,764	643,789	624,061	62,492	20,161	206,131	206,660	19,632
<b>TOTAL LIABILITIES</b>	<b>100,000</b>	<b>16,874</b>	<b>116,874</b>	<b>-</b>	<b>42,764</b>	<b>643,789</b>	<b>624,061</b>	<b>62,492</b>	<b>20,177</b>	<b>206,846</b>	<b>207,391</b>	<b>19,632</b>

continued

City of Saint Paul, Minnesota  
**STATEMENT OF CHANGES IN ASSETS  
 AND LIABILITIES - ALL AGENCY FUNDS**  
 For the Fiscal Year Ended December 31, 2005

Schedule 24

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	Confiscated and Unclaimed Monies				Arbitrage Rebate				Total			
	01/01/05	Additions	Deductions	12/31/05	01/01/05	Additions	Deductions	12/31/05	01/01/05	Additions	Deductions	12/31/05
<b>ASSETS</b>												
Cash and Investments with Treasurer	843,644	369,869	202,856	1,010,657	545,723	585,150	177,463	953,410	2,101,777	45,434,178	44,871,924	2,664,031
Receivables												
Property Taxes - Due from Ramsey County	-	-	-	-	-	-	-	-	5,682	14,745	5,682	14,745
Accounts (net of allowance for												
estimated uncollectibles)	-	-	-	-	-	-	-	-	12,283	44,794	44,102	12,975
Accrued Interest	-	-	-	-	5,464	7,152	5,464	7,152	5,464	7,152	5,464	7,152
Due from Other Funds	-	-	-	-	280,000	-	280,000	-	285,054	4,759	285,054	4,759
Due from Other Governmental Units	555	-	555	-	-	-	-	-	1,706	1,430	1,706	1,430
<b>TOTAL ASSETS</b>	<b>844,199</b>	<b>369,869</b>	<b>203,411</b>	<b>1,010,657</b>	<b>831,187</b>	<b>592,302</b>	<b>462,927</b>	<b>960,562</b>	<b>2,411,966</b>	<b>45,507,058</b>	<b>45,213,932</b>	<b>2,705,092</b>
<b>LIABILITIES</b>												
Accounts Payable	844,199	421,438	254,980	1,010,657	-	-	-	-	1,168,397	10,299,886	10,167,063	1,301,220
Due to Other Governmental Units	-	-	-	-	831,187	592,302	462,927	960,562	1,243,569	35,192,421	35,032,118	1,403,872
<b>TOTAL LIABILITIES</b>	<b>844,199</b>	<b>421,438</b>	<b>254,980</b>	<b>1,010,657</b>	<b>831,187</b>	<b>592,302</b>	<b>462,927</b>	<b>960,562</b>	<b>2,411,966</b>	<b>45,492,307</b>	<b>45,199,181</b>	<b>2,705,092</b>

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CITY OF SAINT PAUL  
COMPREHENSIVE ANNUAL FINANCIAL REPORT

FINANCIAL  
SECTION

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OTHER SUPPLEMENTARY INFORMATION

**CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS**  
**COMPARATIVE SCHEDULES BY SOURCE**  
**December 31, 2005 and December 31, 2004**

	<u>2005</u>	<u>2004</u> Restated
<b>Governmental Funds Capital Assets:</b>		
Land	138,723,302	138,117,181
Buildings and Structures	525,908,189	510,176,381
Improvements Other than Buildings	81,882,190	76,610,898
Equipment	52,704,795	51,083,845
Infrastructure	677,943,084	636,520,453
Construction in Progress	22,325,679	44,617,785
	<u>1,499,487,239</u>	<u>1,457,126,543</u>
<b>Total Governmental Funds Capital Assets</b>		
<b>Investment in Governmental Funds Capital Assets by Source:</b>		
<b>Investment in Property Acquired Prior to January 1, 1976</b>		
- Source Unidentified	38,755,339	38,755,339
Investment in Infrastructure Prior to January 1, 2002	621,241,792	624,711,829
General Obligation Bonds	177,491,661	167,062,299
Federal Grants	74,743,537	54,628,250
State Grants	95,237,934	73,645,959
County	32,315,019	32,363,120
Metro Grants	48,580,807	46,737,216
Expenditures from General Fund	46,657,989	46,269,454
Expenditures from Special Revenue Funds	15,495,283	14,049,512
Expenditures from Capital Projects Funds	254,752,071	271,714,089
Expenditures from Trust Funds	4,534,700	4,562,239
Other	89,681,107	82,627,237
	<u>1,499,487,239</u>	<u>1,457,126,543</u>
<b>Total Governmental Funds Capital Assets</b>		

This schedule presents only the capital asset balances related to governmental funds. Accordingly, the capital assets reported in internal service funds are excluded from the above amounts. Generally, the capital assets of internal service funds are included as governmental activities in the statement of net assets.



City of Saint Paul, Minnesota  
**CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS**  
**SCHEDULE BY FUNCTION AND ACTIVITY**  
 December 31, 2005

Schedule 26

Function and Activity	Total	Land	Buildings and Structures	Improvements Other than Buildings	Equipment	Infrastructure	Construction in Progress
<b>General Government</b>							
<b>Control</b>							
Legislative	40,179	-	-	-	40,179	-	-
Executive	326,422	-	-	-	326,422	-	-
<b>Total Control</b>	<b>366,601</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>366,601</b>	<b>-</b>	<b>-</b>
<b>Staff Agencies</b>							
City Clerk	707,946	-	-	-	707,946	-	-
Technology and Management Services	1,401,340	-	-	-	1,337,787	-	63,553
City Attorney	284,003	-	-	-	284,003	-	-
General Government Buildings	37,870,485	483,516	37,351,216	35,753	-	-	-
<b>Total Staff Agencies</b>	<b>40,263,774</b>	<b>483,516</b>	<b>37,351,216</b>	<b>35,753</b>	<b>2,329,736</b>	<b>-</b>	<b>63,553</b>
<b>Total General Government</b>	<b>40,630,375</b>	<b>483,516</b>	<b>37,351,216</b>	<b>35,753</b>	<b>2,696,337</b>	<b>-</b>	<b>63,553</b>
<b>Public Safety</b>							
Police Protection	42,351,558	2,710,949	26,612,996	-	13,027,613	-	-
Fire Protection	23,716,006	564,960	6,937,941	-	14,011,389	-	2,201,716
Code Enforcement	24,162	-	-	-	24,162	-	-
License, Inspection and Environmental Protection	967,497	-	413,701	-	553,796	-	-
<b>Total Public Safety</b>	<b>67,059,223</b>	<b>3,275,909</b>	<b>33,964,638</b>	<b>-</b>	<b>27,616,960</b>	<b>-</b>	<b>2,201,716</b>
<b>Highways and Streets</b>	<b>727,823,209</b>	<b>32,771,322</b>	<b>5,675,330</b>	<b>-</b>	<b>4,044,225</b>	<b>677,943,084</b>	<b>7,389,248</b>
<b>Culture and Recreation</b>							
Office of Financial Services	9,148,195	9,148,195	-	-	-	-	-
Parks and Recreation	298,078,227	88,633,958	143,906,509	54,986,308	4,444,800	-	6,106,652
Library	45,558,419	1,325,284	34,503,307	-	5,105,072	-	4,624,756
RiverCentre	280,207,382	1,748,508	269,661,473	-	8,797,401	-	-
<b>Total Culture and Recreation</b>	<b>632,992,223</b>	<b>100,855,945</b>	<b>448,071,289</b>	<b>54,986,308</b>	<b>18,347,273</b>	<b>-</b>	<b>10,731,408</b>
<b>Economic Development</b>	<b>30,982,209</b>	<b>1,336,610</b>	<b>845,716</b>	<b>26,860,129</b>	<b>-</b>	<b>-</b>	<b>1,939,754</b>
<b>Total Governmental Funds Capital Assets</b>	<b>1,499,487,239</b>	<b>138,723,302</b>	<b>525,908,189</b>	<b>81,882,190</b>	<b>52,704,795</b>	<b>677,943,084</b>	<b>22,325,679</b>

This schedule presents only the capital asset balances related to governmental funds. Accordingly, the capital assets reported in internal service funds are excluded from the above amounts. Generally, the capital assets of internal service funds are included as governmental activities in the statement of net assets.

**CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS**  
**SCHEDULE OF CHANGES BY FUNCTION AND ACTIVITY**  
For the Fiscal Year Ended December 31, 2005

<u>Function and Activity</u>	<u>Balance 01/01/05 Restated</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance 12/31/05</u>
<b>General Government Control</b>				
Legislative	40,179	-	-	40,179
Executive	301,378	52,653	27,609	326,422
<b>Total Control</b>	<b>341,557</b>	<b>52,653</b>	<b>27,609</b>	<b>366,601</b>
<b>Staff Agencies</b>				
City Clerk	707,946	-	-	707,946
Technology and Management Services	1,430,784	296,526	325,970	1,401,340
City Attorney	290,749	-	6,746	284,003
General Government Buildings	37,768,713	101,772	-	37,870,485
<b>Total Staff Agencies</b>	<b>40,198,192</b>	<b>398,298</b>	<b>332,716</b>	<b>40,263,774</b>
<b>Total General Government</b>	<b>40,539,749</b>	<b>450,951</b>	<b>360,325</b>	<b>40,630,375</b>
<b>Public Safety</b>				
Police Protection	41,610,619	1,591,430	850,491	42,351,558
Fire Protection	21,362,228	2,779,989	426,211	23,716,006
Code Enforcement	15,573	8,589	-	24,162
License, Inspection and Environmental Protection	913,366	54,131	-	967,497
<b>Total Public Safety</b>	<b>63,901,786</b>	<b>4,434,139</b>	<b>1,276,702</b>	<b>67,059,223</b>
<b>Highways and Streets</b>	<b>710,866,685</b>	<b>20,490,158</b>	<b>3,533,634</b>	<b>727,823,209</b>
<b>Culture and Recreation</b>				
Office of Financial Services	9,148,195	-	-	9,148,195
Parks and Recreation	282,864,439	15,478,171	264,383	298,078,227
Library	41,506,812	4,051,607	-	45,558,419
RiverCentre	279,318,094	889,288	-	280,207,382
<b>Total Culture and Recreation</b>	<b>612,837,540</b>	<b>20,419,066</b>	<b>264,383</b>	<b>632,992,223</b>
<b>Economic Development</b>	<b>28,980,783</b>	<b>2,001,426</b>	<b>-</b>	<b>30,982,209</b>
<b>Total Governmental Funds Capital Assets</b>	<b>1,457,126,543</b>	<b>47,795,740</b>	<b>5,435,044</b>	<b>1,499,487,239</b>

This schedule presents only the capital asset balances related to governmental funds. Accordingly, the capital assets reported in internal service funds are excluded from the above amounts. Generally, the capital assets of internal service funds are included as governmental activities in the statement of net assets.

City of Saint Paul, Minnesota  
 SCHEDULE OF DELINQUENT TAXES RECEIVABLE  
 ALL FUNDS  
 December 31, 2005

Schedule 28

Delinquent Taxes Receivable by Year	FUNDS							
	Total	General	SPECIAL REVENUE		DEBT SERVICE		CAPITAL PROJECTS	ENTERPRISE
			Library Agency	HRA General Fund	General Debt Service	HRA General Debt Service	HRA Tax Increment	HRA Parking
Delinquent Taxes								
2005	990,505	683,847	154,885	13,581	99,876	17,806	8,690	11,820
2004	229,574	152,986	35,502	3,023	36,966	1,097	-	-
2003	84,530	57,794	-	1,116	24,943	1,405	(728)	-
2002 and Prior	507,568	170,500	-	12,896	(77,858)	401,773	257	-
<b>Total Delinquent Taxes Receivable</b>	<b>1,812,177</b>	<b>1,065,127</b>	<b>190,387</b>	<b>30,616</b>	<b>83,927</b>	<b>422,081</b>	<b>8,219</b>	<b>11,820</b>

City of Saint Paul, Minnesota  
**SCHEDULE OF CHANGES IN BONDS PAYABLE**  
For the Fiscal Year Ended December 31, 2005

**Schedule 29**

	<u>Balance 01/01/05</u>	<u>Issued</u>	<u>Retired/ Defeased</u>	<u>Balance 12/31/05</u>
<b>General Long-Term Debt</b>				
<b>General Obligation Bonds</b>				
Property Tax Supported	118,475,000	19,000,000	18,275,000	119,200,000
Special Assessment Debt with Governmental Commitment	23,175,000	2,400,000	2,255,000	23,320,000
HRA Tax Increment	17,740,000	5,130,000	6,105,000	16,765,000
<b>Total General Obligation Bonds</b>	<u>159,390,000</u>	<u>26,530,000</u>	<u>26,635,000</u>	<u>159,285,000</u>
<b>Revenue Bonds</b>				
Sales Tax Revenue Bonds	68,900,000	-	1,150,000	67,750,000
HRA Tax Increment Revenue Bonds	59,025,942	7,515,000	4,371,162	62,169,780
HRA Sales Tax Revenue Bonds	46,115,000	-	1,220,000	44,895,000
HRA Lease Revenue Bonds	6,920,000	-	50,000	6,870,000
<b>Total Revenue Bonds</b>	<u>180,960,942</u>	<u>7,515,000</u>	<u>6,791,162</u>	<u>181,684,780</u>
<b>Total Bonds</b>	<u>340,350,942</u>	<u>34,045,000</u>	<u>33,426,162</u>	<u>340,969,780</u>
<b>Sewer Utility Enterprise Fund</b>				
General Obligation Bonds - Self Supporting	3,675,000	-	195,000	3,480,000
Revenue Bonds	26,520,000	-	6,140,000	20,380,000
	<u>30,195,000</u>	<u>-</u>	<u>6,335,000</u>	<u>23,860,000</u>
<b>Rice and Arlington Sports Dome Enterprise Fund</b>				
Revenue Bonds	3,240,000	-	3,240,000	-
<b>Special Services Enterprise Fund</b>				
Revenue Bonds	-	7,310,000	-	7,310,000
<b>HRA Loan Enterprise Fund</b>				
Revenue Bonds	25,000,000	-	3,170,000	21,830,000
<b>HRA Parking Enterprise Fund</b>				
General Obligation Bonds - Self Supporting	37,140,000	-	1,135,000	36,005,000
Revenue Bonds	40,715,000	23,770,000	9,065,000	55,420,000
	<u>77,855,000</u>	<u>23,770,000</u>	<u>10,200,000</u>	<u>91,425,000</u>
<b>Total</b>	<u>476,640,942</u>	<u>65,125,000</u>	<u>56,371,162</u>	<u>485,394,780</u>

DEBT SERVICE REQUIREMENTS TO MATURITY - GENERAL OBLIGATION BONDS

December 31, 2005

Fiscal Year	GENERAL OBLIGATION BONDS - PROPERTY TAX SUPPORTED (Governmental Activity)			GENERAL OBLIGATION SPECIAL ASSESSMENT DEBT WITH GOVERNMENTAL COMMITMENT (Governmental Activity)			GENERAL OBLIGATION BONDS - HRA TAX INCREMENT (Governmental Activity)		
	Principal	Interest	Total Requirements	Principal	Interest	Total Requirements	Principal	Interest	Total Requirements
2006	18,480,000	4,370,114.41	22,850,114.41	2,285,000	979,487.51	3,264,487.51	1,275,000	675,353.00	1,950,353.00
2007	17,200,000	3,688,166.90	20,888,166.90	2,855,000	868,782.51	3,723,782.51	5,275,000	573,114.00	5,848,114.00
2008	15,605,000	3,048,560.64	18,653,560.64	2,500,000	746,085.01	3,246,085.01	1,405,000	465,807.50	1,870,807.50
2009	14,325,000	2,459,375.01	16,784,375.01	2,415,000	633,117.51	3,048,117.51	1,475,000	398,052.00	1,873,052.00
2010	12,810,000	1,919,575.01	14,729,575.01	2,360,000	524,425.01	2,884,425.01	1,545,000	325,821.50	1,870,821.50
2011	10,815,000	1,457,531.26	12,272,531.26	2,565,000	415,267.51	2,980,267.51	1,615,000	248,892.00	1,863,892.00
2012	9,070,000	1,083,368.76	10,153,368.76	2,025,000	309,841.26	2,334,841.26	1,715,000	165,933.75	1,880,933.75
2013	7,340,000	790,421.88	8,130,421.88	2,020,000	213,180.63	2,233,180.63	450,000	111,897.50	561,897.50
2014	3,230,000	556,450.00	3,786,450.00	700,000	151,512.50	851,512.50	470,000	89,582.50	559,582.50
2015	2,145,000	423,950.00	2,568,950.00	1,560,000	108,187.50	1,668,187.50	490,000	65,940.00	555,940.00
2016	1,000,000	356,050.00	1,356,050.00	1,080,000	58,568.75	1,138,568.75	515,000	40,615.63	555,615.63
2017	1,000,000	311,050.00	1,311,050.00	955,000	19,100.00	974,100.00	535,000	13,709.38	548,709.38
2018	1,000,000	266,050.00	1,266,050.00	-	-	-	-	-	-
2019	1,000,000	221,050.00	1,221,050.00	-	-	-	-	-	-
2020	975,000	175,393.75	1,150,393.75	-	-	-	-	-	-
2021	925,000	130,268.75	1,055,268.75	-	-	-	-	-	-
2022	900,000	86,925.00	986,925.00	-	-	-	-	-	-
2023	780,000	47,025.00	827,025.00	-	-	-	-	-	-
2024	600,000	14,250.00	614,250.00	-	-	-	-	-	-
2025	-	-	-	-	-	-	-	-	-
	<u>119,200,000</u>	<u>21,405,576.37</u>	<u>140,605,576.37</u>	<u>23,320,000</u>	<u>5,027,555.70</u>	<u>28,347,555.70</u>	<u>16,765,000</u>	<u>3,174,718.76</u>	<u>19,939,718.76</u>

continued

DEBT SERVICE REQUIREMENTS TO MATURITY - GENERAL OBLIGATION BONDS

December 31, 2005

Fiscal Year	TOTAL GOVERNMENTAL ACTIVITIES			GENERAL OBLIGATION BONDS - SELF-SUPPORTING SEWER UTILITY ENTERPRISE FUND (Business-Type Activity)			GENERAL OBLIGATION BONDS - SELF-SUPPORTING HRA PARKING ENTERPRISE FUND (Business-Type Activity)		
	Principal	Interest	Total Requirements	Principal	Interest	Total Requirements	Principal	Interest	Total Requirements
2006	22,040,000	6,024,954.92	28,064,954.92	205,000	168,895.00	373,895.00	1,300,000	1,886,780.00	3,186,780.00
2007	25,330,000	5,130,063.41	30,460,063.41	215,000	159,772.50	374,772.50	1,445,000	1,804,068.75	3,249,068.75
2008	19,510,000	4,260,453.15	23,770,453.15	220,000	150,097.50	370,097.50	1,570,000	1,712,472.50	3,282,472.50
2009	18,215,000	3,490,544.52	21,705,544.52	230,000	140,087.50	370,087.50	1,700,000	1,611,887.50	3,311,887.50
2010	16,715,000	2,769,821.52	19,484,821.52	240,000	129,392.50	369,392.50	1,885,000	1,500,281.25	3,385,281.25
2011	14,995,000	2,121,690.77	17,116,690.77	250,000	117,992.50	367,992.50	2,040,000	1,378,135.00	3,418,135.00
2012	12,810,000	1,559,143.77	14,369,143.77	265,000	105,867.50	370,867.50	2,210,000	1,243,622.50	3,453,622.50
2013	9,810,000	1,115,500.01	10,925,500.01	275,000	92,750.00	367,750.00	2,430,000	1,104,388.75	3,534,388.75
2014	4,400,000	797,545.00	5,197,545.00	290,000	79,000.00	369,000.00	2,610,000	967,128.75	3,577,128.75
2015	4,195,000	598,077.50	4,793,077.50	300,000	64,500.00	364,500.00	2,790,000	829,508.75	3,619,508.75
2016	2,595,000	455,234.38	3,050,234.38	315,000	49,500.00	364,500.00	2,930,000	691,600.00	3,621,600.00
2017	2,490,000	343,859.38	2,833,859.38	330,000	33,750.00	363,750.00	1,200,000	593,512.50	1,793,512.50
2018	1,000,000	266,050.00	1,266,050.00	345,000	17,250.00	362,250.00	1,255,000	535,206.25	1,790,206.25
2019	1,000,000	221,050.00	1,221,050.00	-	-	-	1,315,000	474,168.75	1,789,168.75
2020	975,000	175,393.75	1,150,393.75	-	-	-	1,380,000	410,162.50	1,790,162.50
2021	925,000	130,268.75	1,055,268.75	-	-	-	1,445,000	343,068.75	1,788,068.75
2022	900,000	86,925.00	986,925.00	-	-	-	1,515,000	272,768.75	1,787,768.75
2023	780,000	47,025.00	827,025.00	-	-	-	1,585,000	199,143.75	1,784,143.75
2024	600,000	14,250.00	614,250.00	-	-	-	1,660,000	122,075.00	1,782,075.00
2025	-	-	-	-	-	-	1,740,000	41,325.00	1,781,325.00
	<u>159,285,000</u>	<u>29,607,850.83</u>	<u>188,892,850.83</u>	<u>3,480,000</u>	<u>1,308,855.00</u>	<u>4,788,855.00</u>	<u>36,005,000</u>	<u>17,721,305.00</u>	<u>53,726,305.00</u>

continued

DEBT SERVICE REQUIREMENTS TO MATURITY - GENERAL OBLIGATION BONDS

December 31, 2005

Fiscal Year	TOTAL BUSINESS-TYPE ACTIVITIES			TOTAL ALL ACTIVITIES		
	Principal	Interest	Total Requirements	Principal	Interest	Total Requirements
2006	1,505,000	2,055,675.00	3,560,675.00	23,545,000	8,080,629.92	31,625,629.92
2007	1,660,000	1,963,841.25	3,623,841.25	26,990,000	7,093,904.66	34,083,904.66
2008	1,790,000	1,862,570.00	3,652,570.00	21,300,000	6,123,023.15	27,423,023.15
2009	1,930,000	1,751,975.00	3,681,975.00	20,145,000	5,242,519.52	25,387,519.52
2010	2,125,000	1,629,673.75	3,754,673.75	18,840,000	4,399,495.27	23,239,495.27
2011	2,290,000	1,496,127.50	3,786,127.50	17,285,000	3,617,818.27	20,902,818.27
2012	2,475,000	1,349,490.00	3,824,490.00	15,285,000	2,908,633.77	18,193,633.77
2013	2,705,000	1,197,138.75	3,902,138.75	12,515,000	2,312,638.76	14,827,638.76
2014	2,900,000	1,046,128.75	3,946,128.75	7,300,000	1,843,673.75	9,143,673.75
2015	3,090,000	894,008.75	3,984,008.75	7,285,000	1,492,086.25	8,777,086.25
2016	3,245,000	741,100.00	3,986,100.00	5,840,000	1,196,334.38	7,036,334.38
2017	1,530,000	627,262.50	2,157,262.50	4,020,000	971,121.88	4,991,121.88
2018	1,600,000	552,456.25	2,152,456.25	2,600,000	818,506.25	3,418,506.25
2019	1,315,000	474,168.75	1,789,168.75	2,315,000	695,218.75	3,010,218.75
2020	1,380,000	410,162.50	1,790,162.50	2,355,000	585,556.25	2,940,556.25
2021	1,445,000	343,068.75	1,788,068.75	2,370,000	473,337.50	2,843,337.50
2022	1,515,000	272,768.75	1,787,768.75	2,415,000	359,693.75	2,774,693.75
2023	1,585,000	199,143.75	1,784,143.75	2,365,000	246,168.75	2,611,168.75
2024	1,660,000	122,075.00	1,782,075.00	2,260,000	136,325.00	2,396,325.00
2025	1,740,000	41,325.00	1,781,325.00	1,740,000	41,325.00	1,781,325.00
	<u>39,485,000</u>	<u>19,030,160.00</u>	<u>58,515,160.00</u>	<u>198,770,000</u>	<u>48,638,010.83</u>	<u>247,408,010.83</u>

City of Saint Paul, Minnesota  
DEBT SERVICE REQUIREMENTS TO MATURITY - REVENUE BONDS  
December 31, 2005

Schedule 31

Fiscal Year	SALES TAX REVENUE BONDS (Governmental Activity)			HRA TAX INCREMENT REVENUE BONDS (Governmental Activity)			HRA SALES TAX REVENUE BONDS (Governmental Activity)		
	Principal	Interest	Total Requirements	Principal	Interest	Total Requirements	Principal	Interest	Total Requirements
2006	1,470,000	4,701,812.50	6,171,812.50	3,340,857	3,890,168.99	7,231,025.99	1,310,000	3,187,545.00	4,497,545.00
2007	1,560,000	4,609,790.50	6,169,790.50	3,558,352	3,692,684.78	7,251,036.78	1,400,000	3,094,535.00	4,494,535.00
2008	1,660,000	4,510,730.50	6,170,730.50	3,924,836	3,468,142.39	7,392,978.39	1,500,000	2,995,135.00	4,495,135.00
2009	1,765,000	4,404,656.50	6,169,656.50	2,911,848	3,218,964.21	6,130,812.21	1,605,000	2,888,635.00	4,493,635.00
2010	1,880,000	4,290,990.50	6,170,990.50	1,710,127	3,082,080.77	4,792,207.77	1,720,000	2,774,680.00	4,494,680.00
2011	2,010,000	4,163,338.50	6,173,338.50	1,819,747	2,979,908.09	4,799,655.09	1,840,000	2,652,560.00	4,492,560.00
2012	2,145,000	4,026,859.50	6,171,859.50	1,943,792	2,870,467.47	4,814,259.47	1,975,000	2,521,920.00	4,496,920.00
2013	2,290,000	3,881,214.00	6,171,214.00	2,067,346	2,751,482.03	4,818,828.03	2,115,000	2,381,695.00	4,496,695.00
2014	2,445,000	3,725,723.00	6,170,723.00	1,945,599	2,623,323.00	4,568,922.00	2,265,000	2,231,530.00	4,496,530.00
2015	2,615,000	3,559,707.50	6,174,707.50	2,084,375	2,502,545.88	4,586,920.88	2,425,000	2,070,715.00	4,495,715.00
2016	2,795,000	3,378,226.50	6,173,226.50	2,206,848	2,373,369.38	4,580,217.38	2,595,000	1,898,540.00	4,493,540.00
2017	2,990,000	3,184,253.50	6,174,253.50	2,733,058	2,214,977.00	4,948,035.00	2,780,000	1,714,295.00	4,494,295.00
2018	3,195,000	2,976,747.50	6,171,747.50	1,726,049	2,077,577.13	3,803,626.13	2,980,000	1,516,915.00	4,496,915.00
2019	3,415,000	2,755,014.50	6,170,014.50	1,848,860	1,963,093.38	3,811,953.38	3,190,000	1,305,335.00	4,495,335.00
2020	3,655,000	2,518,013.50	6,173,013.50	1,976,542	1,841,070.50	3,817,612.50	3,420,000	1,078,845.00	4,498,845.00
2021	3,915,000	2,258,874.00	6,173,874.00	2,112,142	1,706,798.50	3,818,940.50	3,660,000	836,025.00	4,496,025.00
2022	4,190,000	1,981,300.50	6,171,300.50	2,254,711	1,564,443.50	3,819,154.50	3,920,000	576,165.00	4,496,165.00
2023	4,485,000	1,684,229.50	6,169,229.50	2,410,305	1,412,090.50	3,822,395.50	4,195,000	297,845.00	4,492,845.00
2024	9,305,000	1,366,243.00	10,671,243.00	2,572,980	1,247,686.25	3,820,666.25	-	-	-
2025	9,965,000	706,518.50	10,671,518.50	2,752,798	1,072,316.00	3,825,114.00	-	-	-
2026	-	-	-	2,946,822	884,535.50	3,831,357.50	-	-	-
2027	-	-	-	3,144,123	683,812.75	3,827,935.75	-	-	-
2028	-	-	-	4,445,766	410,398.00	4,856,164.00	-	-	-
2029	-	-	-	3,731,897	131,686.00	3,863,583.00	-	-	-
	<u>67,750,000</u>	<u>64,684,244.00</u>	<u>132,434,244.00</u>	<u>62,169,780</u>	<u>50,663,622.00</u>	<u>112,833,402.00</u>	<u>44,895,000</u>	<u>36,022,915.00</u>	<u>80,917,915.00</u>

continued



City of Saint Paul, Minnesota  
DEBT SERVICE REQUIREMENTS TO MATURITY - REVENUE BONDS  
December 31, 2005

Schedule 31

Fiscal Year	HRA LEASE REVENUE BONDS (Governmental Activity)			TOTAL GOVERNMENTAL ACTIVITIES			SEWER UTILITY ENTERPRISE FUND REVENUE BONDS (Business-Type Activity)		
	Principal	Interest	Total Requirements	Principal	Interest	Total Requirements	Principal	Interest	Total Requirements
2006	300,000	396,363.00	696,363.00	6,420,857	12,175,889.49	18,596,746.49	6,245,000	626,453.76	6,871,453.76
2007	425,000	375,956.00	800,956.00	6,943,352	11,772,966.28	18,716,318.28	5,375,000	476,941.26	5,851,941.26
2008	525,000	348,988.00	873,988.00	7,609,836	11,322,995.89	18,932,831.89	3,755,000	332,918.76	4,087,918.76
2009	650,000	315,337.00	965,337.00	6,931,848	10,827,592.71	17,759,440.71	260,000	186,543.76	446,543.76
2010	775,000	274,175.00	1,049,175.00	6,085,127	10,421,926.27	16,507,053.27	265,000	180,043.76	445,043.76
2011	925,000	223,950.00	1,148,950.00	6,594,747	10,019,756.59	16,614,503.59	275,000	172,093.76	447,093.76
2012	1,075,000	163,950.00	1,238,950.00	7,138,792	9,583,196.97	16,721,988.97	285,000	163,843.76	448,843.76
2013	1,225,000	94,950.00	1,319,950.00	7,697,346	9,109,341.03	16,806,687.03	290,000	154,937.50	444,937.50
2014	970,000	29,100.00	999,100.00	7,625,599	8,609,676.00	16,235,275.00	300,000	145,367.50	445,367.50
2015	-	-	-	7,124,375	8,132,968.38	15,257,343.38	315,000	134,867.50	449,867.50
2016	-	-	-	7,596,848	7,650,135.88	15,246,983.88	325,000	123,055.00	448,055.00
2017	-	-	-	8,503,058	7,113,525.50	15,616,583.50	340,000	110,867.50	450,867.50
2018	-	-	-	7,901,049	6,571,239.63	14,472,288.63	350,000	97,267.50	447,267.50
2019	-	-	-	8,453,860	6,023,442.88	14,477,302.88	365,000	83,267.50	448,267.50
2020	-	-	-	9,051,542	5,437,929.00	14,489,471.00	385,000	68,302.50	453,302.50
2021	-	-	-	9,687,142	4,801,697.50	14,488,839.50	400,000	52,517.50	452,517.50
2022	-	-	-	10,364,711	4,121,909.00	14,486,620.00	415,000	35,917.50	450,917.50
2023	-	-	-	11,090,305	3,394,165.00	14,484,470.00	435,000	18,487.50	453,487.50
2024	-	-	-	11,877,980	2,613,929.25	14,491,909.25	-	-	-
2025	-	-	-	12,717,798	1,778,834.50	14,496,632.50	-	-	-
2026	-	-	-	2,946,822	884,535.50	3,831,357.50	-	-	-
2027	-	-	-	3,144,123	683,812.75	3,827,935.75	-	-	-
2028	-	-	-	4,445,766	410,398.00	4,856,164.00	-	-	-
2029	-	-	-	3,731,897	131,686.00	3,863,583.00	-	-	-
	<u>6,870,000</u>	<u>2,222,769.00</u>	<u>9,092,769.00</u>	<u>181,684,780</u>	<u>153,593,550.00</u>	<u>335,278,330.00</u>	<u>20,380,000</u>	<u>3,163,693.82</u>	<u>23,543,693.82</u>

continued

City of Saint Paul, Minnesota  
DEBT SERVICE REQUIREMENTS TO MATURITY - REVENUE BONDS  
December 31, 2005

Schedule 31

Fiscal Year	SPECIAL SERVICES ENTERPRISE FUND RECREATION FACILITY REVENUE BONDS (Business-Type Activity)			HRA PARKING ENTERPRISE FUND REVENUE BONDS (Business-Type Activity)			HRA LOAN ENTERPRISE FUND REVENUE BONDS (Business-Type Activity)		
	Principal	Interest	Total Requirements	Principal	Interest	Total Requirements	Principal	Interest	Total Requirements
2006	210,000	310,956.32	520,956.32	1,625,000	2,669,345.50	4,294,345.50	9,305,000	1,091,500.00	10,396,500.00
2007	205,000	327,812.50	532,812.50	1,815,000	2,598,869.50	4,413,869.50	3,294,000	626,250.00	3,920,250.00
2008	220,000	320,637.50	540,637.50	2,270,000	2,518,467.50	4,788,467.50	2,694,000	461,550.00	3,155,550.00
2009	235,000	312,937.50	547,937.50	2,375,000	2,415,172.50	4,790,172.50	3,930,000	326,850.00	4,256,850.00
2010	250,000	304,125.00	554,125.00	2,475,000	2,305,290.50	4,780,290.50	-	130,350.00	130,350.00
2011	265,000	294,750.00	559,750.00	2,595,000	2,188,812.50	4,783,812.50	-	130,350.00	130,350.00
2012	280,000	284,150.00	564,150.00	18,060,000	1,764,950.50	19,824,950.50	-	130,350.00	130,350.00
2013	295,000	272,950.00	567,950.00	2,710,000	1,336,408.00	4,046,408.00	-	130,350.00	130,350.00
2014	310,000	261,150.00	571,150.00	1,945,000	1,197,135.00	3,142,135.00	-	130,350.00	130,350.00
2015	325,000	248,750.00	573,750.00	2,060,000	1,076,722.00	3,136,722.00	-	130,350.00	130,350.00
2016	350,000	235,750.00	585,750.00	2,190,000	948,048.00	3,138,048.00	-	130,350.00	130,350.00
2017	375,000	218,250.00	593,250.00	2,315,000	820,139.50	3,135,139.50	-	130,350.00	130,350.00
2018	400,000	199,500.00	599,500.00	805,000	687,185.00	1,492,185.00	-	130,350.00	130,350.00
2019	425,000	179,500.00	604,500.00	845,000	646,935.00	1,491,935.00	-	130,350.00	130,350.00
2020	450,000	158,250.00	608,250.00	890,000	602,572.00	1,492,572.00	-	130,350.00	130,350.00
2021	475,000	135,750.00	610,750.00	935,000	555,848.00	1,490,848.00	-	130,350.00	130,350.00
2022	505,000	112,000.00	617,000.00	985,000	506,760.00	1,491,760.00	-	130,350.00	130,350.00
2023	535,000	86,750.00	621,750.00	1,040,000	455,048.00	1,495,048.00	-	130,350.00	130,350.00
2024	565,000	60,000.00	625,000.00	1,090,000	400,448.00	1,490,448.00	2,607,000	130,350.00	2,737,350.00
2025	635,000	31,750.00	666,750.00	1,150,000	342,132.00	1,492,132.00	-	-	-
2026	-	-	-	1,210,000	280,608.00	1,490,608.00	-	-	-
2027	-	-	-	1,275,000	215,872.00	1,490,872.00	-	-	-
2028	-	-	-	1,345,000	147,660.00	1,492,660.00	-	-	-
2029	-	-	-	1,415,000	75,702.50	1,490,702.50	-	-	-
	<u>7,310,000</u>	<u>4,355,718.82</u>	<u>11,665,718.82</u>	<u>55,420,000</u>	<u>26,756,131.50</u>	<u>82,176,131.50</u>	<u>21,830,000</u>	<u>4,461,400.00</u>	<u>26,291,400.00</u>

continued

City of Saint Paul, Minnesota  
 DEBT SERVICE REQUIREMENTS TO MATURITY - REVENUE BONDS  
 December 31, 2005

Fiscal Year	TOTAL BUSINESS-TYPE ACTIVITIES			TOTAL ALL ACTIVITIES		
	Principal	Interest	Total Requirements	Principal	Interest	Total Requirements
2006	17,385,000	4,698,255.58	22,083,255.58	23,805,857	16,874,145.07	40,680,002.07
2007	10,689,000	4,029,873.26	14,718,873.26	17,632,352	15,802,839.54	33,435,191.54
2008	8,939,000	3,633,573.76	12,572,573.76	16,548,836	14,956,569.65	31,505,405.65
2009	6,800,000	3,241,503.76	10,041,503.76	13,731,848	14,069,096.47	27,800,944.47
2010	2,990,000	2,919,809.26	5,909,809.26	9,075,127	13,341,735.53	22,416,862.53
2011	3,135,000	2,786,006.26	5,921,006.26	9,729,747	12,805,762.85	22,535,509.85
2012	18,625,000	2,343,294.26	20,968,294.26	25,763,792	11,926,491.23	37,690,283.23
2013	3,295,000	1,894,645.50	5,189,645.50	10,992,346	11,003,986.53	21,996,332.53
2014	2,555,000	1,734,002.50	4,289,002.50	10,180,599	10,343,678.50	20,524,277.50
2015	2,700,000	1,590,689.50	4,290,689.50	9,824,375	9,723,657.88	19,548,032.88
2016	2,865,000	1,437,203.00	4,302,203.00	10,461,848	9,087,338.88	19,549,186.88
2017	3,030,000	1,279,607.00	4,309,607.00	11,533,058	8,393,132.50	19,926,190.50
2018	1,555,000	1,114,302.50	2,669,302.50	9,456,049	7,685,542.13	17,141,591.13
2019	1,635,000	1,040,052.50	2,675,052.50	10,088,860	7,063,495.38	17,152,355.38
2020	1,725,000	959,474.50	2,684,474.50	10,776,542	6,397,403.50	17,173,945.50
2021	1,810,000	874,465.50	2,684,465.50	11,497,142	5,676,163.00	17,173,305.00
2022	1,905,000	785,027.50	2,690,027.50	12,269,711	4,906,936.50	17,176,647.50
2023	2,010,000	690,635.50	2,700,635.50	13,100,305	4,084,800.50	17,185,105.50
2024	4,262,000	590,798.00	4,852,798.00	16,139,980	3,204,727.25	19,344,707.25
2025	1,785,000	373,882.00	2,158,882.00	14,502,798	2,152,716.50	16,655,514.50
2026	1,210,000	280,608.00	1,490,608.00	4,156,822	1,165,143.50	5,321,965.50
2027	1,275,000	215,872.00	1,490,872.00	4,419,123	899,684.75	5,318,807.75
2028	1,345,000	147,660.00	1,492,660.00	5,790,766	558,058.00	6,348,824.00
2029	1,415,000	75,702.50	1,490,702.50	5,146,897	207,388.50	5,354,285.50
	<u>104,940,000</u>	<u>38,736,944.14</u>	<u>143,676,944.14</u>	<u>286,624,780</u>	<u>192,330,494.14</u>	<u>478,955,274.14</u>

City of Saint Paul, Minnesota  
SUMMARY OF BONDED DEBT SERVICE REQUIREMENTS TO MATURITY  
December 31, 2005

Schedule 32

<b>ANNUAL PRINCIPAL AND INTEREST REQUIREMENTS</b>			
<b>Fiscal Year</b>	<b>General Obligation Bond Requirements</b>	<b>Revenue Bond Requirements</b>	<b>Total Requirements</b>
2006	31,625,629.92	40,680,002.07	72,305,631.99
2007	34,083,904.66	33,435,191.54	67,519,096.20
2008	27,423,023.15	31,505,405.65	58,928,428.80
2009	25,387,519.52	27,800,944.47	53,188,463.99
2010	23,239,495.27	22,416,862.53	45,656,357.80
2011	20,902,818.27	22,535,509.85	43,438,328.12
2012	18,193,633.77	37,690,283.23	55,883,917.00
2013	14,827,638.76	21,996,332.53	36,823,971.29
2014	9,143,673.75	20,524,277.50	29,667,951.25
2015	8,777,086.25	19,548,032.88	28,325,119.13
2016	7,036,334.38	19,549,186.88	26,585,521.26
2017	4,991,121.88	19,926,190.50	24,917,312.38
2018	3,418,506.25	17,141,591.13	20,560,097.38
2019	3,010,218.75	17,152,355.38	20,162,574.13
2020	2,940,556.25	17,173,945.50	20,114,501.75
2021	2,843,337.50	17,173,305.00	20,016,642.50
2022	2,774,693.75	17,176,647.50	19,951,341.25
2023	2,611,168.75	17,185,105.50	19,796,274.25
2024	2,396,325.00	19,344,707.25	21,741,032.25
2025	1,781,325.00	16,655,514.50	18,436,839.50
2026	-	5,321,965.50	5,321,965.50
2027	-	5,318,807.75	5,318,807.75
2028	-	6,348,824.00	6,348,824.00
2029	-	5,354,285.50	5,354,285.50
	<u>247,408,010.83</u>	<u>478,955,274.14</u>	<u>726,363,284.97</u>

**SCHEDULE OF GENERAL OBLIGATION BOND ANNUAL CHARGES FOR  
BOND AND INTEREST - PROPERTY TAX SUPPORTED BONDS**

December 31, 2005

	Capital Improvement		Library Agency		Total	
	Bonds	Interest	Bonds	Interest	Bonds	Interest
2006	18,480,000	3,841,564.41	-	528,550.00	18,480,000	4,370,114.41
2007	17,000,000	3,161,616.90	200,000	526,550.00	17,200,000	3,688,166.90
2008	15,405,000	2,526,510.64	200,000	522,050.00	15,605,000	3,048,560.64
2009	14,125,000	1,942,575.01	200,000	516,800.00	14,325,000	2,459,375.01
2010	12,610,000	1,408,525.01	200,000	511,050.00	12,810,000	1,919,575.01
2011	10,615,000	952,481.26	200,000	505,050.00	10,815,000	1,457,531.26
2012	8,670,000	588,318.76	400,000	495,050.00	9,070,000	1,083,368.76
2013	6,640,000	314,621.88	700,000	475,800.00	7,340,000	790,421.88
2014	2,230,000	112,900.00	1,000,000	443,550.00	3,230,000	556,450.00
2015	1,145,000	22,900.00	1,000,000	401,050.00	2,145,000	423,950.00
2016	-	-	1,000,000	356,050.00	1,000,000	356,050.00
2017	-	-	1,000,000	311,050.00	1,000,000	311,050.00
2018	-	-	1,000,000	266,050.00	1,000,000	266,050.00
2019	-	-	1,000,000	221,050.00	1,000,000	221,050.00
2020	-	-	975,000	175,393.75	975,000	175,393.75
2021	-	-	925,000	130,268.75	925,000	130,268.75
2022	-	-	900,000	86,925.00	900,000	86,925.00
2023	-	-	780,000	47,025.00	780,000	47,025.00
2024	-	-	600,000	14,250.00	600,000	14,250.00
	<u>106,920,000</u>	<u>14,872,013.87</u>	<u>12,280,000</u>	<u>6,533,562.50</u>	<u>119,200,000</u>	<u>21,405,576.37</u>

City of Saint Paul, Minnesota  
 SCHEDULE OF INTERGOVERNMENTAL REVENUE  
 ALL FUNDS  
 For the Fiscal Year Ended December 31, 2005

Schedule 34

	Federal	State	County	Other	Total
<b>GOVERNMENTAL FUNDS</b>					
<b>Major Governmental Funds</b>					
<b>General Fund</b>					
State Homeland Security Grant - State Administered	8,237	-	-	-	8,237
City Share of State Department of Transportation Fines	-	14,066	-	-	14,066
Fire Pension Amortization and Insurance Premium Aid	-	2,182,223	-	-	2,182,223
Local Government Aid	-	48,184,956	-	-	48,184,956
Market Value Homestead Credit	-	2,718,898	-	-	2,718,898
Police/Fire Disability Benefit Act	-	329,587	-	-	329,587
Police Pension Amortization Aid	-	3,257,529	-	-	3,257,529
Public Employees Retirement Association Pension Aid	-	517,512	-	-	517,512
Workers' Compensation Supplemental Benefits	-	258,014	-	-	258,014
City Share of State Highway Rent	-	-	2,647	-	2,647
	<u>8,237</u>	<u>57,462,785</u>	<u>2,647</u>	<u>-</u>	<u>57,473,669</u>
<b>Library Agency</b>					
<b>Accessibility -</b>					
Institute of Museum and Library Needs Assessment	4,295	-	-	-	4,295
Senior Grant	12,715	-	-	-	12,715
Teaching - Learning Library	3,385	-	-	-	3,385
Local Government Aid	61,073	-	-	-	61,073
Market Value Homestead Credit	-	4,966,879	-	-	4,966,879
Metropolitan Library Service Agency (MELSA)	-	463,900	-	-	463,900
City Share of State Highway Rent	-	239,716	-	-	239,716
	-	-	598	-	598
	<u>81,468</u>	<u>5,670,495</u>	<u>598</u>	<u>-</u>	<u>5,752,561</u>
<b>HRA General Fund</b>					
Market Value Homestead Credit	-	54,331	-	-	54,331
<b>General Debt Service</b>					
Market Value Homestead Credit	-	396,366	-	-	396,366
City Share of State Highway Rent	-	-	386	-	386
	-	<u>396,366</u>	<u>386</u>	<u>-</u>	<u>396,752</u>
<b>HRA General Debt Service</b>					
Market Value Homestead Credit	-	219,164	-	-	219,164
<b>Capital Improvement Projects</b>					
Economic Development Administration	77,908	-	-	-	77,908
Federal Highway Administration - State Administered	4,172,618	-	-	-	4,172,618
Intermodal Surface Transportation Efficiency Act - State Administered	104,340	-	-	-	104,340
National Park Service	2,560	-	-	-	2,560
Scenic Byways	6,192	-	-	-	6,192
Minnesota Department of Economic Development	-	1,148,040	-	-	1,148,040
Minnesota Department of Education	-	4,955,000	-	-	4,955,000
Minnesota Department of Natural Resources	-	2,433,288	-	-	2,433,288
Minnesota Department of Natural Resources - Metropolitan Council Administered	-	2,335,658	-	-	2,335,658
Minnesota Trunk Highway Funds	-	16,103	-	-	16,103
Municipal State Aid - Construction	-	4,694,894	-	-	4,694,894
Ramsey-Washington County Watershed	-	-	133,463	-	133,463
Metropolitan Council	-	-	-	2,586,249	2,586,249
	<u>4,363,618</u>	<u>15,582,983</u>	<u>133,463</u>	<u>2,586,249</u>	<u>22,666,313</u>
<b>Total Major Governmental Funds</b>	<u>4,453,323</u>	<u>79,386,124</u>	<u>137,094</u>	<u>2,586,249</u>	<u>86,562,790</u>

continued

City of Saint Paul, Minnesota  
SCHEDULE OF INTERGOVERNMENTAL REVENUE  
ALL FUNDS  
For the Fiscal Year Ended December 31, 2005

Schedule 34

	Federal	State	County	Other	Total
<b>Non Major Governmental Funds</b>					
<b>Special Revenue Funds</b>					
<b>Special Projects - General Government</b>					
AmeriCorps - Corporation for National and Community Service	233,553	-	-	-	233,553
AmeriCorps - Corporation for National and Community Service - ServeMinnesota Administered	102,341	-	-	-	102,341
Equal Employment Opportunity - EEOC	51,200	-	-	-	51,200
State Youth Works - ServeMinnesota Administered	-	2,039	-	-	2,039
	<u>387,094</u>	<u>2,039</u>	<u>-</u>	<u>-</u>	<u>389,133</u>
<b>Special Projects Police</b>					
Bullet Proof Vest Partnership - Justice	5,041	-	-	-	5,041
Children's Crisis Response - State Administered	50,000	-	-	-	50,000
Cops More 2002 - Justice	67,447	-	-	-	67,447
Coverdell Forensic - State Administered	9,830	-	-	-	9,830
Disproportionate Minority Contact - State Administered	245,910	-	-	-	245,910
Econ Crime Prevention - State Administered	7,114	-	-	-	7,114
Homeland Security Part II Critical Infrastructure - State Administered	75,165	-	-	-	75,165
Homeland Security Part II Equipment - State Administered	324,644	-	-	-	324,644
Internet Crimes Against Children - Justice	256,656	-	-	-	256,656
Justice Assistance - Justice	26,222	-	-	-	26,222
Juvenile Accountability Incentive Block Grant - Justice	96,485	-	-	-	96,485
Law Enforcement Terrorism Prevention Program - State Administered	103,637	-	-	-	103,637
Local Law Enforcement Block Grant Program VIII - Justice	215,000	-	-	-	215,000
Local Law Enforcement Block Grant Program IX - Justice	133,343	-	-	-	133,343
Narcotics Control Program - Surveillance - State Administered	95,630	-	-	-	95,630
National Incident-Based Reporting System (NIBRS) Grant - State Administered	94,050	-	-	-	94,050
Night Cap Grant - State Administered	5,575	-	-	-	5,575
Our Children Program - State Administered	76,672	-	-	-	76,672
Police Athletic/Activities Leagues Youth Enrichment Program -	15,000	-	-	-	15,000
Recruitment of Community Policing Officers - Justice	99,040	-	-	-	99,040
Safe & Sober Grant - State Administered	34,992	-	-	-	34,992
Speed Limit Enforcement Grant - State Administered	3,491	-	-	-	3,491
Urban Areas Strategic Initiative - State Administered	51,356	-	-	-	51,356
Value Based Initiative Grant - Justice	184,404	-	-	-	184,404
Vietnamese Youth Education & Crime Prevention - State Administered	7,711	49,340	-	-	57,051
Youth Achievers Program - State Administered	60,036	113,262	-	-	173,298
Youth Express Big & Huge Program - State Administered	21,335	80,466	-	-	101,801
Youth Health & Academic Enrichment - State Administered	70,300	38,262	-	-	108,562
Gang-Related Auto Theft Prevention Program	-	31,679	-	-	31,679
Minnesota Auto Theft Prevention Program	-	47,940	-	-	47,940
Minnesota Financial Crimes Task Force	-	14,403	-	-	14,403
Peace Officers Standards Board	-	188,936	-	-	188,936
State of Minnesota - 911 Service Fee	-	329,260	-	-	329,260
Strike Force Grant	35,000	219,981	-	-	254,981
	<u>2,471,086</u>	<u>1,113,529</u>	<u>-</u>	<u>-</u>	<u>3,584,615</u>
<b>Fire Responsive Services</b>					
2003 Homeland Security Grant	12,181	-	-	-	12,181
2004 Assistance to Firefighters Grant	220,434	-	-	-	220,434
2004 Hazardous Materials Emergency Preparedness Grant	3,155	-	-	-	3,155
2004 Homeland Security Grant	73,535	-	-	-	73,535
2005 Homeland Security Grant-Haz Mat	45,000	-	-	-	45,000
Assistance to Firefighters Fire Prevention & Safety Programs	1,395	-	-	-	1,395
	<u>355,700</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>355,700</u>
<b>Right of Way Maintenance</b>					
Municipal State Aid - Maintenance	-	2,295,693	-	-	2,295,693
State Trunk Highway	-	302,264	-	-	302,264
Ramsey County Aid	-	-	763,465	-	763,465
	<u>-</u>	<u>2,597,957</u>	<u>763,465</u>	<u>-</u>	<u>3,361,422</u>

continued

City of Saint Paul, Minnesota  
SCHEDULE OF INTERGOVERNMENTAL REVENUE  
ALL FUNDS  
For the Fiscal Year Ended December 31, 2005

Schedule 34

	Federal	State	County	Other	Total
<b>Parking Meter Collections</b>					
City Share of District Court - Fines & Forfeits	-	3,628,685	-	-	3,628,685
<b>Solid Waste and Recycling</b>					
Ramsey County Recycling Program	-	-	543,413	-	543,413
<b>Como Campus</b>					
Minnesota Department of Natural Resources Como Zoo Grant	-	129,000	-	-	129,000
<b>Parks and Recreation Grants and Aids</b>					
Night Moves Program - State Administered	65,000	-	-	-	65,000
Minnesota Department of Natural Resources					
Fish and Wildlife - Como Lakeside Restoration	-	13,272	-	-	13,272
LCMR Metro Greenways Program	-	12,500	-	-	12,500
Regional Parks Maintenance	-	1,331,235	-	-	1,331,235
Metropolitan Council Recreation Open Spaces	-	-	-	13,333	13,333
	65,000	1,357,007	-	13,333	1,435,340
<b>Community Development Block Grant</b>					
Community Development Block Grant - HUD	11,750,687	-	-	-	11,750,687
Emergency Shelter Grant - HUD	333,541	-	-	-	333,541
Economic Development Initiative Grant - HUD	434,394	-	-	-	434,394
	12,518,622	-	-	-	12,518,622
<b>State Grant Programs</b>					
State of Minnesota - Special Project	-	349,761	-	-	349,761
Metropolitan Council Grant - Special Projects	-	-	-	1,097,359	1,097,359
	-	349,761	-	1,097,359	1,447,120
<b>HRA Federal and State Programs</b>					
American Dream Down Payment Initiative - HUD	70,000	-	-	-	70,000
Home Investment Partnerships Program - HUD	3,656,672	-	-	-	3,656,672
Lead Hazard Control - HUD - Ramsey County Administered	24,704	-	-	-	24,704
Minnesota Housing Finance Agency (MHFA)					
Loan and Grant Program	-	680,102	-	-	680,102
	3,751,376	680,102	-	-	4,431,478
<b>Section 108 Programs</b>					
Economic Development Initiative Grant - HUD	330,647	-	-	-	330,647
<b>Total Special Revenue Funds</b>	<b>19,879,525</b>	<b>9,858,080</b>	<b>1,306,878</b>	<b>1,110,692</b>	<b>32,155,175</b>
<b>Debt Service Fund</b>					
Library Debt					
Market Value Homestead Credit	-	150,782	-	-	150,782
<b>Capital Projects Fund</b>					
HRA Tax Increment					
Market Value Homestead Credit	-	57,717	-	-	57,717
<b>Total Nonmajor Governmental Funds</b>	<b>19,879,525</b>	<b>10,066,579</b>	<b>1,306,878</b>	<b>1,110,692</b>	<b>32,363,674</b>
<b>Total Governmental Funds</b>	<b>24,332,848</b>	<b>89,452,703</b>	<b>1,443,972</b>	<b>3,696,941</b>	<b>118,926,464</b>

continued



City of Saint Paul, Minnesota  
 SCHEDULE OF INTERGOVERNMENTAL REVENUE  
 ALL FUNDS  
 For the Fiscal Year Ended December 31, 2005

Schedule 34

	Federal	State	County	Other	Total
<b>PROPRIETARY FUNDS</b>					
<b>Major Enterprise Funds</b>					
Sewer Utility					
Ramsey County Aid	-	-	72,711	-	72,711
HRA Loan Enterprise					
Minnesota Housing Finance Agency (MHFA)					
Mortgage Foreclosure Prevention Assistance Program	-	88,500	-	-	88,500
<b>Total Major Enterprise Funds</b>	-	88,500	72,711	-	161,211
<b>Internal Service Fund</b>					
Public Works Traffic, Signal and Lighting Maintenance					
Municipal State Aid	-	899,956	-	-	899,956
Ramsey County Aid	-	-	981,598	-	981,598
<b>Total Internal Service Fund</b>	-	899,956	981,598	-	1,881,554
<b>Total Proprietary Funds</b>	-	988,456	1,054,309	-	2,042,765
<b>TOTAL ALL FUNDS</b>	<b>24,332,848</b>	<b>90,441,159</b>	<b>2,498,281</b>	<b>3,696,941</b>	<b>120,969,229</b>

CITY OF SAINT PAUL  
COMPREHENSIVE ANNUAL FINANCIAL REPORT

STATISTICAL  
SECTION

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City of Saint Paul, Minnesota  
**GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION**  
**GENERAL, SPECIAL REVENUE AND DEBT SERVICE FUNDS**  
 Last Ten Fiscal Years

Table 1

	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
General Government	\$20,668,759	\$22,873,962	\$24,328,255	\$28,280,263	\$28,353,225	\$30,015,619	\$27,107,240	\$25,919,316	\$24,481,088	\$25,445,557
Public Safety	86,444,664	88,828,322	95,641,137	93,885,869	98,149,848	103,024,054	110,970,143	112,376,495	116,826,894	123,663,675
Highways and Streets	22,232,657	22,410,127	22,580,421	23,572,779	24,337,906	25,006,840	24,059,026	22,464,788	22,907,537	20,261,431
Sanitation	-	-	-	-	-	-	-	2,486,019	2,404,212	2,553,250
Health	10,648,558	9,227,008	5,467,833	4,445,005	4,597,617	4,141,380	4,114,552	4,019,763	3,831,618	3,840,090
Culture & Recreation	30,064,635	30,774,707	35,101,870	33,408,410	35,058,682	37,240,026	39,934,033	38,931,815	41,774,247	44,835,515
Urban Redevelopment	22,510,979	18,794,682	21,621,726	22,798,543	22,618,333	27,108,915	-	-	-	-
Economic Development	1,297,264	1,294,626	1,430,306	1,357,223	2,005,589	1,659,167	-	-	-	-
Economic Opportunity	5,532,007	4,756,020	4,742,341	4,598,950	3,799,042	363,253	-	-	-	-
Housing and Economic Development (1)	-	-	-	-	-	-	29,495,819	30,033,202	22,596,974	27,147,163
Other	4,305,165	5,623,524	4,970,649	5,028,773	5,408,793	6,134,183	5,523,784	5,339,604	6,025,438	5,734,053
Capital Outlay (2)	4,794,214	5,562,053	6,412,097	6,535,495	6,087,529	5,475,204	3,866,598	15,560,717	1,054,268	2,095,016
Debt	54,302,968	44,525,564	67,249,231	57,156,656	59,146,852	74,942,747	56,330,782	52,652,979	51,547,515	61,679,970
<b>Total Expenditures</b>	<b>\$262,801,870</b>	<b>\$254,670,595</b>	<b>\$289,545,866</b>	<b>\$281,067,966</b>	<b>\$289,563,416</b>	<b>\$315,111,388</b>	<b>\$301,401,977</b>	<b>\$309,784,698</b>	<b>\$293,449,791</b>	<b>\$317,255,720</b>

(1) The Urban Redevelopment, Economic Development and Economic Opportunity Functions are reported as Housing and Economic Development beginning in 2002

(2) Capital Outlay for the City's General Fund was functionalized beginning in 2004.

unaudited

City of Saint Paul, Minnesota  
**GENERAL GOVERNMENTAL REVENUES BY SOURCE**  
**GENERAL, SPECIAL REVENUE AND DEBT SERVICE FUNDS**  
 Last Ten Fiscal Years

Table 2

	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
<b>Taxes</b>										
<b>General Property from Taxpayers</b>	\$63,431,485	\$63,095,623	\$63,123,987	\$63,121,981	\$62,794,192	\$62,626,729	\$58,209,650	\$58,074,438	\$58,537,588	\$58,233,792
<b>Tax Incremental Districts</b>	7,170,358	9,172,961	9,837,655	11,252,416	14,495,741	16,329,765	7,775,248	8,803,325	9,070,794	9,252,126
<b>Other</b>	18,897,175	20,897,591	19,953,666	20,578,905	22,064,446	22,489,694	23,472,380	23,048,637	23,786,023	24,278,411
<b>Total Taxes</b>	<u>89,499,018</u>	<u>93,166,175</u>	<u>92,915,308</u>	<u>94,953,302</u>	<u>99,354,379</u>	<u>101,446,188</u>	<u>89,457,278</u>	<u>89,926,400</u>	<u>91,394,405</u>	<u>91,764,329</u>
<b>Licenses &amp; Permits</b>	6,565,312	6,921,815	8,216,430	8,864,748	8,749,454	8,499,506	9,338,920	9,946,553	11,837,738	9,754,084
<b>Intergovernmental Revenue</b>										
<b>Federal</b>	21,563,047	20,765,042	25,223,768	20,530,782	17,952,926	11,667,628	17,177,138	17,975,688	16,573,233	19,969,230
<b>State</b>	81,589,916	84,838,349	84,287,349	84,300,609	83,905,894	91,581,196	92,118,978	80,641,438	77,964,917	70,183,318
<b>County</b>	1,032,277	2,228,322	2,021,911	1,201,607	1,223,331	1,234,778	1,339,439	5,088,643	1,398,760	4,939,194
<b>Other</b>	2,515,803	2,792,214	2,359,928	3,763,964	4,420,777	6,497,217	6,142,800	397,915	1,445,523	1,110,692
<b>Total Intergovernmental Revenue</b>	<u>106,701,043</u>	<u>110,623,927</u>	<u>113,892,956</u>	<u>109,796,962</u>	<u>107,502,928</u>	<u>110,980,819</u>	<u>116,778,355</u>	<u>104,103,684</u>	<u>97,382,433</u>	<u>96,202,434</u>
<b>Fees, Sales and Services</b>	20,543,227	23,891,194	27,753,784	28,951,470	31,646,269	35,011,278	34,980,944	36,163,001	38,366,517	48,378,501
<b>Assessments</b>	14,785,434	14,041,564	13,823,280	14,115,503	14,680,200	13,019,024	14,472,122	18,119,765	20,250,802	22,436,065
<b>Investment Income and Other Interest Earned</b>	8,695,825	8,390,878	11,983,429	12,229,950	25,544,082	13,348,117	10,965,584	5,071,672	7,211,108	9,349,756
<b>Miscellaneous</b>	4,937,470	5,403,196	5,987,291	7,563,029	15,473,240	17,855,188	14,985,872	9,170,293	9,648,686	10,828,781
<b>Total Revenues</b>	<u>\$251,727,329</u>	<u>\$262,438,749</u>	<u>\$274,572,478</u>	<u>\$276,474,964</u>	<u>\$302,950,552</u>	<u>\$300,160,120</u>	<u>\$290,979,075</u>	<u>\$272,501,368</u>	<u>\$276,091,689</u>	<u>\$288,713,950</u>

unaudited

City of Saint Paul, Minnesota  
**GENERAL GOVERNMENTAL TAX REVENUES BY SOURCE (1)**  
 Last Ten Fiscal Years

Table 3

Fiscal Year	Total Taxes	General Property Taxes (2)	Tax Increment Districts	Other Taxes							
				Total Other Taxes	Penalties & Interest on Property Tax (3)	Forfeited Tax Sale Apportionment	Gross Earnings Franchise Fee	City Sales Tax	Hotel-Motel Tax	Contamination Tax	Drug Store & Mortuary Tax
1996	\$ 99,357,243	\$ 63,431,485	\$ 7,527,932	\$ 28,397,826	\$ -	\$ 123,549	\$ 16,589,134	\$ 9,500,651	\$ 2,182,090	\$ -	\$ 2,402
1997	103,435,973	63,095,623	9,645,459	30,694,891	-	154,226	18,490,981	9,797,300	2,247,879	-	4,505
1998	104,198,269	63,123,987	10,577,803	30,496,479	-	136,497	17,266,438	10,542,813	2,549,326	-	1,405
1999	106,878,131	63,121,981	12,347,861	31,408,289	79,630	296,455	17,725,621	10,829,384	2,473,549	-	3,650
2000	113,414,530	62,794,192	15,548,260	35,072,078	105,584	361,486	18,854,325	13,007,632	2,740,548	-	2,503
2001	117,411,554	62,626,729	18,862,952	35,921,873	133,311	227,873	19,414,538	13,432,179	2,712,042	-	1,930
2002	105,083,556	58,209,650	10,057,334	36,816,572	87,670	203,109	20,461,718	13,344,192	2,717,163	-	2,720
2003	106,242,298	58,074,438	11,807,219	36,360,641	92,200	133,142	20,363,250	13,312,004	2,454,219	2,945	2,881
2004	109,252,185	58,537,588	13,175,489	37,539,108	106,446	54,550	20,734,091	13,753,085	2,885,847	2,264	2,825
2005	110,585,975	58,233,792	13,854,210	38,497,973	52,608	37,723	21,453,093	14,219,562	2,728,764	4,988	1,235

(1) Includes all Governmental Funds

Reconciliation to Total Taxes as presented on Table 2	
Total Taxes per Table 2	\$91,764,329
Add: Taxes in Capital Projects Funds -	
Tax Increment Districts	4,602,084
City Sales Tax	14,219,562
<b>Total Governmental Fund Tax Revenues</b>	<b>\$110,585,975</b>

(2) General Property Taxes excludes Homestead Credit.  
 General Property Taxes includes Current and Prior Year Collections

(3) Effective 1999, as established by Minn. Stat. 276.131, a portion of the penalties and interest collected on real estate taxes were allocated to the City

unaudited

City of Saint Paul, Minnesota  
**PROPERTY TAX LEVIES AND COLLECTIONS**  
 Last Ten Fiscal Years

Table 4

	1996	1997	1998	1999	2000	2001	2002 (2)	2003	2004	2005
<b>Tax Levy Spread (1)</b>										
Due from Taxpayers	\$64,227,810	\$62,736,981	\$62,393,283	\$62,393,749	\$62,394,377	\$62,391,472	\$57,814,738	\$57,977,138	\$58,432,498	\$58,885,845
State Credits and Aids	19,619,305	20,022,247	20,022,752	20,012,573	20,809,726	20,814,829	4,578,654	4,415,706	4,112,735	3,729,946
<b>Total Tax Levy Spread</b>	<b>83,847,115</b>	<b>82,759,228</b>	<b>82,416,035</b>	<b>82,406,322</b>	<b>83,204,103</b>	<b>83,206,301</b>	<b>62,393,392</b>	<b>62,392,844</b>	<b>62,545,233</b>	<b>62,615,791</b>
<b>Collection of Current Year Tax Levy</b>										
From Taxpayers	62,482,939	61,455,819	61,293,022	61,519,137	61,254,527	61,343,240	56,678,598	56,715,119	57,580,389	57,175,959
State Credits and Aids	19,597,855	20,022,247	20,015,054	20,012,573	20,809,726	20,814,829	4,578,654	4,415,706	4,112,735	3,729,946
<b>Total Collection of Current Levy</b>	<b>82,080,794</b>	<b>81,478,066</b>	<b>81,308,076</b>	<b>81,531,710</b>	<b>82,064,253</b>	<b>82,158,069</b>	<b>61,257,252</b>	<b>61,130,825</b>	<b>61,693,123</b>	<b>60,905,905</b>
<b>Percentage of Current Year Levy Collected From Taxpayers</b>	<b>97.28</b>	<b>97.96</b>	<b>98.24</b>	<b>98.60</b>	<b>98.17</b>	<b>98.32</b>	<b>98.03</b>	<b>97.82</b>	<b>98.54</b>	<b>97.10</b>
<b>State Credits and Aids</b>	<b>99.89</b>	<b>100.00</b>	<b>99.96</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>
<b>Total Percentage of Current Levy Collected</b>	<b>97.89</b>	<b>98.45</b>	<b>98.66</b>	<b>98.94</b>	<b>98.63</b>	<b>98.74</b>	<b>98.18</b>	<b>97.98</b>	<b>98.64</b>	<b>97.27</b>
<b>Collection of Prior Years' Taxes</b>										
From Taxpayers	160,290	836,395	981,403	752,776	704,749	450,330	755,900	599,190	227,769	232,854
<b>Total Collections From Taxpayers</b>	<b>62,643,229</b>	<b>62,292,214</b>	<b>62,274,425</b>	<b>62,271,913</b>	<b>61,959,276</b>	<b>61,793,570</b>	<b>57,434,498</b>	<b>57,314,309</b>	<b>57,808,158</b>	<b>57,408,813</b>
<b>State Credits and Aids</b>	<b>19,597,855</b>	<b>20,022,247</b>	<b>20,015,054</b>	<b>20,012,573</b>	<b>20,809,726</b>	<b>20,814,829</b>	<b>4,578,654</b>	<b>4,415,706</b>	<b>4,112,735</b>	<b>3,729,946</b>
<b>Total Collections</b>	<b>\$82,241,084</b>	<b>\$82,314,461</b>	<b>\$82,289,479</b>	<b>\$82,284,486</b>	<b>\$82,769,002</b>	<b>\$82,608,399</b>	<b>\$62,013,152</b>	<b>\$61,730,015</b>	<b>\$61,920,892</b>	<b>\$61,138,759</b>
<b>Percentage of Total Collections to Tax Levy</b>	<b>98.08</b>	<b>99.46</b>	<b>99.85</b>	<b>99.85</b>	<b>99.48</b>	<b>99.28</b>	<b>99.39</b>	<b>98.94</b>	<b>99.00</b>	<b>97.64</b>
<b>Accumulated Delinquent Taxes</b>	<b>\$3,388,266</b>	<b>\$2,918,052</b>	<b>\$2,072,197</b>	<b>\$1,831,429</b>	<b>\$1,890,740</b>	<b>\$2,027,582</b>	<b>\$1,630,178</b>	<b>\$1,530,523</b>	<b>\$1,444,527</b>	<b>\$1,339,442</b>
<b>Percentage of Accumulated Delinquent Taxes to Current Year Tax Levy</b>	<b>4.04</b>	<b>3.53</b>	<b>2.51</b>	<b>2.22</b>	<b>2.27</b>	<b>2.44</b>	<b>2.61</b>	<b>2.45</b>	<b>2.31</b>	<b>2.14</b>

(1) The tax levy spread is different than the tax levy certified (as presented in Table 7) due to the property tax rate rounding factor.

(2) Beginning year 2002, the State of Minnesota eliminated HACA Aid which was considered part of the Property Tax Levy. The Market Value Homestead Credit was created which reduces the property tax paid by qualified homeowners with the State of Minnesota paying the difference directly to the taxing district.

Notes: Collections do not include Tax Increment Districts.

Above data does not include Housing and Redevelopment (HRA), Table 5 presents separately the HRA (Component Unit) data.

unaudited

City of Saint Paul, Minnesota  
**PROPERTY TAX LEVIES AND COLLECTIONS**  
**HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF SAINT PAUL**  
 (Component Unit)  
 Last Ten Fiscal Years

Table 5

	1996	1997	1998	1999	2000	2001	2002 (2)	2003	2004	2005
<b>Tax Levy Spread (1)</b>										
Due From Taxpayers	\$812,374	\$807,154	\$851,869	\$851,385	\$840,837	\$841,002	\$778,549	\$793,408	\$801,828	\$844,655
State Credits and Aids	250,825	258,081	258,088	258,088	268,900	268,900	61,625	46,766	38,346	54,331
<b>Total Tax Levy Spread</b>	<b>1,063,199</b>	<b>1,065,235</b>	<b>1,109,957</b>	<b>1,109,473</b>	<b>1,109,737</b>	<b>1,109,902</b>	<b>840,174</b>	<b>840,174</b>	<b>840,174</b>	<b>898,986</b>
<b>Collection of Current Year Tax Levy</b>										
From Taxpayers	785,720	789,421	835,101	839,837	824,993	824,975	761,460	754,314	766,060	821,419
State Credits and Aids	252,199	258,081	258,112	258,237	268,900	268,900	61,625	46,766	38,346	54,331
<b>Total Collection of Current Levy</b>	<b>1,037,919</b>	<b>1,047,502</b>	<b>1,093,213</b>	<b>1,098,074</b>	<b>1,093,893</b>	<b>1,093,875</b>	<b>823,085</b>	<b>801,080</b>	<b>804,406</b>	<b>875,750</b>
<b>Percentage of Current Year Levy Collected</b>										
From Taxpayers	96.72	97.80	98.03	98.64	98.12	98.09	97.81	95.07	95.54	97.25
State Credits and Aids	100.55	100.00	100.01	100.06	100.00	100.00	100.00	100.00	100.00	100.00
<b>Total Percentage of Current Levy Collected</b>	<b>97.62</b>	<b>98.34</b>	<b>98.49</b>	<b>98.97</b>	<b>98.57</b>	<b>98.56</b>	<b>97.97</b>	<b>95.35</b>	<b>95.74</b>	<b>97.42</b>
<b>Collection of Prior Years' Taxes</b>										
From Taxpayers	2,536	13,988	14,461	10,231	9,923	8,184	13,691	5,816	11,901	3,560
<b>Total Collections</b>										
From Taxpayers	788,256	803,409	849,562	850,068	834,916	833,159	775,151	760,130	777,961	824,979
State Credits and Aids	252,199	258,081	258,112	258,237	268,900	268,900	61,625	46,766	38,346	54,331
<b>Total Collections</b>	<b>\$1,040,455</b>	<b>\$1,061,490</b>	<b>\$1,107,674</b>	<b>\$1,108,305</b>	<b>\$1,103,816</b>	<b>\$1,102,059</b>	<b>\$836,776</b>	<b>\$806,896</b>	<b>\$816,307</b>	<b>\$879,310</b>
<b>Percentage of Total Collections to Tax Levy</b>										
	97.86	99.65	99.79	99.89	99.47	99.29	99.60	96.04	97.16	97.81
<b>Accumulated Delinquent Taxes</b>	<b>\$43,022</b>	<b>\$37,215</b>	<b>\$25,515</b>	<b>\$24,726</b>	<b>\$25,702</b>	<b>\$27,368</b>	<b>\$21,723</b>	<b>\$32,529</b>	<b>\$31,527</b>	<b>\$30,616</b>
<b>Percentage of Accumulated Delinquent Taxes to Current Year Tax Levy</b>										
	4.05	3.49	2.30	2.23	2.32	2.47	2.59	3.87	3.75	3.41

(1) The tax levy spread is different than the tax levy certified (as presented in Table 7) due to the property tax rate rounding factor

(2) Beginning year 2002, the State of Minnesota eliminated HACA Aid which was considered part of the Property Tax Levy. The Market Value Homestead Credit was created which reduces the property tax paid by the qualified homeowners with the State of Minnesota paying the difference directly to the taxing district.

Note: Collections do not include Tax Increment Districts.

unaudited

City of Saint Paul, Minnesota  
**NET TAX CAPACITY AND ESTIMATED MARKET VALUE OF TAXABLE PROPERTY**  
 Last Ten Fiscal Years

Table 6

<u>Levy/Payable</u>	<u>1995/96</u>	<u>1996/97</u>	<u>1997/98</u>	<u>1998/99</u>	<u>1999/00</u>	<u>2000/01</u>	<u>2001/02</u>	<u>2002/03</u>	<u>2003/04</u>	<u>2004/05</u>
<b><u>Net Tax Capacity</u></b>										
Real Property	\$135,048,377	\$138,599,541	\$130,675,095	\$127,972,534	\$136,341,655	\$153,846,857	\$125,778,471	\$140,230,374	\$154,447,155	\$177,111,073
Personal Property	12,964,361	11,933,532	10,401,385	8,890,262	8,950,439	8,532,478	5,669,437	5,640,507	5,855,423	6,177,516
Fiscal Disparity										
Contribution from Saint Paul	(13,752,796)	(12,761,484)	(12,062,762)	(12,043,718)	(13,246,125)	(15,745,914)	(13,175,636)	(11,774,572)	(15,711,939)	(16,383,446)
Distribution to Saint Paul	39,063,462	41,941,569	40,248,863	37,734,195	40,517,488	42,896,691	32,136,403	33,783,356	35,522,965	35,670,395
<b>Total Net Tax Capacity (1)</b>	<b>\$173,323,404</b>	<b>\$179,713,158</b>	<b>\$169,262,581</b>	<b>\$162,553,273</b>	<b>\$172,563,457</b>	<b>\$189,530,112</b>	<b>\$150,408,675</b>	<b>\$167,879,665</b>	<b>\$180,113,604</b>	<b>\$202,575,538</b>
<b><u>Estimated Market Value</u></b>										
Real Property	\$7,119,832,200	\$7,286,635,600	\$7,661,001,750	\$8,198,239,200	\$8,866,358,001	\$10,787,990,700	\$12,760,749,800	\$15,246,089,400	\$17,267,346,500	\$19,318,297,500
Personal Property	298,687,300	286,910,400	293,084,700	290,346,300	303,045,300	277,175,200	286,133,500	286,055,300	295,189,400	310,928,500
<b>Total Estimated Market Value (1)</b>	<b>\$7,418,519,500</b>	<b>\$7,573,546,000</b>	<b>\$7,954,086,450</b>	<b>\$8,488,585,500</b>	<b>\$9,169,403,301</b>	<b>\$11,065,165,900</b>	<b>\$13,046,883,300</b>	<b>\$15,532,144,700</b>	<b>\$17,562,535,900</b>	<b>\$19,629,226,000</b>
<b>Ratio of Total Assessed/ Total Net Tax Capacity to Total Estimated Market Value</b>										
	.0234:1	.0237:1	.0213:1	.0191:1	.0188:1	.0171:1	.0115:1	.0108:1	.0103:1	.0103:1

(1) Prior to 1998, net tax capacity did not include tax increment reductions. Values for real and personal property and the total net tax capacity have been restated for 1996 and 1997 to include those reductions.

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City of Saint Paul, Minnesota  
**PROPERTY TAX RATES AND TAX LEVIES (Certified to County)**  
**DIRECT AND OVERLAPPING GOVERNMENTS**  
 Last Ten Fiscal Years

Table 7

Fiscal Year	City of Saint Paul	School District 625	Housing & Redevelopment Authority	Port Authority	Ramsey County	Special Districts	Total
<b>TAX CAPACITY RATES (PER \$100 OF ADJUSTED TAX CAPACITY VALUE)</b>							
1996	36.598	69.662	0.466	1.369	40.022	4.973	153.090
1997	34.374	69.219	0.444	1.309	40.200	5.256	150.802
1998	36.003	60.203	0.501	1.359	42.008	5.579	145.653
1999	37.517	63.926	0.509	1.426	42.879	5.934	152.191
2000	35.395	63.717	0.476	1.337	40.712	6.188	147.825
2001	32.115	57.529	0.433	1.210	38.466	7.029	136.782
2002	37.892	34.772	0.510	1.700	50.517	4.532	129.923
2003	36.982	33.283 (2)	0.497	1.506	50.086	6.186	128.540
2004	34.161	31.866 (2)	0.458	1.328	49.255	5.002	122.070
2005	30.207	28.192 (2)	0.440	1.112	45.689	4.891	110.531
<b>TAX LEVIES (1)</b>							
1996	\$ 83,847,115	\$ 128,067,840	\$ 1,064,309	\$ 2,668,158	\$ 75,674,955	\$ 9,145,642	\$ 300,468,019
1997	82,758,996	131,094,265	1,064,309	2,678,055	77,953,834	9,720,998	305,270,457
1998	82,416,015	114,384,121	1,109,074	2,645,107	162,516,474	12,770,986	375,841,777
1999	82,405,836	108,599,144	1,109,074	2,650,000	162,516,474	14,886,917	372,167,445
2000	83,202,989	112,350,891	1,109,074	2,650,000	165,546,024	14,000,263	378,859,241
2001	83,208,092	112,158,774	1,109,074	2,645,000	172,225,465	16,606,957	387,953,362
2002	62,393,263	53,799,194	840,174	2,640,000	180,723,664	10,953,106	311,349,401
2003	62,393,263	56,718,144 (2)	840,174	2,595,000	186,698,750	15,551,656	324,796,987
2004	62,545,263	58,237,244 (2)	840,174	2,443,000	197,811,166	11,034,681	332,911,528
2005	62,615,088	58,759,418 (2)	898,986	2,317,175	206,554,708	12,155,935	343,301,310

- (1) 1996 - 2001 Tax Levies for City of Saint Paul and Housing & Redevelopment Authority included HACA Aid paid by the State of Minnesota. Beginning year 2002, HACA Aid was eliminated. Local Government Aid was increased to compensate for the elimination of HACA Aid.
- (2) Voters approved an excess operating levy for School District 625 adding a market value based levy in addition to the tax capacity levy beginning year 2003. The 2003 market based tax rate and levy were 0.08778% and \$11,103,874. The 2004 rate and levy were 0.08894% and \$15,570,869. The 2005 market based tax rate and levy were 0.06741% and \$14,168,313.

Note: In addition to the above, the following tax rates and tax levies were applied against portions of Saint Paul.

Fiscal Year	Metropolitan Watershed District		Tax Increment Districts		
	Tax Rate	Tax Levies	Tax Rates		
			Without METRO W/S Dist	Including METRO W/S Dist	Tax Levies
1996	2.352	\$ 561,072	153.090	155.442	\$ 13,987,671
1997	2.036	537,902	150.802	152.838	14,562,064
1998	2.511	655,805	145.653	148.165	15,316,318
1999	2.321	637,535	152.191	154.513	17,259,113
2000	1.898	554,909	147.825	149.721	20,346,267
2001	1.759	535,548	135.883	137.635	24,806,994
2002	2.265	632,713	128.937	132.028	16,867,927
2003	3.066	839,172	128.540	130.821	18,409,185
2004	1.833	662,103	122.070	123.203	19,763,562
2005	2.182	748,734	110.531	112.049	19,580,532

unaudited

City of Saint Paul, Minnesota  
**PRINCIPAL TAXPAYERS**  
 December 31, 2005

**Table 8**

<u>Taxpayers</u>	<u>Type of Property</u>	<u>2004 Net Tax Capacity for Taxes Payable in 2005</u>	<u>Percentage of 2004 Total Net Tax Capacity for Taxes Payable in 2005</u>
Xcel Energy	Utility	\$4,501,318	2.22%
Minnesota Life Insurance Co.	Corporate Headquarters	1,679,904	0.83%
U.S. Bank Corp. Property & U.S. Bancorp	Office Building (US Bank Trust Center)	1,384,533	0.68%
St. Paul Companies	Corporate Headquarters	1,006,866	0.50%
3M	Manufacturing	938,216	0.46%
Stuart Companies	Apartment Buildings	920,902	0.45%
Rice Park Associates, LLC	Office Building (Lawson Software)	830,500	0.41%
Zeller World Trade, LLC	Office Building (World Trade Center)	749,374	0.37%
HealthEast	Health Care	649,798	0.32%
Ford Motor Company	Automobile Manufacturing	641,100	0.32%
		<u>\$13,302,511</u>	<u>6.56%</u>

Data Source

Ramsey County Department of Property Records and Revenue

unaudited

City of Saint Paul, Minnesota  
**SPECIAL ASSESSMENT BILLINGS AND COLLECTIONS**  
 Last Ten Fiscal Years

**Table 9**

<u>Fiscal Years</u>	<u>Special Assessment Billings</u>	<u>Special Assessments Collected (1)</u>
1996	\$ 20,119,449	\$ 22,022,138
1997	20,202,390	22,684,461
1998	19,738,520	22,465,226
1999	19,826,210	23,048,112
2000	19,563,377	22,110,019
2001	21,145,463	24,041,454
2002	20,828,097	23,806,996
2003	22,011,253	26,521,377
2004	24,048,208	35,432,142
2005	20,032,179	32,891,647

(1) The assessments collected include prepayments. The prepayments of assessments collected during 2005 totaled \$13,524,175.

unaudited

<b>DEBT LIMIT</b>		<b>\$618,352,552</b>
<b>GENERAL OBLIGATION BONDS:</b>		
<b>A. <u>Within Statutory Bonded Debt Limit:</u></b>		
Capital Improvement		<b>\$106,920,000</b>
<b>B. <u>Outside Statutory Bonded Debt Limit:</u></b>		
Library Agency Bonds	\$12,280,000	
HRA Block 39 Tax Increment	36,005,000	
HRA University-Snelling Place Tax Increment Refunding Bonds	5,130,000	
HRA Riverfront Tax Increment Refunding	7,685,000	
Koch Mobil Tax Increment	3,950,000	<u>\$65,050,000</u>
<b>C. <u>Outside Statutory Bonded Debt Limit - Revenue Supported</u></b>		
Assessed Reconstruction G.O. Special Assessment Bonds	\$23,320,000	
Sewer Utility General Obligation Bonds	3,480,000	<u>\$26,800,000</u>
<b>TOTAL GENERAL OBLIGATION BONDS</b>		<b>\$198,770,000</b>
<b>REVENUE BONDS</b>		<u><b>\$286,624,780</b></u>
<b>TOTAL GROSS DEBT (BONDED)</b>		<b>\$485,394,780</b>
<b>DEDUCTIONS: (Allowable under MSA 475.51 Subd. 4)</b>		
General Obligation Bonds		
Reserve for 2005 Appropriations	\$13,550,000	
Outside Statutory Debt Limit	65,050,000	
Outside Statutory Debt Limit - Revenue Supported	26,800,000	
Revenue Bonds	286,624,780	<u>\$392,024,780</u>
<b>TOTAL NET DEBT (BONDED) APPLICABLE TO DEBT LIMIT</b>		<u><b>\$93,370,000</b></u>
<b>LEGAL DEBT MARGIN</b>		<u><u><b>\$524,982,552</b></u></u>
<b>DEBT LIMIT COMPUTATION</b>		
Estimated Market Values (Levy 2005 - Payable 2006)		
Real Property Value		\$18,239,666,600
Personal Property Value		<u>310,928,500</u>
Estimated Market Value for Debt Limit Computation		18,550,595,100
% Allowed for Statutory Bonded Debt Limit - MSA 475.53, Subd. 3 and City Charter Section 10.14		
		<u>x 3 1/3%</u>
<b>DEBT LIMIT - Statutory Bonded Debt Limit</b>		<u><u><b>\$618,352,552</b></u></u>

unaudited



City of Saint Paul, Minnesota  
**RATIO OF ANNUAL DEBT SERVICE EXPENDITURES FOR  
 GENERAL OBLIGATION BONDED DEBT TO TOTAL GENERAL GOVERNMENTAL EXPENDITURES**  
 Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>	<u>Total General Governmental Expenditures</u>	<u>Ratio of Debt Service to General Governmental Expenditures (Percent)</u>
1996	\$ 23,550,000	\$ 5,942,887	\$ 29,492,887	\$ 262,801,870	11.22%
1997	19,300,000	5,612,116	24,912,116	254,670,595	9.78%
1998	20,030,000	5,129,463	25,159,463	289,545,866	8.69%
1999	19,440,000	5,411,699	24,851,699	281,067,966	8.84%
2000	18,740,000	4,942,181	23,682,181	289,563,416	8.18%
2001	17,905,000	4,889,588	22,794,588	315,111,388	7.23%
2002	18,250,000	4,851,346	23,101,346	301,401,977	7.66%
2003	21,750,000	4,532,463	26,282,463	309,784,698	8.48%
2004	21,445,000	4,159,386	25,604,386	293,449,791	8.73%
2005	18,275,000	4,051,025	22,326,025	317,255,720	7.04%

Note: Total Debt Service reflects principal and interest on General Obligation Bonds - Property Tax Supported.

City of Saint Paul, Minnesota  
**COMPUTATION OF DIRECT, OVERLAPPING AND UNDERLYING BONDED DEBT**  
 December 31, 2005

**Table 13**

	<u>Gross General Bonded Debt</u>	<u>Net General Bonded Debt</u>	<u>Payable 2005 Net Tax Capacity</u>	<u>Percentage Applicable to City of Saint Paul</u>	<u>City of Saint Paul's Share of Debt</u>
<b>Direct Debt</b>					
City of Saint Paul	<u>\$119,200,000</u>	<u>\$95,049,754</u> (1)	\$202,846,495	100.00%	<u>\$95,049,754</u>
<b>Overlapping Debt</b>					
County of Ramsey	129,710,000	112,836,080	429,416,560	47.24%	53,303,764
Metropolitan Council	<u>225,585,000</u>	<u>149,226,533</u>	2,680,905,320	7.57%	<u>11,296,449</u>
	<u>355,295,000</u>	<u>262,062,613</u>			<u>64,600,213</u>
<b>Underlying Debt</b>					
Port Authority of Saint Paul	14,005,000	6,405,947	202,846,495	100.00%	6,405,947
Independent School District #625	<u>357,420,553</u>	<u>363,594,695</u>	202,576,113	100.00%	<u>363,594,695</u>
	<u>371,425,553</u>	<u>370,000,642</u>			<u>370,000,642</u>
<b>Total</b>	<u>\$845,920,553</u>	<u>\$727,113,009</u>			<u>\$529,650,609</u>

(1) Net General Bonded Debt:

Total General Obligation Bonds - Property Tax Supported	\$119,200,000
Less: Amount Available in General Debt Service Fund	<u>(24,150,246)</u>
<b>Net General Bonded Debt</b>	<u>\$95,049,754</u>

unaudited

City of Saint Paul, Minnesota  
**SCHEDULE OF REVENUE BOND COVERAGE**  
**SEWER UTILITY ENTERPRISE FUND**  
 Last Ten Fiscal Years

Table 14

Fiscal Year	Gross Revenue (1)	Expenses (2)	Net Revenue Available for Debt Service	Debt Service Requirements (3)			
				Principal	Interest	Total	Coverage
1996	\$ 41,720,803	\$ 25,087,170	\$ 16,633,633	\$ 3,105,000	\$ 4,874,735	\$ 7,979,735	2.08
1997	41,484,508	25,300,245	16,184,263	3,310,000	4,660,490	7,970,490	2.03
1998	42,026,041	25,890,868	16,135,173	3,535,000	4,961,950	8,496,950	1.90
1999	40,865,689	22,657,077	18,208,612	4,415,000	2,805,990	7,220,990	2.52
2000	41,881,027	22,557,725	19,323,302	4,615,000	2,594,070	7,209,070	2.68
2001	41,477,527	22,332,571	19,144,956	4,845,000	2,363,320	7,208,320	2.66
2002	39,252,435	23,456,263	15,796,172	5,090,000	2,116,225	7,206,225	2.19
2003	40,872,728	22,809,955	18,062,773	5,320,000	1,503,759	6,823,759	2.65
2004	42,093,699	21,186,345	20,907,354	6,060,000	799,722	6,859,722	3.05
2005	41,488,862	19,265,160	22,223,702	6,140,000	749,854	6,889,854	3.23

(1) Includes all Revenue, both Operating and Non-Operating, as defined in the Authorizing Resolutions.

(2) Includes all Current Expenses, both Operating and Non-Operating, except Depreciation, Amortization, Extraordinary Repairs and Debt Service as defined in the Authorizing Resolutions.

(3) Amount required to be turned over to Paying Agent in the current year.

Note: This table reflects revenue bond coverage for the Sewer Utility Fund's 1988 \$78,450,000 revenue bond issue refunded in 2003 with \$26,280,000 in refunding bonds, and 2004 \$6,300,000 revenue bonds.

unaudited



City of Saint Paul, Minnesota  
 SCHEDULE OF REVENUE BOND COVERAGE  
 RICE AND ARLINGTON SPORTS DOME ENTERPRISE FUND  
 Last Nine Fiscal Years

Fiscal Year	Gross Revenue (1)	Expenses (2)	Net Revenue Available for Debt Service	Debt Service Requirements (3)			
				Principal	Interest	Total	Coverage
1997	\$156,166	\$102,475	\$53,691	\$ -	\$228,745	\$228,745	.235
1998	295,761	18,942	276,819	110,000	226,380	336,380	.823
1999	344,830	438,487	(93,657)	115,000	221,428	336,428	(.278)
2000	367,242	522,738	(155,496)	120,000	216,020	336,020	(.463)
2001	449,915	506,795	(56,880)	125,000	210,200	335,200	(.170)
2002	178,842	244,633	(65,791)	135,000	203,892	338,892	(.194)
2003	4,647	3,688	959	140,000	197,085	337,085	.003
2004	6,904	3,511	3,393	150,000	189,122	339,122	.010
2005	(4)*						

(1) Includes all Revenue, both Operating and Non-Operating, as defined in the Authorizing Resolutions.

(2) Includes all Current Expenses, both Operating and Non-Operating, except Depreciation, Amortization, Extraordinary Repairs and Debt Service as defined in the Authorizing Resolutions.

(3) Amount required to be turned over to Paying Agent in the current year.

(4)\* The Rice and Arlington Sports Dome Revenue Bonds were refunded on 12/1/2005. The Schedule of Revenue Bond Coverage is no longer required.

Note: This table reflects revenue bond coverage for the Rice Arlington Sports Dome Fund's 1996 \$4,135,000 revenue bond issue. 1997 was the first year of debt service requirements/payments.

City of Saint Paul, Minnesota  
**DEMOGRAPHIC STATISTICS**  
 Last Ten Fiscal Years

Table 16

Fiscal Year	Population (1)	School Enrollment (2)		Total Labor Force (3)	Unemployment Rate (4)
		Public	Private		
1996	270,441	43,747	11,042	138,831	3.9%
1997	269,636	45,102	11,403	143,425	3.3%
1998	268,667	45,375	11,373	139,486	2.5%
1999	266,927	45,240	11,392	138,498	2.9%
2000	287,151	48,054	10,989	140,788	3.5%
2001	287,260	47,488	11,010	144,764	4.1%
2002	288,000	47,244	10,837	150,079	5.1%
2003	287,604	46,051	10,217	163,039	5.5%
2004	287,410	45,177	9,875	152,123	5.4%
2005	N/A	45,383	9,375	149,832	4.4%

(1) 1996-1999 and 2001-2004 data based on Metropolitan Council estimates.  
 2000 data provided by U.S. Bureau of Census.  
 2005 estimate not yet available from Metropolitan Council

(2) Data provided by Independent School District #625. Figures represent elementary and secondary schools.  
 Public school enrollment figures include students in charter schools.  
 Students in community colleges not included.

(3) Annual average - not seasonally adjusted.  
 Data provided by Minnesota Department of Employment and Economic Development (DEED)

(4) Annual average - not seasonally adjusted.  
 Data provided by Minnesota Department of Employment and Economic Development (DEED)

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City of Saint Paul, Minnesota  
**PROPERTY VALUE, CONSTRUCTION, AND BANK DEPOSITS**  
 Last Ten Fiscal Years

Table 17

Fiscal Year	Property Value (1)			Commercial & Residential Construction (2)		Bank Deposits (in thousands) (3)
	Commercial	Residential	Nontaxable	Number of Permits	Value	
1996	\$ 2,006,290,100	\$ 5,113,542,100	\$ 2,241,230,700	26,273	\$ 396,289,229	\$ 3,059,499
1997	2,029,259,900	5,257,375,700	2,244,702,300	25,642	417,938,697	3,049,803
1998	2,160,976,200	5,500,025,550	2,254,165,720	28,100	558,166,125	3,045,399
1999	2,332,266,761	5,865,972,439	2,621,978,900	29,996	605,666,792	6,162,533
2000	2,447,319,801	6,419,038,200	2,707,337,650	29,868	568,450,038	6,470,782
2001	2,896,782,362	7,891,208,338	3,283,221,700	30,476	553,362,498	5,391,778
2002	3,274,644,900	9,486,104,900	3,196,906,800	32,249	670,970,682	4,500,831
2003	2,749,408,800	12,496,680,600	3,580,024,300	30,559	577,290,765	6,753,154
2004	2,887,455,100	14,379,068,900	3,601,316,000	29,824	859,539,337	8,203,525
2005	2,972,619,100	16,345,678,400	5,803,561,500	28,000	634,039,335	8,844,358

- (1) Values are referred to as Estimated Market Values for Real Property and do not include personal property. Data provided by Ramsey County Taxation Office.
- (2) Based on building and miscellaneous permits issued by the Office of License, Inspection and Environmental Protection. Property values are estimated construction costs (separate commercial & residential figures not available).
- (3) Data for 1996-1998 bank deposits in commercial banks was provided by Northwestern Financial Review. This data includes deposits only for banks with main office located in the City of Saint Paul. Data for 1999-2005 was provided by the Federal Deposit Insurance Corporation and includes deposits for all banks located in the City of Saint Paul.

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**TAXES DUE**

Real Estate - First half, May 15; second half, October 15.

Personal Property - May 15; except taxes on personal property on property leased from a governmental agency which are payable the same as real estate.

**TAXES INTEREST DATE**

First Monday in January

**DISCOUNTS ALLOWED**

None

**PENALTIES FOR LATE PAYMENTS**

Real Estate:

If the tax is not paid by the due date of the installment, a late payment penalty will be assessed at the percentage rate provided by law as shown in the following table:

	2006										
	May	June	July	Aug.	Sept.	Oct.	Oct.	Nov.	Nov.	Dec.	Jan.
<b>PENALTY RATES</b>	17	1	1	1	1	1	18	1	16	1	2

**On Homestead Property:**

1st half installment	2%	4%	5%	6%	7%	8%	8%	8%	8%	8%	10%
2nd half installment	-	-	-	-	-	-	2%	6%	6%	8%	10%

**On Non-Homestead Property:**

1st half installment	4%	8%	9%	10%	11%	12%	12%	12%	12%	12%	14%
2nd half installment	-	-	-	-	-	-	4%	8%	8%	12%	14%

On Personal Property - 8%

**INTEREST**

Interest is computed on delinquent tax payments plus accumulated penalty and costs at a rate determined pursuant to Minn. Stat. Sec. 279.03.

**UNCOLLECTED TAXES ARE HANDLED AS FOLLOWS:**

Uncollected real estate taxes are considered receivable until land forfeits to the State. After forfeiture, the proceeds from the sale or rental of tax forfeited lands is apportioned to the taxing districts as follows:

continued

1. Such portion as may be required to pay any amounts included in the appraised value as representing increased value due to any improvement made after forfeiture of such parcel to the state, shall be apportioned to the municipal subdivision entitled hereto.
2. Such portion of the remainder as may be required to discharge any special assessments chargeable against such parcel for drainage or other purpose whether due or deferred at that time of forfeiture shall be apportioned to the municipal subdivision entitled thereto.
3. Such portion of the remainder as may have been theretofore levied on the parcel of land for any bond issue of the school district, town, city or county wherein the parcel of land is situated shall be apportioned to the municipal subdivision in the proportions of their respective interest.
4. Any balance shall be apportioned as follows:
  - a. Any county board may annually by resolution set aside not exceeding 30 percent of the receipts remaining to be used for timber development on tax forfeited land and dedicated memorial forests, to be expended under the supervision of the county board. It shall be expended only on projects approved by the commissioner of natural resources.
  - b. Any county board may annually by resolution set aside not exceeding 20 percent of the receipts remaining to be used for the acquisition and maintenance of county parks or recreational areas as defined in Section 398.31 to 398.36, to be expended under the supervision of the county board.
  - c. If the board does not avail itself of the authority under paragraph (a) or (b), any balance remaining shall be apportioned as follows: county, 40 percent; town or city, 20 percent; and school district, 40 percent. If the board does avail itself of the authority under paragraph (a) or (b), the balance remaining shall be apportioned among the county, town, or city proportions in this paragraph above stated, provided however, that in unorganized territory that portion which should have accrued in the township shall be administered by the county board of commissioners.

Uncollected personal property taxes revert to judgment and become a lien upon the assets of the debtor.

#### **COLLECTION OF TAXES**

Taxes are collected by Ramsey County and distributed to each governmental unit within the county in the same proportion that the unit's tax rate bears to the total tax rate.

#### **FISCAL DISPARITIES**

Fiscal Disparity Laws (MSA Chapter 473F) were implemented for taxes payable 1975. Since 1975, 40% of the increase of new commercial industrial taxable assessed values, over the base year 1972, have been contributed to a seven county metropolitan tax "pool" in an effort to equalize property tax burdens within the metropolitan "pool" area.

#### **SPECIAL DISTRICTS**

Tax Increment Districts are geographic areas selected for improvements which are intended to attract economic development. The first step is to define the area and establish the existing valuation. The second step is to finance the improvement, such as clearing property and constructing improvements; this financing is normally accomplished through a bond issue. The final step is repayment of the bonds, including interest by taking the portion of the taxes attributable to the increase valuation and using the proceeds for payment.

The Ramsey/Washington Metropolitan Watershed district pertaining to Saint Paul was established to alleviate watershed problems for overlapping jurisdictions.

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DATE OF INCORPORATION 1854  
 DATE FIRST CHARTER ADOPTED: 1900  
 DATE PRESENT CHARTER ADOPTED: 1972

FORM OF GOVERNMENT: Mayor-Council  
 AREA - SQUARE MILES 55.44  
 INFRASTRUCTURE (in miles):  
 Streets (in miles)  
 - Improved 841.9  
 - Unimproved 5.1  
 Alleys (number of)  
 - Paved 1,149  
 - Oiled 888  
 - Unimproved 274  
 Storm Sewers 450  
 Sanitary Sewers 804  
 Sidewalks 1,006.6

NUMBER OF STREET LIGHTS 32,619

**BUILDING PERMITS:**  
 (excludes miscellaneous permits)

Year	Permits Issued	Valuation
1996	7,736	\$267,620,491
1997	8,322	299,841,425
1998	8,925	395,821,236
1999	10,993	437,622,506
2000	10,612	405,886,895
2001	11,444	414,778,340
2002	11,557	498,371,219
2003	10,577	432,220,911
2004	9,835	673,664,737
2005	8,905	479,840,220

**FIRE PROTECTION:**  
 Number of Stations 16  
 Number of Employees (authorized) 464.6  
 Structure Fires 708  
 EMS Incidents 28,159  
 All Self-Propelled Vehicles 105

**POLICE PROTECTION:**  
 Number of Sworn Employees (authorized) 562  
 Number of Calls for Service 318,447  
 Number of Fleet Vehicles 365

**RECREATION:**  
 Total Acreage 4,277  
 Major Parks 15  
 Ballfields 199  
 Recreation Centers 41  
 Senior Center 1  
 Golf Courses 4  
 Tennis Courts 92  
 Zoo & Conservatory 1  
 Municipal Stadium 1  
 Swimming Facilities 4

**LIBRARIES:**  
 Number of Libraries 13  
 Circulation 3,319,113  
 Titles 435,395

**WATER UTILITY:**  
 Water Department  
 Number of Retail Customers 95,797  
 Gallons Pumped to Distribution (M.G.D.) 45.0  
 Plant Capacity (M.G.D.) 144  
 Wholesale and Retail Distribution System (Miles of Mains) 1,402

**EMPLOYEES: (as of December 31, 2005)**  
 Merit System (Regular Certified, Provisional, Temporary) 3,243  
 Exempt (Unclassified) 112  
 Total 3,355

**ELECTIONS:**  
 Number of Registered Voters 160,414  
 Number of Votes Cast in:  
 Last General Election (2004) 137,932  
 Last Municipal Election (2005) 59,509  
 Percentage Voting in:  
 Last General Election (2004) 66 %  
 Last Municipal Election (2005) 29 %

**POPULATION:**  
 Census for last four Census:

	1970	1980	1990	2000
Population	309,866	270,230	272,235	287,151

**2000 Population by Sex :**  
 Male 138,863 48.4 %  
 Female 148,288 51.6 %

**2000 Population by Age Distribution:**

0-14	65,592	22.8 %
15-24	48,180	16.7 %
25-34	48,210	16.8 %
35-44	43,792	15.3 %
45-59	44,009	15.4 %
60-74	21,013	7.3 %
75+	16,355	5.7 %

**EDUCATION:**  
 Number of Schools:  
 Elementary (K-6) 49  
 Elementary (K-8) 2  
 Middle School (6-8)/Junior High (7-8) 8  
 Senior High (9-12) 7  
 Open School (K-12) 1  
 Special Education School 1  
 Special Program Sites 23

Number of Administrative Personnel 125  
 Number of Teachers (licensed staff) 3,470  
 Number of Students (Public Schools) 41,143  
 Number of Students (Private Schools) 9,375  
 Number of Students (Charter Schools) 4,240