

Comprehensive Annual Financial Report



For the Fiscal Year Ended December 31, 2018
CITY OF SAINT PAUL, MINNESOTA
MAYOR MELVIN CARTER



The Most Livable
City in America

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City of Saint Paul Minnesota

Comprehensive Annual Financial Report
For the Fiscal Year Ended
December 31, 2018



Office of Financial Services
John McCarthy, Interim Director

CITY OF SAINT PAUL, MINNESOTA
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Office of the Mayor
Office of Financial Services

John McCarthy, Interim Director



City of Saint Paul

Mayor Melvin Carter

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September 17, 2019

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

The City of Saint Paul's Comprehensive Annual Financial Report (CAFR) for the fiscal year ended December 31, 2018, is hereby submitted. The purpose of this report is to provide the Mayor, City Council, City Staff, residents, 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) in the United States of America, as applied to governmental units, requires that the City provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of 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 GAAP. 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 31, 2018, 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 unmodified opinion that the City of Saint Paul's financial statements for the fiscal year ended December 31, 2018, 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 Report 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 Report 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 Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). 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 Report.

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 population, per the 2010 US Census, was 285,068. Data estimates by the Metropolitan Council indicate that the City had a population of 313,010 people and 118,666 households as of the end of 2018.

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 of its seven 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, in essence, they both function 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 in December.

City budget amendments that authorize an increase in total fund spending require approval of the City Council following a public hearing. 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, Assessment Financing Fund, Public Library General Fund, and the HRA General Fund, this is presented 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.

FINANCIAL POLICIES

In 2005, the City enacted a fund balance policy mandating minimum thresholds for the General Fund and the General Debt Service Fund. The policy for the General Fund requires a minimum unassigned fund balance of 15% of combined General Fund and Public Library General Fund operating spending. For additional information regarding the 2018 fund balance for the General Fund, see the MD&A as listed in the table of contents.

ECONOMIC OUTLOOK

Saint Paul is an important part of the overall strong Twin Cities metro area economy. Saint Paul is expected to add more than 37,567 jobs by 2040 (21.4% growth from 2010).^a Total private and public administration employee count in Saint Paul at the end of 2018 was estimated to be 172,053.^b

Saint Paul compares favorably when ranked among the 20 largest northeast and Midwest cities on economic and social factors.^c Among these peer cities:

- Saint Paul's had the 3rd lowest annual unemployment rate in 2018 (2.8%)^d
- Saint Paul ranked 5th in median household income (\$52,841), 5th highest in median family income (\$65,869) and 8th highest in per capita income (\$28,535)^e
- The median value of owner-occupied houses in Saint Paul in 2018 was \$187,400.^f
- Saint Paul's population with a bachelor's degree or higher in 2018 ranked 4th highest at 39.8%.^g

Over the years, Saint Paul has consistently registered an unemployment rate equal to or lower than that of the U.S. as a whole. The City's unemployment rate for 2018 of 2.8% was below both the Minnesota rate (3.2%) and the U.S. rate (3.7%).^h Employment in Saint Paul is not overly reliant on slowing and cyclical sectors, like manufacturing, but rather is based on stable and growing industries such as education, health services and public administration.

Saint Paul's largest employment sector is Health Care and Social Assistance (46,146 jobs; 31.1% of total jobs). Other large employment sectors include Public Administration (23,940 jobs; 13.9% of total jobs), and Professional and Accommodation and Food Services (12,460 jobs; 7.2 % of total jobs).ⁱ

^a Metropolitan Council, available at <https://metro council.org/forecasts>.

^b Minnesota Department of Employment and Economic Development, available at <http://apps.deed.state.mn.us>.

^c The cities are Baltimore, Boston, Buffalo, Chicago, Cincinnati, Cleveland, Columbus, Detroit, Indianapolis, Kansas City, Milwaukee, Minneapolis, New York, Newark, Omaha, Philadelphia, Pittsburgh, Saint Louis, and Toledo.

^d Bureau of Labor Statistics, Local Area Unemployment Statistics available at: <http://data.bls.gov>; Minnesota and Minnesota city unemployment rates available at: <http://mn.gov/deed/data/data>.

^e 2017 American Community Survey, through the American Fact Finder, available at: <http://www.census.gov>.

^f 2017 American Community Survey, through the American Fact Finder, available at: <http://www.census.gov>.

^g 2017 American Community Survey, through the American Fact Finder, available at: <http://www.census.gov>.

^h Minnesota Department of Employment and Economic Development, Minnesota Unemployment Statistics available at <http://mn.gov/deed/data/data>.

ⁱ Minnesota Department of Employment and Economic Development's Quarterly Census Employment and Wages available <http://mn.gov/deed/data>.

CITY STRATEGIC PLAN AND PRIORITIES

Key strategic areas for the City's operations include, but are not limited to:

Sustainable Saint Paul: The City is taking proactive steps to protect the City's air, water, and urban landscape by focusing on Carbon Dioxide (CO₂) reduction activities in the areas of energy efficiency and conservation, clean energy supply, alternative fuels and transportation options, recycling and waste reduction, urban reforestation and natural resources management, and water resources management.

Economic Development: To maintain 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 City of Saint Paul is involved in an initiative to position the Minneapolis-Saint Paul region as the world's premier business location and strengthen our diverse economy to compete in the global marketplace. A Minneapolis-Saint Paul Metropolitan Business Plan is guiding our efforts to coordinate a regional approach to economic development.

Racial Equity: A prosperous Saint Paul must address racial disparities. Diversity is a strength of the City's workforce and enables employees to more effectively and authentically provide services to residents, businesses, and visitors. The City believes inclusion, engagement, transparency, and continuous learning from each other are keys to creating racial equity in city government and in the community.

Youth: Past work with the Saint Paul Public schools, is being built upon by focusing on early childhood investments to give every student a strong start. This includes providing students and their families access to essential health services and affordable housing. Partnering with schools, colleges, workforce training programs and trade unions provides the next generation of leaders with all tools needed for a bright and prosperous future.

Neighborhoods: Police officers that reflect the City's diversity and have a stake in our neighborhoods are best suited to protect and serve all residents. In order to build trust between neighborhoods and their guardians, the City is dedicated to training officers in de-escalation techniques and connecting them to social workers, mental health providers and crisis prevention counselors so people in crisis get the help they need. Officers will be held accountable for conduct that does not meet these standards.

People of Color, Immigrants, and Women: All communities deserve a path to economic prosperity. The City's priorities include investing in businesses along cultural corridors across the city to ensure economic growth reaches all corners of our city. The City is also exploring options to make it easier for Saint Paul residents to open and run a business - especially people of color, immigrants, and women.

MAJOR DEVELOPMENTS

I. Downtown Saint Paul

The 428

The former 1955 Woolworth's department store at 428 Minnesota Street, vacant since 1994, has been converted into sustainable, modern office space. The \$15-17 million renovation broke ground in July 2017. Work included adding a 12,000-square-foot fourth floor, and a fifth floor featuring a 6,000-square-foot glassed-in co-working space with rooftop patio. The new 65,000-square-foot building opened in August 2018. The 428 is Minnesota's first building to pursue both LEED certification and WELL Core and Shell certification.

Press House Apartments

Real Estate Equities purchased the former Pioneer Press office building for \$8 million in December 2017. Press House Apartments now offers 144 income-restricted studio, one and two bedroom apartments along with 20,000 square feet of amenity space including a movie theater, workout facilities, clubroom and professional kitchen. Residents first moved in beginning January 1, 2019.

Celeste Saint Paul Hotel and Bar

Northfield-based Rebound Hospitality purchased the Exchange Building at Exchange Street and Cedar Avenue in late 2017 with plans to redevelop the former St. Agatha's Conservatory of Music and Art into a 71-room boutique hotel. Remodeling began in September 2018 including the preservation of the wood trim and the flower-patterned, hand-tiled fireplace; and, restoration of the terrazzo flooring. The hotel anticipates opening in Fall 2019.

Riverfront Properties

Riverfront Properties is a nearly five-acre site owned by Ramsey County located along the bluff overlooking the Mississippi River in downtown Saint Paul. On November 20, 2018, following a Request for Development Interest solicitation, the County began negotiations on an exclusive six-month agreement with AECOM to perform due diligence on a proposal to develop the Riverfront Properties site. AECOM's proposed development includes: a land bridge extension over Shepard Road and the railway, extending downtown Saint Paul to the Mississippi River; phased construction of four towers with Class A office and residential space and street-level retail, entertainment and hospitality; integrated public spaces including the first leg of the city's proposed River Balcony, a river-level esplanade, and amphitheater and band shell overlooking the river; and, new roadway connections to the site and supplemental parking.

Minnesota Museum of American Art/The M

A groundbreaking on the \$12.5 million expansion of the Minnesota Museum of American Art (the M) in the historic Pioneer Endicott building occurred in January 2018. The first phase of construction expanded the museum by 20,000 square feet and features new and expanded galleries; the Sifo Center for Creativity, a making and learning wing devoted to arts education for all ages; a sculpture court; common gathering spaces, and a glassed-in extension of the skyway. The museum opened to the public in December 2018.

Treasure Island Center

The Saint Paul Port Authority has redeveloped a former Macy's Department Store at 411 Cedar Street. The repositioned property reopened as Treasure Island Center in January 2018. The building includes Tria Rink, the official practice space of the Minnesota Wild; a two-level Walgreens, the Tria Orthopedic Clinic, Treasure Island administrative offices, office space for the Saint Paul Police Department, and office space for the Minnesota Housing Finance Agency.

Public Safety Annex/Pedro Park

On October 24, 2018, the City Council approved the sale and redevelopment of the Public Safety Annex at 100 East 10th Street to The Ackerberg Group. The action also approved the transfer of the sale funds to improvements of the adjacent .45-acre Pedro Park. The redeveloped Public Safety Annex is anticipated to feature 50,000 square feet of modern, creative office and retail space, including the expansion of the existing partial third floor, and maintaining the 30 indoor parking spaces.

II. Along the Green Line, Light Rail Transit

Allianz Field

Minnesota United broke ground in December 2016 on their \$150 million, 19,400-seat, 346,000-square-foot Major League Soccer stadium overlooking Interstate 94 between Pascal and Snelling Avenues. Fan amenities include 17 different types of seat and service offerings including a 2,920-seat, pyramid shaped safe stand section for Minnesota United's various supporters club, a 2,300-square-foot retail store, and a 4,100-square-foot brew hall, open on both gamedays and nongame days. The stadium opened in April 2019.

Snelling-Midway

Hand in hand with the soccer stadium, New York-based strip mall owner RK Midway has teamed with Minnesota United and other major investors to redevelop the adjacent Midway Shopping Center. A master plan approved by the City Council in August 2016 allows for a mix of uses and higher density on the nearly 35-acre transit-oriented redevelopment site. In May 2018, Mortenson was selected as the lead developer for the site.

III. Neighborhoods

Ford Site

In November 2017, the Saint Paul City Council approved the Ford Site Zoning and Public Realm Master Plan, a framework to guide mixed-use redevelopment of the former 122-acre former Ford Motor Company assembly plant and the adjacent 13-acre rail yard. In June 2018, Ford selected Ryan Companies as the master developer to the 122-acre main assembly plant parcel. At full buildout the site could include between 2,400 and 4,000 residential units, 20% affordable, 1,100 jobs, significant parkland and greenspace, and an innovative stormwater feature.

Keg and Case Market

Developer Craig Cohen, with Cushman and Wakefield, converted the former Keg Building at the historic Schmidt Brewery into the Keg and Case Market. The indoor market opened in September 2018 with 27 local small businesses occupying the space, as well as an outdoor event space for community events and a farmer's market. The Keg and Case Market was named the 2019 Best New Food Hall in the nation.

O'Gara's

Ryan Companies began demolition of the former 19,360-square-foot O'Gara's Bar and Grill and three adjacent homes in November 2018. The new development will feature 163 market-rate apartments and 4,000 square-feet of retail.

Selby Milton Victoria

In June 2018, construction began on an innovative mixed-use development including senior rental housing and first floor commercial space on two long vacant parcels of city-owned land. The Selby Milton Victoria project will have 34 units of low-income senior housing, along with 9,300-square-feet of street level commercial space. The Rondo Community Land Trust will retain ownership of the land and control pricing aimed towards attracting small, local and minority-owned businesses into the building.

CASH AND INVESTMENT MANAGEMENT

Cash balances during the year were invested in U.S. Treasuries, Agencies of the Federal Government, certificates of deposit, municipal securities, money market funds and savings deposit accounts, in accordance with Minnesota State Statute 118A and the City's Investment Policy. An 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. A portion of the City's investment portfolio is managed by four external managers. As of December 31, 2018, the reported interest on investments was \$6.0 million. All securities purchased by the City are held by a third party safekeeping agent in the City's name, or in the City's safe.

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 statute, 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 usually published every two years.

The most recent report was published in June 2018. All goals and objectives of the Joint Debt Advisory Committee were met. A report on debt outstanding as of December 31, 2018, was completed in June 2019.

The City maintained its AAA bond ratings from Standard & Poor's and Fitch Ratings due to the strong economy, very strong financial management and strong budgetary performance.

RISK MANAGEMENT

The City has a centralized Risk 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 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.

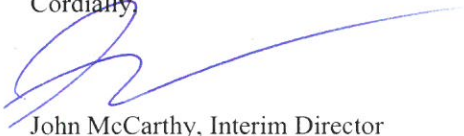
AWARDS AND ACKNOWLEDGMENTS

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, 2017. This was the 42nd 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 GAAP 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 2018 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.

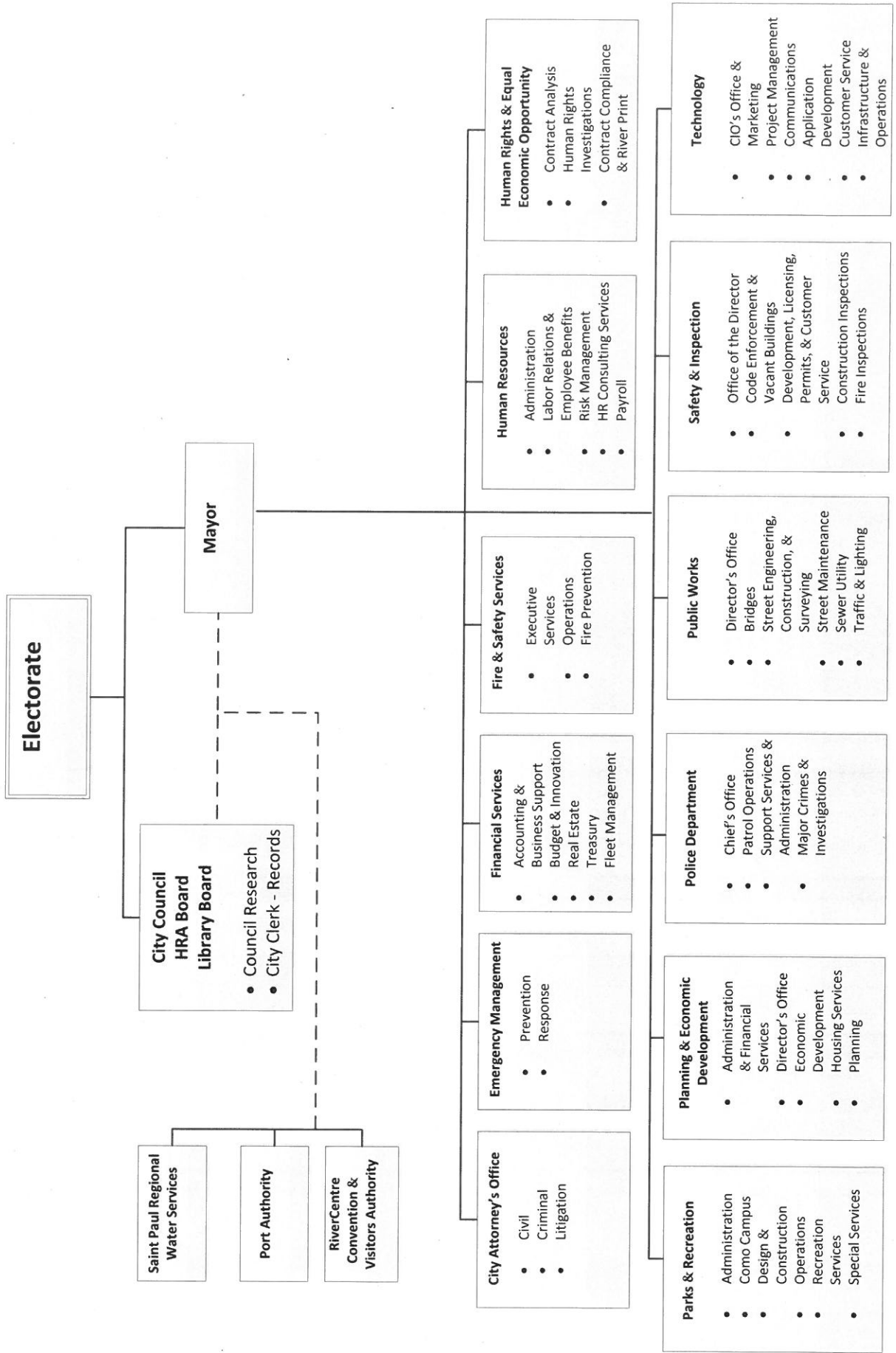
Cordially,



John McCarthy, Interim Director
Office of Financial Services

City of Saint Paul, Minnesota

(Form of Government: "Strong" Mayor, with Seven Councilmembers Elected by Ward)



City of Saint Paul, Minnesota

ELECTED AND APPOINTED OFFICIALS

As of December 31, 2018

ELECTED OFFICIALS

<u>OFFICE</u>	<u>NAME</u>	<u>TERM EXPIRES</u>
Mayor	Melvin Carter	January 1, 2022
Councilmember - Ward 1	Dai Thao	January 1, 2020
Councilmember - Ward 2	Rebecca Noecker	January 1, 2020
Councilmember - Ward 3	Chris Tolbert	January 1, 2020
Councilmember - Ward 4	Mitra Jalali Nelson	January 1, 2020
Councilmember - Ward 5	Amy Brendmoen	January 1, 2020
Councilmember - Ward 6	Dan Bostrom*	January 1, 2020
Councilmember - Ward 7	Jane L. Prince	January 1, 2020

*Councilmember Bostrom retired as of 12/31/18. Kassim Busuri was appointed to complete the term.

APPOINTED OFFICIALS

<u>DEPARTMENT/DIVISION/OFFICE</u>	<u>DIRECTOR'S NAME</u>	<u>TERM EXPIRES</u>
City Attorney	Lyndsey Olson	*
City Clerk	Shari Moore	*
Emergency Management	Lucy Angelis	interim
Financial Services	Todd Hurley	*
Fire and Safety Services	Butch Inks	interim
Human Rights and Equal Economic Opportunity	Toni Newborn	interim
Human Resources	Andrea L. Turner	*
Mayor - Deputy Mayor	Jamie Tincher	*
Parks and Recreation	Michael Hahm	*
Planning and Economic Development	Dr. Bruce Corrie	*
Police	Todd Axtell	2022
Public Libraries	Catherine Penkert	*
Public Works	Kathy Lantry	*
Safety and Inspection	Ricardo Cervantes	*
Technology	Sharon Kennedy Vickers	*
Regional Water Services	Steve Schneider	**

* Serves at the pleasure of the Mayor

** Serves at the pleasure of the Board of Water Commissioners

In 2019, Rick Schute was appointed Emergency Management Director; Dr. Bruce Corrie and Todd Hurley resigned their positions. Kristin Guild and John McCarthy, respectively, were named interim directors.



Government Finance Officers Association

**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, 2017

Christopher P. Morrill

Executive Director/CEO



JULIE BLAHA
STATE AUDITOR

STATE OF MINNESOTA

OFFICE OF THE STATE AUDITOR

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INDEPENDENT AUDITOR'S REPORT

The Honorable Melvin Carter, Mayor,
and Members of the City Council
City of Saint Paul, Minnesota

Report on the Financial Statements

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, 2018, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Saint Paul RiverCentre Convention and Visitors Authority, which represent 1 percent, 2 percent, and 16 percent, respectively, and the Port Authority of the City of Saint Paul, which represent 32 percent, 5 percent, and 24 percent, respectively, of the assets, net position, and revenues of the aggregate discretely presented component units. Those financial statements were audited by other auditors whose reports 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 solely 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 from 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 involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the City's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, based on our audit and the reports of the 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, 2018, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter – Change in Accounting Principle

As discussed in Note III.C.1. to the financial statements, in 2018, the City adopted new accounting guidance by implementing the provisions of Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, which represents a change in accounting principles. Our opinion is not modified with respect to this matter.

Emphasis of Matter – Correction of Material Misstatement in Previously Issued Financial Statements

As discussed in Note III.C.2. to the financial statements, the previously issued 2017 financial statements have been restated to correct a misstatement. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and Required Supplementary Information as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not part of the basic financial statements, is required by the GASB, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our

inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Saint Paul's basic financial statements. The Introductory Section, the Supplementary Information, the Other Supplementary Information, and the Statistical Section as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 17, 2019, 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of Saint Paul's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Saint Paul's internal control over financial reporting and compliance. 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.



JULIE BLAHA
STATE AUDITOR



GREG HIERLINGER, CPA
DEPUTY STATE AUDITOR

September 17, 2019

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CITY OF SAINT PAUL, MINNESOTA

MANAGEMENT'S DISCUSSION AND ANALYSIS For Year Ended December 31, 2018

OVERVIEW OF THE FINANCIAL STATEMENTS

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, 2018. 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-xii of this report.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the City of Saint Paul exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$1,043.7 million (*net position*). Of this amount \$124.7 million is restricted for specific purposes and \$1,245.9 million is net investment in capital assets. The total net position includes all major infrastructure networks.
- The City's total net position increased by \$55.8 million. After restating the January 1, 2018 net position for a prior period adjustment and a change in accounting principle related to the Other Postemployment Benefits liability, Governmental activities increased by \$50.7 million and business-type activities increased by \$5.1 million.
- The City of Saint Paul's governmental funds reported combined ending fund balances of \$215.9 million, a decrease of \$24.1 million in comparison with the restated fund balances from the prior year. Approximately 19.9% of this amount or, \$42.9 million, is unassigned and available for use in accordance with the City's spending policies. There was a restatement of fund balance in two governmental funds, City Capital Projects and Right of Way Maintenance. In 2017, certain assessments that should have been booked as deferred revenue were instead recorded as revenue. This needs to be corrected, and this total restatement reduced the January 1, 2018 fund balance by \$7.3 million.
- At the end of the fiscal year, fund balance for the General Fund was \$58.0 million, an increase of \$5.3 million or a 10.1% increase of the 2017 fund balance. The General Fund fund balance is 17.9% of the budgeted 2019 General Fund expenditures of \$306.1 million plus the Public Library General Fund expenditures of \$18.7 million. This is in compliance with the City's 15% fund balance policy.
- At the end of the fiscal year, fund balance for the City Debt Service Fund was \$49.1 million or 110.2% of the governmental activities' debt service payments of \$44.5 million that are due within one year.
- The City's total long-term bonds and notes decreased by \$29.4 million, a 5% decrease from 2017 for a total outstanding on December 31, 2018 of \$549.5 million.
- For the year ended December 31, 2018, the City implemented specific guidance from Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, related to the accounting for the City's implicit rate subsidy related to providing health insurance to retirees at a blended rate. See details of the updated disclosures in Note VIII.B of this report.

CITY OF SAINT PAUL, MINNESOTA

MANAGEMENT'S DISCUSSION AND ANALYSIS For Year Ended December 31, 2018

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements 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 Position* presents information on all of the City's assets and deferred outflows of resources, and liabilities and deferred inflows of resources, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating. 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 position changed during the fiscal year. All changes in net position 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 operations; the Penfield Apartments; 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 in the Basic Financial Statements section of this report.

CITY OF SAINT PAUL, MINNESOTA

MANAGEMENT'S DISCUSSION AND ANALYSIS For Year Ended December 31, 2018

OVERVIEW OF THE FINANCIAL STATEMENTS

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 28 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 Fund, Public Library General Fund, HRA General Fund, Assessment Financing, City Debt Service, HRA Debt Service, and City Capital Projects, 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 in the Basic Financial Statements section 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 River Print, Impound Lot, Sewer Utility, Parks Special Services; HRA Loan, HRA Parking and HRA Penfield. 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 Internal Borrowing, Central Services, Equipment Services Fire-Police, Public Works Administration, Fleet Services, Public Works Engineering, Asphalt Plant, Traffic Warehouse, Parks 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, 2018

OVERVIEW OF THE FINANCIAL STATEMENTS

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 Parking, HRA Penfield, and HRA Loan, 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 in the Basic Financial Statements section 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 in the Basic Financial Statements section 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.

Other Supplementary Information

In addition to the basic financial statements and accompanying notes, *Required Supplementary Information*, presents a detailed budgetary comparison schedule for the City General Fund, Assessment Financing Fund, Public Library General Fund and the HRA General Fund to demonstrate compliance with the budget. In accordance with the requirements of GASB Statement No. 75, it also includes a schedule of changes in total Other Postemployment Benefits liability and related ratios. In accordance with the requirements of GASB Statements Nos. 68 and 72, also included, is defined benefit pension plan information: a) schedules of the City's contributions and b) schedules of the City's proportionate share of net pension liability. These schedules can be found in the Required Supplementary Information section of this report. The combining statements 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 in the Supplementary Information section of this report.

CITY OF SAINT PAUL, MINNESOTA

MANAGEMENT'S DISCUSSION AND ANALYSIS For Year Ended December 31, 2018

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 Position* and the *Statement of Changes in Net Position*. These two statements report the City's net position 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 position may serve over time as a useful indicator of a government's financial position. In the case of the City of Saint Paul, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$1,043.7 million as of December 31, 2018.

CONDENSED STATEMENT OF NET POSITION (in thousands of dollars)

	Governmental Activities		Business-type Activities		Total		Total Percent Change
	2018	2017	2018	2017	2018	2017	
Current and Other Assets	\$ 378,162	\$ 406,196	\$ 105,179	\$ 102,177	\$ 483,341	\$ 508,373	(4.92)%
Capital Assets	1,365,974	1,330,172	365,969	365,592	1,731,943	1,695,764	2.13%
Total Assets	\$ 1,744,136	\$ 1,736,368	\$ 471,148	\$ 467,769	\$ 2,215,284	\$ 2,204,137	0.51%
Deferred Outflows of Resources	\$ 169,674	\$ 202,468	\$ 4,194	\$ 4,855	\$ 173,867	\$ 207,323	(16.14)%
Long-Term Liabilities	\$ 923,731	\$ 830,438	\$ 139,184	\$ 139,642	\$ 1,062,915	\$ 970,080	9.57%
Other Liabilities	60,114	61,549	9,855	9,248	69,969	70,797	(1.17)%
Total Liabilities	\$ 983,845	\$ 891,987	\$ 149,039	\$ 148,890	\$ 1,132,884	\$ 1,040,877	8.84%
Deferred Inflows of Resources	\$ 209,873	\$ 229,563	\$ 2,673	\$ 2,563	\$ 212,546	\$ 232,125	(8.43)%
Net Position:							
Net Investments in Capital Assets	\$ 999,762	\$ 942,141	\$ 246,127	\$ 242,228	\$ 1,245,889	\$ 1,184,369	5.19%
Restricted	111,142	152,062	13,545	14,102	124,687	166,164	(24.96)%
Unrestricted	(390,813)	(276,917)	63,958	64,841	(326,855)	(212,076)	54.12%
Total Net Position	\$ 720,091	\$ 817,286	\$ 323,630	\$ 321,171	\$ 1,043,721	\$ 1,138,457	(8.32)%

The largest portion of the City's net position, \$1,245.9 million, 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.

Restricted net position of \$124.7 million represent resources that are subject to external restriction on how they may be used. The remaining balance, unrestricted net position of (\$326.9) 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, 2018

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, 2018. Overall, both the governmental and business-type activities revenue and expenses remained stable. Governmental activities increased the City of Saint Paul's net position by \$50.7 million. Business-type activities increased the City's net position by \$5.1 million.

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

	Governmental Activities		Business-type Activities		Total		Total Percent Change
	2018	2017	2018	2017	2018	2017	
Revenues:							
Program Revenues							
Charges for Services	\$ 149,919	\$ 166,480	\$ 85,801	\$ 79,863	\$ 235,720	\$ 246,343	(4.31)%
Operating Grants and Contributions	44,314	50,836	-	-	44,314	50,836	(12.83)%
Capital Grants and Contributions	17,872	16,718	-	-	17,872	16,718	6.90%
General Revenues							
Property Taxes	170,652	134,686	1,173	1,104	171,825	135,790	26.54%
City Sales Tax	18,758	18,911	-	-	18,758	18,911	(0.81)%
Franchise Fees and Other Taxes	32,586	30,722	-	-	32,586	30,722	6.07%
Local Government Aid	65,072	62,562	-	-	65,072	62,562	4.01%
Grants and Contributions							
Not Restricted	6,834	7,000	545	288	7,379	7,288	1.24%
Investment Income	4,891	5,950	493	668	5,385	6,618	(18.63)%
Gain on Sale of Capital Assets	145	2,793	467	35	612	2,828	(78.36)%
Noncapital Contributions	21,135	21,584	192	761	21,326	22,345	(4.56)%
Miscellaneous	2,746	438	-	-	2,746	438	526.94%
Total Revenues	\$ 534,924	\$ 518,680	\$ 88,671	\$ 82,719	\$ 623,595	\$ 601,399	3.69%

CITY OF SAINT PAUL, MINNESOTA

MANAGEMENT'S DISCUSSION AND ANALYSIS For Year Ended December 31, 2018

FINANCIAL ANALYSIS OF THE GOVERNMENT AS A WHOLE

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

	Governmental Activities		Business-type Activities		Total		Total Percent Change
	2018	2017	2018	2017	2018	2017	
Expenses:							
General Government	\$ 61,547	\$ 73,150	\$ -	\$ -	\$ 61,547	\$ 73,150	(15.86)%
Public Safety	190,931	208,247	-	-	190,931	208,247	(8.32)%
Highway and Streets	78,474	94,872	-	-	78,474	94,872	(17.28)%
Sanitation	10,585	5,636	-	-	10,585	5,636	87.81%
Health	2,256	2,978	-	-	2,256	2,978	(24.24)%
Culture and Recreation	78,840	78,143	-	-	78,840	78,143	0.89%
Housing and Economic Development	45,959	52,014	-	-	45,959	52,014	(11.64)%
Interest and Fiscal Charges	21,390	19,754	-	-	21,390	19,754	8.28%
Sewer	-	-	52,793	47,624	52,793	47,624	10.85%
Development Loan Programs	-	-	1,903	889	1,903	889	114.06%
Parking	-	-	13,389	12,706	13,389	12,706	5.38%
Penfield	-	-	-	4	-	4	(100.00)%
Parks, Recreation and Athletics	-	-	2,789	2,843	2,789	2,843	(1.90)%
Impound Lot	-	-	2,510	2,318	2,510	2,318	8.28%
Printing	-	-	1,109	1,077	1,109	1,077	2.97%
Total Expenses	\$ 489,982	\$ 534,794	\$ 74,493	\$ 67,461	\$ 564,475	\$ 602,255	(6.27)%
Change in Net Position before Transfers and Special Items	\$ 44,942	\$ (16,114)	\$ 14,178	\$ 15,258	\$ 59,120	\$ (856)	(7007.21)%
Transfers	5,793	10,264	(5,793)	(10,264)	-	-	
Special Item	-	-	(3,300)	-	(3,300)	-	
Change in Net Position	\$ 50,735	\$ (5,850)	\$ 5,085	\$ 4,994	\$ 55,820	\$ (856)	(6621.66)%
Net Position, January 1	\$ 817,286	\$ 823,136	\$ 321,171	\$ 316,177	\$ 1,138,457	\$ 1,139,313	(0.08)%
Prior Period Adjustment	(7,345)	-	-	-	(7,345)	-	
Change in Accounting Principle	(140,585)	-	(2,626)	-	(143,211)	-	
Net Position, January 1, Restated	\$ 669,356	\$ 823,136	\$ 318,545	\$ 316,177	\$ 987,901	\$ 1,139,313	(13.29)%
Net Position, December 31	\$ 720,091	\$ 817,286	\$ 323,630	\$ 321,171	\$ 1,043,721	\$ 1,138,457	(8.32)%

CITY OF SAINT PAUL, MINNESOTA

MANAGEMENT'S DISCUSSION AND ANALYSIS For Year Ended December 31, 2018

FINANCIAL ANALYSIS OF THE GOVERNMENT AS A WHOLE

Governmental Activities

Governmental activities increased the City's net position by \$50.7 million, compared to the 2017 decrease of \$5.9 million. Overall, the governmental activities in 2018 were stable, with an increase in revenues and decreased expenses. Revenues increased by \$16.2 million while the expenses decreased by \$44.8 million and the net transfers decreased by \$4.5 million. The decrease in transfers reflects a \$1.7 million reduction in the transfer from the Penfield project and a \$3.5 million reduction in the HRA Loan Fund. The decrease in expenditures can be attributed to the liability calculation for both Pension and Other Postemployment Benefits. Actuarial calculations resulted in lowering these projected long-term liabilities across multiple functions. Functions most impacted by this change were General Government, Public Safety, Highways and Streets, and Housing and Economic Development.

Business-type Activities

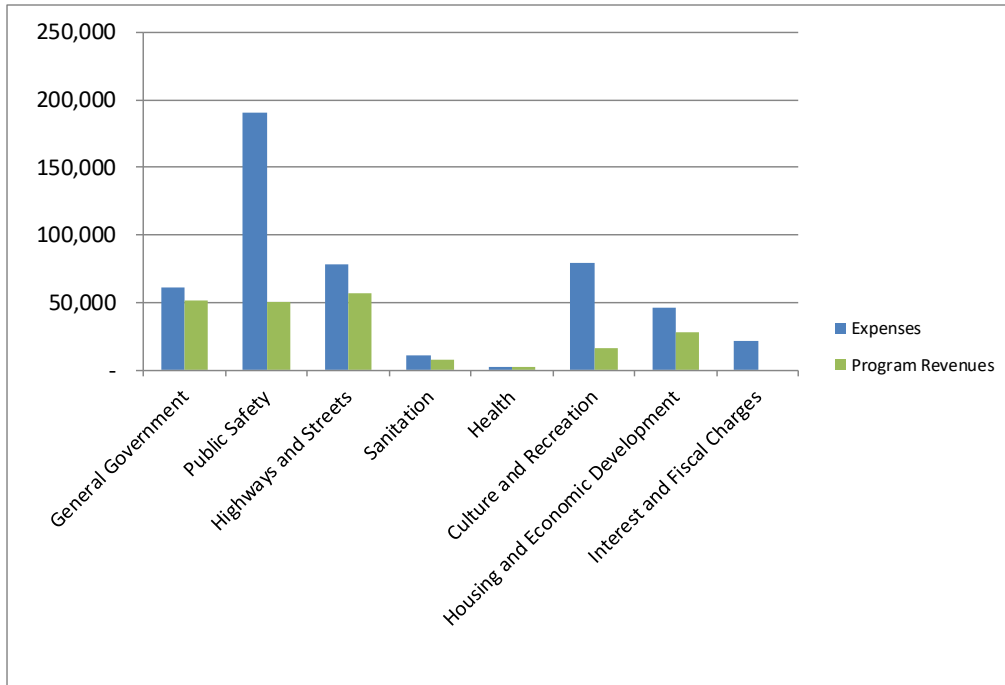
Business-type activities experienced a \$5.1 million increase in net position. This is a result of the revenues increasing by \$6.0 million while the expenses increased by \$7.0 million. The revenue increase is due to increased charges for Sewer (\$2.9 million), Parking Operations (\$1.3 million) and Development Loan Programs (\$0.8 million). The expenditure increase was realized in the same three activities: Sewer (\$5.2 million), Development Loan Programs (\$1.0 million), and Parking Operations (\$0.7 million). The \$5.1 million net position increase is realized after reducing a positive operating variance for revenues and expenses of \$14.2 million by \$5.8 million which represents the net of transfers in and out, and \$3.3 million for a special item. The special item was a settlement agreement that HRA paid to a holding company in order to retain ownership of the World Trade Parking Ramp.

CITY OF SAINT PAUL, MINNESOTA

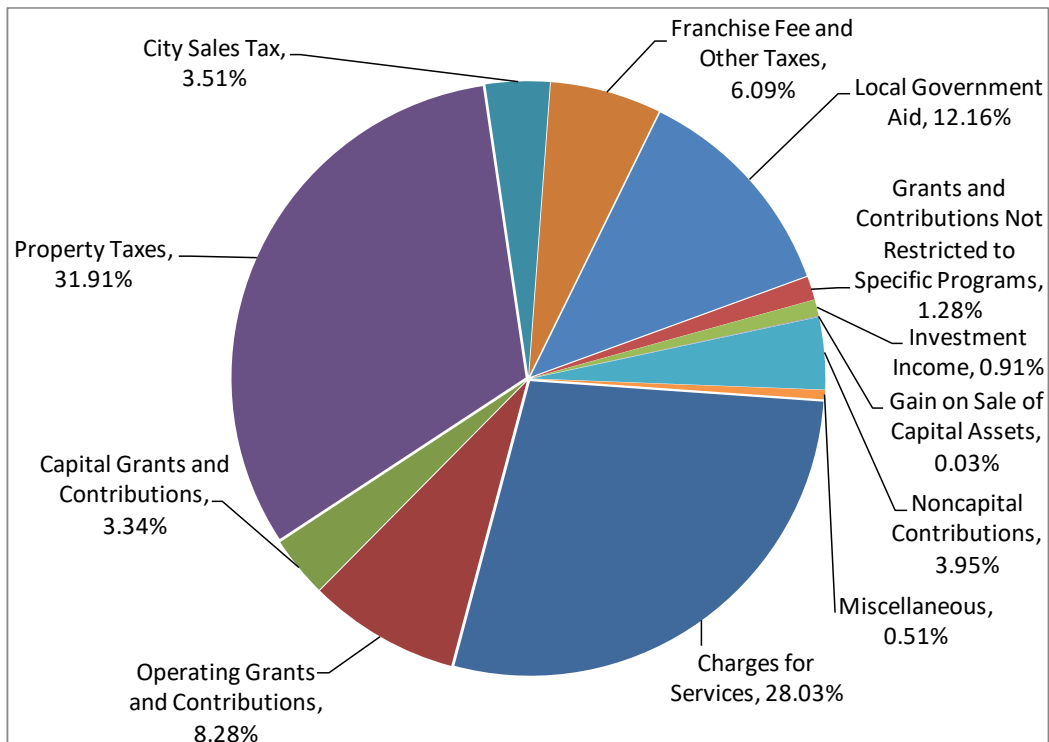
MANAGEMENT'S DISCUSSION AND ANALYSIS For Year Ended December 31, 2018

FINANCIAL ANALYSIS OF THE GOVERNMENT AS A WHOLE

Expenses and Program Revenues – Governmental Activities (in thousands)



Revenue by Source – Governmental Activities

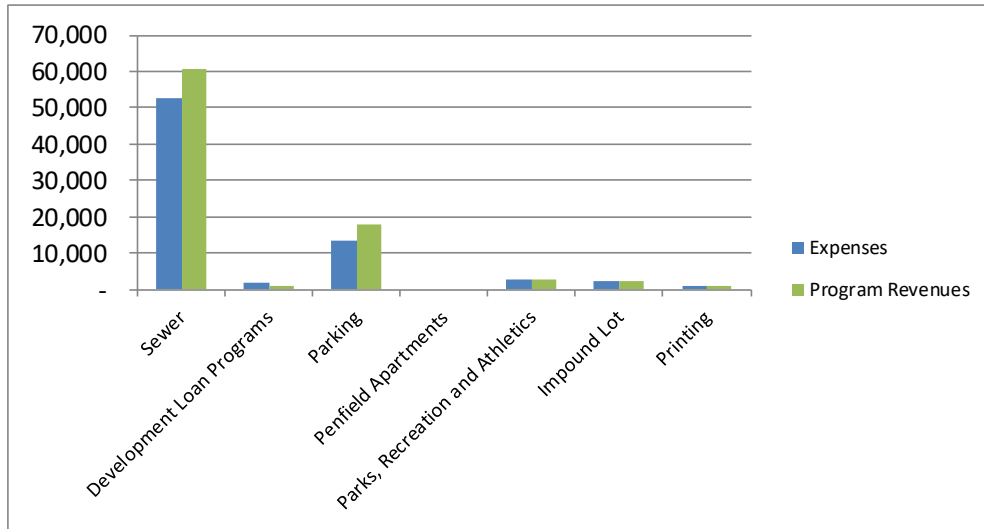


CITY OF SAINT PAUL, MINNESOTA

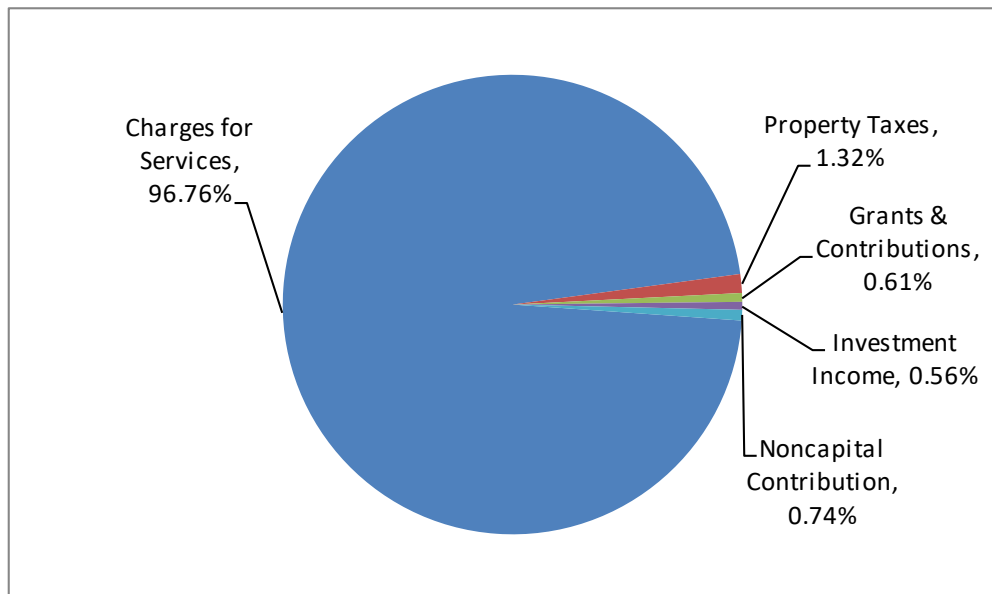
MANAGEMENT'S DISCUSSION AND ANALYSIS For Year Ended December 31, 2018

FINANCIAL ANALYSIS OF THE GOVERNMENT AS A WHOLE

Expenses and Program Revenues – Business-type Activities (in thousands)



Revenues by Source – Business-type Activities



CITY OF SAINT PAUL, MINNESOTA

MANAGEMENT'S DISCUSSION AND ANALYSIS For Year Ended December 31, 2018

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

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, unrestricted fund balances (committed, assigned and unassigned) 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 the current fiscal year, the City of Saint Paul's governmental funds reported combined ending fund balances of \$215.9 million. The majority of the fund balance is either nonspendable or restricted which comprise 51.9% of the total. The rest at 48.1% is unrestricted.

Nonspendable fund balance (less than 0.01% of total) includes amounts that are not in spendable form, or legally or contractually required to be maintained intact. Restricted fund balance comprises 51.9% of the total fund balance. Fund balance is reported as restricted when constraints place on the use of the resources are either externally imposed by the creditors (such as through debt covenants), grantors, other governments or is imposed by law through constitutional provisions or enabling legislation.

Of the total \$103.8 million of unrestricted fund balance, \$35.3 million is committed, \$25.6 million is assigned and \$42.9 million is unassigned. The total unassigned balance is net of the reported balance in the City General Fund of \$58.0 million and the rest are reported in various special revenue funds for (\$7.6) million and capital project funds for (\$7.5) million.

Purposes	Nonspendable	Restricted	Unrestricted			Subtotal	Total
			Committed	Assigned	Unassigned		
Corpus of Permanent Funds	\$ 35,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 35,000
General Government	-	2,946,835	721,562	8,231,700	-	8,953,262	11,900,097
Public Safety	6,775	1,078,680	52,453	192,287	-	244,740	1,330,195
Highways and Streets	-	4,419,782	-	-	-	-	4,419,782
Sanitation	-	-	-	5,197,012	-	5,197,012	5,197,012
Culture and Recreation	-	13,805,871	3,156,893	3,995,664	-	7,152,557	20,958,428
Housing and Economic Development	-	32,942,888	31,332,887	7,967,185	-	39,300,072	72,242,960
Debt Service	-	56,937,604	-	-	-	-	56,937,604
Unassigned	-	-	-	-	42,914,059	42,914,059	42,914,059
Total	\$ 41,775	\$ 112,131,660	\$ 35,263,795	\$ 25,583,848	\$ 42,914,059	\$ 103,761,702	\$ 215,935,137
Percent of Total	0.0%	51.9%	16.3%	11.9%	19.9%	48.1%	100.0%

CITY OF SAINT PAUL, MINNESOTA

MANAGEMENT'S DISCUSSION AND ANALYSIS For Year Ended December 31, 2018

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

General Fund is the chief operating fund of the City. Total fund balance as of December 31, 2018, was \$58.0 million, all but \$6,775 of which was unassigned fund balance. It may be useful to compare unassigned fund balance to total fund balance and total fund expenditures as a measure of the fund's liquidity. Unassigned fund balance represents 99.99% of the total fund balance and 19.0% of the total 2018 fund expenditures including transfers out. The fund balance increased by \$5.3 million during the current fiscal year.

The following table provides an overview of the General Fund revenues by source.

Revenues by Source	2018	2017	Net Change	Total Percent Change
Property Tax	\$ 110,142,221	\$ 81,588,131	\$ 28,554,090	35.00%
Franchise Fees and Other Taxes	29,886,749	28,276,649	1,610,100	5.69%
Intergovernmental	83,378,026	74,837,972	8,540,054	11.41%
Fees, Sales and Services	57,972,849	58,663,613	(690,764)	(1.18)%
Investment Income	2,254,443	2,416,152	(161,709)	(6.69)%
Miscellaneous	2,957,046	967,881	1,989,165	205.52%
Transfers In	10,411,602	9,733,736	677,866	6.96%
Sale of Capital Assets	24,693	2,270,890	(2,246,197)	(98.91)%
Total	<u>\$ 297,027,629</u>	<u>\$258,755,024</u>	<u>\$ 38,272,605</u>	14.79%

Overall, the General Fund revenues increased by \$38.3 million (14.8%) in 2018 as compared to 2017. The largest increase in revenues was in Property Taxes, which were increased as part of the City's restructuring of how Street Maintenance is funded. As part of this change, the General Fund now supports street services such as snow plowing, pothole patching, traffic signs and signals, and pavement markings. Services such as street sweeping, street lighting, and street repair continue to be fee-based.

Other significant increases in revenues were seen in Intergovernmental, and Franchise Fees. For 2018, Saint Paul's Local Government Aid increased \$2.5 million; this is a general-purpose aid intended to be used for property tax relief, from the State of Minnesota. The other significant increase in Intergovernmental Revenue came from state and county revenues for road maintenance that used to be reported in the Right of Way Fund (Fund 230) that are now in the General Fund. This switch of County Road, Trunk Highway, and Municipal State Aids, increased General Fund revenue by \$6.3 million. Franchise Fee revenues increased by \$1.6 million, with payments from Xcel Energy accounting for \$1.2 million of this total.

In 2018, total General Fund revenue in the property tax account category totaled \$110.1 million, which represents an increase of \$28.6 million, or 35%, from 2017. Total property tax levied in 2018 was \$142.2 million, a 25.4% increase over 2017. The General Fund's portion of current year collections was \$106.6 million or 74.9% of the city-wide total. The remaining portion of the property tax levy supports the Public Library General Fund, in the amount of \$17.9 million or 12.6%, the HRA General fund for \$3.8 million or 2.7% and the City Debt Service Fund for \$13.9 million or 9.8% of the overall tax levy. In addition to the current year property tax revenue of \$106.6 million, delinquent property tax collections totaled \$0.5 million and the balance of the overall property tax revenue is from \$3.1 million in Tax Increment Financing collections.

CITY OF SAINT PAUL, MINNESOTA

MANAGEMENT'S DISCUSSION AND ANALYSIS For Year Ended December 31, 2018

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

The following table provides an overview of the General Fund expenditures by function.

Expenditures by Function	2018	2017	Net Change	Total Percent Change
General Government	\$ 46,843,262	\$ 45,562,004	\$ 1,281,258	2.81%
Public Safety	176,574,536	170,980,396	5,594,140	3.27%
Highways and Streets	25,690,741	2,250,027	23,440,714	1041.80%
Culture and Recreation	33,755,118	29,381,549	4,373,569	14.89%
Miscellaneous	887,152	657,907	229,245	34.84%
Debt	965	2,009	(1,044)	(51.97)%
Transfers Out	7,967,331	6,197,692	1,769,639	28.55%
Total	<u>\$ 291,719,105</u>	<u>\$255,031,584</u>	<u>\$ 36,687,521</u>	14.39%

Total General Fund expenditures increased by \$36.7 million or 14.4% as compared to 2017.

Highways and Streets increased by \$23.4 million compared to 2017. The increase was due to most street maintenance costs being moved from the Right of Way Maintenance Fund to the General Fund.

Public Safety expenditures increased by \$5.6 million compared to 2017. The increase was mainly due to increased personnel costs for Fire Fighting, Paramedics and Police operations compared to 2017.

General Government increased by \$1.3 million compared to 2017. Departments with the largest increases were General Government Accounts (\$0.7 million) and City Attorney (\$0.3 million). The combined increase for Technology, Financial Services, Human Resources and Human Rights was \$0.3 million.

Culture and Recreation increased by \$4.4 million compared to 2017. Over \$4.7 million was moved from the Street Maintenance Program in the Right of Way Maintenance Fund to the General Fund. These resources were for tree trimming and removal on City streets.

Transfers Out increased by \$1.8 million compared to 2017. This increase represents General Fund support for the street maintenance program in the Right of Way Maintenance Fund.

Assessment Financing Fund accounts for monies from assessments and fees charged for the building of capital projects, Truth-In-Sale of Housing, Nuisance Housing Abatement, Code Enforcement and the Rental Registration program. The fund is reporting a fund balance of \$7.1 million on December 31, 2018.

Public Library General Fund accounts for the general operations of the Saint Paul Public Library. The purpose of separating the Public Library from the City General Fund was to increase its visibility within the community. Revenues to support the agency are from property taxes and outside grants. Revenues reported from these sources, including transfers in, totaled \$18.5 million, with expenditures including transfers out of \$18.2 million. The fund is reporting a fund balance of \$2.5 million on December 31, 2018.

CITY OF SAINT PAUL, MINNESOTA

MANAGEMENT'S DISCUSSION AND ANALYSIS For Year Ended December 31, 2018

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

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, 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 decreased during 2018 by \$1.3 million from the January 1, 2018, fund balance to a total of \$9.2 million at December 31, 2018, due to an increase in administrative costs.

City Debt Service Fund accounts for the revenues and expenditures relating to the City's general obligation debt that is supported by property tax revenues. In 2018, \$14.0 million was received in taxes, \$0.5 million more than in 2017. The transfers in of \$43.5 million have increased by \$8.7 million. The total fund revenues and other financing sources such as transfers in and bonds and notes issued, were \$101.6 million and the fund expenditures and transfers in 2018 totaled \$109.5 million. The fund balance of \$49.1 million at the end of the fiscal year is to be used for future debt service payments.

HRA General Debt Service Fund accumulates resources and pays debt service for the HRA's debt that is not financed by the HRA's three enterprise funds. Debt service on the bonds is financed by property tax increments, lease payments from the City, and investment earnings. At December 31, 2018, the fund balance is \$7.9 million, which is entirely restricted for future debt service. Total debt spending during 2018 was \$5.1 million.

City Capital Projects Fund accounts for the major capital improvement projects relating to City-owned capital assets. The fund has a total fund balance of \$9.9 million. This represents a decrease in fund balance from the restated January 1, 2018 fund balance during 2018 of \$30.6 million. This is mainly due to expenditures for capital outlay which was higher than the bond proceeds received.

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 Enterprise Fund performance in 2018 ended with an unrestricted net position balance of \$38.1 million at December 31, 2018. The total net position increased in 2018 by \$4.2 million from the restated January 1, 2018 fund balance. Total cash is being maintained in the \$30-\$40 million range; total cash balance at December 31, 2018 was \$52.0 million. Revenues are being increased with a three-and-a-half percent (3.5%) increase in sanitary rates and a three-and-a-half percent (3.5%) increase in storm rates, which was recommended by the Mayor and adopted by the City Council in late 2017 for implementation on January 1, 2018.

The Sewer Utility Enterprise Fund anticipates maintaining the current unrestricted net position. At this time, the restrictions placed on resources in the Sewer Utility Enterprise Fund are those related to outstanding debt service (\$9.4 million). In September 2018, Standard & Poor's Rating Group assigned the Sewer Utility their rating of revenue bonds as AAA/Stable.

CITY OF SAINT PAUL, MINNESOTA

MANAGEMENT'S DISCUSSION AND ANALYSIS For Year Ended December 31, 2018

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

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 position totaling \$19.1 million at December 31, 2018. The assets of the fund include loans receivable and accrued interest on these loans which are reported at \$3.7 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 \$16.3 million at December 31, 2018. The fund had an overall decrease in net position of \$0.1 million for 2018.

The **HRA Parking Enterprise Fund** accounts for the operation of HRA-owned parking facilities in Saint Paul. The fund has unrestricted net position of \$21.4 million at December 31, 2018. Assets in the fund include capital assets for parking facilities reported at the depreciated amount of \$79.4 million. Long-term debt used for financing the construction of the parking facilities is \$43.4 million in principal outstanding at December 31, 2018. The fund had operating income of \$6.2 million during 2018.

The **HRA Penfield Fund** accounts for the Penfield Apartments. Cash and investments are reported at \$0.6 million at December 31, 2018. The Fund had an overall net position of \$0.6 million at December 31, 2018, all of which was unrestricted. The Penfield Apartments were sold on September 22, 2016, but cash is being held until the final escrow from the water remediation is returned to the HRA.

CITY OF SAINT PAUL, MINNESOTA

MANAGEMENT'S DISCUSSION AND ANALYSIS For Year Ended December 31, 2018

GENERAL FUND BUDGETARY HIGHLIGHTS

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 the City Council during the year. The General Fund finished the year with a total appropriation of \$291.9 million, of which the adopted budget, including transfers, was \$289.6 million and \$2.3 million of 2017 budget authority carried forward to 2018.

The 2018 actual spending including transfers out was \$291.7 million, as compared to the final budget of \$291.9 million, resulted in a \$0.2 million positive budget-to-actual variance. Actual expenditures were 99.95% of the final budgeted amount.

The 2018 actual financing including transfers in was \$297.0 million compared to the final budget of \$290.4 million, and resulted in a positive variance of \$6.7 million. Actual revenues were 102.3% of the final budgeted amount.

Overall, the General Fund budget to actual results reflected a positive variance of \$6.8 million, with an actual net change in fund balance of \$5.3 million.

CITY OF SAINT PAUL, MINNESOTA

MANAGEMENT'S DISCUSSION AND ANALYSIS For Year Ended December 31, 2018

CAPITAL ASSETS

At the end of 2018, the City had invested a total of \$1,731.9 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 \$15.0 million.

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

Public Works completed its 23rd year of the Saint Paul Streets (SPS) Program formerly known as the Residential Street Vitality Program (RSVP) by awarding Woodlawn/Jefferson Residential Phase I, Wheelock Parkway and Como Avenue for a total of \$11.2 million of Street Reconstruction Bonds.

Public Works also awarded the Margaret Bicycle and Ped Improvements, Grand Avenue Ped Safety Improvements, Expo Area Safe Routes to School, Pascal/Snelling Improvements, and Wilson Mill and Overlay projects for a total of \$23.7 million of Municipal State Aid, Federal Grants and local funding.

Public Works completed project work on Como Avenue, Grand Avenue Ped Safety Improvements, Expo Area Safe Routes to School, Pascal/Snelling Improvements and Wilson Mill and Overlay projects. Public Works continued design work on the Summit Avenue Bridge and started design work on the Johnson Parkway Trail and Como Avenue Trail projects.

The Sewer System Rehabilitation program is now in its 21st year. The Cherokee Heights Hydrodynamic Stormwater Treatment Device, Phase 2 Phalen Creek Storm Tunnel Rehab, St. Peter-Rondo Emergency Storm Tunnel, 2017 Citywide Sewer Repairs, and Sibley Lift Station Renovation Projects were completed in 2018. In 2018, the City awarded contracts for the following projects: Cherokee Heights Upper Ravine Stabilization, Broadway Lift Station Renovation, 2018 Citywide Sewer Lining, and Phase 3 Phalen Creek Storm Tunnel Rehab Projects.

CITY OF SAINT PAUL, MINNESOTA

MANAGEMENT'S DISCUSSION AND ANALYSIS For Year Ended December 31, 2018

CAPITAL ASSETS

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

	Governmental Activities		Business-type Activities		Total		Total Percent Change
	2018	2017	2018	2017	2018	2017	
Land	\$ 170,781	\$ 169,278	\$ 31,540	\$ 31,540	\$ 202,321	\$ 200,818	0.75%
Buildings and Structures	436,812	422,000	53,498	55,616	490,310	477,616	2.66%
Improvements other than Buildings	94,551	88,476	-	-	94,551	88,476	6.87%
Public Improvements	-	-	274,833	275,792	274,833	275,792	(0.35)%
Equipment	39,599	40,858	1,911	1,882	41,510	42,740	(2.88)%
Infrastructure	496,277	493,906	-	-	496,277	493,906	0.48%
Construction in Progress	127,954	115,654	4,188	762	132,142	116,416	13.51%
Total	\$ 1,365,974	\$ 1,330,172	\$ 365,970	\$ 365,592	\$ 1,731,944	\$ 1,695,764	2.13%

Additional information on the City of Saint Paul's capital assets can be found in Note VI.E in the Notes to the Financial Statements section of this report.

CITY OF SAINT PAUL, MINNESOTA

MANAGEMENT'S DISCUSSION AND ANALYSIS For Year Ended December 31, 2018

LONG-TERM OBLIGATIONS

During 2018, the City issued \$70.6 million in bonds and \$4.0 million in notes, and retired \$92.8 million in bonds and \$11.3 million in notes, resulting in \$484.0 million in bonds payable and \$65.5 million in notes payable at the end of 2018. Of the bonded debt, \$217.0 million is considered to be gross direct general property tax supported debt; considering the \$49.1 million available in the City Debt Service Fund the net general property tax supported debt at year end was \$167.9 million or \$536 per capita.

The City's General Obligation bonds issued in 2018 the City received AAA ratings from Standard & Poor's Global Ratings and Fitch Ratings. The Sewer Revenue bonds issued in 2018 received a AAA rating from Standard & Poor's Global Ratings and were the City's third issuance to carry the Green Bond designation.

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

	Governmental Activities		Business-type Activities		Total		Total Percent Change
	2018	2017	2018	2017	2018	2017	
General Obligation Bonds	\$248,473	\$260,735	\$ 13,175	\$ 16,350	\$261,648	\$277,085	(5.57)%
Revenue Bonds	-	-	79,620	77,560	79,620	77,560	2.66%
Sales Tax Revenue Bonds	88,995	94,575	-	-	88,995	94,575	(5.90)%
HRA Tax Increment Revenue Bonds	22,939	24,344	-	-	22,939	24,344	(5.77)%
HRA Parking Facilities Revenue Bonds	-	-	27,620	28,945	27,620	28,945	(4.58)%
HRA Lease Revenue Bonds	3,150	3,605	-	-	3,150	3,605	(12.62)%
General Obligation Notes	5,000	7,572	-	-	5,000	7,572	(33.97)%
Revenue Notes	44,065	46,613	1,696	2,856	45,761	49,469	(7.50)%
HRA Revenue Notes	10,955	11,850	3,786	3,880	14,741	15,730	(6.29)%
Total	\$423,577	\$449,294	\$125,897	\$129,591	\$549,474	\$578,885	(5.08)%

Additional information on the City of Saint Paul's long-term obligations can be found in Note VI.G in the Notes to the Financial Statements section of this report.

CITY OF SAINT PAUL, MINNESOTA

MANAGEMENT'S DISCUSSION AND ANALYSIS For Year Ended December 31, 2018

CURRENTLY KNOWN FACTS/ECONOMIC CONDITIONS

Financial Outlook

The Saint Paul Annual Operating Budget, in particular the City's General Fund and the Public Library's General Fund remain heavily influenced by state decisions regarding the state aid payments, called Local Government Aid (LGA).

In 2008, 2009, 2010, 2011, and 2012, the State had significant budget deficits which were resolved in part by sharply reducing aid payments to local governments. The reductions in aid occurred after the City had adopted its annual budgets for each of those years. Saint Paul took actions to mitigate the reductions by instituting hiring and spending freezes, as well as a limited use of available fund balance in excess of its fund balance policy requirements. These actions brought the City's budget back in line with forecasted revenues.

State aid payments are the second largest source of revenue in the City's General Fund budget. After years of reductions in LGA certifications, the State Legislature in 2013 increased LGA by \$10.1 million bringing the City's certified amount to \$60.1 million. In the 2014 and 2015 legislative sessions, Saint Paul continued to see increased certified amounts, first with an additional \$1.4 million in 2014 for the City's 2015 fiscal year and \$449 thousand in 2015 for fiscal year 2016 bringing the total LGA certification to \$62.3 million. During the 2017 legislative session an omnibus bill was not passed. This resulted in Saint Paul's LGA certification remaining mostly flat, increasing by \$224 thousand to \$62.6 million. In 2018 the Legislature passed an LGA increase of 4%, to \$65.1 million.

The LGA increases approved during the 2013 through 2015 legislative sessions were good steps forward towards a continued balanced and predictable state/local fiscal relationship. While the increase in 2018 was a welcome change from the 2017 result, the inconsistency of the State of Minnesota's ongoing commitment to funding LGA makes local government budget planning and service delivery less predictable for the citizens of Saint Paul.

The Mayor is committed to working closely with the City Council to address any budgetary concerns by continued evaluation of management measures to restructure and resize service delivery systems and balance the need for growth in local revenues. The City will continue to address citizen concerns for both current level of property taxation and preserving the scope and quality of municipal services.

CITY OF SAINT PAUL, MINNESOTA

MANAGEMENT'S DISCUSSION AND ANALYSIS For Year Ended December 31, 2018

CURRENTLY KNOWN FACTS/ECONOMIC CONDITIONS

Employment Outlook

The 2018 annual average unemployment rate for the City of Saint Paul was reported by the Bureau of Labor Statistics at 2.8%, compared to the state unemployment rate of 3.2% and a U.S. average rate of 3.7%. Saint Paul has a balanced, diversified employment base with no single industry sector dominating. Employment is not overly reliant on slowing and cyclical sectors, like manufacturing, but is centered with stable and growing employment sectors. Saint Paul's largest employment sector is health care and social assistance (46,146 jobs in 2018, 31.1% of total). Other large sectors include public administration (23,940 jobs, 13.9%); professional and accommodation and food services (12,460 jobs, 7.2%) according to Minnesota Department of Employment and Economic Development.

For 2018, Saint Paul employers paid an average of \$60,850 annually compared to the 2017 average of \$58,825, which represents an increase of 3.4%. An average wage in the Metro increased by 2.8% (\$71,188 vs. \$69,264) and by 3.4% statewide (\$58,032 vs. \$56,147) during the same period.

REQUESTS FOR INFORMATION

The financial report is designed to provide our citizens, customers, investors and creditors with a 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: Chris Eitemiller, Accounting Manager, at 15 W. Kellogg Boulevard, Room 110; Saint Paul, Minnesota 55102, call 651-266-8547, or e-mail chris.eitemiller@ci.stpaul.mn.us.

General information relating to the City of Saint Paul, Minnesota, can be found at the City's internet website, www.stpaul.gov.

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	Primary Government		Totals	Component Units
	Governmental Activities	Business-Type Activities		
ASSETS				
Cash and Investments	\$ 244,840,481	\$ 67,875,389	\$ 312,715,870	\$ 32,088,670
Investments	-	4,825,086	4,825,086	24,367,153
Receivables (Net of Allowance for Uncollectibles)	71,359,338	6,928,798	78,288,136	11,340,746
Due from Component Units	16,841	3,563,608	3,580,449	-
Due from Primary Government	-	-	-	83,905
Due from Other Governmental Units	33,185,449	119,633	33,305,082	612,480
Internal Balances	8,039,218	(8,039,218)	-	-
Inventories	10,629,085	4,813,330	15,442,415	2,355,787
Other Assets	-	-	-	471,896
Restricted Cash and Investments	250,300	20,838,943	21,089,243	48,189,724
Long Term Receivables	9,841,470	4,253,744	14,095,214	118,146,224
Capital Assets Not Being Depreciated				
Land	170,780,974	31,539,972	202,320,946	12,086,932
Construction in Progress	127,953,957	4,187,592	132,141,549	19,181,083
Capital Assets Net of Accumulated Depreciation				
Buildings and Structures	436,812,303	53,497,740	490,310,043	57,842,635
Improvements Other than Buildings	94,550,939	-	94,550,939	-
Public Improvements	-	274,833,314	274,833,314	258,705,024
Equipment	39,598,576	1,910,526	41,509,102	26,449,273
Infrastructure	496,276,948	-	496,276,948	-
Total Assets	1,744,135,879	471,148,457	2,215,284,336	611,921,532
DEFERRED OUTFLOWS OF RESOURCES				
Unrealized Loss on Derivatives	4,619,982	-	4,619,982	-
Deferred Loss on Debt Refunding	-	1,600,047	1,600,047	354,545
Deferred Other Postemployment Benefits Outflows	20,171,081	395,661	20,566,742	1,432,289
Deferred Pension Outflows	144,882,651	2,197,864	147,080,515	2,503,964
Total Deferred Outflows of Resources	169,673,714	4,193,572	173,867,286	4,290,798
LIABILITIES				
Accounts Payable and Other Current Liabilities	27,832,861	3,482,322	31,315,183	6,002,662
Accrued Salaries	16,837,800	420,124	17,257,924	1,278,155
Due to Component Units	-	83,905	83,905	-
Due to Primary Government	-	-	-	3,580,449
Due to Other Governmental Units	4,105,113	30,621	4,135,734	3,137,775
Liabilities Payable from Restricted Assets	-	4,166,229	4,166,229	72,600,555
Unearned Revenue	11,338,265	1,671,648	13,009,913	10,820,346
Noncurrent Liabilities:				
Due Within One Year	55,354,380	6,291,752	61,646,132	20,275
Due in More than One Year	481,997,163	123,165,436	605,162,599	136,830,531
Pollution Remediation Obligation	241,000	-	241,000	-
Other Postemployment Benefits Liability	211,549,457	4,149,581	215,699,038	15,425,511
Net Pension Liability	174,589,330	5,577,514	180,166,844	13,254,123
Total Liabilities	983,845,369	149,039,132	1,132,884,501	262,950,382
DEFERRED INFLOWS OF RESOURCES				
Deferred Gain on Debt Refunding	-	331,640	331,640	-
Deferred Pension Inflows	209,872,971	2,340,880	212,213,851	3,824,223
Total Deferred Inflows of Resources	209,872,971	2,672,520	212,545,491	3,824,223
NET POSITION				
Net Investment in Capital Assets	999,762,371	246,127,072	1,245,889,443	316,558,201
Restricted for:				
General Government	2,946,835	-	2,946,835	-
Highways and Streets	4,419,782	-	4,419,782	-
Culture and Recreation	13,805,871	-	13,805,871	-
Economic Development	32,942,888	-	32,942,888	-
Debt Service	56,937,604	12,654,019	69,591,623	-
Permanent Activities				
Expendable	53,782	-	53,782	-
Nonexpendable	35,000	-	35,000	-
Operations and Maintenance	-	-	-	15,989,730
Grantors	-	890,805	890,805	-
Unrestricted	(390,812,880)	63,958,481	(326,854,399)	16,889,794
Total Net Position	\$ 720,091,253	\$ 323,630,377	\$ 1,043,721,630	\$ 349,437,725

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

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position			Component Units
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			
					Governmental Activities	Business-Type Activities	Totals	
Primary Government								
Governmental Activities								
General Government	\$ 61,546,618	\$ 36,344,237	\$ 14,560,995	\$ -	\$ (10,641,386)	\$ -	\$ (10,641,386)	\$ -
Public Safety	190,930,617	43,242,191	7,284,808	-	(140,403,618)	-	(140,403,618)	-
Highways and Streets	78,474,590	38,149,221	1,172,816	17,872,096	(21,280,457)	-	(21,280,457)	-
Sanitation	10,585,400	7,928,324	-	-	(2,657,076)	-	(2,657,076)	-
Health	2,256,115	2,564,228	-	-	308,113	-	308,113	-
Culture and Recreation	78,839,668	9,929,397	5,676,107	-	(63,234,164)	-	(63,234,164)	-
Housing and Economic Development	45,959,207	11,761,515	15,619,668	-	(18,578,024)	-	(18,578,024)	-
Interest and Fiscal Charges	21,389,798	-	-	-	(21,389,798)	-	(21,389,798)	-
Total Governmental Activities	489,982,013	149,919,113	44,314,394	17,872,096	(277,876,410)	-	(277,876,410)	-
Business-Type Activities								
Sewer	52,792,986	60,572,343	-	-	-	7,779,357	7,779,357	-
Development Loan Programs	1,903,076	1,087,678	-	-	-	(815,398)	(815,398)	-
Parking Operations	13,389,391	17,921,793	-	-	-	4,532,402	4,532,402	-
Penfield	460	-	-	-	-	(460)	(460)	-
Parks, Recreation and Athletics	2,788,463	2,637,599	-	-	-	(150,864)	(150,864)	-
Impound Lot	2,510,014	2,355,391	-	-	-	(154,623)	(154,623)	-
Printing	1,108,368	1,226,192	-	-	-	117,824	117,824	-
Total Business-Type Activities	74,492,758	85,800,996	-	-	-	11,308,238	11,308,238	-
Total Primary Government	\$ 564,474,771	\$ 235,720,109	\$ 44,314,394	\$ 17,872,096	\$ (277,876,410)	\$ 11,308,238	\$ (266,568,172)	\$ -
Component Units								
RiverCentre Convention & Visitors Authority	\$ 18,990,223	\$ 10,851,721	\$ 642,498	\$ 2,845,858	\$ -	\$ -	\$ -	\$ (4,650,146)
Regional Water Services	49,302,975	63,616,480	223,777	1,071,098	-	-	-	15,608,380
Port Authority	29,498,486	12,067,685	2,843,683	-	-	-	-	(14,587,118)
Total Component Units	\$ 97,791,684	\$ 86,535,886	\$ 3,709,958	\$ 3,916,956	\$ -	\$ -	\$ -	\$ (3,628,884)
General Revenues								
Taxes								
Property Taxes, Levied for General Purposes					\$ 151,441,387	\$ 1,173,264	\$ 152,614,651	\$ -
Property Taxes, Levied for Debt Service					19,210,611	-	19,210,611	9,422,807
City Sales Tax					18,757,724	-	18,757,724	-
Gross Earnings Franchise Fee					27,450,712	-	27,450,712	-
Other Taxes					5,135,181	-	5,135,181	2,353,149
Revenues Not Restricted to Specific Programs								
Local Government Aid					65,071,723	-	65,071,723	-
Grants and Contributions					6,833,488	544,830	7,378,318	-
Investment Income								
Interest Earned on Investments					5,993,768	84,261	6,078,029	1,392,462
Increase (Decrease) in Fair Value of Investments					(1,648,015)	(141,065)	(1,789,080)	(731,629)
Other Investment Income					544,953	549,622	1,094,575	-
Gain on Sale of Capital Assets					145,388	467,400	612,788	120,487
Noncapital Contributions					21,135,382	192,035	21,327,417	-
Miscellaneous					2,746,605	-	2,746,605	1,016,952
Transfers					5,792,962	(5,792,962)	-	-
Special Item - Purchase Option Settlement (Note III.C.4)					-	(3,300,000)	(3,300,000)	-
Total General Revenues, Transfers, and Special Items					328,611,869	(6,222,615)	322,389,254	13,574,228
Change in Net Position					50,735,459	5,085,623	55,821,082	9,945,344
Net Position, January 1					817,286,349	321,171,440	1,138,457,789	347,874,182
Prior Period Adjustment (Note III.C.2-3)					(7,344,941)	-	(7,344,941)	-
Change in Accounting Principle (Note III.C.1)					(140,585,614)	(2,626,686)	(143,212,300)	(8,381,801)
Net Position, January 1, Restated					669,355,794	318,544,754	987,900,548	339,492,381
Net Position, December 31					\$ 720,091,253	\$ 323,630,377	\$ 1,043,721,630	\$ 349,437,725

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

	General	Assessment Financing	Public Library General Fund	HRA General Fund	City Debt Service
ASSETS					
Cash and Investments with Treasurer	\$ 46,660,085	\$ 7,597,245	\$ 3,259,739	\$ 8,285,876	\$ 35,708,620
Cash and Investments with Trustees	-	-	-	-	13,024,636
Imprest Funds	21,975	-	-	-	-
Accrued Interest Receivable on Investments	567,839	-	-	80,276	213,033
Property Tax Receivable:					
Due from Ramsey County	2,184,730	-	361,747	51,678	281,300
Delinquent	1,449,193	-	267,064	54,561	203,512
Accounts Receivable (Net of Allowance)	3,595,076	-	-	423,975	75
Assessments Receivable	-	28,044,467	-	-	11,933,831
Due from Other Governmental Units	2,748,407	-	-	-	-
Notes and Loans Receivable	-	-	-	10,609	-
Due from Xcel Energy	1,180,664	-	-	-	-
Due from Other Funds	19,851,647	-	-	-	-
Due from Component Units	-	-	-	-	-
Land Held for Resale	-	-	-	325,236	-
Restricted Cash and Cash Equivalents	-	-	-	-	-
Advance to Other Funds	-	-	-	730,558	-
Prepaid Items	6,775	-	-	-	-
TOTAL ASSETS	\$ 78,266,391	\$ 35,641,712	\$ 3,888,550	\$ 9,962,769	\$ 61,365,007
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities					
Accrued Salaries Payable	\$ 13,383,830	\$ 7,906	\$ 768,784	\$ -	\$ 15,759
Accounts Payable	2,494,330	1,180	165,813	7,034	23,911
Contracts/Retention Payable	-	-	-	254,684	-
Due to Other Funds	6,624	-	-	-	-
Due to Other Governmental Units	1,066,211	522	49,724	-	1,008
Advance from Other Funds	21,702	515,495	-	-	-
Unearned Revenue	-	188,562	-	-	-
Total Liabilities	16,972,697	713,665	984,321	261,718	40,678
Deferred Inflows of Resources					
Unavailable Revenue	3,316,477	27,827,547	365,915	468,292	12,252,494
Fund Balance					
Nonspendable	\$ 6,775	\$ -	\$ -	\$ -	\$ -
Restricted	-	-	-	-	49,071,835
Committed	-	-	2,100,105	4,696,182	-
Assigned	-	7,100,500	438,209	4,536,577	-
Unassigned	57,970,442	-	-	-	-
Total Fund Balances	57,977,217	7,100,500	2,538,314	9,232,759	49,071,835
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 78,266,391	\$ 35,641,712	\$ 3,888,550	\$ 9,962,769	\$ 61,365,007

	HRA Debt Service	City Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS				
Cash and Investments with Treasurer	\$ 4,296,910	\$ 19,242,383	\$ 79,814,551	\$ 204,865,409
Cash and Investments with Trustees	3,530,012	-	374,411	16,929,059
Imprest Funds	-	-	59,760	81,735
Accrued Interest Receivable on Investments	86,982	104,850	377,783	1,430,763
Property Tax Receivable:				
Due from Ramsey County	19,605	-	147,371	3,046,431
Delinquent	19,325	-	48,219	2,041,874
Accounts Receivable (Net of Allowance)	3,207	-	1,638,602	5,660,935
Assessments Receivable	-	-	13,449,029	53,427,327
Due from Other Governmental Units	-	19,758,428	10,110,847	32,617,682
Notes and Loans Receivable	-	-	6,082,679	6,093,288
Due from Xcel Energy	-	-	-	1,180,664
Due from Other Funds	-	-	-	19,851,647
Due from Component Units	-	16,841	-	16,841
Land Held for Resale	-	-	6,390,015	6,715,251
Restricted Cash and Cash Equivalents	-	-	250,300	250,300
Advance to Other Funds	-	-	13,600,317	14,330,875
Prepaid Items	-	-	-	6,775
TOTAL ASSETS	<u>\$ 7,956,041</u>	<u>\$ 39,122,502</u>	<u>\$ 132,343,884</u>	<u>\$ 368,546,856</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities				
Accrued Salaries Payable	\$ -	\$ -	\$ 1,245,607	\$ 15,421,886
Accounts Payable	4,207	6,794,800	5,204,228	14,695,503
Contracts/Retention Payable	-	2,985,283	-	3,239,967
Due to Other Funds	-	165,000	6,087,629	6,259,253
Due to Other Governmental Units	-	57,333	2,838,557	4,013,355
Advance from Other Funds	-	471,893	15,826,888	16,835,978
Unearned Revenue	-	-	8,661,652	8,850,214
Total Liabilities	<u>4,207</u>	<u>10,474,309</u>	<u>39,864,561</u>	<u>69,316,156</u>
Deferred Inflows of Resources				
Unavailable Revenue	86,065	18,792,315	20,186,458	83,295,563
Fund Balance				
Nonspendable	\$ -	\$ -	\$ 35,000	\$ 41,775
Restricted	7,865,769	17,340,263	37,853,793	112,131,660
Committed	-	-	28,467,508	35,263,795
Assigned	-	-	13,508,562	25,583,848
Unassigned	-	(7,484,385)	(7,571,998)	42,914,059
Total Fund Balances	<u>7,865,769</u>	<u>9,855,878</u>	<u>72,292,865</u>	<u>215,935,137</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 7,956,041</u>	<u>\$ 39,122,502</u>	<u>\$ 132,343,884</u>	<u>\$ 368,546,856</u>

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**CITY OF SAINT PAUL, MINNESOTA
 RECONCILIATION OF THE GOVERNMENTAL FUND BALANCE SHEET AND
 THE GOVERNMENT - WIDE STATEMENT OF NET POSITION
 DECEMBER 31, 2018**

**Statement 4
 (Page 1 of 1)**

Total Fund Balances - Governmental Funds \$ 215,935,137

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

Capital assets used in governmental funds are not financial resources and, therefore, are not reported in the funds. 1,350,939,408

Some receivables that are not currently available are reported as deferred inflows of resources in the fund financial statements, but are recognized as revenue when earned in the government-wide statements, excluding the provision for an allowance for uncollectible taxes. 83,295,563

Internal Service funds are used by management to charge the costs of various services provided to individual funds. The assets, deferred outflows of resources, liabilities, and deferred inflows of resources of the internal service funds are included in governmental activities in the Statement of Net Position. 1,578,161

Most deferred inflows and deferred outflows are recorded only on the government-wide Statement of Net Position and some liabilities, including long-term debt, are not due and payable in the current period and, therefore, are not reported in the funds. (931,657,016)

Net Position of Governmental Activities \$ 720,091,253

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

CITY OF SAINT PAUL, MINNESOTA
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2018

Statement 5
(Page 1 of 2)

	General	Assessment Financing	Public Library General Fund	HRA General Fund	City Debt Service
REVENUES					
Taxes					
Property Taxes					
Current Taxpayer	\$ 106,567,689	\$ -	\$ 17,917,310	\$ 3,813,626	\$ 13,946,095
Current Tax Increment	2,899,973	-	-	-	-
Delinquent Taxpayer	492,074	-	84,354	14,325	62,285
Delinquent Tax Increment	182,485	-	-	-	-
Total Property Taxes	110,142,221	-	18,001,664	3,827,951	14,008,380
City Sales Tax					
Gross Earnings Franchise Fees	27,450,712	-	-	-	-
Hotel-Motel Tax	2,423,538	-	-	-	-
Other Taxes	12,499	-	-	-	-
Total Taxes	140,028,970	-	18,001,664	3,827,951	14,008,380
Licenses and Permits					
Intergovernmental Revenue (Schedule 9)	83,378,026	-	32,047	-	3,183,402
Fees, Sales and Services	45,042,565	-	-	2,550,140	3,631,344
Assessment Financing	82,406	6,920,857	-	-	3,394,889
Investment Income					
Interest Earned on Investments	2,603,361	-	-	324,360	1,059,748
Increase (Decrease) in Fair Value of Investments	(348,918)	-	-	(171,184)	(476,174)
Interest Earned - Other	-	-	-	-	-
Miscellaneous Revenue					
Contributions from Other Sources	298,098	-	473	-	5,498,159
Program Income	650	-	-	-	-
Other	2,658,298	-	2,112	-	-
Total Revenues	286,591,334	6,920,857	18,036,296	6,531,267	30,299,748
EXPENDITURES					
Current					
General Government	46,843,262	2,380,769	-	-	3,962,068
Public Safety	176,574,536	249,387	-	-	-
Highways and Streets	25,690,741	-	-	-	-
Sanitation	-	-	-	-	-
Health	-	-	-	-	-
Culture and Recreation	33,755,118	-	18,122,012	-	-
Housing and Economic Development	-	-	-	7,030,804	-
Capital Outlay	887,152	-	-	-	-
Debt Service					
Bond Principal	-	-	-	-	66,745,000
Other Debt Principal	-	-	-	-	5,308,386
Interest - Bonds	-	-	-	-	13,227,830
Interest - Other Debt	965	-	-	-	1,688,983
Bond Issuance Costs	-	-	-	-	387,389
Total Expenditures	283,751,774	2,630,156	18,122,012	7,030,804	91,319,656
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,839,560	4,290,701	(85,716)	(499,537)	(61,019,908)
OTHER FINANCING SOURCES (USES)					
Transfers In	10,411,602	220,243	451,824	-	43,515,997
Transfers Out	(7,967,331)	(2,873,286)	(97,945)	(805,854)	(18,215,682)
Bonds Issued	-	-	-	-	26,120,000
Notes Issued	-	-	-	-	-
Premium on Bonds Issued	-	-	-	-	1,647,523
Sale of Capital Assets	24,693	-	-	-	-
Total Other Financing Sources (Uses)	2,468,964	(2,653,043)	353,879	(805,854)	53,067,838
Net Change in Fund Balances	5,308,524	1,637,658	268,163	(1,305,391)	(7,952,070)
FUND BALANCES, January 1	52,668,693	5,462,842	2,270,151	10,538,150	57,023,905
PRIOR PERIOD ADJUSTMENT (Note III.C.2-3)					
FUND BALANCES, January 1-as restated	52,668,693	5,462,842	2,270,151	10,538,150	57,023,905
FUND BALANCES, December 31	\$ 57,977,217	\$ 7,100,500	\$ 2,538,314	\$ 9,232,759	\$ 49,071,835

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

CITY OF SAINT PAUL, MINNESOTA
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2018

Statement 5
(Page 2 of 2)

	HRA General Debt Service	City Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES				
Taxes				
Property Taxes				
Current Taxpayer	\$ -	\$ -	\$ -	\$ 142,244,720
Current Tax Increment	5,229,900	-	19,379,758	27,509,631
Delinquent Taxpayer	-	-	-	653,038
Delinquent Tax Increment	23,585	-	-	206,070
Total Property Taxes	5,253,485	-	19,379,758	170,613,459
City Sales Tax	-	-	18,757,724	18,757,724
Gross Earnings Franchise Fees	-	-	-	27,450,712
Hotel-Motel Tax	-	-	2,426,837	4,850,375
Other Taxes	-	-	272,307	284,806
Total Taxes	5,253,485	-	40,836,626	221,957,076
Licenses and Permits	-	-	2,274,210	15,122,088
Intergovernmental Revenue (Schedule 9)	-	8,956,535	25,433,295	120,983,305
Fees, Sales and Services	561,382	3,535,268	22,333,286	77,653,985
Assessment Financing	-	-	16,569,752	26,967,904
Investment Income				
Interest Earned on Investments	233,461	774,683	995,581	5,991,194
Increase (Decrease) in Fair Value of Investments	25,971	(124,025)	(561,546)	(1,655,876)
Interest Earned - Other	-	-	544,953	544,953
Miscellaneous Revenue				
Contributions from Other Sources	711,668	-	-	6,508,398
Program Income	-	343,635	131,717	476,002
Other	-	3,349,655	7,820,543	13,830,608
Total Revenues	6,785,967	16,835,751	116,378,417	488,379,637
EXPENDITURES				
Current				
General Government				
Public Safety	-	109,588	4,791,891	58,087,578
Highways and Streets	-	336,336	15,353,594	192,513,853
Sanitation	-	6,227,096	15,998,137	47,915,974
Health	-	-	10,461,719	10,461,719
Culture and Recreation	-	-	2,564,227	2,564,227
Housing and Economic Development	-	76,352	12,862,367	64,815,849
Capital Outlay	-	-	28,981,433	36,012,237
Debt Service		61,128,356	4,282,233	66,297,741
Bond Principal	2,570,000	-	-	69,315,000
Other Debt Principal	675,000	-	220,280	6,203,666
Interest - Bonds	1,829,917	-	-	15,057,747
Interest - Other Debt	36,668	29,066	5,346,895	7,102,577
Bond Issuance Costs	34,724	156,763	47,198	626,074
Total Expenditures	5,146,309	68,063,557	100,909,974	576,974,242
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,639,658	(51,227,806)	15,468,443	(88,594,605)
OTHER FINANCING SOURCES (USES)				
Transfers In	106,715	8,446,168	22,300,861	85,453,410
Transfers Out	(2,290,170)	(10,053,400)	(35,203,344)	(77,507,012)
Bonds Issued	-	21,157,655	2,485,000	49,762,655
Notes Issued	-	-	4,000,000	4,000,000
Premium on Bonds Issued	-	1,071,574	36,799	2,755,896
Sale of Capital Assets	-	-	42,550	67,243
Total Other Financing Sources (Uses)	(2,183,455)	20,621,997	(6,338,134)	64,532,192
Net Change in Fund Balances	(543,797)	(30,605,809)	9,130,309	(24,062,413)
FUND BALANCES, January 1	8,409,566	43,892,368	67,076,816	247,342,491
PRIOR PERIOD ADJUSTMENT (Note III.C.2-3)	-	(3,430,681)	(3,914,260)	(7,344,941)
FUND BALANCES, January 1-as restated	8,409,566	40,461,687	63,162,556	239,997,550
FUND BALANCES, December 31	\$ 7,865,769	\$ 9,855,878	\$ 72,292,865	\$ 215,935,137

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

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**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
YEAR ENDED DECEMBER 31, 2018**

**Statement 6
(Page 1 of 1)**

Net Change in Fund Balances - Total Governmental Funds	\$ (24,062,413)
<p>Amounts reported for governmental activities in the Statement of Activities are different because:</p>	
<p>Governmental funds report capital outlay as expenditures. However, in the Statement of Net Position, the cost of these assets is capitalized and depreciated over their estimated useful lives with depreciation expense reported in the Statement of Activities.</p>	35,723,303
<p>Net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, retirements and contributions) is to increase or decrease net position.</p>	(3,174)
<p>Receivables not currently available are reported as deferred inflows of resources in the fund financial statements but are recognized as revenue when earned in the government-wide financial statements.</p>	969,759
<p>Debt and lease proceeds provide current financial resources to governmental funds, but issuing these obligations increases long-term liabilities in the Statement of Net Position. Repayment of principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.</p>	25,279,971
<p>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.</p>	13,606,105
<p>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.</p>	<u>(778,092)</u>
Change in Net Position of Governmental Activities	<u>\$ 50,735,459</u>

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

	Business-Type Activities - Enterprise Funds					Totals	Governmental Activities - Internal Service Funds
	Sewer Utility	HRA Loan	HRA Parking	HRA Penfield	Nonmajor Enterprise Funds		
ASSETS							
Current Assets							
Cash and Investments with Treasurer	\$ 30,411,167	\$ 15,370,410	\$ 19,414,917	\$ 603,758	\$ 88,212	\$ 65,888,464	\$ 22,963,328
Cash with Fiscal Agents	-	-	1,105,505	-	-	1,105,505	-
Cash and Investments with Trustees	-	879,820	-	-	-	879,820	-
Imprest Funds	-	-	-	-	1,600	1,600	950
Accrued Interest Receivable on Investments	12,217	31,978	34,827	-	-	79,022	-
Property Taxes Receivable - Delinquent	-	-	26,815	-	-	26,815	-
Accounts Receivable (Net of Allowance)	10,575	-	505,968	-	82,789	599,332	186,749
Assessments Receivable	6,210,667	12,962	-	-	-	6,223,629	-
Due from Other Governmental Units	31,828	-	-	-	87,805	119,633	567,767
Due from Other Funds	-	-	-	-	-	-	387,620
Due from Component Units	3,563,608	-	-	-	-	3,563,608	-
Inventories	510,903	-	-	-	236,685	747,588	3,907,059
Land Held for Resale	-	4,065,742	-	-	-	4,065,742	-
Restricted Cash and Cash Equivalents	16,749,452	-	4,089,491	-	-	20,838,943	-
Total Current Assets	57,500,417	20,360,912	25,177,523	603,758	497,091	104,139,701	28,013,473
Noncurrent Assets							
Restricted Assets							
Investment for Revenue Bond Future Debt Service	4,825,086	-	-	-	-	4,825,086	-
Long-Term Receivables (Net of Allowances)	-	3,265,028	436,250	-	-	3,701,278	3,748,182
Accrued Interest Receivable on Loans	-	431,160	121,306	-	-	552,466	-
Advance to Other Funds	-	2,631,669	564,744	-	-	3,196,413	1,169,166
Capital Assets							
Land	787,113	-	27,247,487	-	3,505,372	31,539,972	87,343
Construction in Progress	4,067,092	-	120,500	-	-	4,187,592	189,523
Buildings and Structures	3,347,053	-	109,987,058	-	2,683,435	116,017,546	16,215,468
Less: Accumulated Depreciation	(1,289,562)	-	(59,055,541)	-	(2,174,703)	(62,519,806)	(12,435,793)
Public Improvements	436,533,152	-	-	-	48,287	436,581,439	-
Less: Accumulated Depreciation	(161,722,223)	-	-	-	(25,902)	(161,748,125)	-
Equipment	2,257,097	-	3,170,985	-	2,751,984	8,180,066	35,292,126
Less: Accumulated Depreciation	(1,511,472)	-	(2,066,187)	-	(2,691,881)	(6,269,540)	(24,314,378)
Total Noncurrent Assets	287,293,336	6,327,857	80,526,602	-	4,096,592	378,244,387	19,951,637
TOTAL ASSETS	\$ 344,793,753	\$ 26,688,769	\$ 105,704,125	\$ 603,758	\$ 4,593,683	\$ 482,384,088	\$ 47,965,110
DEFERRED OUTFLOWS OF RESOURCES							
Deferred Loss on Debt Refunding	\$ 698,876	\$ -	\$ 901,171	\$ -	\$ -	\$ 1,600,047	\$ -
Deferred Other Postemployment Benefits Outflows	143,688	-	-	-	251,973	395,661	1,595,067
Deferred Pension Outflows	883,235	-	-	-	1,314,629	2,197,864	4,596,211
TOTAL DEFERRED OUTFLOWS OF RESOURCES	\$ 1,725,799	\$ -	\$ 901,171	\$ -	\$ 1,566,602	\$ 4,193,572	\$ 6,191,278

	Business-Type Activities - Enterprise Funds					Totals	Governmental Activities - Internal Service Funds
	Sewer Utility	HRA Loan	HRA Parking	HRA Penfield	Nonmajor Enterprise Funds		
LIABILITIES							
Current Liabilities (Payable from Current Assets)							
Accrued Salaries Payable	\$ 278,123	\$ -	\$ -	\$ -	\$ 142,001	\$ 420,124	\$ 1,415,914
Accounts Payable	391,249	341,012	843,945	50	160,611	1,736,867	1,503,710
Contracts Payable	1,669,100	55,750	-	-	-	1,724,850	-
Due to Other Funds	-	-	-	-	11,725,227	11,725,227	2,254,787
Due to Component Units	83,905	-	-	-	-	83,905	-
Due to Other Governmental Units	19,191	3,362	171	-	7,897	30,621	91,758
Unearned Revenue	-	1,654,404	-	-	17,244	1,671,648	2,488,051
Compensated Absences Payable	-	-	-	-	22,750	22,750	166,025
General Obligation Bonds Payable	-	-	-	-	-	-	160,000
Revenue Bonds Payable	5,137,917	-	-	-	-	5,137,917	-
Revenue Notes Payable	1,035,308	95,777	-	-	-	1,131,085	-
Capital Lease Payable	-	-	-	-	-	-	1,165,215
Accrued Interest Payable	20,605	-	-	-	-	20,605	7,440
Total Current Liabilities (Payable from Current Assets)	8,635,398	2,150,305	844,116	50	12,075,730	23,705,599	9,252,900
Current Liabilities (Payable from Restricted Assets)							
General Obligation Bonds Payable	-	-	1,485,000	-	-	1,485,000	-
Revenue Bonds Payable	467,083	-	1,185,000	-	-	1,652,083	-
Accrued Interest Payable	232,996	-	796,150	-	-	1,029,146	-
Total Current Liabilities (Payable from Restricted Assets)	700,079	-	3,466,150	-	-	4,166,229	-
Total Current Liabilities	9,335,477	2,150,305	4,310,266	50	12,075,730	27,871,828	9,252,900
Noncurrent Liabilities							
General Obligation Bonds Payable	-	-	12,837,224	-	-	12,837,224	732,521
Revenue Bonds Payable	77,594,234	-	27,887,072	-	-	105,481,306	-
Revenue Notes Payable	661,000	3,690,367	-	-	-	4,351,367	-
Capital Lease Payable	-	-	-	-	-	-	991,131
Advance from Other Funds	135,616	814,744	-	-	-	950,360	910,116
Compensated Absences Payable	286,067	-	-	-	209,472	495,539	1,700,180
Other Postemployment Benefits Liability	1,506,973	-	-	-	2,642,608	4,149,581	16,728,689
Net Pension Liability	2,998,653	-	-	-	2,578,861	5,577,514	14,988,415
Total Noncurrent Liabilities	83,182,543	4,505,111	40,724,296	-	5,430,941	133,842,891	36,051,052
TOTAL LIABILITIES	92,518,020	6,655,416	45,034,562	50	17,506,671	161,714,719	45,303,952
DEFERRED INFLOWS OF RESOURCES							
Deferred Gain on Debt Refunding	\$ -	\$ -	\$ 331,640	\$ -	\$ -	\$ 331,640	\$ -
Deferred Pension Inflows	1,105,144	-	-	-	1,235,736	2,340,880	5,834,319
TOTAL DEFERRED INFLOWS OF RESOURCES	\$ 1,105,144	\$ -	\$ 331,640	\$ -	\$ 1,235,736	\$ 2,672,520	\$ 5,834,319
NET POSITION							
Net Investment in Capital Assets	205,450,943	-	36,579,537	-	4,096,592	246,127,072	11,985,422
Restricted							
Debt Service	9,360,678	-	3,293,341	-	-	12,654,019	-
Grantors	-	890,805	-	-	-	890,805	-
Unrestricted	38,084,767	19,142,548	21,366,216	603,708	(16,678,714)	62,518,525	(8,967,305)
TOTAL NET POSITION	\$ 252,896,388	\$ 20,033,353	\$ 61,239,094	\$ 603,708	\$ (12,582,122)	\$ 322,190,421	\$ 3,018,117
Adjustment to Reflect the Consolidation of Internal Service Fund Activities Related to Enterprise Funds						1,439,956	
Net Position of Business-Type Activities						<u>\$ 323,630,377</u>	

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CITY OF SAINT PAUL, MINNESOTA
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
YEAR ENDED DECEMBER 31, 2018

Statement 8
(Page 1 of 1)

	Business Type Activities - Enterprise Funds					Totals	Governmental Activities - Internal Service Funds
	Sewer Utility	HRA Loan	HRA Parking	HRA Penfield	Nonmajor Enterprise Funds		
OPERATING REVENUES							
Fees, Sales and Services	\$ 60,548,171	\$ 978,132	\$ 17,913,460	\$ -	\$ 5,445,760	\$ 84,885,523	\$ 50,352,178
Rents and Leases	1,100	-	-	-	721,000	722,100	2,022,485
Interest Earned on Loans	-	109,546	8,333	-	-	117,879	128,276
Miscellaneous	23,072	-	-	-	52,422	75,494	191,680
Total Operating Revenues	60,572,343	1,087,678	17,921,793	-	6,219,182	85,800,996	52,694,619
OPERATING EXPENSES							
Cost of Merchandise Sold	-	-	-	-	222,188	222,188	273,539
Salaries	3,278,680	-	-	-	2,304,165	5,582,845	18,282,267
Employee Fringe Benefits	1,688,353	-	-	-	831,160	2,519,513	6,434,332
Services	36,833,116	1,856,260	8,470,842	-	2,173,212	49,333,430	13,384,836
Materials and Supplies	577,728	-	-	-	583,760	1,161,488	9,959,779
Depreciation	5,983,514	-	3,239,037	-	153,338	9,375,889	2,889,672
Miscellaneous	1,952,925	-	-	-	139,966	2,092,891	38,929
Total Operating Expenses	50,314,316	1,856,260	11,709,879	-	6,407,789	70,288,244	51,263,354
OPERATING INCOME (LOSS)	10,258,027	(768,582)	6,211,914	-	(188,607)	15,512,752	1,431,265
NON-OPERATING REVENUES (EXPENSES)							
Property Tax Increment	-	-	1,173,264	-	-	1,173,264	-
Intergovernmental Revenue (Schedule 9)	72,711	472,119	-	-	-	544,830	154,851
Gain on Sale of Capital Assets	1,820	-	465,580	-	-	467,400	81,319
Loss on Retirement of Capital Assets	(14,253)	-	(149,842)	-	-	(164,095)	-
Investment Income							
Interest Earned on Investments	(101,896)	138,106	48,051	-	-	84,261	(24,576)
Increase (Decrease) in Fair Value of Investments	(43,474)	(56,244)	(46,576)	-	5,229	(141,065)	7,861
Interest Earned - Other	-	549,622	-	-	-	549,622	-
Miscellaneous Other Revenue (Expenses)	-	(10,504)	(8,028)	191,575	-	173,043	(2,415)
Interest Expense							
General Obligation Bonds	-	-	(434,056)	-	-	(434,056)	(23,068)
Revenue Bonds	(2,369,706)	-	(998,945)	-	-	(3,368,651)	-
Capital Lease	-	-	-	-	-	-	(78,241)
Revenue Notes	(86,132)	(40,719)	-	-	-	(126,851)	-
Advance from Other Funds	-	-	-	-	-	-	(31,947)
Debt Issuance Costs	(122,475)	-	(109,099)	-	-	(231,574)	-
Total Non-Operating Revenues (Expenses)	(2,663,405)	1,052,380	(59,651)	191,575	5,229	(1,473,872)	83,784
Income (Loss) Before Transfers and Special Item	7,594,622	283,798	6,152,263	191,575	(183,378)	14,038,880	1,515,049
Transfers In	-	631,480	-	-	90,377	721,857	3,367,238
Transfers Out	(3,424,603)	(974,415)	(1,137,037)	(500,000)	(478,764)	(6,514,819)	(5,520,674)
Special Item - Purchase Option Settlement (Note III.C.4)	-	-	(3,300,000)	-	-	(3,300,000)	-
Change in Net Position	4,170,019	(59,137)	1,715,226	(308,425)	(571,765)	4,945,918	(638,387)
NET POSITION, January 1	249,603,080	20,092,490	59,523,868	912,133	(10,260,382)		14,537,270
Change in Accounting Principle (Note III.C.1)	(876,711)	-	-	-	(1,749,975)		(10,880,766)
NET POSITION, January 1, as Restated	248,726,369	20,092,490	59,523,868	912,133	(12,010,357)		3,656,504
NET POSITION, December 31	\$ 252,896,388	\$ 20,033,353	\$ 61,239,094	\$ 603,708	\$ (12,582,122)		\$ 3,018,117
Adjustment to Reflect the Consolidation of Internal Service Fund Activities Related to Enterprise Funds						139,705	
Total Change in Net Position of Business-Type Activities						\$ 5,085,623	

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

CITY OF SAINT PAUL, MINNESOTA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
YEAR ENDED DECEMBER 31, 2018

Statement 9
(Page 1 of 2)

	Business-type Activities - Enterprise Funds					Totals	Governmental Activities - Internal Service Funds
	Sewer Utility	HRA Loan	HRA Parking	HRA Penfield	Nonmajor Enterprise Funds		
CASH FLOWS FROM OPERATING ACTIVITIES							
Receipts from Loan Recipients and Other Customers	\$ 60,603,294	\$ 1,057,770	\$ 17,804,748	\$ -	\$ 5,446,630	\$ 84,912,442	\$ 3,276,877
Receipts from Other Funds for Services Provided	-	-	-	-	796,425	796,425	48,826,071
Other Operating Receipts	-	-	-	192,035	-	192,035	61,268
Payment to Suppliers	(32,367,559)	(1,556,041)	(8,730,722)	(110)	(2,776,414)	(45,430,846)	(19,649,017)
Payment to Employees	(3,247,853)	-	-	-	(2,299,477)	(5,547,330)	(17,958,459)
Payment for Fringe Benefits and Payroll Taxes	(1,776,940)	-	-	-	(1,006,479)	(2,783,419)	(7,382,960)
Payment to Other Funds for Services Used	(7,129,846)	-	-	-	(311,853)	(7,441,699)	(4,297,416)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	16,081,096	(498,271)	9,074,026	191,925	(151,168)	24,697,608	2,876,364
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES							
Transfers In from Other Funds	-	631,480	-	-	90,377	721,857	3,367,238
Transfers Out to Other Funds	(3,424,603)	(974,415)	(1,137,037)	(500,000)	(478,764)	(6,514,819)	(5,520,674)
Property Tax Increments	-	-	1,181,212	-	-	1,181,212	-
Intergovernmental	72,711	472,119	-	-	-	544,830	154,851
Advance Received From Other Funds	91,105	-	-	-	633,459	724,564	298,153
Collection of Advance Made to Other Governmental Units	-	78,182	-	-	-	78,182	-
Collection of Advance Made to Other Funds	-	739,671	-	-	-	739,671	-
Repayment of Advance Received from Other Funds	-	-	-	-	(10,921)	(10,921)	(35,402)
Interest Paid on Advance Received from Other Funds	-	-	-	-	-	-	(31,947)
Collection of an Advance to Other Funds	-	-	-	-	-	-	(78,182)
NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	(3,260,787)	947,037	44,175	(500,000)	234,151	(2,535,424)	(1,845,963)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES							
Purchase Option Settlement	-	-	(3,300,000)	-	-	(3,300,000)	-
Proceeds from Issuance of Long-term Debt	7,996,811	-	14,416,840	-	-	22,413,651	-
Proceeds from Sale of Capital Assets	1,820	-	465,580	-	-	467,400	81,319
Principal Paid On							
General Obligation Bonds	-	-	(16,350,000)	-	-	(16,350,000)	(159,056)
Revenue Bonds	(5,650,000)	-	(1,325,000)	-	-	(6,975,000)	-
Revenue Notes	(1,159,601)	(93,856)	-	-	-	(1,253,457)	-
Capital Lease	-	-	-	-	-	-	(1,747,253)
Payments for Acquisition and Construction of Capital Assets							
Buildings and Structures	-	-	(534,107)	-	-	(534,107)	-
Public Improvements	(5,119,743)	-	(329,211)	-	-	(5,448,954)	-
Equipment	(29,208)	-	(281,941)	-	-	(311,149)	(2,971,805)
Construction in Progress	(2,075,160)	-	(120,500)	-	-	(2,195,660)	-
Interest Paid On							
General Obligation Bonds	-	-	(431,925)	-	-	(431,925)	(30,102)
Revenue Bonds	(2,589,732)	-	(854,225)	-	-	(3,443,957)	-
Capital Lease	-	-	-	-	-	-	(80,483)
Revenue Notes	(99,617)	(40,719)	-	-	-	(140,336)	-
Payments of Bond Issue Costs	(122,475)	-	(109,099)	-	-	(231,574)	-
NET CASH PROVIDED (USED) IN CAPITAL AND RELATED FINANCING ACTIVITIES	(8,846,905)	(134,575)	(8,753,588)	-	-	(17,735,068)	(4,907,380)
CASH FLOWS FROM INVESTING ACTIVITIES							
Sale of Investment Securities	10,994	-	-	-	-	10,994	-
Investment Service Fee Paid	-	(10,504)	(8,028)	(460)	-	(18,992)	-
Interest and Dividends Received	(112,481)	690,256	49,327	-	-	627,102	(29,883)
Increase (Decrease) in Fair Value of Investments	(43,474)	(56,244)	(46,576)	-	5,229	(141,065)	7,861
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	(144,961)	623,508	(5,277)	(460)	5,229	478,039	(22,022)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	3,828,443	937,699	359,336	(308,535)	88,212	4,905,155	(3,899,001)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	43,332,176	15,312,531	24,250,577	912,293	1,600	83,809,177	26,863,279
CASH AND CASH EQUIVALENTS AT END OF YEAR	\$ 47,160,619	\$ 16,250,230	\$ 24,609,913	\$ 603,758	\$ 89,812	\$ 88,714,332	\$ 22,964,278

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

CITY OF SAINT PAUL, MINNESOTA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
YEAR ENDED DECEMBER 31, 2018

Statement 9
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	Business-type Activities - Enterprise Funds					Totals	Governmental Activities - Internal Service Funds
	Sewer Utility	HRA Loan	HRA Parking	HRA Penfield	Nonmajor Enterprise Funds		
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES							
Operating Income (Loss)	\$ 10,258,027	\$ (768,582)	\$ 6,211,914	\$ -	\$ (188,607)	\$ 15,512,752	\$ 1,431,265
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities							
Depreciation	5,983,514	-	3,239,037	-	153,338	9,375,889	2,889,672
Non-Operating Miscellaneous Revenue (Expense)	-	-	-	192,035	-	192,035	(2,415)
Changes in Assets and Liabilities							
(Increase) Decrease in							
Accounts Receivable	30,418	14,500	92,598	-	16,768	154,284	156,875
Assessments Receivable	(8,526)	989	-	-	-	(7,537)	-
Notes and Loans Receivable	-	624,681	(200,000)	-	-	424,681	237,500
Accrued Interest Receivable	-	(23,979)	(9,643)	-	-	(33,622)	-
Due from Component Units	7,321	-	-	-	-	7,321	73,692
Due from Other Governmental Units	501	-	-	-	3,321	3,822	(309,796)
Deferred Other Postemployment Benefits Outflows	(143,688)	-	-	-	(251,973)	(395,661)	(1,595,067)
Deferred Pension Outflows	507,087	-	-	-	399,324	906,411	2,697,137
Inventories	(95,689)	-	-	-	(13,388)	(109,077)	(756,592)
Prepaid Items	-	-	-	-	-	-	-
Land Held for Resale	-	59,400	-	-	-	59,400	-
Increase (Decrease) in							
Accrued Salaries Payable	30,827	-	-	-	4,688	35,515	99,887
Accounts Payable	(38,067)	293,181	(259,880)	(110)	46,991	42,115	345,583
Contracts and Retention Payable	-	4,558	-	-	-	4,558	-
Due to Component Units	1,237	-	-	-	-	1,237	-
Due to Other Governmental Units	120	2,480	-	-	(2,744)	(144)	(14,946)
Net Pension Liability	(454,345)	-	-	-	(302,201)	(756,546)	(2,416,607)
Deferred Pension Inflows	(89,980)	-	-	-	(131,664)	(221,644)	(478,596)
Unearned Revenue	-	(705,499)	-	-	3,784	(701,715)	(250,758)
Compensated Absences Payable	(3,838)	-	-	-	(57,463)	(61,301)	(298,123)
Other Postemployment Benefits Liability	96,177	-	-	-	168,658	264,835	1,067,653
Total Adjustments	5,823,069	270,311	2,862,112	191,925	37,439	9,184,856	1,445,099
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ 16,081,096	\$ (498,271)	\$ 9,074,026	\$ 191,925	\$ (151,168)	\$ 24,697,608	\$ 2,876,364
RECONCILIATION OF CASH AND CASH EQUIVALENTS TO THE STATEMENT OF NET POSITION							
Cash and Investments with Treasurer	\$ 30,411,167	\$ 15,370,410	\$ 19,414,917	\$ 603,758	\$ 88,212	\$ 65,888,464	\$ 22,963,328
Cash Held with Fiscal Agents	-	-	1,105,505	-	-	1,105,505	-
Cash and Investments with Trustees	-	879,820	-	-	-	879,820	-
Imprest Funds	-	-	-	-	1,600	1,600	950
Restricted Cash and Investments	16,749,452	-	4,089,491	-	-	20,838,943	-
TOTAL CASH AND CASH EQUIVALENTS	\$ 47,160,619	\$ 16,250,230	\$ 24,609,913	\$ 603,758	\$ 89,812	\$ 88,714,332	\$ 22,964,278
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES							
Loss on Capital Assets	\$ -	\$ -	\$ (149,842)	\$ -	\$ -	\$ (149,842)	\$ -

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

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CITY OF SAINT PAUL, MINNESOTA
STATEMENT OF NET POSITION
AGENCY FUNDS
DECEMBER 31, 2018

Statement 10
(Page 1 of 1)

ASSETS

Cash and Investments with Treasurer	\$ 3,060,264
TOTAL ASSETS	<u>\$ 3,060,264</u>

LIABILITIES

Accrued Salaries Payable	\$ 204,411
Accounts Payable	1,822,765
Due to Other Governmental Units	<u>1,033,088</u>
TOTAL LIABILITIES	<u>\$ 3,060,264</u>

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

CITY OF SAINT PAUL, MINNESOTA
STATEMENT OF NET POSITION
ALL DISCRETELY PRESENTED COMPONENT UNITS
DECEMBER 31, 2018

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	RiverCentre Convention & Visitors Authority	Regional Water Services	Port Authority	Totals
ASSETS				
Current Assets				
Cash and Investments	\$ 2,613,681	\$ 28,057,898	\$ 1,249,881	\$ 31,921,460
Investments	1,471,845	15,683,071	7,212,237	24,367,153
Departmental Cash	-	165,210	-	165,210
Imprest Funds	-	2,000	-	2,000
Restricted Cash and Cash Equivalents				
Cash for Grants and Other Contributions	-	-	20,518,363	20,518,363
Cash for General Obligation Debt Service	-	-	4,000,088	4,000,088
Cash for Revenue Bond Debt Service	-	-	2,571,101	2,571,101
Investments for Operations	731,773	-	-	731,773
Investments for Revenue Bond Debt Service	-	2,401,900	-	2,401,900
Investments for Revenue Note Debt Service	-	2,641,568	-	2,641,568
Receivables				
Accounts (net of allowance for Estimated Uncollectibles)	1,732,836	5,513,342	1,064,792	8,310,970
Assessments	-	2,705,007	-	2,705,007
Accrued Interest	-	276,019	48,750	324,769
Due from Primary Government	-	83,905	-	83,905
Due from Other Governmental Units	-	612,480	-	612,480
Inventory - Materials and Supplies	-	2,329,840	25,947	2,355,787
Prepaid Items	179,974	-	291,922	471,896
Total Current Assets	6,730,109	60,472,240	36,983,081	104,185,430
Noncurrent Assets				
Restricted Assets				
Investments for Operations	1,357,575	-	6,459,703	7,817,278
Investments for Revenue Bond Future Debt Service	-	5,043,467	582,724	5,626,191
Investments for Revenue Bond Operations and Maintenance	-	1,881,462	-	1,881,462
Total Restricted Assets	1,357,575	6,924,929	7,042,427	15,324,931
Other Assets				
Other Long-Term Receivables	-	136,991	66,349,721	66,486,712
Taxes Receivable	-	-	51,646,490	51,646,490
Net Other Postemployment Benefits Asset	-	-	13,022	13,022
Total Other Assets	-	136,991	118,009,233	118,146,224
Capital Assets				
Land	-	4,061,766	8,025,166	12,086,932
Buildings and Structures	-	57,603,238	64,152,267	121,755,505
Less: Accumulated Depreciation	-	(26,230,333)	(37,682,537)	(63,912,870)
Public Improvements	-	404,449,314	-	404,449,314
Less: Accumulated Depreciation	-	(145,744,290)	-	(145,744,290)
Equipment	417,820	60,206,520	4,038,102	64,662,442
Less: Accumulated Depreciation	(331,069)	(35,299,746)	(2,582,354)	(38,213,169)
Construction in Progress	-	19,181,083	-	19,181,083
Total Capital Assets	86,751	338,227,552	35,950,644	374,264,947
Total Noncurrent Assets	1,444,326	345,289,472	161,002,304	507,736,102
TOTAL ASSETS	8,174,435	405,761,712	197,985,385	611,921,532
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Loss on Debt Refunding	-	-	354,545	354,545
Deferred Pension Outflows	-	2,282,213	221,751	2,503,964
Deferred Other Postemployment Benefits Outflows	-	1,432,289	-	1,432,289
TOTAL DEFERRED OUTFLOWS OF RESOURCES	-	3,714,502	576,296	4,290,798
TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES	\$ 8,174,435	\$ 409,476,214	\$ 198,561,681	\$ 616,212,330

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

CITY OF SAINT PAUL, MINNESOTA
STATEMENT OF NET POSITION
ALL DISCRETELY PRESENTED COMPONENT UNITS
DECEMBER 31, 2018

Statement 11
 (Page 2 of 2)

	RiverCentre Convention & Visitors Authority	Regional Water Services	Port Authority	Totals
LIABILITIES				
Current Liabilities (Payable from Current Assets)				
Accrued Salaries Payable	\$ 77,010	\$ 1,002,623	\$ 53,031	\$ 1,132,664
Compensated Absences Payable	-	69,250	76,241	145,491
Claims and Judgments Payable	-	661,099	-	661,099
Accounts Payable	1,121,148	2,334,112	1,529,521	4,984,781
Contract Retention Payable	-	356,782	-	356,782
Due to Primary Government	-	3,580,449	-	3,580,449
Due to Other Governmental Units	-	3,137,775	-	3,137,775
Unearned Revenue	643,245	660,268	9,516,833	10,820,346
Revenue Notes Payable	20,275	-	-	20,275
Total Current Liabilities (Payable from Current Assets)	1,861,678	11,802,358	11,175,626	24,839,662
Current Liabilities (Payable from Restricted Assets)				
General Obligation Bonds	-	-	2,855,000	2,855,000
Revenue Bonds Payable	-	2,205,000	21,086,915	23,291,915
Revenue Notes Payable	-	2,149,000	4,203,166	6,352,166
Accrued Interest Payable	-	-	-	-
General Obligation Bonds	-	-	402,934	402,934
Revenue Bonds	-	16,408	39,409,694	39,426,102
Revenue Notes	-	40,102	232,336	272,438
Total Current Liabilities (Payable from Restricted Assets)	-	4,410,510	68,190,045	72,600,555
Total Current Liabilities	1,861,678	16,212,868	79,365,671	97,440,217
Noncurrent Liabilities				
General Obligation Bonds Payable	-	-	29,046,267	29,046,267
Revenue Bonds Payable	-	6,028,912	29,569,848	35,598,760
Revenue Notes Payable	42,420	25,766,190	40,497,225	66,305,835
Compensated Absences Payable	-	1,683,237	-	1,683,237
Net Pension Liability	-	13,254,123	-	13,254,123
Other Postemployment Benefits Liability	-	14,232,779	1,192,732	15,425,511
Claims and Judgments Payable	-	4,196,432	-	4,196,432
Total Noncurrent Liabilities	42,420	65,161,673	100,306,072	165,510,165
TOTAL LIABILITIES	1,904,098	81,374,541	179,671,743	262,950,382
DEFERRED INFLOWS OF RESOURCES				
Deferred Pension Inflows	-	3,437,954	386,269	3,824,223
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	1,904,098	84,812,495	180,058,012	266,774,605
NET POSITION				
Net Investment in Capital Assets	86,751	302,078,450	14,393,000	316,558,201
Restricted	-	11,911,887	4,077,843	15,989,730
Unrestricted	6,183,586	10,673,382	32,826	16,889,794
TOTAL NET POSITION	\$ 6,270,337	\$ 324,663,719	\$ 18,503,669	\$ 349,437,725

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

	Program Revenues				Net (Expense) Revenue and Changes in Net Position			Totals
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	RiverCentre Convention & Visitors Authority	Regional Water Services	Port Authority	
RiverCentre Convention & Visitors Authority	\$ 18,990,223	\$ 10,851,721	\$ 642,498	\$ 2,845,858	\$ (4,650,146)	\$ -	\$ -	\$ (4,650,146)
Regional Water Services	49,302,975	63,616,480	223,777	1,071,098	-	15,608,380	-	15,608,380
Port Authority	29,498,486	12,067,685	2,843,683	-	-	-	(14,587,118)	(14,587,118)
Total Component Units	\$ 97,791,684	\$ 86,535,886	\$ 3,709,958	\$ 3,916,956	\$ (4,650,146)	\$ 15,608,380	\$ (14,587,118)	\$ (3,628,884)
General Revenues								
Taxes								
Property Taxes, Levied for Debt Service					\$ -	\$ -	\$ 9,422,807	\$ 9,422,807
Hotel/Motel Tax					2,353,149	-	-	2,353,149
Investment Income								
Interest Earned on Investments					23,895	879,332	489,235	1,392,462
Increase (Decrease) in Fair Value of Investments					(40,101)	(641,785)	(49,743)	(731,629)
Gain on Sale of Capital Assets					-	120,487	-	120,487
Miscellaneous					173,534	143,968	699,450	1,016,952
Total General Revenues					2,510,477	502,002	10,561,749	13,574,228
Change in Net Position					(2,139,669)	16,110,382	(4,025,369)	9,945,344
NET POSITION, January 1					8,410,006	316,935,138	22,529,038	347,874,182
Change in Accounting Principle					-	(8,381,801)	-	(8,381,801)
NET POSITION, January 1 - as restated (Note III.C.1)					\$ 8,410,006	\$ 308,553,337	\$ 22,529,038	339,492,381
NET POSITION, December 31					\$ 6,270,337	\$ 324,663,719	\$ 18,503,669	\$ 349,437,725

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* and GASB Statement No. 61 – *The Financial Reporting Entity – Omnibus*, 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 (GAAP), 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 GAAP, 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 and a financial benefit or burden relationship exists or the City has operational responsibility for the component unit.

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 and the City has operational responsibility of the HRA. The HRA'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.

Note II. Financial Reporting Entity (continued)

The HRA's component unit, Penfield Apartments, LLC is presented as a blended component unit of the HRA because the component unit's governing body is the same as the governing body of the HRA, and the HRA has operational responsibility for the component unit. Penfield Apartments, LLC is the developer and owner of a 253-unit market rate apartment complex, with structured parking and a grocery store located in the complex. It is a special purpose entity LLC, financed primarily by a U.S. Department of Housing and Urban Development mortgage, and is wholly owned by a single entity, the HRA. The City of Saint Paul's HRA Board of Commissioners acts as the Penfield Apartments, LLC Board. The Penfield Apartments were sold on September 26, 2016, and the sales proceeds paid off the mortgages. Separate financial statements since then are not available.

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 and the City has operational responsibility of the agency. 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 and a special projects 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 directors 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 HRA 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.

Note II. Financial Reporting Entity (continued)

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 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, 380 St. Peter Street; Suite 850; Saint Paul, MN 55102.

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 leases the Capital City Plaza Parking Garage St. Paul, as well as participates in various joint ventures. Subject to the authorization of the CCP board of directors, excess cash flow may be utilized to carry out the public purpose of the Port Authority. Complete financial statements can be obtained from Capital City Properties, Chief Financial Officer, 380 St. Peter Street; Suite 850; 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 do 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 affect 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 and no 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.

Note II. Financial Reporting Entity (continued)

Joint Venture

The Minneapolis/Saint Paul Housing Finance Board (the Board) was established in accordance with a Joint Powers Agreement entered into between the HRA and the former 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 City of Minneapolis 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 position at December 31, 2018, was \$8,452,176. The 2018 operations resulted in a decrease of \$95,749 to net position. During 2018, there were no distributions made from the Board to Minneapolis/Saint Paul.

Upon dissolution of the Board, all properties acquired by the Board and any surplus monies shall be distributed to the HRA and the City of Minneapolis 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 City of Minneapolis in the Board's assets, liabilities, and equity were not determined at December 31, 2018. 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 City of Saint Paul, Department of Planning and Economic Development, 1400 City Hall Annex, 25 West Fourth Street, Saint Paul, Minnesota 55102.

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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 GAAP in the United States of America 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 position 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 economic resource 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 is 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, deferred inflows/outflows of resources, fund equity/net position, 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 and deferred outflows of resources, liabilities and deferred inflows of resources, revenues or expenditures/expenses of that individual governmental or enterprise fund are at least ten 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 ten percent test is at least five percent of the corresponding total for all governmental and enterprise funds combined.

Note III. Summary of Significant Accounting Policies (continued)

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:

- General Fund – accounts for the City’s primary operating activities financed mainly from property taxes, franchise fees and local government aid. It is used to account for all financial resources except those accounted for in another fund.
- Assessment Financing – accounts for assessments and fees charged for the building of capital projects, Truth-In-Sale of Housing, Nuisance Housing Abatement, Code Enforcement and the Rental Registration program.
- Public Library General Fund – accounts for the primary operating activities of the Library financed mainly from property taxes to provide a full range of library services.
- HRA General Fund – accounts for the HRA’s primary operating activities financed mainly from property taxes and conduit bond fees. It is used to account for all financial resources except those accounted for in another fund.
- City Debt Service – accounts for resources accumulated, mainly from property taxes, investment earnings 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, mainly from property tax increment, investment earnings and payments made for principal and interest on long-term obligations other than enterprise fund debt.
- City Capital Projects – to account for monies received from the sale of general obligation bonds and Invest Saint Paul bonds which are transferred to this fund. It also accounts for monies received from various agencies to fund construction projects and capital expenditures for the improvement of residential structures and commercial corridors.

The City reports the following 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 – 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.
- HRA Penfield – accounts for the operations and debt service for the Penfield Apartments, a market rate rental project. The Penfield Apartments were sold in September 2016, but cash is retained until the final escrow is returned to the HRA.

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Note III. Summary of Significant Accounting Policies (continued)

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

Non-Major Governmental Funds

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

- City Grants
- General Government Special Projects
- Fire Responsive Services
- Police Special Projects
- Charitable Gambling
- Right Of Way Maintenance
- Street Lighting Districts
- Recycling And Solid Waste
- Public Health
- Parks and Recreation Special Projects
- Como Campus
- Parkland Replacement
- Lowertown Ballpark
- Public Library Special Projects
- City HUD Grants
- City Sales Tax
- HRA Grants
- HRA Palace Theatre Operations

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

- HRA Development Capital Projects
- HRA Tax Increment Capital Projects

Permanent Funds are used to account for and report resources that are 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.

- Parks 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.

- Parks Special Services
- Impound Lot
- River Print

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.

Note III. Summary of Significant Accounting Policies (continued)

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

Government-wide Financial Statements

The government-wide statement of net position and statement of activities are reported using the economic resources measurement focus and the full accrual basis of accounting. Under the full 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.

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Note III. Summary of Significant Accounting Policies (continued)

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 inflows of resources, 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.

Note III. Summary of Significant Accounting Policies (continued)

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. Issuances of long-term debt and acquisitions under capital leases are reported as other financing sources in governmental fund financial statements.

Expenditures

Expenditures are recorded under the modified accrual method when the fund liability is incurred, except for principal and unmatured interest on general long-term debt which is recognized when due, and certain compensated absences and 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 full 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.

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

Fund Financial Statements – All Funds – Use of Estimates

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, deferred outflows of resources, liabilities, and deferred inflows of resources; 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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Note III. Summary of Significant Accounting Policies (continued)

C. Restatements of Net Position, Fund Balance, and Special Item

1. Change in Accounting Principle

During the year ended December 31, 2018, the City adopted new accounting guidance by implementing the provisions of GASB Statement No. 75. GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions, changes standards for recognizing and measuring other postemployment benefit (OPEB) liabilities and related deferred outflows of resources, deferred inflows of resources, and OPEB expense. This statement also requires additional note disclosures and a schedule in the required supplementary information. The above restatement resulted in an adjustment to the beginning net position on the Statement of Activities of \$143,212,300.

2. Prior Period Adjustment of Capital Outlay in the City Capital Projects Fund

The January 1, 2018 net position of the City Capital Projects Fund was decreased due to a prior period adjustment affecting capital outlay. It was determined that a net of \$3,430,681 from a prior period should have been recorded to capital outlay.

3. Prior Period Adjustment of Deferred Inflows of Resources – Special Assessments in the Nonmajor Right of Way Maintenance Fund

The January 1, 2018 net position of the Nonmajor Right of Way Maintenance Fund was decreased due to a prior period adjustment affecting Deferred Inflows of Resources – Special Assessments. It was determined that a net of \$3,914,260 from a prior period should have been recorded to Deferred Inflows of Resources – Special Assessments instead of special assessment revenue.

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Note III. Summary of Significant Accounting Policies (continued)

The above restatements had the following impact on previously reported balances:

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
<u>Statement of Activities</u>			
Net Position, January 1, 2018 as previously reported	\$ 817,286,349	\$ 321,171,440	\$ 1,138,457,789
Change in accounting principle - OPEB	(140,585,614)	(2,626,686)	(143,212,300)
Prior period adjustment - capital outlay	(3,430,681)	-	(3,430,681)
Prior period adjustment - assessments	(3,914,260)	-	(3,914,260)
Net Position, January 1, 2018 as restated	<u>\$ 669,355,794</u>	<u>\$ 318,544,754</u>	<u>\$ 987,900,548</u>
<u>Statement of Revenues, Expenses, and Changes in Fund Net Position - Proprietary Funds</u>	Amount		
Net Position, January 1, 2018 as previously reported	\$ 319,871,189		
Change in accounting principle - OPEB	(2,626,686)		
Net Position, January 1, 2018 as restated	<u>\$ 317,244,503</u>		
<u>Statement of Revenues, Expenditures, and Changes in Fund Balances</u>	City Capital Projects Fund		
Net Position, January 1, 2018 as previously reported	\$ 43,892,368		
Prior period adjustment - capital outlay	(3,430,681)		
Net Position, January 1, 2018 as restated	<u>\$ 40,461,687</u>		
<u>Statement of Revenues, Expenditures, and Changes in Fund Balances</u>	Right of Way Maintenance Fund		
Net Position, January 1, 2018 as previously reported	\$ 3,228,385		
Prior period adjustment - assessments	(3,914,260)		
Net Position, January 1, 2018 as restated	<u>\$ (685,875)</u>		
<u>Statement of Revenues, Expenses, and Changes in Fund Net Position - Proprietary Funds</u>	Internal Service Funds		
Net Position, January 1, 2018 as previously reported	\$ 14,537,270		
Change in accounting principle - OPEB	(10,880,766)		
Net Position, January 1, 2018 as restated	<u>\$ 3,656,504</u>		
<u>Statement of Activities</u>	Component Units		
Net Position, January 1, 2018 as previously reported	\$ 347,874,182		
Change in accounting principle - OPEB	(8,381,801)		
Net Position, January 1, 2018 as restated	<u>\$ 339,492,381</u>		

Note III. Summary of Significant Accounting Policies (continued)

4. Special Item – Purchase Option Settlement

The HRA of the City entered into an option to purchase agreement dated November 1, 1997, with Principal Mutual Life Insurance Company (Principal) that granted Principal the option to purchase the World Trade Center Parking Ramp. In 2018, Principal assigned this option to St. Paul Tower, L.P., WF Tower Holdings, LP, Overland W.F.P.-1, L.P., and overland W.F.P.-2, L.P. (collectively “WFP”). The HRA subsequently entered into a settlement agreement with WFP on November 20, 2018. This settlement agreement required the HRA to pay \$3,300,000 to retain ownership of the World Trade Center Parking Ramp.

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position

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.”

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, imprest funds and restricted cash.

In addition, the City invests non-pooled cash within various funds. Investments are reported at fair value, as defined and determined in accordance with Governmental Standards Board Statement No. 72, *Fair Value Measurement and Application*. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Changes in fair value of investments are reported as revenue in the year in which the change occurred. Accordingly, investments are stated at fair value.

A market approach is used to value all investments other than external investment pools, which are measured at the net asset value, or fair value per share. 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, bankers’ acceptances and U.S. Treasury and agency obligations.

It is the City’s practice to ensure that investments can be held to maturity. The amounts of unrealized gains or losses are included in investment income as an increase (decrease) in fair value of investments. In 2018, the City recorded a “decrease in fair value of investments” as negative investment income of (\$1,789,080) 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.

Note III. Summary of Significant Accounting Policies (continued)

Interest Earned on Investments

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
- City Grants
- Police Special Projects
- Parks And Recreation Special Projects
- Parkland Replacement
- Lowertown Ballpark
- Public Library Special Projects
- City Sales Tax

Debt Service Funds:

- City Debt Service
- HRA Debt Service

Capital Projects Funds:

- City Capital Projects
- HRA Tax Increment Capital Projects

Permanent Fund:

- Parks Memorial

Enterprise Funds:

- Sewer Utility
- HRA Loan
- HRA Parking
- Parks Special Services

Internal Service Funds:

- Internal Borrowing

Investment earnings are allocated based on average monthly cash balances.

See Note VI.A for further information.

Note III. Summary of Significant Accounting Policies (continued)

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 inflows of resources, 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.

Special Assessments

Special assessments are charges to specific properties for public improvements constructed or maintained by the City. Special assessments cover all or a portion of the cost. The most common improvements assessed by the City are:

- Construction, reconstruction, replacement or installation of streets, sidewalks, pavement, gutters, curbs, lighting, boulevard landscaping, trees
- Construction of storm or sanitary sewer systems
- Installation of above-standard street lighting systems
- Reconstruction of alleys
- Construction of new sidewalks
- Installation or repair of water service lines
- Installation of fire protection systems

Accounts Receivable

Accounts receivable has been shown net of an allowance for uncollectible accounts.

Interfund Receivables and 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 position. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances.”

Note III. Summary of Significant Accounting Policies (continued)

Advances to other funds as reported in the fund financial statements are included in nonspendable fund balance in the General Fund to indicate the asset is not in spendable form and in restricted, committed, or assigned fund balance in the other governmental funds to indicate the level of constraint placed upon the proceeds from the repayment of the advance.

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 inflows of resources 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 inflows of resources are 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 inflows of resources. In order to satisfy federal grant reporting requirements, unearned revenue of an equal amount to restricted grants is also reported in the balance sheet and revenues are reported when principal payments are received from the loan recipient.

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, 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 for all assets acquired before 2009 and at cost of purchase for all assets purchased after 2008 in the fund which acquired it. In governmental funds, in order to satisfy federal grant reporting requirements, land acquired is reported as expenditure in the amount of the acquisition cost and as assets for the same amount. When the land is subsequently sold, miscellaneous program income is

Note III. Summary of Significant Accounting Policies (continued)

recognized for the sale amount. Future drawdowns 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 acquisition 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.

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 position. 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	15-100
Infrastructure	Straight-Line	15-100
Public Improvements	Straight-Line	15-50
Equipment	Straight-Line	3-20

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.

Note III. Summary of Significant Accounting Policies (continued)

7. Deferred Outflows/Inflows of Resources

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

- a. Unrealized loss on derivatives – the decrease in the fair value of an effective cash flow hedge for an interest rate swap agreement (interest swap derivative).
- b. Deferred loss on debt refunding – the deferred charge on bond refunding results from the difference in the carrying value of refunded debt and its reacquisition price.
- c. Deferred other postemployment benefits outflows – the amounts related to the increases in the other postemployment benefit liability.
- d. Deferred pension outflows – the amounts related to the increases in the net pension liability.

In addition to liabilities reported in the statement of net position, the City reports a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has two items that qualify for reporting in this category:

- a. Deferred gain on debt refunding – the deferred inflow on bond refunding results from the difference in the carrying value of refunded debt and its reacquisition price.
- b. Deferred pension inflows – the amounts related to the decreases in the net pension liability.

In addition to liabilities reported in the governmental funds, the City reports a separate section for deferred inflows of resources. The City has one item which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenue from the following sources: property taxes, operating grants and contributions, accounts receivable, accrued interest receivable, notes and loans receivable, special assessments, and capital grants. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

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Note III. Summary of Significant Accounting Policies (continued)

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 compensatory time 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 120 hours or 160 hours per bargaining unit, which may be carried over to the following year. Employees are paid 100% of their accumulated vacation pay when they terminate their employment. All amounts are paid to a Post-Employment Health Plan (PEHP).

Sick leave earning varies based on bargaining units and ranges from 12 to 15 days per year and may be accumulated indefinitely. Terminated employees receive severance pay based upon unused sick leave. All severance pay is paid to a PEHP in the year following termination. 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. 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. Notes and bonds payable are reported net of the applicable premium or discount. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight line method.

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 in the year of issuance and payments of principal and interest are reported as expenditures. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received are reported as debt service expenditures at the time of the debt issuance. 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 \$2.0 billion at December 31, 2018. 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 167 conduit bonds issued subsequent to January 1, 1996.

Note III. Summary of Significant Accounting Policies (continued)

10. Claims and Judgments

Claims and judgments are recorded as liabilities if all the conditions of GASB 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.

11. Pensions

For purposes of measuring the net pension liability, deferred outflows/inflows or resources, and pension expense, information about the fiduciary net position of the Public Employee's Retirement Association (PERA) and additions to/deductions from PERA's fiduciary net position have been determined on the same basis as they are reported by PERA except that PERA's fiscal year end is June 30. For this purpose, plan contributions are recognized as of employer payroll paid dates and benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Plan investments are reported at fair value. The pension liability is liquidated through the General Fund and other governmental funds and proprietary funds that have personnel services.

12. Equity Classifications

Government-wide Financial Statements

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

- a. Net investment in capital assets – 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 position – Consists of net position 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 position – All other net position that do not meet the definition of "restricted" or "net investment in capital assets."

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

Classification of Fund Balances

Governmental fund equity is classified as fund balance. Fund balance is divided into five classifications based primarily on the extent to which the City is bound to observe constraints imposed upon the use of the resources in the governmental funds. The classifications are as follows:

Note III. Summary of Significant Accounting Policies (continued)

Nonspendable – the nonspendable fund balance category includes amounts that cannot be spent because they are either not in spendable form, or legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash.

Restricted – fund balance is reported as restricted when constraints placed on the use of the resources are either externally imposed by the creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or is imposed by law through constitutional provisions or enabling legislation.

Committed – the committed fund balance classification includes amounts that can be used only for the specific purposes imposed by formal action (resolution) of the City Council. Those committed amounts cannot be used for any other purpose unless the City Council removes or changes the specified use by taking the same type of action (resolution) it employed to previously commit those amounts.

Assigned – the assigned fund balance classification includes amounts the City intends to use for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds, assigned fund balance represents intended uses established by the City Council or the Office of Financial Services Director who has been delegated that authority by the City Council.

Unassigned – Unassigned fund balance is the residual classification for the General Fund and includes all spendable amounts not contained in the other fund balance classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted or committed.

The City has adopted an accounting policy that in determining the composition of its ending fund balance will consider restricted amounts to have been spent first when an expenditure is incurred for purposes for which both restricted and unrestricted amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned amounts and then unassigned amounts when expenditures are incurred for purposes for which amounts of the unrestricted fund balance classifications could be used.

Proprietary fund equity is classified the same as in the government-wide statements.

The City adopted a fund balance policy for the General Fund and City Debt Service Funds. The policy established specific goals and guidance for future decisions regarding the appropriate level and use of fund balance. The City General Fund fund balance should be maintained at a minimum of 15% of the next year’s planned budget for the General Fund and the Public Library General Fund which is financed by property taxes and local government aid.

The City 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.

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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 Position

Statement 4 is a reconciliation between fund balance – total governmental funds as reported in governmental funds and net position – governmental activities as reported in the government-wide statement of net position. 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 position as shown below.

Historical Cost of Capital Assets	\$ 2,216,006,745
Accumulated Depreciation	<u>(865,067,337)</u>
Net Adjustment to Increase Fund Balance - Total Governmental Funds to Arrive at Net Position of Governmental Activities	<u>\$ 1,350,939,408</u>

Another element of the reconciliation states that “some receivables that are not currently available are reported as deferred inflows of resources in the fund financial statements, but are recognized as revenue when earned in the government-wide statements, excluding the provision for an allowance for uncollectible taxes.” Below are details of that difference.

Unavailable Revenue	
General Government Revenues	\$ 29,463,966
Public Safety Revenues	1,440,893
Highways and Streets Revenues	36,001,369
Sanitation Revenues	8,065,270
Health Revenues	265,901
Housing and Economic Development Revenues	4,565,704
Property Taxes	2,807,571
Interest Earned on Investments	<u>684,889</u>
Net Adjustment to Increase Fund Balance - Total Governmental Funds to Arrive at Net Position of Governmental Activities	<u>\$ 83,295,563</u>

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Note IV. Reconciliation of Government-wide and Fund Financial Statements (continued)

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:

Pollution Remediation Obligation	\$ (241,000)
Deferred Outflow - Unrealized Loss on Derivatives	4,619,982
Derivative Interest Swap	(4,619,982)
Deferred Pension Outflows	140,286,440
Deferred Pension Inflows	(199,654,057)
Deferred Net Postemployment Benefits Outflows	18,576,014
General Obligation Bonds	(247,617,655)
Revenue Bonds	(115,084,000)
Bond Discount and Premium	(19,570,904)
Revenue Notes	(60,019,846)
Note Discount and Premium	(171,248)
Capital Leases	(3,751,999)
Compensated Absences	(16,543,569)
Other Postemployment Benefits Liability	(194,820,768)
Claims and Judgments	(69,677,250)
Net Pension Liability	(159,600,915)
Accrued Interest Payable	<u>(3,766,259)</u>
Net Adjustment to Decrease Fund Balance - Total Governmental Funds to Arrive at Net Position of Governmental Activities	<u>\$ (931,657,016)</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

Statement 6 is a reconciliation between net changes in fund balances – total governmental funds and changes in net position 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 Position, 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 difference are as follows:

Capital outlay is reported as an expenditure in the fund financial statements	\$ 66,297,741
Capital outlay capitalized in excess of current expenditures	15,236,255
Depreciation is reported in the government-wide statements	<u>(45,810,693)</u>
Net Excess (Deficit) of Capital Outlay Over Depreciation	<u>\$ 35,723,303</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 Position. Repayment of principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.” Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of 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 difference are as follows:

Note IV. Reconciliation of Government-wide and Fund Financial Statements (continued)

Debt Issued or Incurred:		
General Obligations Bonds	\$ (49,762,655)	
Premium on General Obligations Bonds	(2,755,896)	
Revenue Notes	(4,000,000)	
Total Debt Issued		\$ (56,518,551)
Principal Payments		
General Obligations Bonds	\$ 61,875,000	
Revenue Bonds	7,440,000	
Revenue Notes	5,264,573	
Capital Lease	939,093	
Total Principal Payments		75,518,666
Debt forgiveness on State Loan		4,750,000
Interest on Debt	(106,690)	
Amortization of Premium	1,636,546	
Total Interest		<u>1,529,856</u>
Net Adjustment to Net Changes in Fund Balances - Total Governmental Funds to Arrive at Changes in Net Position of Governmental Activities		<u>\$ 25,279,971</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 difference are as follows:

Compensated Absences	\$ 95,332
Other Postemployment Benefits	12,180,013
Claims and Judgments	(5,887,405)
Pollution Remediation Obligation	159,000
Net Pension	<u>7,059,165</u>
Net Adjustment to Net Changes in Fund Balances - Total Governmental Funds to Arrive at Changes in Net Position of Governmental Activities	<u>\$ 13,606,105</u>

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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 2018 budgets:

- a. On August 15, 2017, the Mayor presented a 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 6, 2017, to obtain taxpayer comments.
- c. The budget was legally adopted through passage of council resolution #17-1974 during the City Council meeting on December 13, 2017.

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 2018 budgets:

- a. The Executive Director presented a proposed budget to the HRA Board of Commissioners for the fiscal year commencing January 1, 2018. 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 #17-1976 during the City Council meeting on December 13, 2017.

HRA budget amendments that authorize an increase in total fund spending require the approval of the HRA Board of Commissioners. Amendments transferring budgeted amounts between cost centers within the same fund require administrative approval by the HRA Executive Director and the City Office of Financial Services Director.

Note V. Stewardship, Compliance and Accountability (continued)

3. General Budget Procedure – Library Agency Funds

The Library Agency followed these procedures in establishing the 2018 budgets:

- a. On August 15, 2017, 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 City Council held a public hearing on December 6, 2017, to obtain taxpayer comments.
- c. The budget was legally adopted through passage of Saint Paul Library Agency resolution #17-1970 during the Library Board meeting on December 13, 2017.

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 GAAP:

General Fund

Special Revenue Funds (except: City Grants, City HUD Grants, City Sales Tax, and HRA Grants, which have multi-year budgets).

Permanent Funds

In addition, multi-year governmental fund budgets are utilized in the capital projects funds but are not reported.

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Note V. Stewardship, Compliance and Accountability (continued)

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

	Fund Balances 1/1/18	Revenues	Expenditures	Net Other Financing Sources (Uses)	Fund Balances 12/31/18
SPECIAL REVENUE FUNDS					
Assessment Financing	\$ 5,462,842	\$ 6,920,857	\$ (2,630,156)	\$ (2,653,043)	\$ 7,100,500
Public Library General Fund	2,270,151	18,036,296	(18,122,012)	353,879	2,538,314
HRA General Fund	10,538,150	6,531,267	(7,030,804)	(805,854)	9,232,759
Annually Budgeted Nonmajor Funds*	6,821,041	50,899,371	(57,067,364)	8,242,539	8,895,587
Total Annually Budgeted Funds	\$ 25,092,184	\$ 82,387,791	\$ (84,850,336)	\$ 5,137,521	\$ 27,767,160

*Annually Budgeted Nonmajor Funds balance as of 1/1/18 was restated. This balance reflects the change.

5. Appropriation Revisions

Budgeted amounts are as originally adopted or as amended by the City Council. During 2018, 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	\$ 289,551,575	\$ 2,311,228	\$ 291,862,803
Special Revenue Funds	93,350,553	11,367,216	104,717,769
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.

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Note V. Stewardship, Compliance and Accountability (continued)

B. Federal Audit Requirements

As a recipient of federal, state and local financial assistance, the City is responsible for ensuring that adequate internal controls are in place to ensure compliance with applicable laws and regulations related to those programs. These internal controls are subject to periodic evaluation by management.

The City is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act Amendments of 1996 and audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

The Uniform Guidance sets forth the audit requirements for local governments receiving federal awards. It provides for a single independent audit of the financial operations, including compliance with certain provisions of federal laws and regulations. The requirements have been established to ensure that audits are made on an organization-wide basis rather than a grant-by-grant basis. This audit requirement was complied with for 2018. An auditor's report on consideration of the City's internal control over financial reporting and on tests of the City's compliance will be issued at a later date.

C. Deficit Balances

GAAP requires disclosure of individual funds that have deficit fund balances or net position at year end. The following funds had deficit fund balances or net position at December 31, 2018:

	<u>Fund Balance/ Net Position</u>
Special Revenue Funds:	
Fire Responsive Services	\$ (100,888)
Right of Way Maintenance	(3,066,961)
Public Health	(212,264)
Como Campus	(3,009,006)
Enterprise Funds:	
Parks Special Services	(7,774,851)
Impound Lot	(4,501,114)
River Print	(306,157)
Internal Service Funds:	
Equipment Services Fire-Police	(2,325,864)
Public Works Administration	(1,046,849)
Public Works Engineering	(5,077,824)
Parks Supply and Maintenance	(1,965,641)
Planning and Economic Development Administration	(7,291,934)

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 fair 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 standby 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, 2018, the City's bank balance of checking and interest-bearing accounts and certificates of deposit totaled \$66,236,515 which is also the City's carrying amount of these balances. As of December 31, 2018, the City's deposits were not exposed to custodial credit risk.

Imprest Funds on Hand

At December 31, 2018, the City had total imprest funds of \$84,285 on hand.

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.

Note VI. Detailed Notes on All Funds (continued)

3. The time horizon on the Short-Term Portfolio is between one and three years.
4. 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 banker’s 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.

Note VI. Detailed Notes on All Funds (continued)

The City's exposure to credit risk as of December 31, 2018, is as follows:

Investment Type		S&P Global		Moody's Investor Service	
US Treasury Securities	AA+	\$ 39,193,471		Aaa	\$ 39,193,471
US Federal Agency Obligations	AAA	-		Aaa	134,283,489
	AA+	134,283,489		Aa1	-
Total US Federal Agencies		134,283,489			134,283,489
US Mortgage Obligations	AAA	66,487,460		Aaa	66,516,181
	AA+	28,721		Aa1	-
Total Mortgage Obligations		66,516,181			66,516,181
Municipal Bonds	AAA	15,519,435		Aaa	6,137,302
	AA+	7,148,156		Aa1	11,881,964
	AA	10,397,491		Aa2	22,136,650
	AA-	1,645,214		Aa3	2,468,082
	A+	1,372,952		A1	667,669
	Not Rated	17,535,393		Not Rated	10,326,974
Total Municipal Bonds		53,618,641			53,618,641
Government Money Market Mutual Funds	AAA-mG	1,262,466		Aaa-mf	1,262,466
Negotiable Certificates of Deposit	Collateralized - Not Rated	10,000,000		Collateralized - Not Rated	10,000,000
Total Investments		\$ 304,874,248			\$ 304,874,248

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. Certificates of Deposit and select securities purchased from the City of St. Paul may be kept in the City's safe. The securities lending agreement, although the program is suspended, is still in place between the City and its custodian.

The City has no custodial credit risk for investments at December 31, 2018.

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, 2018, 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.

Note VI. Detailed Notes on All Funds (continued)

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 was 80% Barclay's Intermediate Government Index/20% 15-year MBS Index.

At December 31, 2018, the City had the following investments:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Less Than 1 Year</u>	<u>2 - 5 Years</u>	<u>6 - 10 Years</u>	<u>More Than 10 Years</u>
US Treasury Securities	\$ 39,193,471	\$ 17,265,177	\$ 13,277,849	\$ 8,650,445	\$ -
US Federal Agency Obligations	134,283,489	40,263,863	33,972,968	38,542,308	21,504,350
US Mortgage Obligations	66,516,181	1,435,398	15,714,591	18,723,198	30,642,994
Municipal Bonds	53,618,641	7,768,612	26,595,308	17,175,113	2,079,608
Government Money Market Mutual Funds	1,262,466	1,262,466	-	-	-
Negotiable Certificates of Deposit	10,000,000	10,000,000	-	-	-
Total Investments	\$ 304,874,248	\$ 77,995,516	\$ 89,560,716	\$ 83,091,064	\$ 54,226,952

Included in the total investment pool of \$304,874,248 are equity investments of the City's two component units, the RiverCentre Convention & Visitors Authority for \$2,232,186 and the Regional Water Services for \$27,272,399. The remaining amount of \$275,369,663 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.

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Note VI. Detailed Notes on All Funds (continued)

As of December 31, 2018, the City had the following externally managed investments in its investment pool.

	<u>Fair Value</u>	<u>Effective Duration</u>
Nuveen	\$ 30,360,647	3.59
Galliard	44,722,366	3.58
Advantus	15,094,771	3.32
RBC	<u>44,031,407</u>	3.70
Total Externally Managed Investments	<u>\$ 134,209,191</u>	
Benchmark (80% Barclay's Interm Gov't/20% 15 Year MBS)		3.73

Fair Value Measurements

The City categorizes its fair value measurements within the fair value measurement guidelines established by GAAP. These guidelines recognize a three-tiered fair value hierarchy as follows:

- Level 1 – Quoted prices for identical investments in active markets
- Level 2 – Observable inputs other than quoted market prices; and,
- Level 3 – Unobservable inputs.

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Note VI. Detailed Notes on All Funds (continued)

At December 31, 2018, the City had the following recurring fair value measurements:

Investments By Fair Value Level	Fair Value Measurement Using			
	12/31/2018	Level 1	Level 2	Level 3
US Treasury Securities	\$ 39,193,471	\$ 39,193,471	\$ -	\$ -
US Federal Agency Obligations	134,283,489	-	134,283,489	-
US Mortgage Obligations	66,516,181	-	66,516,181	-
Municipal Bonds	53,618,641	-	53,263,897	354,744
Total Investments By Fair Value Level	\$ 293,611,782	\$ 39,193,471	\$ 254,063,567	\$ 354,744
Investments Measured at Net Asset Value				
Government Money Market Mutual Funds	1,262,466			
Negotiable Certificates of Deposit	10,000,000			
Total investments measured at Net Asset Value	11,262,466			
Total Investments	\$ 304,874,248			

Debt securities classified in Level 1 are valued using a market approach quoted in active markets for those securities.

Debt securities classified in Level 2 are valued using the following approaches:

- 1) U.S. Federal agency obligations are valued using a market approach by utilizing quoted prices for identical securities in markets that are not active;
- 2) U.S. Mortgage obligations are valued using a matrix pricing based on the securities relationship to benchmark quoted prices; and
- 3) Municipal bonds are valued using a market approach utilizing quoted prices for similar securities in active markets.

Level 3 inputs are unobservable inputs, such as management's assumption of the default rate among the underlying security of an asset. The municipal bonds classified in Level 3 are valued using consensus data.

The City invests in government mutual funds for the benefit of liquid investments that can be readily converted into cash. Government mutual funds held by the City seek a constant net asset value (NAV) of \$1.00 per share. The government mutual funds reserve the right to require one or more day's prior notice before permitting withdrawals. The City also holds negotiable certificates of deposit which will mature and be redeemed one year from issuance. The fair value is based on current market conditions. The City invests in these certificates of deposit with local financial institutions as part of its socially responsible investment fund.

Note VI. Detailed Notes on All Funds (continued)

Recap

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

Cash Deposits	\$ 66,236,515	Cash and Investments with Treasurer	\$ 296,777,465
Investments	275,369,663	Cash With Fiscal Agents	1,105,505
Imprest Funds on Hand	<u>84,285</u>	Cash and Investments with Trustees	17,808,879
		Imprest Funds	84,285
		Restricted Cash and Cash Equivalents	21,089,243
		Investment for Revenue Bond Future Debt Service	<u>4,825,086</u>
Total	<u>\$ 341,690,463</u>	Total	<u>\$ 341,690,463</u>

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Note VI. Detailed Notes on All Funds (continued)

B. Receivables

Summary of Receivables

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

Governmental Activities	General	Assessment Financing	Public Library General Fund	HRA General Fund	City Debt Service	HRA Debt Service	City Capital Projects	Nonmajor Governmental Funds	Total	Internal Service Funds
Receivables:										
Taxes	\$ 3,633,923	\$ -	\$ 628,811	\$ 106,239	\$ 484,812	\$ 38,930	\$ -	\$ 195,590	\$ 5,088,305	\$ -
Accounts	4,256,053	-	-	509,525	75	3,207	30,971	2,059,576	6,859,407	937,962
Assessments	-	28,044,467	-	-	11,933,831	-	-	13,449,029	53,427,327	-
Notes and Loans	-	-	-	42,435	-	-	-	120,176,746	120,219,181	3,785,682
Accrued Interest	567,839	-	-	80,276	213,033	86,982	104,850	377,783	1,430,763	-
Xcel Energy	1,180,664	-	-	-	-	-	-	-	1,180,664	-
Intergovernmental	2,748,407	-	-	-	-	-	19,758,428	10,110,847	32,617,682	567,767
Gross Receivables	12,386,886	28,044,467	628,811	738,475	12,631,751	129,119	19,894,249	146,369,571	220,823,329	5,291,411
Less: Allowance for Uncollectibles	(660,977)	-	-	(117,376)	-	-	(30,971)	(114,515,041)	(115,324,365)	(788,713)
Net Total Receivables	\$ 11,725,909	\$ 28,044,467	\$ 628,811	\$ 621,099	\$ 12,631,751	\$ 129,119	\$ 19,863,278	\$ 31,854,530	\$ 105,498,964	\$ 4,502,698
Amounts not expected to be collected within one year	\$ -	\$ 22,514,761	\$ -	\$ -	\$ 10,250,255	\$ -	\$ -	\$ 1,270,725	\$ 34,035,741	\$ -

Business-Type Activities	Sewer Utility	HRA Loan	HRA Parking	Nonmajor Enterprise Funds	Total
Receivables:					
Taxes	\$ -	\$ -	\$ 26,815	\$ -	\$ 26,815
Accounts	21,669	-	889,366	209,861	1,120,896
Assessments	6,210,667	12,962	-	-	6,223,629
Notes and Loans	-	33,674,552	830,000	-	34,504,552
Accrued Interest	12,217	2,550,851	34,827	-	2,597,895
Intergovernmental	31,828	-	-	87,805	119,633
Gross Receivables	6,276,381	36,238,365	1,781,008	297,666	44,593,420
Less: Allowance for Uncollectibles	(11,094)	(32,497,237)	(777,148)	(127,072)	(33,412,551)
Net Total Receivables	\$ 6,265,287	\$ 3,741,128	\$ 1,003,860	\$ 170,594	\$ 11,180,869

Note VI. Detailed Notes on All Funds (continued)

Property Taxes

For property taxes collectible in 2018, Saint Paul's taxable net tax capacity (including Tax Increment Districts) was \$292,144,719; the estimated fair value was \$24,079,909,300; the net tax capacity was 1.21% of the estimated fair value. Estimated fair 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, 2018, were as follows:

	<u>City</u>	<u>HRA</u>
Dollar Amount	\$138,431,094	\$ 3,813,626
Percent of Levy Spread	99.37%	99.78%

Notes and Loans Receivable

Notes and Loans Receivable are reported as assets in the following funds at December 31, 2018:

Special Revenue Funds:	
HRA General Fund	\$ 10,609
City Grants	725,000
City HUD Grants	1,203,513
City Sales Tax	<u>2,979,894</u>
Total Special Revenue Funds	<u>4,919,016</u>
Capital Projects Funds:	
HRA Development	289,616
HRA Tax Increment	<u>884,656</u>
Total Capital Projects Funds	<u>1,174,272</u>
Total	<u><u>\$ 6,093,288</u></u>

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

Enterprise Fund:	
HRA Loan Enterprise	\$ 3,265,028
HRA Parking	<u>436,250</u>
Total Enterprise Funds	<u>3,701,278</u>
Internal Service Funds:	
Internal Borrowing	712,501
Public Works Engineering	<u>3,035,681</u>
Total Internal Service Funds	<u>3,748,182</u>
Total	<u><u>\$ 7,449,460</u></u>

Note VI. Detailed Notes on All Funds (continued)

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, 2018, the allowance for uncollectible loans recorded was \$114,125,893.

C. Land Held for Resale

Land Held for Resale is reported in the following funds as an asset as of December 31, 2018:

Special Revenue Funds	
HRA General Fund	\$ 325,236
City HUD Grants	<u>4,514,620</u>
Total Special Revenue Funds	<u>4,839,856</u>
Capital Projects Funds	
HRA Development Capital Projects	893,067
HRA Tax Increment Capital Projects	<u>982,328</u>
Total Capital Projects Funds	<u>1,875,395</u>
Enterprise Fund	
HRA Loan	<u>4,065,742</u>
Total	<u><u>\$ 10,780,993</u></u>

D. Restricted Assets

As of December 31, 2018, the following restricted assets were reported in the following funds:

	HRA Tax Increment Capital Projects	Sewer Utility	HRA Parking
Cash for General Obligation Bond Current Debt Service	\$ -	\$ -	\$ 1,910,266
Cash for Revenue Bond Debt Service	-	777,952	2,179,225
Cash for Revenue Bond Operations and Maintenance	-	4,690,714	-
Cash for Revenue Bond Construction	-	5,483,051	-
Cash for Note Debt Service	250,300	-	-
Cash for Budget and Rate Stabilization	-	5,797,735	-
Investment for Revenue Bond Future Debt Service	-	4,825,086	-
Total	<u><u>\$ 250,300</u></u>	<u><u>\$ 21,574,538</u></u>	<u><u>\$ 4,089,491</u></u>

Note VI. Detailed Notes on All Funds (continued)

E. Capital Assets

Capital asset activity for the year ended December 31, 2018, was as follows:

Governmental Activities

	Balance 1/1/18	Additions	Deductions	Balance 12/31/18
Capital Assets Not Being Depreciated:				
Land	\$ 169,277,572	\$ 1,503,402	\$ -	\$ 170,780,974
Construction in Progress	115,653,806	64,120,961	(51,820,810)	127,953,957
Total Capital Assets Not Being Depreciated	284,931,378	65,624,363	(51,820,810)	298,734,931
Capital Assets Being Depreciated:				
Buildings and Structures	752,728,139	32,914,143	-	785,642,282
Improvements Other than Buildings	164,479,970	13,115,942	-	177,595,912
Equipment	146,061,059	7,613,144	(176,672)	153,497,531
Infrastructure	835,294,931	17,025,618	-	852,320,549
Total Capital Assets Being Depreciated	1,898,564,099	70,668,847	(176,672)	1,969,056,274
Less: Accumulated Depreciation for:				
Buildings and Structures	(330,727,540)	(18,102,439)	-	(348,829,979)
Improvements Other than Buildings	(76,003,890)	(7,041,083)	-	(83,044,973)
Equipment	(105,203,431)	(8,869,021)	173,497	(113,898,955)
Infrastructure	(341,389,181)	(14,654,420)	-	(356,043,601)
Total Accumulated Depreciation	(853,324,042)	(48,666,963)	173,497	(901,817,508)
Total Capital Assets Being Depreciated, Net	1,045,240,057	22,001,884	(3,175)	1,067,238,766
Governmental Activities Capital Assets, Net	\$ 1,330,171,435	\$ 87,626,246	\$ (51,823,985)	\$ 1,365,973,697

Depreciation expense was charged to the following governmental functions:

General Government	\$ 14,939,530
Public Safety	4,335,202
Highways and Streets	16,504,230
Culture and Recreation	11,607,344
Housing and Economic Development	1,280,657
Total Governmental Activities Depreciation Expense	\$ 48,666,963

Note VI. Detailed Notes on All Funds (continued)

Business-Type Activities

	Balance 01/01/18	Additions	Deductions	Balance 12/31/18
Capital Assets Not Being Depreciated:				
Land	\$ 31,539,972	\$ -	\$ -	\$ 31,539,972
Construction in Progress	762,315	9,913,810	(6,488,533)	4,187,592
Total Capital Assets Not Being Depreciated	32,302,287	9,913,810	(6,488,533)	35,727,564
Capital Assets Being Depreciated:				
Buildings and Structures	115,249,494	1,057,642	(289,590)	116,017,546
Public Improvements	431,752,894	4,828,545	-	436,581,439
Equipment	7,924,051	602,346	(346,331)	8,180,066
Total Capital Assets Being Depreciated	554,926,439	6,488,533	(635,921)	560,779,051
Less: Accumulated Depreciation for:				
Buildings and Structures	(59,633,743)	(3,041,292)	155,229	(62,519,806)
Public Improvements	(155,960,899)	(5,787,226)	-	(161,748,125)
Equipment	(6,041,989)	(547,371)	319,820	(6,269,540)
Total Accumulated Depreciation	(221,636,631)	(9,375,889)	475,049	(230,537,471)
Total Capital Assets Being Depreciated, Net	333,289,808	(2,887,356)	(160,872)	330,241,580
Business-Type Activities Capital Assets, Net	\$ 365,592,095	\$ 7,026,454	\$ (6,649,405)	\$ 365,969,144

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

Sewer	\$ 5,983,514
Parking Operations	3,239,037
Parks, Recreation and Athletics	153,338
Total Business-Type Activities Depreciation Expense	\$ 9,375,889

Note VI. Detailed Notes on All Funds (continued)

F. Interfund Receivables/Payables/Advances and Transfers

The following is a schedule of interfund receivables and payables including loans made from the General Fund to other Funds as of December 31, 2018:

Due to/from Other Funds

Receivable Fund	Payable Fund					Total All Funds
	General	City Capital Projects	Nonmajor Special Revenue Funds	Nonmajor Enterprise Funds	Internal Service Funds	
General	\$ -	\$ -	\$ 6,087,629	\$ 11,725,227	\$ 2,038,791	\$ 19,851,647
Internal Service Funds	6,624	165,000	-	-	215,996	387,620
Total All Funds	<u>\$ 6,624</u>	<u>\$ 165,000</u>	<u>\$ 6,087,629</u>	<u>\$ 11,725,227</u>	<u>\$ 2,254,787</u>	<u>\$ 20,239,267</u>

Interfund balances are either due to the elimination of negative cash balances within the various funds or the current portion of advances.

Advances to/from Other Funds

The following is a schedule of interfund advances as of December 31, 2018:

Receivable Fund	Payable Fund								Total All Funds
	General Fund	Assessment Financing	City Capital Projects	Nonmajor Special Revenue Funds	Nonmajor Capital Project Funds	Sewer Utility	HRA Loan	Internal Service Funds	
HRA General Fund	\$ -	\$ -	\$ -	\$ -	\$ 730,558	\$ -	\$ -	\$ -	\$ 730,558
Nonmajor Special Revenue Funds	-	-	-	-	9,326,023	-	-	-	9,326,023
Nonmajor Capital Project Funds	-	515,495	-	1,750,000	1,623,183	135,616	250,000	-	4,274,294
HRA Loan	-	-	-	-	2,397,124	-	-	234,545	2,631,669
HRA Parking	-	-	-	-	-	-	564,744	-	564,744
Internal Service Funds	21,702	-	471,893	-	-	-	-	675,571	1,169,166
Total All Funds	<u>\$ 21,702</u>	<u>\$ 515,495</u>	<u>\$ 471,893</u>	<u>\$ 1,750,000</u>	<u>\$ 14,076,888</u>	<u>\$ 135,616</u>	<u>\$ 814,744</u>	<u>\$ 910,116</u>	<u>\$ 18,696,454</u>

Advances to other funds are to provide working capital for projects or operations of the other fund. The advances shown above are long-term amounts not due within one year.

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Note VI. Detailed Notes on All Funds (continued)

Transfers

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.

The following is a schedule of interfund transfers as of December 31, 2018:

Transfers Out	Transfers In					
	General	Assessment Financing	Public Library General Fund	City Debt Service	HRA General Debt Service	City Capital Projects
General	\$ -	\$ -	\$ -	\$ 1,002,706	\$ -	\$ 160,000
Assessment Financing	2,265,049	-	-	-	-	193,889
Public Library General Fund	91,751	-	-	-	-	-
HRA General Fund	352,478	-	-	-	-	-
City Debt Service	500,000	-	-	-	-	4,750,000
HRA General Debt Service	-	-	-	-	-	-
City Capital Projects	95,950	-	-	9,912,540	-	-
Nonmajor Special Revenue Funds	4,457,964	220,243	451,824	24,149,023	-	1,447,307
Nonmajor Capital Projects	-	-	-	2,791,715	106,715	67,967
Sewer Utility	424,603	-	-	3,000,000	-	-
HRA Loan	125,000	-	-	-	-	15,609
HRA Parking	1,038,000	-	-	-	-	-
HRA Penfield	-	-	-	-	-	-
Nonmajor Enterprise Funds	361,216	-	-	-	-	-
Internal Service Funds	699,591	-	-	2,660,013	-	1,811,396
Total Transfers In	<u>\$ 10,411,602</u>	<u>\$ 220,243</u>	<u>\$ 451,824</u>	<u>\$ 43,515,997</u>	<u>\$ 106,715</u>	<u>\$ 8,446,168</u>

Transfers Out	Transfers In					
	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	HRA Loan	Nonmajor Enterprise Funds	Internal Service Funds	Total Transfers Out
General	\$ 4,424,916	\$ -	\$ 10,000	\$ -	\$ 2,369,709	\$ 7,967,331
Assessment Financing	114,348	300,000	-	-	-	2,873,286
Public Library General Fund	-	-	-	-	6,194	97,945
HRA General Fund	-	4,705	-	-	448,671	805,854
City Debt Service	12,965,682	-	-	-	-	18,215,682
HRA General Debt Service	-	2,290,170	-	-	-	2,290,170
City Capital Projects	-	-	44,910	-	-	10,053,400
Nonmajor Special Revenue Fun	1,128,285	33,977	76,570	90,377	181,377	32,236,947
Nonmajor Capital Projects	-	-	-	-	-	2,966,397
Sewer Utility	-	-	-	-	-	3,424,603
HRA Loan	833,806	-	-	-	-	974,415
HRA Parking	99,037	-	-	-	-	1,137,037
HRA Penfield	-	-	500,000	-	-	500,000
Nonmajor Enterprise Funds	105,935	-	-	-	11,613	478,764
Internal Service Funds	-	-	-	-	349,674	5,520,674
Total Transfers In	<u>\$ 19,672,009</u>	<u>\$ 2,628,852</u>	<u>\$ 631,480</u>	<u>\$ 90,377</u>	<u>\$ 3,367,238</u>	<u>\$ 89,542,505</u>

The total governmental and proprietary fund transfers in is \$89,542,505 and the total governmental and proprietary funds transfers out is \$89,542,505.

Note VI. Detailed Notes on All Funds (continued)

G. Long-Term Obligations

1. Changes in Long-Term Obligations

Long-term obligations activity in the year ended December 31, 2018, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Due Within One Year
GOVERNMENTAL ACTIVITIES					
Bonds Payable					
General Obligation Bonds					
Property Tax Supported	\$ 224,430,964	\$ 44,517,343	\$ (51,922,638)	\$ 217,025,669	\$ 23,382,578
Special Assessment Debt with Governmental Commitment	26,669,036	5,245,312	(9,392,362)	22,521,986	2,902,422
HRA Tax Increment	9,635,000	-	(710,000)	8,925,000	725,000
Total General Obligation Bonds	260,735,000	49,762,655	(62,025,000)	248,472,655	27,010,000
Revenue Bonds					
Sales Tax Revenue	94,575,000	-	(5,580,000)	88,995,000	5,755,000
HRA Tax Increment Revenue	24,344,000	-	(1,405,000)	22,939,000	1,193,000
HRA Lease Revenue	3,605,000	-	(455,000)	3,150,000	475,000
Total Revenue Bonds	122,524,000	-	(7,440,000)	115,084,000	7,423,000
Add/(Subtract) Unamortized Premiums/(Discounts)	18,446,263	2,755,896	(1,593,734)	19,608,425	-
Total Bonds Net of Amortization	401,705,263	52,518,551	(71,058,734)	383,165,080	34,433,000
Revenue Notes Payable					
General Obligation Notes	7,571,543	-	(2,571,543)	5,000,000	2,500,000
Revenue Notes	46,613,000	4,000,000	(6,547,750)	44,065,250	7,372,500
HRA Revenue Notes	11,849,876	-	(895,280)	10,954,596	233,128
Total Revenue Notes Payable	66,034,419	4,000,000	(10,014,573)	60,019,846	10,105,628
Add/(Subtract) Unamortized Premiums/(Discounts)	214,060	-	(42,812)	171,248	-
Total Revenue Notes Net of Amortization	66,248,479	4,000,000	(10,057,385)	60,191,094	10,105,628
Capital Leases Payable					
Capital Leases	8,634,994	-	(2,711,148)	5,923,846	1,425,215
Add/(Subtract) Unamortized Premiums/(Discounts)	(40,303)	-	24,802	(15,501)	-
Total Capital Leases Net of Amortization	8,594,691	-	(2,686,346)	5,908,345	1,425,215
Other Liabilities:					
Compensated Absences	18,803,229	341,890	(735,345)	18,409,774	1,054,350
Claims and Judgments Payable	63,789,845	18,126,486	(12,239,081)	69,677,250	8,336,187
Total Other Liabilities	82,593,074	18,468,376	(12,974,426)	88,087,024	9,390,537
Total Governmental Activities Long-Term Liabilities	\$ 559,141,507	\$ 74,986,927	\$ (96,776,891)	\$ 537,351,543	\$ 55,354,380

Note VI. Detailed Notes on All Funds (continued)

	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
BUSINESS-TYPE ACTIVITIES					
Bonds Payable:					
HRA Parking Facilities General Obligation	\$ 16,350,000	\$ 13,175,000	\$ (16,350,000)	\$ 13,175,000	\$ 1,485,000
Revenue Bonds					
Sewer Revenue	77,560,000	7,710,000	(5,650,000)	79,620,000	5,605,000
HRA Parking Facilities Revenue	28,945,000	-	(1,325,000)	27,620,000	1,185,000
Total Revenue Bonds	106,505,000	7,710,000	(6,975,000)	107,240,000	6,790,000
Add/(Subtract) Unamortized Premiums/(Discounts)	5,525,363	1,528,651	(875,484)	6,178,530	-
Total Bonds Net of Amortization	128,380,363	22,413,651	(24,200,484)	126,593,530	8,275,000
Revenue Notes Payable					
Sewer Revenue Notes	2,855,909	-	(1,159,601)	1,696,308	1,035,308
HRA Revenue Notes	3,880,000	-	(93,856)	3,786,144	95,777
Total Revenue Notes Payable	6,735,909	-	(1,253,457)	5,482,452	1,131,085
Other Liabilities:					
Compensated Absences	579,590	518,289	(579,590)	518,289	22,750
Total Business-Type Activities Long-Term Liabilities	\$ 135,695,862	\$ 22,931,940	\$ (26,033,531)	\$ 132,594,271	\$ 9,428,835
TOTAL LONG-TERM OBLIGATIONS	\$ 694,837,369	\$ 97,918,867	\$ (122,810,422)	\$ 669,945,814	\$ 64,783,215

Internal Service funds predominantly serve the governmental funds. Accordingly, their long-term liabilities are included as part of the totals reported for governmental activities. At year end, \$1,866,205 of compensated absences, \$2,156,346 of capital leases, \$16,728,689 of other postemployment benefits liability and \$14,988,415 of net pension liability were included in the noncurrent liabilities reported for the governmental activities.

The government-wide statement of net position includes \$4,166,229 of the long-term liabilities due within one year for business-type activities in "liabilities payable from restricted assets." The remaining amount of \$6,291,752 was displayed as "noncurrent liabilities due within one year" on the same statement.

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Note VI. Detailed Notes on All Funds (continued)

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
2019	\$ 27,010,000	\$ 9,861,625	\$ 1,485,000	\$ 703,402	\$ 28,495,000	\$ 10,565,027
2020	20,275,000	8,576,410	1,380,000	504,100	21,655,000	9,080,510
2021	20,380,000	7,802,772	1,450,000	433,350	21,830,000	8,236,122
2022	19,185,000	7,015,435	1,520,000	359,100	20,705,000	7,374,535
2023	19,390,000	6,213,812	1,600,000	281,100	20,990,000	6,494,912
2024-2028	77,015,000	20,840,940	5,740,000	381,450	82,755,000	21,222,390
2029-2033	47,420,000	9,017,967	-	-	47,420,000	9,017,967
2034-2038	14,527,655	1,771,737	-	-	14,527,655	1,771,737
2039-2041	3,270,000	208,984	-	-	3,270,000	208,984
Total General Obligation Bonds Debt	<u>\$ 248,472,655</u>	<u>\$ 71,309,682</u>	<u>\$ 13,175,000</u>	<u>\$ 2,662,502</u>	<u>\$ 261,647,655</u>	<u>\$ 73,972,184</u>

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Note VI. Detailed Notes on All Funds (continued)

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
2019	\$ 7,423,000	\$ 5,473,938	\$ 6,790,000	\$ 3,737,683	\$ 14,213,000	\$ 9,211,621
2020	7,799,000	5,134,588	7,005,000	3,485,883	14,804,000	8,620,471
2021	8,230,000	4,747,260	6,680,000	3,243,088	14,910,000	7,990,348
2022	8,624,000	4,389,473	6,885,000	2,996,312	15,509,000	7,385,785
2023	9,026,000	3,982,911	7,150,000	2,724,939	16,176,000	6,707,850
2024-2028	50,419,000	12,114,436	36,265,000	9,479,955	86,684,000	21,594,391
2029-2033	23,563,000	2,494,400	26,710,000	3,892,713	50,273,000	6,387,113
2034-2038	-	-	9,755,000	626,484	9,755,000	626,484
Total Revenue						
Bonds Debt	\$ 115,084,000	\$ 38,337,006	\$ 107,240,000	\$ 30,187,057	\$ 222,324,000	\$ 68,524,063

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
2019	\$ 10,105,628	\$ 1,545,724	\$ 1,131,085	\$ 99,887	\$ 11,236,713	\$ 1,645,611
2020	8,385,866	1,367,911	2,338,619	47,036	10,724,485	1,414,947
2021	3,647,000	1,237,158	99,735	20,407	3,746,735	1,257,565
2022	4,717,500	1,081,166	101,776	19,396	4,819,276	1,100,562
2023	2,649,000	930,684	103,859	-	2,752,859	930,684
2024-2028	20,764,852	3,322,905	1,707,379	65,855	22,472,231	3,388,760
2029-2032	9,750,000	1,032,313	-	-	9,750,000	1,032,313
Total Revenue						
Notes Debt	\$ 60,019,846	\$ 10,517,861	\$ 5,482,453	\$ 252,581	\$ 65,502,299	\$ 10,770,442

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Note VI. Detailed Notes on All Funds (continued)

Compensated Absences

Included in the City's governmental long-term obligations is \$18,409,774 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.

Proprietary fund accrued liabilities for compensated absences of \$495,539 are also included in the City's long-term obligations and have been reported in the appropriate fund's financial statements.

Other Postemployment Benefits Liability

At December 31, 2018, the other postemployment benefits liability was \$215,699,038 in the City's governmental long-term obligations. Other postemployment benefits are generally liquidated through the General Fund.

Proprietary fund accrued liabilities for other postemployment benefits of \$4,149,581 are also included in the City's long-term obligations and have been reported in the appropriate fund's financial statements.

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, 2018, the claims and judgments liability was \$69,677,250.

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Note VI. Detailed Notes on All Funds (continued)

Capital Leases

The following is a schedule by years of future minimum lease payments under these capital leases, together with the present value of the net minimum lease payments of December 31, 2018:

Capital Leases – Governmental Activity

Year Ended December 31	RiverCentre Pedestrian Link	2012 Public Works Vehicle Lease	2013 Public Works Vehicle Lease	2014 Public Works Equipment Lease	2015 Technology Equipment Lease	2015 Public Works Equipment Lease	Totals
2019	\$ 394,697	\$ 92,088	\$ 181,377	\$ 185,719	\$ 565,164	\$ 185,848	\$ 1,604,893
2020	390,363	-	90,688	185,719	-	185,847	852,617
2021	390,849	-	-	185,719	-	185,848	762,416
2022	390,977	-	-	-	-	185,848	576,825
2023	390,745	-	-	-	-	-	390,745
2024 - 2028	1,949,509	-	-	-	-	-	1,949,509
2029 - 2030	776,793	-	-	-	-	-	776,793
Total Minimum Lease Payments	4,683,933	92,088	272,065	557,157	565,164	743,391	6,913,798
Less Amount Representing Interest	(931,933)	(787)	(3,613)	(18,469)	(2,651)	(32,499)	(989,952)
Present Value of Future Capital Lease Payments	<u>\$ 3,752,000</u>	<u>\$ 91,301</u>	<u>\$ 268,452</u>	<u>\$ 538,688</u>	<u>\$ 562,513</u>	<u>\$ 710,892</u>	<u>\$ 5,923,846</u>

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Note VI. Detailed Notes on All Funds (continued)

HRA Revenue Notes

In November 2013, a loan agreement, with a revolving line of credit, was executed between the Saint Paul Foundation (Foundation) and the HRA whereby the Foundation has made available funds in the amount of \$2,500,000 to the HRA for use in its major housing initiative, the Housing 5000 Program. Any of the funds advanced under the loan agreement to the HRA by the Foundation are to be used solely for developer loans on approved housing projects. The agreement was amended in March 2016 to provide up to \$2,300,000 in loans for the Model Cities Brownstone project. The HRA is to repay the principal amount of the advances to the Foundation as the developer loans are repaid to the HRA. Simple interest of one percent on the outstanding Foundation advances is payable on each December 31 starting with 2016. December 1, 2026, is the final maturity date under the loan agreement.

Bond Issues

On May 16, 2018, the City issued General Obligation Various Purpose Bonds, Series 2018A in the amount of \$12,765,000. The proceeds were used to provide financing for capital improvement projects identified in the City's adopted 2018 Capital Improvement Budget and Program (\$10,280,000) and to finance the acquisition of public safety vehicles and other capital equipment (\$2,485,000).

On May 16, 2018, the City issued General Obligation Street Improvement Special Assessment Refunding Bonds, Series 2018B, in the amount of \$26,120,000 to current refund the City's General Obligation Variable Street Improvement Special Assessment Bonds, Series 2015C in the outstanding amount of \$18,845,000 and the General Obligation Variable Street Improvement Special Assessment Bonds, Series 2016C in the outstanding amount of \$8,750,000. The goal of refinancing the Series 2015C and 2016C bonds was to restructure short term debt into long term bonds and, therefore, the cash flow savings and resulting economic gain or loss over the life of the 2018B bonds is not able to be determined.

On May 16, 2018, the City issued General Obligation Tax Increment Refunding Bonds, Series 2018C, in the amount of \$13,175,000 to current refund the City's General Obligation Tax Increment Refunding Bonds, Series 2009G in the outstanding amount of \$14,500,000. The goal of refinancing the Series 2009G bonds was to restructure short term debt into long term bonds and, therefore, the cash flow savings and resulting economic gain or loss over the life of the 2018C bonds is not able to be determined.

On October 10, 2018, the City issued \$7,710,000 of Sewer Revenue Bonds, Series 2018D (Green Bonds). The proceeds were used to finance capital improvements to the City's sewer system that are environmentally friendly.

On December 20, 2018, the City issued General Obligation Street Reconstruction Bonds, Series 2018E, in the amount of \$14,600,000 of which \$10,177,655 was drawn in 2018. In addition, \$700,000 of the General Obligation Street Reconstruction Bonds, Series 2017D was drawn in 2018 for a total draw of \$9,575,000. The proceeds were used to fund street reconstruction projects identified in the Five-Year Street Reconstruction Plan.

Note Issue

On December 20, 2018, the City issued Revenue Note, Series 2018 (Trash Cart Project) in the amount of \$4,000,000 for the costs of acquisition and distribution of trash carts for the use of each residence in the City for the disposal of solid waste.

Note VI. Detailed Notes on All Funds (continued)

Crossover Refunded Debt

On May 1, 2018, the City crossover refunded the General Obligation Street Improvement Special Assessment Bonds, Series 2008B bonds in the amount of \$7,180,000 with the proceeds of the General Obligation Street Improvement Refunding Bonds, Series 2016F.

On May 1, 2018, the City crossover refunded the General Obligation Public Safety Bonds, Series 2008C Bonds in the amount of \$7,580,000 with the proceeds of the General Obligation Public Safety Bonds, Series 2017B.

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Note VI. Detailed Notes on All Funds (continued)

3. Bonds Payable - by Issue

Bonds payable at December 31, 2018, are composed of the following individual issues:

	Interest Rates	Interest Dates	Issue Date	Final Maturity Date	Authorized and Issued	Outstanding as of 12/31/2018
GENERAL OBLIGATION BONDS						
<u>Property Tax Supported</u>						
Capital Improvement						
Series 2009A	2.00 to 3.25%	(3/1; 9/1)	6/1/09	3/1/19	\$ 4,500,000	\$ 265,000
Series 2010B	2.00 to 3.00%	(3/1; 9/1)	3/11/10	3/1/20	7,350,000	520,000
Series 2010F	3.224 to 5.096%	(4/1;10/1)	10/1/10	10/1/30	4,675,000	4,370,000
Series 2010G	2.583 to 5.096%	(4/1;10/1)	10/1/10	10/1/30	7,765,000	6,585,000
Series 2011A	2.00 to 3.25%	(3/1; 9/1)	9/1/11	3/1/21	15,040,000	3,090,000
Series 2012A	2.00 to 4.00%	(3/1; 9/1)	4/2/12	3/1/22	5,735,000	2,310,000
Series 2013B	2.00 to 3.00%	(3/1; 9/1)	4/8/13	3/1/23	6,325,000	3,340,000
Series 2013E	3.92%	(6/1;12/1)	12/17/13	12/1/39	8,500,000	7,720,000
Series 2014A	2.00 to 5.00%	(3/1; 9/1)	4/30/14	9/1/24	14,655,000	6,810,000
Series 2015A	2.00 to 5.00%	(3/1; 9/1)	5/5/15	3/1/25	11,475,000	7,375,000
Series 2016A	2.00 to 5.00%	(3/1; 9/1)	4/14/16	9/1/26	10,255,000	8,495,000
Series 2016E	.80 to 5.00%	(6/1;12/1)	12/15/16	12/1/31	8,580,000	6,420,000
Series 2017A	3.00 to 5.00%	(3/1; 9/1)	4/6/17	3/1/27	9,960,000	9,130,000
Series 2018A	3.00 to 5.00%	(3/1; 9/1)	5/16/18	9/1/28	12,765,000	12,765,000
					<u>127,580,000</u>	<u>79,195,000</u>
Taxable Library RZEDs						
Series 2010H	5.196%	(4/1;10/1)	10/1/10	10/1/35	3,700,000	3,700,000
Saint Paul Public Library						
Series 2014C	2.00 to 5.00%	(3/1; 9/1)	4/30/14	3/1/33	14,830,000	10,030,000
Public Safety						
Series 2009D	3.00 to 3.50%	(6/1;12/1)	6/2/09	12/1/21	5,575,000	1,595,000
Series 2009E	5.336 to 6.032%	(6/1;12/1)	6/2/09	12/1/34	9,275,000	9,275,000
Series 2011H	2.00 to 3.00%	(6/1;12/1)	12/13/11	12/1/23	14,605,000	4,950,000
Series 2017B	2.50 to 5.00%	(6/1;12/1)	4/6/17	12/1/41	23,405,000	22,320,000
					<u>52,860,000</u>	<u>38,140,000</u>
Street Improvement						
Series 2009B	3.00 to 5.00%	(5/1;11/1)	6/1/09	5/1/29	7,557,911	4,715,841
Series 2011B	2.00 to 4.25%	(5/1;11/1)	4/4/11	11/1/31	9,624,750	6,664,176
Series 2012B	2.00 to 4.50%	(5/1;11/1)	4/2/12	5/1/32	6,971,774	5,155,661
Series 2013C	2.00 to 3.125%	(5/1;11/1)	4/8/13	5/1/33	8,932,482	6,843,190
Series 2014B	3.00 to 5.00%	(5/1;11/1)	4/30/14	11/1/34	19,731,655	15,517,184
Series 2016F	4.00 to 5.00%	(5/1;11/1)	12/15/16	5/1/29	9,089,361	9,089,361
Series 2017D	.95 to 3.20%	Monthly	7/27/17	5/1/37	7,499,616	6,771,194
Series 2018B	3.00 to 5.00%	(5/1;11/1)	5/16/18	5/1/36	21,860,873	21,860,873
Series 2018E	2.20 to 3.90%	(5/1;11/1)	12/20/18	11/1/38	9,343,189	9,343,189
					<u>100,611,611</u>	<u>85,960,669</u>
Total General Obligation Bonds - Property Tax Supported					<u>\$ 299,581,611</u>	<u>\$ 217,025,669</u>
<u>Special Assessment Debt with Governmental Commitment</u>						
Assessed Reconstruction Work						
Series 2009B	3.00 to 5.00%	(5/1;11/1)	6/1/09	5/1/29	2,667,089	1,664,159
Series 2011B	2.00 to 4.25%	(5/1;11/1)	4/4/11	11/1/31	2,875,250	1,990,824
Series 2012B	2.00 to 4.50%	(5/1;11/1)	4/2/12	5/1/32	2,318,226	1,714,339
Series 2013C	2.00 to 3.00%	(5/1;11/1)	4/8/13	5/1/33	2,867,518	2,196,810
Series 2014B	3.00 to 5.00%	(5/1;11/1)	4/30/14	11/1/34	8,643,345	5,117,816
Series 2016F	4.00 to 5.00%	(5/1;11/1)	12/15/16	5/1/29	2,870,639	2,870,639
Series 2017D	.95 to 3.20%	Monthly	7/27/17	5/1/37	2,075,384	1,873,806
Series 2018B	3.00 to 5.00%	(5/1;11/1)	5/16/18	5/1/36	4,259,127	4,259,127
Series 2018E	2.20 to 3.90%	(5/1;11/1)	12/20/18	11/1/38	834,466	834,466
Total General Obligation Bonds - Special Assessment Debt with Governmental Commitment					<u>\$ 29,411,044</u>	<u>\$ 22,521,986</u>

Note VI. Detailed Notes on All Funds (continued)

	<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 12/31/2018</u>
<u>HRA Tax Increment Fund</u>						
Koch Mobil Tax Increment Series 2010A	2.00 to 4.00%	(3/1; 9/1)	2/25/10	3/1/31	\$ 2,670,000	\$ 1,805,000
US Bank Tax Increment Taxable Refunding Bonds Series 2011G	2.00 to 4.00%	(2/1; 8/1)	8/15/11	8/1/28	<u>8,870,000</u>	<u>7,120,000</u>
Total General Obligation Bonds - HRA Tax Increment Bonds					<u>\$ 11,540,000</u>	<u>\$ 8,925,000</u>
<u>HRA Parking Facilities Enterprise Fund</u>						
Block 39 Tax Increment Series 2018C Tax Exempt Refunding	3.00 to 5.00%	(2/1; 8/1)	5/16/18	2/1/27	<u>\$ 13,175,000</u>	<u>\$ 13,175,000</u>
Total General Obligation Bonds - HRA Parking Facilities Enterprise Fund Bonds					<u>\$ 13,175,000</u>	<u>\$ 13,175,000</u>
TOTAL GENERAL OBLIGATION BONDS					<u><u>\$ 353,707,655</u></u>	<u><u>\$ 261,647,655</u></u>

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Note VI. Detailed Notes on All Funds (continued)

	Interest Rates	Interest Dates	Issue Date	Final Maturity Date	Authorized and Issued	Outstanding as of 12/31/2018
REVENUE BONDS						
<u>Sewer Utility Enterprise Fund</u>						
Sewer Revenue Bonds - Series 2010D	3.00 to 4.00%	(6/1; 12/1)	3/3/10	12/1/29	\$ 8,610,000	\$ 5,600,000
Sewer Revenue Bonds - Series 2011C	2.00 to 4.25%	(6/1; 12/1)	4/4/11	12/1/30	8,900,000	6,180,000
Sewer Revenue Bonds - Series 2012C	2.00 to 4.00%	(6/1; 12/1)	4/2/12	12/1/31	8,815,000	6,520,000
Sewer Revenue Bonds - Series 2013D	2.00 to 4.00%	(6/1; 12/1)	4/8/13	12/1/32	11,515,000	7,490,000
Sewer Revenue Bonds - Series 2014E	2.25 to 4.00%	(6/1; 12/1)	8/4/14	12/1/33	8,000,000	6,790,000
Sewer Revenue Bonds - Series 2015B	2.00 to 4.00%	(6/1; 12/1)	5/5/15	12/1/34	8,700,000	7,575,000
Sewer Revenue Bonds - Series 2016B	2.00 to 5.00%	(6/1; 12/1)	4/14/16	12/1/35	7,715,000	7,150,000
Sewer Revenue Bonds - Series 2016D	2.50 to 5.00%	(6/1; 12/1)	12/1/16	12/1/28	21,225,000	17,335,000
Sewer Revenue Bonds - Series 2017C	3.00 to 3.375%	(6/1; 12/1)	4/6/17	12/1/36	7,975,000	7,270,000
Sewer Revenue Bonds - Series 2018D	2.50 to 5.00%	(6/1; 12/1)	10/10/18	12/1/38	7,710,000	7,710,000
					\$ 99,165,000	\$ 79,620,000
 <u>City Revenue Bonds and Other Long-Term Debt – Debt Service Fund</u>						
Taxable Sales Tax Revenue Bonds -						
Series 2009 Refunding	5.23%	(11/1)	4/3/09	11/1/25	\$ 65,455,000	\$ 38,890,000
Sales Tax Revenue Bonds - Taxable Series 2014F	1.375 to 3.40%	(5/1; 11/1)	12/9/14	11/1/23	8,070,000	4,130,000
Sales Tax Revenue Bonds - Tax-Exempt Series 2014G	3.75 to 5.00%	(5/1; 11/1)	12/9/14	11/1/33	28,195,000	28,195,000
Subordinate Sales Tax Revenue Refunding Bonds -						
Series 2016G	1.32 to 2.03%	(5/1; 11/1)	12/16/16	11/1/30	10,380,000	10,210,000
Taxable Subordinate Sales Tax Revenue Refunding Bonds -						
Series 2016H	1.71 to 2.65%	(5/1; 11/1)	12/16/16	11/1/25	9,910,000	7,570,000
					\$ 122,010,000	\$ 88,995,000

Note VI. Detailed Notes on All Funds (continued)

	Interest Rates	Interest Dates	Issue Date	Final Maturity Date	Authorized and Issued	Outstanding as of 12/31/2018
<u>HRA General Debt Service Fund</u>						
HRA Tax Increment Revenue						
Bonds -						
North Quadrant Tax Increment						
Refunding Bonds						
Series 2002	7.50%	(2/15; 8/15)	5/1/02	2/15/28	\$ 1,089,000	\$ 770,000
Phase II Bonds						
Series 2002	7.00%	(2/15; 8/15)	6/13/02	2/15/28	1,140,000	929,000
Upper Landing Tax Increment						
Bonds - Series 2012 HRA	5.00%	(3/1; 9/1)	12/20/12	3/1/29	15,790,000	12,425,000
Drake Marble Tax Increment						
Bonds -Series 2002A	6.75%	(3/1; 9/1)	11/15/02	3/1/28	1,800,000	669,000
9th St Lofts Tax Increment						
Bonds, Series 2004	6.375%	(2/15; 8/15)	4/14/04	2/15/28	1,335,000	890,000
JJ Hill Tax Increment Bonds						
Series 2004	6.25%	(3/1; 9/1)	11/30/04	3/1/29	3,660,000	2,476,000
Emerald Gardens Tax Increment Bonds - Series 2010						
	5.00 to 6.50%	(3/1)	7/15/10	3/1/29	<u>6,595,000</u>	<u>4,780,000</u>
Total HRA Tax Increment Revenue Bonds					<u>\$ 31,409,000</u>	<u>\$ 22,939,000</u>

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Note VI. Detailed Notes on All Funds (continued)

	<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 12/31/2018</u>
<u>HRA Lease Revenue Bonds</u>						
RiverCentre Parking Ramp Improvement	3.00 to 4.50%	(5/1; 11/1)	5/5/09	5/1/24	\$ 6,790,000	\$ 3,150,000
Total HRA General Debt Service Fund					\$ 38,199,000	\$ 26,089,000
<u>HRA Parking System Revenue Bonds</u>						
Refunding Bonds						
Series 2017A	3.00 to 5.00%	(2/1; 8/1)	9/28/17	8/1/35	\$ 26,315,000	\$ 26,315,000
Series 2017B	1.68 to 2.08%	(2/1; 8/1)	9/28/17	8/1/20	2,630,000	1,305,000
Total HRA Parking System Revenue Bonds					\$ 28,945,000	\$ 27,620,000
TOTAL REVENUE BONDS					\$ 288,319,000	\$ 222,324,000
TOTAL BONDS PAYABLE					\$ 642,026,655	\$ 483,971,655

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Note VI. Detailed Notes on All Funds (continued)

H. Operating Lease

From 1998 through 2018, the City entered into noncancelable operating leases for personal computers. Total payments made for the leases during 2018 were \$1,122,714. The following schedule presents the future minimum rental payments for these operating leases:

Year Ending December 31	Amount
2019	\$ 825,947
2020	533,338
2021	291,760
2022	87,697
2023	9,082
Total Minimum Payments Required	<u>\$ 1,747,824</u>

I. Deferred Inflows of Resources – Unavailable Revenue

Governmental Activities	General	Assessment Financing	Public Library General Fund	HRA General Fund	City Debt Service	HRA Debt Service	City Capital Projects	Other Governmental Funds	Total
Deferred Inflows of Resources:									
Property Taxes	\$ 2,039,040	\$ -	\$ 365,915	\$ 54,561	\$ 280,511	\$ 19,325	\$ -	\$ 48,219	\$ 2,807,571
Operating Grants & Contributions	350,153	-	-	-	-	-	-	651,894	1,002,047
Accounts Receivable	685,693	-	-	368,968	-	-	37,354	1,902,736	2,994,751
Accrued Interest Receivable	241,591	-	-	34,154	81,102	66,740	44,609	216,693	684,889
Notes and Loans Receivable	-	-	-	10,609	-	-	-	4,154,653	4,165,262
Special Assessments	-	27,827,547	-	-	11,890,881	-	-	13,212,263	52,930,691
Capital Grants	-	-	-	-	-	-	18,710,352	-	18,710,352
Total Deferred Inflows of Resources	<u>\$ 3,316,477</u>	<u>\$ 27,827,547</u>	<u>\$ 365,915</u>	<u>\$ 468,292</u>	<u>\$ 12,252,494</u>	<u>\$ 86,065</u>	<u>\$ 18,792,315</u>	<u>\$ 20,186,458</u>	<u>\$ 83,295,563</u>

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Note VI. Detailed Notes on All Funds (continued)

J. Fund Balance Classifications

Fund balances for governmental funds are reported in classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. The December 31, 2018, fund balances are as follows:

Fund Balances:	Major Special Revenue Funds				City Debt Service Fund	HRA Debt Service Fund	City Capital Projects	Nonmajor Governmental Funds	Total
	City General Fund	Assessment Financing Fund	SPPL General Fund	HRA General Fund					
Nonspendable:									
Inventory	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public Safety	6,775	-	-	-	-	-	-	-	6,775
Corpus of Permanent Funds	-	-	-	-	-	-	-	35,000	35,000
Total	6,775	-	-	-	-	-	-	35,000	41,775
Restricted For:									
General Government	-	-	-	-	-	-	2,457,131	489,704	2,946,835
Public Safety	-	-	-	-	-	-	-	1,078,680	1,078,680
Highways and Streets	-	-	-	-	-	-	3,777,353	642,429	4,419,782
Culture and Recreation	-	-	-	-	-	-	11,105,779	2,700,092	13,805,871
Housing and Economic Development	-	-	-	-	-	-	-	32,942,888	32,942,888
Debt Service	-	-	-	-	49,071,835	7,865,769	-	-	56,937,604
Total	-	-	-	-	49,071,835	7,865,769	17,340,263	37,853,793	112,131,660
Committed To:									
General Government	-	-	-	-	-	-	-	721,562	721,562
Public Safety	-	-	-	-	-	-	-	52,453	52,453
Culture and Recreation	-	-	2,100,105	-	-	-	-	1,056,788	3,156,893
Housing and Economic Development	-	-	-	4,696,182	-	-	-	26,636,705	31,332,887
Total	-	-	2,100,105	4,696,182	-	-	-	28,467,508	35,263,795
Assigned:									
General Government	-	5,548,498	-	-	-	-	-	2,683,202	8,231,700
Public Safety	-	-	-	-	-	-	-	192,287	192,287
Sanitation	-	-	-	-	-	-	-	5,197,012	5,197,012
Culture and Recreation	-	1,552,002	438,209	-	-	-	-	2,005,453	3,995,664
Housing and Economic Development	-	-	-	4,536,577	-	-	-	3,430,608	7,967,185
Total	-	7,100,500	438,209	4,536,577	-	-	-	13,508,562	25,583,848
Unassigned	57,970,442	-	-	-	-	-	(7,484,385)	(7,571,998)	42,914,059
Total	\$ 57,977,217	\$ 7,100,500	\$ 2,538,314	\$ 9,232,759	\$ 49,071,835	\$ 7,865,769	\$ 9,855,878	\$ 72,292,865	\$ 215,935,137

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Note VI. Detailed Notes on All Funds (continued)

K. Tax Abatements – Pay-As-You-Go Tax Increment Notes

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

The notes are payable only after the HRA has received tax increment revenue from the districts that follow and can only be paid using that tax increment as the financing source. No liability is recognized at December 31, 2018, since all scheduled note payments have been made from the available tax increment. All expenditures under the notes are reported in the HRA Tax Increment Capital Projects Fund.

The HRA has issued pay-as-you-go tax increment notes to finance development in the following tax increment financing districts as of December 31, 2018. The agreements are not a general obligation of the HRA and are payable solely from available tax increment revenues. Accordingly, these agreements are not reflected in the financial statements of the HRA.

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CITY OF SAINT PAUL, MINNESOTA
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED DECEMBER 31, 2018

Note VI. Detailed Notes on All Funds (continued)

5.I. Pay-As-You-Go Tax Increment Notes

The HRA has issued pay-as-you-go tax increment notes to finance development in the following tax increment financing districts as of December 31, 2018.

No.	Tax Increment Financing District – Project	Date Issued	Note Amount	Note Principal Balance 12/31/2017	Note Principal Balance 12/31/2018	Total Amount Expended (Principal & Interest) Under Notes for the Year Ended 12/31/2018
194	1919 University	11/7/1997	\$ 1,357,000	\$ 1,357,000	\$ 1,357,000	\$ 107,475
212	Block 4-TIR Note, Series 2004	5/6/2004	17,800,000	13,609,908	12,973,748	1,418,730
215	Superior Street Cottages Series 2016	5/6/2016	205,000	159,305	121,434	43,889
232	Straus Building	12/26/2002	600,000	596,964	596,964	48,574
234	Phalen Village-Cub Foods Project**	3/1/2008	3,100,000	2,416,770	2,238,223	322,936
237	Osceola Park Senior Housing	11/4/2002	950,000	950,000	950,000	82,574
240	Bridgecreek Senior Place Project	6/30/2004	2,398,952	2,398,952	2,398,952	135,187
241	Lyons Court Rental Project	4/14/2004	682,000	682,000	682,000	42,084
243	Shepard-Davern Ownership Housing	11/1/2006	3,257,067	2,593,317	2,503,764	257,160
244	Shepard Davern Rental Housing**	3/28/2006	4,820,000	2,581,616	2,007,896	693,728
245	Shepard-Davern Gateway Senior**	12/2/2003	1,353,286	1,303,148	1,236,974	127,902
248	Koch Mobil-Schmidt Rathskeller	12/22/2017	1,290,260	1,290,260	1,290,260	-
257	Phalen Senior Lofts Project	2/10/2005	925,000	908,750	908,750	34,725
260	North Quadrant Rental Phase I	2/1/2001	2,140,000	2,140,000	2,140,000	221,235
267	Emerald Park Rental	10/16/2002	3,110,000	2,352,522	1,905,165	616,283
268	North Quadrant Rental Phase II	2/28/2002	1,500,000	1,500,000	1,500,000	137,292
269	Phalen Village Ames Lake	8/1/2003	418,000	418,000	418,000	20,676
271	Carlton Lofts	10/1/2005	2,358,660	2,358,660	2,358,660	155,407
278	River Pointe Lofts Project**	12/27/2007	1,829,000	1,294,399	1,113,875	245,505
279	Minnesota Building	6/9/2010	936,000	936,000	936,000	74,123
291	Carondelet Village*	8/12/2010	3,104,000	3,104,000	1,588,846	261,260
299	Cosseta	11/4/2011	388,000	285,023	218,631	84,020
302	Pioneer-Endicott Note #1	10/31/2012	2,500,000	2,500,000	2,352,603	414,174
302	Pioneer-Endicott Note #2	12/15/2017	900,000	900,000	669,328	230,672
304	Schmidt Brewery	11/16/2012	3,770,000	3,770,000	3,770,000	257,200
305	West Side Flats	11/19/2012	3,800,000	3,695,631	3,408,612	401,437
313	Hamline Station East	12/12/2014	530,000	530,000	530,000	45,198
314	Hamline Station West	12/12/2014	1,559,000	1,559,000	1,559,000	64,157
317	Custom House/Post Office	11/12/2014	5,800,000	5,800,000	5,719,365	497,480
318	East 7th-Bates Senior Housing	6/2/2015	2,291,000	2,291,000	2,291,000	169,908
319	2700 University at Westgate Station	6/29/2015	7,865,000	7,865,000	7,865,000	403,452
324	Wilson II Housing Project	10/31/2016	1,720,000	1,720,000	1,720,000	-
325	Schmidt Keg House Project	3/8/2017	1,700,000	1,700,000	1,700,000	1,794
	Total		\$ 86,957,225	\$ 77,567,225	\$ 73,030,050	\$ 7,616,237

*2018 ending principal balance reflects non-cash reductions for principal deemed paid of \$615,989 and \$899,165 for 2017 & 2018, respectively. Amounts deemed paid are not included in amount expended as cash was not actually expended.

**In 2018 re-allocations were made between prior years' principal and interest to correct principal and interest paid. In each case principal paid was increased and interest paid decreased. These adjustments did not affect amounts expended in 2018 and are not included in amounts expended for 2018. Amount of adjustments were: #234-\$1,972; #244-\$4,738; #245-\$2,763 & #278-\$808.

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 full accrual basis of accounting. Revenues are recorded when earned, and expenses are recorded when a liability is incurred.

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

B. Deposits and Investments

RiverCentre Convention & Visitors Authority:

Certain balances of the RCVA'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, 2018, the RCVA's deposits in checking and interest bearing accounts total \$3,489,008. 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, 2018, RCVA's investments include the following:

<u>Type of Investment</u>	<u>Fair Value</u>
Marketable Certificates of Deposit	\$ 285,191
Mutual Fund Equities	168,489
Investments with the City's Cash and Investments Pool	2,232,186
Total	<u>\$ 2,685,866</u>

Note VII. Discretely Presented Component Units (continued)

Recap

Deposits	\$ 3,489,008	Cash and Investments	\$ 2,613,681
Investments	2,685,866	Investments	1,471,845
		Restricted Investments	2,089,348
Total	<u>\$ 6,174,874</u>	Total	<u>\$ 6,174,874</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, 2018, the Regional Water Services deposits in checking and interest bearing accounts and certificates of deposits total \$5,828,967. 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, 2018, 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, 2018, is as follows:

<u>Rating Agency</u>	<u>Rating</u>	<u>Fair Value</u>
Moody's	Aaa	\$ 22,608,000

Note VII. Discretely Presented Component Units (continued)

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, 2018, 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, 2018, 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, 2018, Regional Water Services had the following investments:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Less Than 1 Year</u>	<u>1-2 Years</u>	<u>2-5 Years</u>	<u>6-10 Years</u>	<u>More Than 10 Years</u>
U.S. Agencies	\$ 22,608,000	\$ 5,000,300	\$ 1,000,540	\$ 3,900,670	\$ 9,892,850	\$ 2,813,640

Fair Value Measurements

Regional Water measures and records its investments using fair value measurement guidelines established by generally accepted accounting principles. These guidelines recognize a three-tiered fair value hierarchy, as follows:

Level 1: Quoted prices for identical investments in active markets

Level 2: Observable inputs other than quoted market prices

Level 3: Unobservable inputs

At December 31, 2018, Regional Water Services had a total fair value investments of \$22,608,000. These are all invested in U.S. Agencies and had a fair value measurements classification of Level 2 using a market approach by utilizing quoted prices for identical securities in market that are not active.

Note VII. Discretely Presented Component Units (continued)

Regional Water Services also invests funds in the City's investment pool. The fair value of the investment is the fair value per share of the underlying portfolio. Regional Water Services invests in this pool for the purpose of joint investment with the City in order to enhance investment earnings. There are no redemption limitations. In addition to the direct investments of \$22,608,000, the fair value of Regional Water's portion of the investment pool on December 31, 2018 is \$27,272,399.

Recap

Deposits	\$ 5,828,967	Cash and Investments	\$ 28,057,898
Investments	49,880,399	Investments	15,683,071
Departmental Cash	165,210	Departmental Cash	165,210
Imprest Funds on Hand	2,000	Imprest Funds	2,000
		Restricted Cash and Investments	11,968,397
Total	<u>\$ 55,876,576</u>		<u>\$ 55,876,576</u>

Port Authority:

Deposits

In accordance with applicable Minnesota State Statutes, the Port Authority maintains deposits at financial institutions authorized by the Board of Commissioners. All such depositories are members of the Federal Reserve System. Minnesota Statutes require that all deposits be protected by insurance, surety bond, or collateral. The market value of collateral pledged must equal 110% of the deposits not covered by insurance or corporate surety bonds. Minnesota Statutes require securities pledged as collateral held in safekeeping in a restricted account at the Federal Reserve Bank or at an account at a trust department of a commercial bank or other financial institution not owned or controlled by the depository.

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.

Note VII. Discretely Presented Component Units (continued)

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. It is the Port Authority's policy that securities must carry an A- or higher long-term rating by one rating agency or the highest quality short term rating (without regard to modifiers) by two of the following rating agencies: Standard & Poor's, Fitch or Moody's. The Port Authority's investments at December 31, 2018, carried the following ratings:

Rating	Fair Value
AAA/Aaa	\$ 12,605,511
AA/Aa	470,511
A	79,082
Not Rated	1,099,561
Total	<u>\$ 14,254,665</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 registered in the Port Authority's name or are in the possession of the Port Authority or a third-party custodian in the Port Authority's name.

Concentration of Credit Risk

The Port Authority diversifies its portfolio in order to minimize the impact of losses from any one individual issuer. It is the Port Authority's policy to limit the amount invested in any one issuer at the time of the purchase, excluding securities of the U.S. Government and government sponsored enterprise securities. There were no violations of the policy during the year. 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 5% of the total investments managed by the Port Authority.

At December 31, 2018, more than 5% of the Port Authority's and CCP's investments are in the following issuers:

Issuer	Percent of Investments
Federal National Mortgage Association (Fannie Mae)	15.3%
Federal Home Loan Mortgage Corporation (Freddie Mac)	7.2%
Federal Home Loan Bank	6.4%

Note VII. Discretely Presented Component Units (continued)

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. The Port Authority establishes benchmarks that reflect its expected cash flow needs and minimize interest rates that are materially longer or shorter than those established by the benchmarks chosen. Maximum duration of the portfolio is 120% of the benchmark duration.

The schedule of the average maturities by investment type as of December 31, 2018, is as follows:

Investment Type	Fair Value	Less Than 1 year	1-5 Years	6-10 Years	Over 10 Years
Federal Home Loan Mortgage Corp (Freddie Mac)	\$ 908,322	\$ 784,765	\$ 79,798	\$ -	\$ 43,759
Federal National Mortgage Assoc. (Fannie Mae)	2,176,798	696,606	22,921	1,315,049	142,222
Federal Agri Mort Corp (Farmer Mac)	-	-	-	-	-
Governmental National Mortgage Assoc (Ginnie Mae)	7,622	-	7,622	-	-
Guaranteed Investment Contracts	-	-	-	-	-
Federal Home Loan Bank	1,020,212	827,060	193,152	-	-
Negotiable Certificates of Deposit	-	-	-	-	-
State & Local Obligations:					
Municipal Bonds	648,305	54,404	593,901	-	-
Tennessee Valley Authority	-	-	-	-	-
US Dept Agriculture Loan Certificates	-	-	-	-	-
US Treasury Notes	\$ 9,493,406	1,055,551	6,128,402	2,309,453	-
Total	\$ 14,254,665	\$ 3,418,386	\$ 7,025,796	\$ 3,624,502	\$ 185,981

Recap

Deposits	\$ 28,339,432	Cash and Investments	\$ 1,249,881
Investments	14,254,665	Investments	7,212,237
		Restricted Cash	27,089,551
		Restricted Investments	7,042,428
Total	\$ 42,594,097	Total	\$ 42,594,097

Note VII. Discretely Presented Component Units (continued)

C. Capital Assets

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

	Balance 01/01/18	Additions	Deductions	Balance 12/31/18
Capital Assets Being Depreciated:				
Equipment	417,820	-	-	417,820
Total Capital Assets Being Depreciated	417,820	-	-	417,820
Less: Accumulated Depreciation for:				
Buildings and Structures	-	-	-	-
Public Improvements	-	-	-	-
Equipment	(291,586)	(39,483)	-	(331,069)
Total Accumulated Depreciation	(291,586)	(39,483)	-	(331,069)
Total Capital Assets Being Depreciated, Net	126,234	(39,483)	-	86,751
Capital Assets, Net	<u>\$126,234</u>	<u>\$ (39,483)</u>	<u>\$ -</u>	<u>\$ 86,751</u>

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Note VII. Discretely Presented Component Units (continued)

Summary of Changes in Capital Assets of Regional Water Services:

	Balance 01/01/18	Additions	Deductions	Balance 12/31/18
Capital Assets Not Being Depreciated:				
Land	\$ 4,061,766	\$ -	\$ -	\$ 4,061,766
Construction in Progress	18,097,642	14,763,301	(13,679,860)	19,181,083
Total Capital Assets Not Being Depreciated	22,159,408	14,763,301	(13,679,860)	23,242,849
Capital Assets Being Depreciated:				
Buildings and Structures	57,603,238	-	-	57,603,238
Public Improvements	393,927,790	11,253,644	(732,120)	404,449,314
Equipment	57,835,368	3,025,801	(654,649)	60,206,520
Total Capital Assets Being Depreciated	509,366,396	14,279,445	(1,386,769)	522,259,072
Less: Accumulated Depreciation for:				
Buildings and Structures	(25,866,215)	(364,118)	-	(26,230,333)
Public Improvements	(139,503,713)	(6,670,088)	429,511	(145,744,290)
Equipment	(32,943,825)	(2,979,356)	623,435	(35,299,746)
Total Accumulated Depreciation	(198,313,753)	(10,013,562)	1,052,946	(207,274,369)
Total Capital Assets Being Depreciated, Net	311,052,643	4,265,883	(333,823)	314,984,703
Capital Assets, Net	\$ 333,212,051	\$ 19,029,184	\$ (14,013,683)	\$ 338,227,552

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Note VII. Discretely Presented Component Units (continued)

Summary of Changes in Capital Assets of Port Authority:

	Balance 01/01/18	Additions	Deductions	Balance 12/31/18
Capital Assets Not Being Depreciated:				
Land	\$ 8,028,566	\$ -	\$ (3,400)	\$ 8,025,166
Construction in Progress	14,572,497	-	(14,572,497)	-
Total Capital Assets Not Being Depreciated	22,601,063	-	(14,575,897)	8,025,166
Capital Assets Being Depreciated:				
Buildings	64,014,264	138,003	-	64,152,267
Equipment	4,016,908	21,194	-	4,038,102
Total Capital Assets Being Depreciated	68,031,172	159,197	-	68,190,369
Less: Accumulated Depreciation for:				
Buildings	(36,323,041)	(1,359,496)	-	(37,682,537)
Equipment	(2,424,607)	(157,747)	-	(2,582,354)
Total Accumulated Depreciation	(38,747,648)	(1,517,243)	-	(40,264,891)
Total Capital Assets Being Depreciated, Net	29,283,524	(1,358,046)	-	27,925,478
Capital Assets, Net	\$ 51,884,587	\$ (1,358,046)	\$ (14,575,897)	\$ 35,950,644

D. Long-Term Obligations

RiverCentre Convention & Visitors Authority:

At December 31, 2018, long-term obligations of the RCVA are listed below.

	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
Revenue Notes	\$ 82,372	\$ -	\$ 19,677	\$ 62,695	\$ 20,275

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Note VII. Discretely Presented Component Units (continued)

Regional Water Services:

At December 31, 2018, long-term obligations of Regional Water Services consisted of:

	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
Revenue Bonds	\$ 10,944,275	\$ -	\$ 2,710,363	\$ 8,233,912	\$ 2,205,000
Revenue Notes	28,774,362	774,895	1,634,067	27,915,190	2,149,000
Compensated Absences	1,749,714	933,539	930,766	1,752,487	69,250
Claims and Judgments	4,930,321	987,759	1,060,549	4,857,531	661,099
Total	<u>\$ 46,398,672</u>	<u>\$ 2,696,193</u>	<u>\$ 6,335,745</u>	<u>\$ 42,759,120</u>	<u>\$ 5,084,349</u>

Port Authority:

At December 31, 2018, long-term obligations of Port Authority consisted of:

	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
General Obligation Bonds	\$ 34,463,890	\$ -	\$ 2,562,623	\$ 31,901,267	\$ 2,855,000
Revenue Bonds	65,955,360	-	15,298,597	50,656,763	21,007,645
Revenue Notes	35,460,243	11,636,509	2,396,361	44,700,391	4,203,166
Total	<u>\$ 135,879,493</u>	<u>\$ 11,636,509</u>	<u>\$ 20,257,581</u>	<u>\$ 127,258,421</u>	<u>\$ 28,065,811</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, 2018, were as follows:

	Principal	Interest	Total
Revenue Bonds	\$ 7,900,000	\$ 2,205,000	\$ 10,105,000
Revenue Notes	27,915,190	2,149,000	30,064,190
Total	<u>\$ 35,815,190</u>	<u>\$ 4,354,000</u>	<u>\$ 40,169,190</u>

Note VII. Discretely Presented Component Units (continued)

Port Authority:

Total principal and interest requirements relating to outstanding revenue bonds and notes at December 31, 2018, were as follows:

	Principal	Interest	Total
General Obligation Bonds	\$ 31,425,000	\$ 5,578,245	\$ 37,003,245
Revenue Bonds	50,001,145	17,455,018	67,456,163
Revenue Notes	44,700,391	8,038,776	52,739,167
Total	\$ 126,126,536	\$ 31,072,039	\$ 157,198,575

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 Port Authority, and the Port 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, 2018, outstanding no-commitment debt totaled \$240 million.

F. Net Position – Restricted

As of December 31, 2018, net position was restricted for the following purposes:

	RiverCentre Convention and Visitors Authority	Regional Water Services	Port Authority	Total
For Economic Development	\$ -	\$ -	\$ 462,843	\$ 462,843
For Debt Service	-	11,911,887	3,615,000	15,526,887
Total	\$ -	\$ 11,911,887	\$ 4,077,843	\$ 15,989,730

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Note VII. Discretely Presented Component Units (continued)

G. Condensed Financial Information

The following provides component unit condensed financial information for the year ended December 31, 2018:

CONDENSED STATEMENT OF NET POSITION

	RiverCentre Convention and Visitors Authority	Regional Water Services	Port Authority	Total
ASSETS				
Current Assets	\$ 6,730,109	\$ 60,472,240	\$ 36,983,081	\$ 104,185,430
Restricted Assets	1,357,575	6,924,929	7,042,427	15,324,931
Other Assets	-	136,991	118,009,233	118,146,224
Capital Assets, Net	86,751	338,227,552	35,950,644	374,264,947
Total Assets	8,174,435	405,761,712	197,985,385	611,921,532
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Loss on Debt Refunding	-	2,282,213	354,545	2,636,758
Deferred Pension Outflows	-	1,432,289	221,751	1,654,040
Total Deferred Outflows of Resources	-	3,714,502	576,296	4,290,798
LIABILITIES				
Current Liabilities	1,861,678	16,212,868	79,365,671	97,440,217
Noncurrent Liabilities	42,420	65,161,673	100,306,072	165,510,165
Total Liabilities	1,904,098	81,374,541	179,671,743	262,950,382
DEFERRED INFLOWS OF RESOURCES				
Deferred Pension Inflows	-	3,437,954	386,269	3,824,223
NET POSITION				
Net Investment in Capital Assets	86,751	302,078,450	14,393,000	316,558,201
Restricted	-	11,911,887	4,110,669	16,022,556
Unrestricted	6,183,586	10,673,382	-	16,856,968
TOTAL NET POSITION	\$ 6,270,337	\$ 324,663,719	\$ 18,503,669	\$ 349,437,725

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Note VII. Discretely Presented Component Units (continued)

CONDENSED STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

	RiverCentre Convention and Visitors Authority	Regional Water Services	Port Authority	Total
Operating Revenues	\$ 13,711,482	\$ 63,616,480	\$ 12,563,315	\$ 89,891,277
Operating Expenses	15,180,068	48,249,229	11,368,731	74,798,028
Depreciation	39,483	-	1,517,243	1,556,726
Operating Income (Loss)	(1,508,069)	15,367,251	(322,659)	13,536,523
Total Nonoperating Revenues (Expenses)	(3,613,344)	(327,967)	(3,702,710)	(7,644,021)
Capital Contributions	2,981,744	1,071,098	-	4,052,842
Changes in Net Position	(2,139,669)	16,110,382	(4,025,369)	9,945,344
Net Position, January 1	8,410,006	308,553,337	22,529,038	339,492,381
Net Position, December 31	\$ 6,270,337	\$ 324,663,719	\$ 18,503,669	\$ 349,437,725

H. Pension Plans

RiverCentre Convention & Visitors Authority:

The 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 5% of compensation. During 2004, an additional discretionary contribution of 2% of each participant's salary was approved by the Board. No discretionary contributions have been made in 2018 or 2017. Retirement plan contribution expense was \$39,423 and \$37,998 for 2018 and 2017 respectively.

Regional Water Services:

Regional Water Services employees are employees of the City of Saint Paul and are covered by defined benefit pension plans administered by the Public Employees Retirement Association (PERA). See Note VIII.A for information on PERA.

Regional Water Services total contributions for the General Employees Retirement Plan for the year ended December 31, 2018, were \$1,219,883. The contributions are equal to the contractually required contributions as set by state statute PERA pension plan.

Note VII. Discretely Presented Component Units (continued)

Pension Costs

At December 31, 2018, Regional Water Services reported a liability of \$13,254,123 for its proportionate share of the General Employees Retirement Plan's net pension liability. The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. Regional Water Services' proportion of the net pension liability was based on Regional Water Services' contributions received by PERA during the measurement period for employer payroll paid dates from July 1, 2017, through June 30, 2018, relative to the total employer contributions received from all of PERA's participating employers. At June 30, 2018, Regional Water Services' proportion was 0.2389%. It was 0.2419% measured as of June 30, 2017. Regional Water Services recognized pension expense of \$1,164,908 for its proportionate share of the General Employees Retirement Plan's pension expense.

Regional Water Services also recognized \$101,381 as revenue, which results in a reduction of the net pension liability for its proportionate share of the State of Minnesota's contributions to the General Employees Retirement Plan, which qualifies as a special funding situation. Legislation required the State of Minnesota to contribute \$16 million to the General Employee Retirement Plan for the fiscal year ended June 30, 2018.

Regional Water Services' proportionate share of the net pension liability	\$ 13,254,123
State of Minnesota's proportionate share of the net position liability associated with Regional Water Services	<u>434,744</u>
Total	<u><u>\$ 13,688,867</u></u>

Regional Water Services reported its proportionate share of the General Employees Retirement Plan's deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual economic experience	\$ 354,932	\$ 390,010
Changes in actuarial assumptions	1,277,386	1,501,767
Difference between projected and actual investment earnings	-	1,358,682
Changes in proportion	32,747	187,495
Contributions paid to PERA subsequent to the measurement date	<u>617,148</u>	<u>-</u>
Total	<u><u>\$ 2,282,213</u></u>	<u><u>\$ 3,437,954</u></u>

Note VII. Discretely Presented Component Units (continued)

The \$617,148 reported as deferred outflows of resources related to pensions resulting from Regional Water Services' contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2019. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31	Pension Expense Amount
2019	\$ 387,268
2020	(753,255)
2021	(1,130,266)
2022	(276,636)

Pension Liability Sensitivity

The following presents the Regional Water Services' proportionate share of the net pension liability calculated using the discount return of 7.5%, as well as what its proportionate share of the net pension liability would be if it were calculated using a discount rate 1.0 percentage point lower or 1.0 percentage point higher than the current discount rate:

	1% Decrease in Discount Rate (6.5%)	Current Discount Rate (7.5%)	1% Increase in Discount Rate (8.5%)
Proportionate share of the General Employees Retirement Plan net pension liability	\$ 21,539,647	\$ 13,254,123	\$ 6,414,660

Port Authority:

All employees hired after June 30, 2003, as well as certain other employees, are participants in the General Employees Retirement Plan, which is a cost sharing, multiple employer retirement plan. All other full-time employees are required to participate in a Port Authority-sponsored Section 414(d) employee benefit 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 GERF. Employee participation in the plan is mandatory, and employees are required to contribute 6.5% of their salary. The Port Authority provides a contribution of 7.5%. Total contributions were \$37,049 in 2018.

Note VII. Discretely Presented Component Units (continued)

General Employees Retirement Plan: All full-time employees of the Port Authority who were hired after June 30, 2003, as well as certain other employees who elected to participate in the General Employees Retirement Plan, are covered by defined benefit plans administered by PERA. PERA administers the General Employees Retirement Plan, which is a cost-sharing, multiple-employer retirement plan. This plan is established and administered in accordance with Minnesota Statutes, Chapters 353 and 356. See Note VIII.A for information on PERA.

The Port Authority contributed \$114,619 in 2018. The contributions are equal to the contractually required contributions as set by state statute PERA pension plan.

Pension Costs

At December 31, 2018, the Port Authority reported a liability of \$1,192,732 for its proportionate share of the General Employees Retirement Plan's net pension liability. The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Port Authority's proportion of the net pension liability was based on the Port Authority's contributions received by PERA during the measurement period for employer payroll paid dates from July 1, 2017, through June 30, 2018, relative to the total employer contributions received from all of PERA's participating employers. At June 30, 2018, the Port Authority's proportion was 0.0215%. It was 0.0212% measured as of June 30, 2017. The Port Authority recognized pension expense of \$70,683 for its proportionate share of the General Employees Retirement Plan's pension expense.

The Port Authority reported its proportionate share of the General Employees Retirement Plan's deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
	<u> </u>	<u> </u>
Differences between expected and actual economic experience	\$ 31,570	\$ 34,787
Changes in actuarial assumptions	113,936	134,016
Difference between projected and actual investment earnings	-	121,878
Changes in proportion and differences between Port Authority's contributions and proportionate share of contributions	14,491	95,588
Contributions paid to PERA subsequent to the measurement date	61,754	-
	<u>61,754</u>	<u>-</u>
Total	<u>\$ 221,751</u>	<u>\$ 386,269</u>

Note VII. Discretely Presented Component Units (continued)

The \$61,754 reported as deferred outflows of resources related to pensions resulting from Port Authority's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2018. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31	Pension Expense Amount
2019	\$ (11,639)
2020	\$ (97,789)
2021	\$ (91,950)
2022	\$ (24,894)

Pension Liability Sensitivity

The following presents the Port Authority's proportionate share of the net pension liability calculated using the discount return of 7.5%, as well as what its proportionate share of the net pension liability would be if it were calculated using a discount rate 1.0 percentage point lower or 1.0 percentage point higher than the current discount rate:

	1% Decrease in Discount Rate (6.5%)	Current Discount Rate (7.5%)	1% Increase in Discount Rate (8.5%)
Proportionate share of the General Employees Retirement Plan net pension liability	\$ 1,938,342	\$ 1,192,732	\$ 577,252

I. Postemployment Benefits Other than Pension

RiverCentre Convention & Visitors Authority:

The RiverCentre Convention & Visitors Authority does not provide other postemployment benefits.

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Note VII. Discretely Presented Component Units (continued)

Regional Water Services:

Plan Description

In addition to providing the pension benefits described in Note VII.H Regional Water Services, through the City of Saint Paul (City) provides other postemployment health care and life insurance benefits (OPEB) for retired employees through a cost-sharing multiple employer defined benefit plan. The authority to provide these benefits is established in Minnesota Statutes §471.61, Subd. 2a. The benefit levels, employee contributions and employer contributions are governed by the City's collective bargaining agreement with employee groups. The plan is not accounted for as a trust fund, as an irrevocable trust has not been established to account for the plan. The plan does not issue a separate report.

Benefits Provided

Regional Water Services provides postemployment health care and life insurance benefits to its retirees. To be eligible for benefits, an employee must be collecting a state retirement pension and have been employed by the City for a minimum of 20 years. This coverage may also extend to the retiree's family. Benefits include general inpatient and outpatient medical services; mental and substance abuse care; vision care; preventive dental; and prescriptions.

Life insurance in the amount of \$5,000 to \$20,000 is provided to some retirees under age 65 (early retirees), depending upon collective bargaining agreements. A few over age 65 retirees have varying amounts of life insurance that had been continued due to disability.

The majority of employees benefit amounts have been capped. The benefit amount varies depending upon employment date and bargaining unit agreement as indicated in the following:

a) Health Care Benefit

	Under Age 65 (early retiree)	Over Age 65 (regular retiree)
Employees who retired before January 1, 1996	\$250 per month	100%
Employees hired before January 1, 1996 and retiring after January 1, 1996	\$350 per month	\$550 per month
Employees hired after January 1, 1996	\$300 per month	\$300 per month

This benefit has been discontinued for Tri-Council employees hired after January 1, 1996.

b) Life Insurance Benefit

Retirees are eligible to continue on the City's life insurance program until age 65 in amounts that range from \$5,000 - \$20,000.

Note VII. Discretely Presented Component Units (continued)

No assets have been accumulated in a trust that meets the criteria in paragraph 4 of GASB 75. The OPEB plan does not issue a stand-alone financial report.

Employees Covered by Benefit Terms

As of the December 31, 2016 valuation date, the employees covered by the benefit terms consisted of:

Active employees electing coverage	215
Active employees waiving coverage	17
Retired employees electing coverage	153
Total	<u>385</u>

Total OPEB Liability

Regional Water Services' total OPEB liability of \$14,232,779 was measured as of December 31, 2017. Regional Water Services has elected to use the GASB 75 "lookback" method where liabilities are measured as of the prior fiscal year-end, but applied to the current fiscal year. The valuation, measurement, and reporting dates are:

a. Valuation Date (census)	12/31/2016
b. Measurement Date (liabilities)	12/31/2017
c. Reporting Date (fiscal year end)	12/31/2018

The total OPEB liability in the fiscal year-end December 31, 2018, actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement unless otherwise specified:

Discount rate	The current discount rate is 3.31 percent. The discount rate was selected from an index rate for 20-year, tax-exempt municipal bonds. (Fidelity 20-year Municipal GO AA Index)
Inflation rate	2.75 percent
Mortality	
General Employees	Mortality rates based on RP-2014 mortality tables with projected mortality improvements based on scale MP-2015, and other adjustments.
Police and Fire	Mortality rates based on RP-2000 mortality tables with projected mortality improvements based on scale AA, and other adjustments.
Health care cost trend rate	Actual premium increase rates for FY2017 and 6.90 percent for FY2018, gradually decreasing over several decades to an ultimate rate of 4.40 percent in FY2074 and later years.
	In addition, the medical trend rates above were increased to reflect the projected effect of the Affordable Care Act's Excise Tax on high-cost health insurance plans. The additional trend rate adjustments vary by year, but average 0.39 percent beginning calendar year 2032 for plans other than Medicare plans.
Actuarial cost method	Entry Age Normal level percent of pay.

Note VII. Discretely Presented Component Units (continued)

The actuarial assumptions are currently based on a combination of historical data and the most recent actuarial valuation for OPEB as of December 31, 2018:

	Total OPEB Liability
OPEB Liability, January 1, 2018, as restated	\$ 13,324,418
Changes for the year:	
Service cost	286,706
Interest	505,484
Changes in assumptions	803,838
Benefit payments	(687,667)
Net change	908,361
Balance at December 31, 2018	\$ 14,232,779

OPEB Liability Sensitivity

The following presents the total OPEB liability of Regional Water Services, calculated using the discount rate previously disclosed, as well as what Regional Water Services' total OPEB liability would be if it were calculated using a discount rate that is 1.0 percentage point lower or 1.0 percentage point higher than the current discount rate:

	Discount Rate %	Total OPEB Liability
1% Decrease	2.31%	\$ 16,082,318
Current	3.31%	\$ 14,232,779
1% Increase	4.31%	\$ 12,693,689

The following presents the total OPEB liability of Regional Water Services, calculated using the health care cost trend previously disclosed, as well as what Regional Water Services' total OPEB liability would be if it were calculated using health care cost trend rates that are 1.0 percentage point lower or 1.0 percentage point higher than the current health care cost trend rate:

	Health Care Trend Rate	Total OPEB Liability
1% Decrease	5.9% Decreasing to 3.4%	\$ 13,233,622
Current	6.9% Decreasing to 4.4%	\$ 14,232,779
1% Increase	7.9% Decreasing to 5.4%	\$ 15,281,233

Note VII. Discretely Presented Component Units (continued)

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended December 31, 2018, Regional Water Services recognized OPEB expense of (\$523,928). Regional Water Services reported deferred outflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in actuarial assumptions	\$ 683,141	\$ -
Contributions subsequent to the measurement date	749,148	-
Total	<u>\$ 1,432,289</u>	<u>\$ -</u>

The remaining amounts reported as deferred outflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended December 31	OPEB Expense Amount
2019	\$ 120,696
2020	120,696
2021	120,696
2022	120,696
2023	120,696
Thereafter	79,661
Total	<u>\$ 683,141</u>

Port Authority:

Plan Description

The Port Authority employees hired prior to January 1, 2002, and retiring after 20 or more years of service are eligible for up to \$300 per month toward the cost of health insurance. Employees retiring prior to 1996 are reimbursed for 100 percent of the cost of health insurance for themselves and their spouse. At December 31, 2018, there were 11 beneficiaries receiving benefits. In addition, there are five current employees that may become eligible for benefits in the future.

Effective September 1, 2018, the Port Authority contributed \$600,000 to an irrevocable trust to establish an OPEB Irrevocable Trust Fund pursuant to Minnesota Statutes Section 471.6175 with the Minnesota Public Employees Retirement Association serving as the administrator. The plan does not issue a stand-alone financial report.

Note VII. Discretely Presented Component Units (continued)

Funding Policy

Retiree health care benefits are currently funded based on the benefit disclosed above on a pay-as-you-go basis. The Board of Commissioners may change the funding policy at any time.

Net OPEB Liability

The Port Authority's net OPEB liability was measured as of December 31, 2018 and the total OPEB liability used to calculate the net OPEB liability was determined by through the use of alternative measurement method as of that date.

Actuarial Assumptions

The total OPEB liability in the December 31, 2018 alternative measurement method valuation was determined using the following assumptions, applied to all periods included in the measurement, unless otherwise specified. The Port Authority has estimated the liability associated with this benefit using an alternative valuation method that takes into account the existing age of the individuals, their years of service and life expectancy, probability of receiving a benefit, a health care cost trend factor of 6.3%, 3.0% rate of inflation and a 5.0% discount rate.

The long term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These asset class estimated are combined to produce the portfolio long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage (or target allocation if available).

Best estimates of rates of return for each major asset class included in the OPEB plan's asset allocation as of the measurement date are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Rate of Return
MN State Board of Investment Non-Retiement Bond Fund	50.00%	5.25%
MN State Board of Investment Non-Retiement Equity Fund	25.00%	8.00%
MN State Board of Investment Non-Retiement Money Market Fund	25.00%	1.25%
	<u>100.00%</u>	5.00%

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Note VII. Discretely Presented Component Units (continued)

Changes in the Net OPEB Liability

The following table summarizes the changes in the plan's total OPEB liability, plan fiduciary net position, and the related net OPEB liability.

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability (Asset)
	(a)	(b)	(c)
Net OPEB Obligation Beginning of Year	\$ 600,736	\$ -	\$ 600,736
Changes for the Year:			
Service Cost	17,728	-	17,728
Annual OPEB cost	-	634,108	(634,108)
Net Investment Income	-	(2,622)	2,622
Benefit Payments	(34,108)	(34,108)	-
Net Change	<u>(16,380)</u>	<u>597,378</u>	<u>(613,758)</u>
Net OPEB Obligation End of Year	<u>\$ 584,356</u>	<u>\$ 597,378</u>	<u>\$ (13,022)</u>

The following significant plan and assumption changes occurred in 2018.

- Effective September 1, 2018, the Port Authority contributed \$600,000 to an irrevocable trust to establish an OPEB Irrevocable Trust Fund.
- The Port Authority updated its discount rate from 3.0% in 2017 to 5.0% in 2018 to approximate the long-term expected real rate of return of the Irrevocable OPEB trust's target investment portfolio allocation.

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate and Health Care Trend Rates

The following presents the net OPEB liability of the Port Authority, as well as what the Port Authority's net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (4.0%) or 1 percentage point higher (6.0%) than the current discount rate:

	1% Decrease (4.0%)	Discount Rate (5.0%)	1% Increase (6.0%)
Net OPEB Liability (Asset)	\$ 34,583	\$ (13,022)	\$ (54,102)

Note VII. Discretely Presented Component Units (continued)

The following presents the net OPEB Liability (Asset) of the Port Authority, as well as what the Port Authority's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower (5.3%) or 1 percentage point higher (7.3%) than the current healthcare cost trend rates:

	Healthcare Cost		
	Current Trend		
	1% Decrease (5.3%)	Rate (6.3%)	1% Increase (7.3%)
Net OPEB Liability (Asset)	\$ (13,022)	\$ (13,022)	\$ (13,022)

Below is the Port Authority's Schedule of Changes in Net OPEB Liability (Asset) for the year ended December 31, 2018.

<u>Total OPEB Liability</u>	
Service Cost	\$ 17,728
Benefit Payments	(34,108)
Net Change in Total OPEB Liability	(16,380)
Total OPEB Liability - Beginning	600,736
Total OPEB Liability - Ending (a)	<u>\$ 584,356</u>
<u>Plan Fiduciary Net Position</u>	
Contributions - Employer	\$ 634,108
Net Investment Income	(2,622)
Net Change in Plan Fiduciary Net Position	631,486
Plan Fiduciary Net Position - Beginning	-
Plan Fiduciary Net Position - Ending (b)	<u>\$ 631,486</u>
Net OPEB Liability	<u>\$ (47,130)</u>
<u>Plan Fiduciary Net Position as a Percentage of the Total</u>	
OPEB Liability	108.07%
Covered - Employee Payroll	\$ 1,933,886
Net OPEB Liability as a Percentage of Covered-Employee Payroll	(2.44)%

The Port Authority of the City of Saint Paul implemented GASB Statement 75 in fiscal year 2018 and the above table will be expanded to 10 years of information as the information becomes available.

Note VIII. Other Information

A. Defined Benefit Pension Plans

1. Defined Benefit Plans: Public Employees Retirement Association

a. Plan Description

All full-time and certain part-time employees of the City of Saint Paul are covered by defined benefit pension plans administered by the Public Employees Retirement Association of Minnesota (PERA). PERA administers the General Employees Retirement Plan (the General Employees Plan) and the Public Employees Police and Fire Plan (the Police and Fire Plan), which are cost-sharing multiple-employer retirement plans. These plans are established and administered in accordance with Minn. Stat. chs. 353 and 356. PERA's defined benefit pension plans are tax qualified plans under Section 401(a) of the Internal Revenue Code.

The General Employees Plan (accounted for in the General Employees Fund) has multiple benefit structures with members belonging to the Coordinated Plan, the Basic Plan, or the Minneapolis Employees Retirement Fund. Coordinated Plan members are covered by Social Security and Basic Plan and Minneapolis Employee Retirement Fund members are not. The Basic Plan was closed to new members in 1967. The Minneapolis Employees Retirement Fund was closed to new members during 1978 and merged into the General Employees Plan in 2015. All new members must participate in the Coordinated Plan, for which benefits vest after five years of credited service. No City of Saint Paul employees belong to either the Basic Plan or the Minneapolis Employees Retirement Fund.

Police officers, firefighters, and peace officers who qualify for membership by statute are covered by the Police and Fire Plan (accounted for in the Police and Fire Fund). For members first hired after June 30, 2010, but before July 1, 2014, benefits vest on a prorated basis starting with 50% after five years and increasing 10% for each year of service until fully vested after ten years. Benefits for members first hired after June 30, 2014, vest on a prorated basis from 50% after ten years and increasing 5% for each year of service until fully vested after 20 years.

b. Benefits Provided

PERA provides retirement benefits as well as disability benefits to members and benefits to survivors upon death of eligible members. Benefit provisions are established by state statute and can be modified only by the state legislature. Benefit increases are provided to benefit recipients each January. Increases are related to the funding ratio of the plan. General Employees Plan and Police and Fire Plan benefit recipients receive a future annual 1.00% for the post-retirement benefit increase. If the funding ratio reaches 90% for two consecutive years, the benefit increase will revert to 2.50%. If, after reverting to a 2.50% benefit increase, the funding ratio declines to less than 80% for one year or less than 85% for two consecutive years, the benefit increase will decrease to 1.00%.

The benefit provisions stated in the following paragraph of this section are current provisions and apply to active plan participants. Vested, terminated employees who are entitled to benefits but are not yet receiving them are bound by the provisions in effect at the time they last terminated their public service.

Note VIII. Other Information (continued)

Benefits are based on a member's highest average salary for any 60 consecutive months of allowable service, age, and years of credit at termination of service. In the General Employees Plan, two methods are used to compute benefits for Coordinated Plan members. Members hired prior to July 1, 1989, receive 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 Coordinated Plan member is 1.20% of average salary for each of the first ten years of service and 1.70% for each remaining year. Under Method 2, the annuity accrual rate is 1.70% for Coordinated Plan members for each year of service. Only Method 2 is used for members hired after June 30, 1989. For Police and Fire Plan members, the annuity accrual rate is 3.00% of average salary for each year of service.

For General Employees Plan members hired prior to July 1, 1989, a full annuity is available when age plus years of service equal 90, and normal retirement age is 65. For members hired on or after July 1, 1989, normal retirement age is the age for unreduced Social Security benefits capped at 66. For Police and Fire Plan, normal retirement age is 55, and for members who were hired prior to July 1, 1989, a full annuity is available when age plus years of service equal 90. Disability benefits are available for vested members and are based on years of service and average high-five salary.

c. Contributions

Pension benefits are funded from member and employer contributions and income from the investment of fund assets. Rates for employer and employee contributions are set by Minn. Stat. ch. 353. These statutes are established and amended by the state legislature. General Employees Plan members were required to contribute 6.50% of their annual covered salary in 2018. Police and Fire Plan members were required to contribute 10.80% of their annual covered salary in 2018.

In 2018, the City was required to contribute the following percentages of annual covered salary:

General Employees Plan - Coordinated Plan members	7.50%
Police and Fire Plan	16.20%

The employee and employer contribution rates did not change from the previous year.

The City's contributions for the year ended December 31, 2018, to the pension plans were:

General Employees Plan	\$ 8,005,441
Police and Fire Plan	15,159,571

The contributions are equal to the contractually required contributions as set by state statute.

Note VIII. Other Information (continued)

d. Pension Costs

General Employees Plan

At December 31, 2018, the City reported a liability of \$86,979,733 for its proportionate share of the General Employees Plan's net pension liability. The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportion of the net pension liability was based on the City's contributions received by PERA during the measurement period for employer payroll paid dates from July 1, 2017, through June 30, 2018, relative to the total employer contributions received from all of PERA's participating employers. At June 30, 2018, the City's proportion was 1.5679%. It was 1.5871% measured as of June 30, 2017. The City recognized pension expense of (\$510,201) for its proportionate share of the General Employees Retirement Plan's pension expense.

The City also recognized \$665,312 as revenue, which results in a reduction of the net pension liability, for its proportionate share of the State of Minnesota's contribution to the General Employees Plan, which qualifies as a special funding situation. Legislation requires the State of Minnesota to contribute \$16 million to the General Employees Plan for the fiscal years ended June 30, 2018 and 2019, and \$6 million thereafter, through calendar year 2031.

The City's proportionate share of the net pension liability	\$	86,979,733
State of Minnesota's proportionate share of the net pension liability associated with the City		<u>2,852,989</u>
Total	\$	<u><u>89,832,722</u></u>

The City reported its proportionate share of the General Employees Plan's deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 2,329,228	\$ 2,559,430
Changes in actuarial assumptions	8,382,805	9,855,296
Difference between projected and actual investment earnings	-	8,916,308
Changes in proportion	214,898	1,230,432
Contributions paid to PERA subsequent to the measurement date	<u>4,050,012</u>	<u>-</u>
Total	<u>\$ 14,976,943</u>	<u>\$ 22,561,466</u>

The \$4,050,012 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2019. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Note VIII. Other Information (continued)

Year Ended December 31	Pension Expense Amount
2019	\$ 2,541,425
2020	(4,943,214)
2021	(7,417,329)
2022	(1,815,417)
Total	<u>\$ (11,634,535)</u>

Police and Fire Plan

At December 31, 2018, the City reported a liability of \$93,187,111 for its proportionate share of the Police and Fire Plan's net pension liability. The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportion of the net pension liability was based on the City's contributions received by PERA during the measurement period for employer payroll paid dates from July 1, 2017, through June 30, 2018, relative to the total employer contributions received from all of PERA's participating employers. At June 30, 2018, the City's proportion was 8.743%. It was 8.773% measured as of June 30, 2017. The City recognized pension expense of (\$5,366,666) for its proportionate share of the Police and Fire Plan's pension expense.

The City also recognized \$786,834 as revenue, which results in a reduction of the net pension liability, for its proportionate share of the State of Minnesota's on-behalf contribution to the Police and Fire Plan. Legislation requires the State of Minnesota to contribute \$9 million to the Police and Fire Plan each year, starting in fiscal year 2014, until the plan is 90% funded.

The City reported its proportionate share of the Police and Fire Plan's deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 3,763,519	\$ 23,837,721
Changes in actuarial assumptions	120,034,352	137,649,738
Difference between projected and actual investment earnings	-	18,626,227
Changes in proportion	601,223	9,538,699
Contributions paid to PERA subsequent to the measurement date	7,704,478	-
Total	<u>\$ 132,103,572</u>	<u>\$ 189,652,385</u>

Note VIII. Other Information (continued)

The \$7,704,478 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2019. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31	Pension Expense Amount
2019	\$ (2,945,339)
2020	(7,530,324)
2021	(14,923,363)
2022	(39,478,611)
2023	(375,654)
Total	<u>\$ (65,253,291)</u>

Total Pension Expense

The total pension expense for all plans recognized by the City for the year ended December 31, 2018, was (\$5,876,867.)

e. Actuarial Assumptions

The total pension liability in the June 30, 2018, actuarial valuation was determined using the individual entry-age normal actuarial cost method and the following additional actuarial assumptions:

Inflation	2.50 % per year
Active member payroll growth	3.25 % per year
Investment rate of return	7.50 %

Salary increases were based on a service-related table. Mortality rates for active members, retirees, survivors, and disabilitants for all plans were based on RP-2014 tables for males or females, as appropriate, with slight adjustments. Cost of living benefit increases for retirees are assumed to be 1.25% for the General Employees Plan. For the Police and Fire Plan, cost of living benefit increases for retirees are 1.00% as set by state statute.

Actuarial assumptions used in the June 30, 2018, valuation were based on the results of actuarial experience studies. The experience study for the General Employees Plan was dated June 30, 2015. The experience study for the Police and Fire Plan was dated August 30, 2016. Economic assumptions were updated in 2017 based on a review of inflation and investment return assumptions.

Note VIII. Other Information (continued)

The long-term expected rate of return on pension plan investments is 7.50%. The State Board of Investment, which manages the investments of PERA, prepares an analysis of the reasonableness of the long-term expected rate of return on a regular basis using a building-block method in which best-estimate ranges of expected future rates of return are developed for each major asset class. These ranges are combined to produce an expected long-term rate of return by weighting the expected future rates of return by the target asset allocation percentages. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic stocks	36%	5.10%
International stocks	17	5.30
Bonds (fixed income)	20	0.75
Alternative assets (private markets)	25	5.90
Cash	2	0.00

f. Discount Rate

The discount rate used to measure the total pension liability was 7.50% in 2018 which remained consistent with 2017. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rate specified in statute. Based on that assumption, the fiduciary net position of the General Employees Plan and the Police and Fire Plan were projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

g. Changes in Actuarial Assumptions and Plan Provisions

The following changes in actuarial assumptions occurred in 2018:

1. General Employees Plan
 - A. The mortality projection scale was changed from MP-2015 to MP-2017.
 - B. The assumed benefit increase rate was changed from 1.00% per year through 2044 and 2.50% per year thereafter, to 1.25% per year.
2. Police and Fire Plan
 - A. The mortality projection scale was changed from MP-2016 to MP-2017.
 - B. Post-retirement benefit increases changed to 1.00% for all years, with no trigger.
 - C. An end date of July 1, 2048 was added to the existing \$9.0 million state contribution. Additionally, annual state aid will equal \$4.5 million in fiscal years 2019 and 2020, and \$9.0 million thereafter, until the plan reaches 100% funding, or July 1, 2048, if earlier.
 - D. Member contributions were changed effective January 1, 2019 and January 1, 2020 from 10.80% to 11.30% and 11.80% of pay, respectively. Employer contributions were changed effective January 1, 2019 and January 1, 2020 from 16.20% to 16.95% and 17.70% of pay, respectively. Interest credited on member contributions decreased from 4.00% to 3.00%, beginning July 1, 2018.

Note VIII. Other Information (continued)

- E. Deferred augmentation was changed to 0.00%, effective January 1, 2019. Augmentation that has already accrued for deferred members will still apply.
- F. Actuarial equivalent factors were updated to reflect revised mortality and interest assumptions.

h. Pension Liability Sensitivity

The following presents the City's proportionate share of the net pension liability calculated using the discount rate previously disclosed, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate 1.00 percentage point lower or 1.00 percentage point higher than the current discount rate:

	Proportionate Share of the			
	General Employees Plan		Police and Fire Plan	
	Discount Rate %	Net Pension Liability	Discount Rate %	Net Pension Liability
1% Decrease	6.50	\$ 141,353,202	6.50	\$ 199,799,009
Current	7.50	86,979,733	7.50	93,187,111
1% Increase	8.50	42,095,987	8.50	5,023,498

i. Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in a separately issued PERA financial report that includes financial statements and required supplementary information. That report may be obtained on the internet at www.mnpera.org; by writing to PERA at 60 Empire Drive, Suite 200, St. Paul, Minnesota 55103-2088; or by calling (651) 296-7460 or 1-800-652-9026.

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Note VIII. Other Information (continued)

B. Postemployment Benefits Other than Pension

1. Plan Description

In addition to the pension benefits described in Note VIII.A, the City provides other postemployment health care and life insurance benefits (OPEB) for retired employees through a single employer defined benefit plan. The authority to provide these benefits is established in Minnesota Statutes Section 471.61, Subd. 2a. The benefit levels, employee contributions and employer contributions are governed by the City and can be amended by the City through the City's collective bargaining agreements with employee groups. The plan is not accounted for as a trust fund, as an irrevocable trust has not been established to account for the plan. The plan does not issue a separate report. The activity of the plan is allocated as part of the City's fringe benefit charge.

The City provides postemployment health care and life insurance benefits to its retirees. To be eligible for benefits, an employee must be collecting a state retirement pension and have been employed by the City for a minimum of 20 years. This coverage may also extend to the retiree's family. Benefits include general inpatient and outpatient medical services; mental and substance abuse care; vision care; preventative dental; and prescriptions.

Life insurance in the amount of \$5,000 to \$20,000 is provided to some under age 65 (early retirees), depending upon collective bargaining agreements. A few over age 65 retirees have varying amounts of life insurance that had been continued due to disability.

The majority of employees benefit amounts have been capped. The benefit amount varies depending upon employment date and bargaining unit agreement as indicated below:

Health Care Benefit

	<u>Under Age 65</u> <u>(early retiree)</u>	<u>Over Age 65</u> <u>(regular retiree)</u>
Employees who retired before January 1, 1996	\$250 per month	100%
Employees hired before January 1, 1996 and retiring after January 1, 1996	\$350 per month	\$550 per month
Employees hired after January 1, 1996	\$300 per month	\$300 per month

Life Insurance Benefit

Retirees are eligible to continue on the City's life insurance program until age 65 in amounts that range from \$5,000 - \$20,000.

No assets have been accumulated in a trust that meets the criteria in paragraph 4 of GASB 75. The OPEB plan does not issue a stand-alone financial report.

Note VIII. Other Information (continued)

2. Covered Employees

As of December 31, 2018, the OPEB plan covered the following:

Active employees electing coverage	2,287
Active employees waiving coverage	377
Retired employees electing coverage	<u>2,022</u>
 Total	 <u><u>4,686</u></u>

3. Total OPEB Liability

The City's total OPEB liability of \$215,669,038 was measured as of December 31, 2017. The City has elected to use the GASB 75 "lookback" method where liabilities are measured as of the prior fiscal year-end, but applied to the current fiscal year. The valuation, measurement, and reporting dates are:

a. Valuation Date (census)	12/31/2016
b. Measurement Date (liabilities)	12/31/2017
c. Reporting Date (fiscal year end)	12/31/2018

The total OPEB liability in the fiscal year-end December 31, 2018, actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement unless otherwise specified.

Discount rate	3.31% - The discount rate was selected from an index rate for 20-year, tax exempt municipal bonds (Fidelity 20-year Municipal GO AA Index.)
Inflation rate	2.75%
Mortality	
General Employees	Mortality rates based on RP-2014 mortality tables with projected mortality improvements based on scale MP-2015, and other adjustments.
Police and Fire	Mortality rates based on RP-2000 mortality tables with projected mortality improvements based on scale AA, and other adjustments.
Health care cost trend rate	Actual premium increase rates for FY2017 and 6.90% for FY2018, gradually decreasing over several decades to an ultimate rate of 4.40% in FY2074 and later years. In addition, the medical trend rates above were increased to reflect the projected effect of the Affordable Care Act's Excise Tax on high-cost health insurance plans. The additional trend rate adjustments vary by year, but average .39% beginning calendar year 2032 for plans other than Medicare plans.
Actuarial cost method	Entry age normal level percent of pay.

Note VIII. Other Information (continued)

4. Changes in the Total OPEB Liability

	Total OPEB Liability
Balance at December 31, 2017, as restated	\$ 201,932,219
Changes for the year:	
Service cost	4,345,058
Interest	7,660,651
Changes in assumptions	12,182,237
Benefit payments	(10,421,127)
Net change	13,766,819
Balance at December 31, 2018	\$ 215,699,038

5. OPEB Liability Sensitivity

The following presents the total OPEB liability of the City, calculated using the discount rate previously disclosed, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1.0 percentage point lower or 1.0 percentage point higher than the current discount rate:

	Discount Rate %	Total OPEB Liability
1% Decrease	2.31%	\$ 243,728,956
Current	3.31	215,699,038
1% Increase	4.31	192,373,992

The following presents the total OPEB liability of the City, calculated using the health care cost trend previously disclosed, as well as what the City's total OPEB liability would be if it were calculated using a health care cost trend rates that are 1.0 percentage point lower or 1.0 percentage point higher than the current health care cost trend rate.

	Health Care Trend Rate	Total OPEB Liability
1% Decrease	5.9% Decreasing to 3.4%	\$ 200,556,723
Current	6.9% Decreasing to 4.4%	215,699,038
1% Increase	7.9% Decreasing to 5.4%	231,588,443

Note VIII. Other Information (continued)

6. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended December 31, 2018, the City recognized OPEB expense of (\$6,799,923.) The City reported deferred outflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources
Changes in actuarial assumptions	\$ 10,353,070
Contributions subsequent to the measurement date	<u>10,213,672</u>
Total	<u>\$ 20,566,742</u>

Amounts reported as deferred outflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended December 31	OPEB Expense Amount
2019	\$ 1,829,165
2020	1,829,165
2021	1,829,165
2022	1,829,165
2023	1,829,165
Thereafter	<u>1,207,245</u>
Total	<u>\$ 10,353,070</u>

7. Changes in Actuarial Assumptions

The following changes in actuarial assumptions occurred in 2018.

The discount rate used changed from 3.81% to 3.31%.

The City has elected to use the GASB 75 "lookback" method where assets and liabilities are measured as of the prior fiscal year-end, but applied to the current fiscal year.

The amortization method changed from amortizing the entire Unfunded Actuarial Accrued Liability as a level dollar amount over a 30-year open period to straight-line amortization over a closed 5-year period for investment gains and losses, and over a closed period equal to the average of the expected remaining service lives of all members that are provided with OPEB through the plan.

Note VIII. Other Information (continued)

The City is considered a cost-sharing multiple employer plan under GASB 75 rules. GASB 75 mandated that the plan's costs are calculated for the entire plan and then allocated proportionately to each participating employer (City of Saint Paul and Regional Water Services).

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 Central Services 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 2017 and 2018:

	Year Ended December 31, 2018	Year Ended December 31, 2017
Beginning of Fiscal Year Liability	\$ 63,789,845	\$ 55,776,702
Current Year Claims and Changes in Estimates	18,126,486	22,052,470
Claim Payments	<u>(12,239,081)</u>	<u>(14,039,327)</u>
End of Fiscal Year Liability	<u>\$ 69,677,250</u>	<u>\$ 63,789,845</u>

Minnesota Statutes Section 466.04 limits the City's tort financial exposure for claims arising from general liability or vehicle liability exposures. 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, and before January 1, 2008, the limit per accident for any number of claims arising out of a single occurrence is \$1,000,000 and \$300,000 per individual. For claims arising on or after January 1, 2008 and before July 1, 2009, the limit per accident for any number of claims arising out of a single occurrence is \$1,200,000 and \$400,000 per individual. For claims arising on or after July 1, 2009, the limit per accident for any number of claims arising out of a single occurrence is \$1,500,000 and \$500,000 per individual. The limits double when the claim arises out of the release or threatened release of a hazardous substance. The City does not carry commercial liability and collision insurance for City-owned vehicles.

The HRA acquired in 2009 a site with existing pollution which will require remediation. To address its exposure to risk of loss related to pollution liability torts, the HRA has purchased a Premises Pollution Liability Insurance policy. The limit of this coverage is \$20,000,000 and the policy expires on December 23, 2019.

The City has purchased all risk property insurance coverage of \$1.8 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.

Note VIII. Other Information (continued)

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 Management Division provides direction, management, coordination and planning services for risk and insurance programs. Human Resources staff conducts an audit and actuarial analysis to ensure proper premium, retention and administrative charges related to employee benefit programs. Tort liability, workers' compensation and unemployment compensation programs are administered internally by risk management staff including a professional claim manager and adjusters. Litigated tort claims (both general liability and vehicle liability) are handled by the City Attorney's Office and its staff.

D. Construction and Other Significant Commitments

At December 31, 2018, the City had commitments for the following major construction projects:

<u>Project Title</u>	<u>Remaining Construction Committed</u>
Margaret Bike Route	\$ 2,400,366
Woodlawn Jefferson	1,040,977
Wheelock Danforth to Western	539,002
2018 Sewer Lining Project	1,451,741
Como Seals and Sea Lions Improvements	8,222,622
Sheffer/ Frogtown Recreation Center	<u>1,417,472</u>
Total	<u>\$ 15,072,180</u>

Major League Soccer Stadium

1. Ground Lease with Metropolitan Council
 - a. The City and Metropolitan Council entered into a ground lease for the property known as the Bus Barn Site on April 1, 2016. The lease has a term of 50 years, beginning January 1, 2019, due to the first major league game being played at the stadium in April 2019.
 - b. The City rent payments are \$556,620 annually.
2. Environmental Impact Agreement
 - a. The City, Port Authority, Metropolitan Council and MUSC Holdings LLC, (the "Team"), entered in to an agreement for the Port Authority to manage the project and allocates cost of environmental remediation of the Stadium Site among all parties.
 - b. The City has agreed to pay the first \$1.5 million of remediation. The Metropolitan Council is responsible for the next \$4.5 million, plus more in the event of a shortfall. The Team is responsible for up to \$1.5 million for environmental cleanup of acquired property adjacent to the Bus Barn Site to complete the stadium site, to the extent that such costs are not covered by grants or other sources.
 - c. The City's obligation under Environmental Project Management Agreement has been completed.

Note VIII. Other Information (continued)

3. Development Agreements
 - a. The City and the Team entered into an agreement dated April 1, 2016 for the Team to design, construct and equip a Major League Soccer stadium, including funding all project costs.
 - b. The City is responsible for the cost of standard grade Public Infrastructure in the amount of \$16.1 million, plus an additional \$800,000 for planning and design costs. The Stadium and related public infrastructure were completed in early 2019.
 - c. The City and Team entered into a Parkland Agreement in February 2018 that obligates the City to fund an additional \$250,000 for expanded infrastructure and improvements on the Snelling Midway Redevelopment Site.
 - d. The City and the Team entered into an agreement in July 2019 that obligates the City to fund an additional \$2,557,000 for expanded public infrastructure, including a comprehensive stormwater system serving the entire Snelling Midway Redevelopment Site, \$500,000 of planning and design costs and acknowledges a pending dispute over which party is responsible for paying certain excess costs incurred by the Team.
 - e. The City has budgeted funds that have not yet been expended in the amount of \$3,777,827 committed via the various development agreements.
4. Playing and Use Agreement
 - a. The City and the Minnesota United Soccer Club LLC (the "Club") entered into a Playing and Use Agreement dated April 1, 2016, for the Club to operate and maintain the Stadium and appurtenant areas. Pursuant to this agreement the Club will make payments to the City to fund annual rent payments due to the Metropolitan Council under the Ground Lease.
5. Stadium Ownership
 - a. The Bus Barn Property is owned by the Metropolitan Council. The City shall own the Stadium, the Adjacent Areas, and the Stadium Site other than the Bus Barn Property, excluding however the Club Personal Property and the Transit Components, subject to the Net Ground Lease and any lease applicable to the Team-Acquired Property.
 - b. On February 22, 2019, the Team and the Club each conveyed to the City their interests in the Stadium and Stadium Site improvements by quit claim deed.

E. Interest Rate Swap Agreements

Summary of Notional Amounts and Fair Values

The City enters into contracts to hedge its exposure to fluctuating interest rates. These contracts are evaluated pursuant to GASB Statement No. 53 - *Accounting and Financial Reporting for Derivative Instruments*, to determine whether they meet the definition of derivative instruments, and, if so, whether they effectively hedge the expected cash flows associated with interest rate exposures.

The City applies hedge accounting for derivatives that are deemed effective hedges. Under hedge accounting, the increase (decrease) in the fair value of a hedge is reported as a deferred outflow of resources (derivative instrument interest swap liability) in the statement of net position. For the reporting period, all of the City's derivatives meet the effectiveness tests.

For interest rate derivatives, the City contracted with Springsted Investment Advisors, Inc., an independent mark-to-market service, to estimate fair value based upon the market close rate data provided by Bloomberg Financial.

Note VIII. Other Information (continued)

The following is a summary of the fair values and notional amounts of derivative instruments outstanding as of December 31, 2018 (gains shown as positive amounts, losses as negative).

Governmental Activities	2018 Change in Fair Value		Fair Value at December 31, 2018		Notional
	Classification	Amount	Classification	Amount	
Effective Cash Flow hedges					
Interest Rate Derivatives:					
Pay-fixed swaps, interest rate	Deferred Outflow	\$ 1,687,844	Derivative	\$ (4,619,982)	\$ 38,890,000

Objective and Terms of Hedging Derivative Instruments

In November 2007, the City entered into two interest rate swap agreements for \$32,727,500 each, for a total notional amount of \$65,455,000 with Piper Jaffray Financial Products, Inc., and Royal Bank of Canada relating to the 1999 Taxable Sales Tax Revenue Bonds. These interest rate swap agreements took place in November 2007 and will end on November 1, 2025. On May 1, 2009, the 1999 Taxable Sales Tax Revenue Bonds were 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 5.58% compared to the present interest rates of 6.44% through 7.09% on the original bonds payable from 2009 through 2025.

Risks of Derivative Instruments

1. Credit Risk

Credit risk is the risk of loss due to a counterparty defaulting on its obligations. The City seeks to minimize credit risk by transacting with creditworthy counterparties. Interest rate swap counterparties are evaluated at the time of transaction execution.

2. Termination Risk

Termination risk is the risk that a derivative will terminate prior to its scheduled maturity due to a contractual event. Contractual events include bankruptcy, illegality, default, and mergers in which the successor entity does not meet credit criteria. One aspect of termination risk is that the City would lose the hedging benefit of a derivative that becomes subject to a termination event. Another aspect of termination risk is that, if at the time of termination the mark-to-fair value of the derivative was a liability to the City, the City could be required to pay that amount to the counterparty. Termination risk is associated with the City's derivative up to the fair value amount.

3. Hedged Debt

Net cash flows for the City's synthetic fixed-rate debt are shown on the following table. These amounts assume that the interest rates of the bonds and the reference rates of the hedging derivative instruments remain at December 31, 2018 levels. These rates will vary and, as they do, interest payments on the variable-rate bonds and net receipts/payments on the interest rate swaps will vary. The table shows only the City's effectively hedged synthetic fixed-rate debt, which is a subset of the City's total debt. As of December 31, 2018, all of the City's variable-rate debt is effectively hedged.

Note VIII. Other Information (continued)

Year Ending December 31, 2018	Principal	Interest	Net Payment on Derivatives	Total
2019	\$ 3,580,000	\$ 965,903	\$ 1,036,838	\$ 5,582,741
2020	3,780,000	874,761	939,003	5,593,764
2021	3,990,000	778,533	835,707	5,604,240
2022	4,210,000	676,965	726,680	5,613,645
2023	4,440,000	569,806	611,651	5,621,457
2024-2025	18,890,000	641,735	688,864	20,220,599
Totals	<u>\$ 38,890,000</u>	<u>\$ 4,507,703</u>	<u>\$ 4,838,743</u>	<u>\$ 48,236,446</u>

F. Contingent Liabilities

Litigation

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

University Enterprise Laboratory Project

The City of Saint Paul entered into a \$6 million guaranty of principal and interest with Wells Fargo on January 21, 2005, to help secure financing for the \$24.2 million University Enterprise Laboratory (UEL) Project at 1000 Westgate Drive in St. Paul, Minnesota.

In January 2012, the original 2005 debt was refinanced through various funds, including the proceeds of a loan from US Bank for \$9.4 million. The effect of the refunding was to reduce the City's guaranty to \$4 million. Going forward, the City's contingent liability will drop further, as the City's guaranty automatically declines as the mortgage is paid down. The current guaranty encumbrance is against the General Fund.

Regions Hospital Parking Ramp Contingent Lease

During 2006, the Port Authority issued revenue bonds to finance construction of a parking ramp at the Regions Hospital complex. The bonds are 30 year bonds with final scheduled retirement in 2036. The Port Authority leases the ramp for years 2008 through 2030 to Regions Hospital. The HRA agreed to a lease commitment in an amount equal to the annual debt service on the Port Authority bonds for the years 2031 through 2036. The scheduled principal balance on the bonds is \$6,045,000 in 2031 prior to the 2031 through 2036 debt payments. The HRA lease is not triggered and no payments are made by the HRA if any one of the following takes place:

1. Regions Hospital continues to need the ramp for their business and extends the lease with the Port from 2031 through 2036.
2. Sometime during the period of 2008 through 2030, Regions Hospital elects to purchase the ramp for the greater of the outstanding debt or fair market value of the ramp.
3. Regions Hospital defaults on the Port Authority lease and the bond trustee determines on behalf of the bondholders to sell the ramp to a third party and cancels the HRA lease commitment.

Note VIII. Other Information (continued)

Cleanup of Hazardous Materials

Properties owned by the HRA and the City may have certain contingent liabilities associated with them due to potential contamination from hazardous materials or difficulty in securing vacant structures located on them. It is not expected that these contingencies will have a material effect on the financial statements of the City.

The following properties have been identified as possible sites of pollution or contamination:

1. Capp Road (Catholic Charities) - Possible pollution or contamination
2. Koch/Mobil - Remediation has already been completed
3. Rivoli Street Properties - Remediation has already been completed by the original polluter
4. Willow Reserve Property - Contamination

The Willow Reserve property is comprised of 11 single family homes, to be constructed by Habitat for Humanity, a public alley, and public space. The public alley and space is in the HRA's possession. During excavation in 2017, construction debris was discovered and excavation stopped. The former use of the site included a greenhouse/garden center, out buildings and one or more residential structures. Several additional borings were conducted by Habitat for Humanity in 2017 and contaminants discovered include asbestos containing waste materials, buried debris and solid waste, arsenic, lead and benzo(a)pyrene (a carcinogen). Habitat for Humanity conducted the site investigation, development of a Phase I and Phase II report, and Response Action Plan. The method of investigation and the proposed course of action have been approved by the Minnesota Pollution Control Agency. The investigation covers the entire site and has been done, in part, on behalf of the HRA. The estimated costs for cleanup for the homes, public alley, and public space are \$700,000. The HRA portion of the costs is estimated to be \$350,000, of which \$109,000 was paid in 2018. The remaining estimated costs are \$241,000 and are included with the Pollution Remediation Obligation identified on the Government-wide Statement of Net Position. This pollution remediation obligation is an estimate and subject to changes resulting from price increases or reductions, technology, or changes in applicable laws or regulations.

G. Subsequent Events

Bond Issues

On April 8, 2019, the City issued Taxable Sales Tax Revenue Refunding Bonds, (RiverCentre Arena Project), Series 2019A in the amount of \$48,900,000, Taxable Sales Tax Revenue Refunding Bonds, Series 2019B in the amount of \$8,530,000, and Tax-Exempt Sales Tax Revenue Refunding Bonds, Series 2019C in the amount of \$12,475,000. The proceeds were used to: (i) refund the City's outstanding (a) Taxable Variable Rate Demand Sales Tax Revenue Refunding Bonds (Rivercentre Arena Project), Series 2009A, (b) Subordinate Sales Tax Revenue Refunding Bonds Series 2016G, and (c) Taxable Subordinate Sales Tax Revenue Refunding Bonds, Series 2016H; and (ii) pay the purchase price for the acquisition of the Rivercentre Parking Ramp Improvements leased from the Housing and Redevelopment Authority of the City of Saint Paul.

On June 19, 2019, the City issued General Obligation Various Purpose Bonds, Series 2019D in the amount of \$14,270,000. The proceeds were used to (i) provide financing for capital improvement projects identified in the City's adopted 2019 Capital Improvement Budget and Program; and (ii) finance the acquisition of certain equipment, including, but not limited to, public safety vehicles and other capital equipment.

Note VIII. Other Information (continued)

On June 19, 2019, the City issued General Obligation Public Safety Refunding Bonds, Series 2019E in the amount of \$8,550,000. The proceeds were used to current refund the City's Taxable General Obligation Public Safety Bonds, Series 2009E, issued in the original aggregate principal amount of \$9,275,000 and outstanding in the amount of \$9,275,000.

On June 19, 2019, the City issued Sewer Revenue Bonds, Series 2019F (Green Bonds) in the amount of \$7,345,000. The proceeds were used to finance capital improvements to the City's sewer system that are environmentally friendly.

2019 Flood

In March 2019, the City's mayor declared a local state of emergency when a significant rainfall combined with accelerating snowmelt caused overland flooding and rising river levels. The estimated costs of \$3.5 million have been or will be submitted to the Federal Emergency Management Agency and 90% are expected to be reimbursed.

H. Future Change in Accounting Standard

Effective for financial statements for the year ending after December 15, 2018, the City will be implementing Governmental Accounting Standards Board (GASB) Statement No. 84.

GASB Statement No. 84 – *Fiduciary Activities* establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities.

Effective for financial statements for the year ending after December 15, 2019, the City will be implementing GASB Statement No. 87.

GASB Statement No. 87 – *Leases* increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset.

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REQUIRED SUPPLEMENTARY INFORMATION

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CITY OF SAINT PAUL, MINNESOTA
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 GENERAL FUND
 YEAR ENDED DECEMBER 31, 2018

Schedule 1
 (Page 1 of 1)

	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final		
REVENUES				
Taxes				
Property Taxes	\$ 107,221,263	\$ 107,486,263	\$ 110,142,221	\$ 2,655,958
Gross Earnings Franchise Fees	25,546,879	25,746,879	27,450,712	1,703,833
Hotel-Motel Tax	1,850,800	1,850,800	2,423,538	572,738
Other Taxes	500,000	500,000	12,499	(487,501)
Total Taxes	135,118,942	135,583,942	140,028,970	4,445,028
Licenses and Permits	11,840,543	11,840,543	12,847,878	1,007,335
Intergovernmental Revenue	83,027,238	83,027,238	83,378,026	350,788
Fees, Sales and Services	45,392,554	45,476,248	45,042,565	(433,683)
Assessment Financing	-	-	82,406	82,406
Investment Income				
Interest Earned On Investments	2,365,034	2,365,034	2,603,361	238,327
Increase (Decrease) in Fair Value of Investments	-	-	(348,918)	(348,918)
Miscellaneous Revenue	598,513	851,339	2,957,046	2,105,707
Total Revenues	278,342,824	279,144,344	286,591,334	7,446,990
EXPENDITURES				
Current				
General Government				
City Council	3,646,473	3,646,473	3,437,388	209,085
Mayor	1,963,064	2,000,809	1,871,860	128,949
City Attorney	8,454,990	8,460,465	8,271,963	188,502
Financial Services	3,967,961	4,125,992	3,723,345	402,647
Human Resources	4,947,808	4,951,921	4,499,934	451,987
Human Rights	2,299,632	2,305,339	2,248,847	56,492
Technology	11,751,577	12,081,814	11,475,551	606,263
Other	10,309,783	10,846,335	11,314,374	(468,039)
Total General Government	47,341,288	48,419,148	46,843,262	1,575,886
Public Safety				
Police	94,392,429	94,347,287	94,012,295	334,992
Fire and Safety Services	61,998,132	62,848,999	63,291,122	(442,123)
Safety and Inspection	19,187,647	19,242,082	18,870,259	371,823
Emergency Management	426,387	426,387	400,860	25,527
Total Public Safety	176,004,595	176,864,755	176,574,536	290,219
Highways and Streets	23,795,415	24,111,584	25,690,741	(1,579,157)
Culture and Recreation	33,201,401	33,288,254	33,755,118	(466,864)
Capital Outlay	1,182,273	1,368,628	887,152	481,476
Debt Service				
Principal - Other Debt	62,926	62,926	-	62,926
Interest - Other Debt	87,763	87,763	965	86,798
Total Expenditures	281,675,661	284,203,058	283,751,774	451,284
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,332,837)	(5,058,714)	2,839,560	7,898,274
OTHER FINANCING SOURCES (USES)				
Transfers In	11,151,735	11,151,735	10,411,602	(740,133)
Transfers Out	(7,875,914)	(7,659,745)	(7,967,331)	(307,586)
Sale of Capital Assets	57,000	57,000	24,693	(32,307)
Total Other Financing Sources (Uses)	3,332,821	3,548,990	2,468,964	(1,080,026)
Net Change in Fund Balance	(16)	(1,509,724)	5,308,524	6,818,248
FUND BALANCE, January 1	52,668,693	52,668,693	52,668,693	-
FUND BALANCE, December 31	\$ 52,668,677	\$ 51,158,969	\$ 57,977,217	\$ 6,818,248

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

CITY OF SAINT PAUL, MINNESOTA
 REQUIRED SUPPLEMENTARY INFORMATION
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 ANNUALLY BUDGETED MAJOR SPECIAL REVENUE FUNDS
 YEAR ENDED DECEMBER 31, 2018

Schedule 2
 (Page 1 of 2)

	Assessment Financing			
	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final		
REVENUES				
Property Taxes				
Current Taxpayer	\$ -	\$ -	\$ -	\$ -
Delinquent Taxpayer	-	-	-	-
Total Property Taxes	-	-	-	-
Intergovernmental Revenue	-	-	-	-
Fees, Sales and Services	-	-	-	-
Assessment Financing	7,300,000	7,300,000	6,920,857	(379,143)
Investment Income				
Interest Earned on Investments	-	-	-	-
Increase (Decrease) in Fair Value of Investments	-	-	-	-
Miscellaneous - Other	-	-	-	-
Total Revenues	7,300,000	7,300,000	6,920,857	(379,143)
EXPENDITURES				
Current				
General Government	2,366,765	2,366,765	2,380,769	(14,004)
Public Safety	375,001	375,001	249,387	125,614
Culture and Recreation	-	-	-	-
Housing and Economic Development	-	-	-	-
Total Expenditures	2,741,766	2,741,766	2,630,156	111,610
Excess (Deficiency) of Revenues Over (Under) Expenditures	4,558,234	4,558,234	4,290,701	(267,533)
OTHER FINANCING SOURCES (USES)				
Transfers In	375,000	375,000	220,243	(154,757)
Transfers Out	(3,338,890)	(3,338,890)	(2,873,286)	465,604
Total Other Financing Sources (Uses)	(2,963,890)	(2,963,890)	(2,653,043)	310,847
Net Change in Fund Balances	1,594,344	1,594,344	1,637,658	43,314
FUND BALANCES, January 1	5,462,842	5,462,842	5,462,842	-
FUND BALANCES, December 31	\$ 7,057,186	\$ 7,057,186	\$ 7,100,500	\$ 43,314

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

Public Library General Fund				HRA General Fund			
Budgeted Amounts		Actual Amounts	Variance With Final Budget	Budgeted Amounts		Actual Amounts	Variance With Final Budget
Original	Final			Original	Final		
\$ 17,625,534	\$ 17,625,534	\$ 17,917,310	\$ 291,776	\$ 3,745,716	\$ 3,745,716	\$ 3,813,626	\$ 67,910
19,412	19,412	84,354	64,942	-	-	14,325	14,325
17,644,946	17,644,946	18,001,664	356,718	3,745,716	3,745,716	3,827,951	82,235
-	-	32,047	32,047	-	-	-	-
-	-	-	-	1,768,135	1,768,135	2,550,140	782,005
-	-	-	-	-	-	-	-
-	-	-	-	200,000	200,000	324,360	124,360
-	-	-	-	-	-	(171,184)	(171,184)
-	-	2,585	2,585	-	-	-	-
17,644,946	17,644,946	18,036,296	391,350	5,713,851	5,713,851	6,531,267	817,416
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
17,919,500	18,013,088	18,122,012	(108,924)	-	-	-	-
-	-	-	-	7,976,647	8,776,647	7,030,804	1,745,843
17,919,500	18,013,088	18,122,012	(108,924)	7,976,647	8,776,647	7,030,804	1,745,843
(274,554)	(368,142)	(85,716)	282,426	(2,262,796)	(3,062,796)	(499,537)	2,563,259
372,500	451,824	451,824	-	-	-	-	-
(97,945)	(97,945)	(97,945)	-	(1,605,855)	(805,855)	(805,854)	1
274,555	353,879	353,879	-	(1,605,855)	(805,855)	(805,854)	1
1	(14,263)	268,163	282,426	(3,868,651)	(3,868,651)	(1,305,391)	2,563,260
2,270,151	2,270,151	2,270,151	-	10,538,150	10,538,150	10,538,150	-
\$ 2,270,152	\$ 2,255,888	\$ 2,538,314	\$ 282,426	\$ 6,669,499	\$ 6,669,499	\$ 9,232,759	\$ 2,563,260

CITY OF SAINT PAUL, MINNESOTA
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF SAINT PAUL'S CONTRIBUTIONS
 PUBLIC EMPLOYEES GENERAL EMPLOYEES RETIREMENT PLAN
 YEAR ENDED DECEMBER 31, 2018

Schedule 3
 (Page 1 of 1)

Schedule of Saint Paul's Contributions
 Public Employees General Employees Retirement Plan
 Required Supplementary Information (Last Ten Years*)

Fiscal Year Ending	Actual Contributions in			Covered Payroll** (d)	Actual Contributions as a Percentage of Covered Payroll (b/d)
	Statutorily Required Contributions (a)	Relation to the Statutorily Required Contributions (b)	Contribution Deficiency (Excess) (a-b)		
December 31, 2015	\$7,169,220	\$7,169,220	\$ -	\$95,589,596	7.50%
December 31, 2016	7,518,515	7,518,515	-	100,246,862	7.50%
December 31, 2017	7,775,599	7,775,599	-	103,674,650	7.50%
December 31, 2018	8,005,441	8,005,441	-	106,739,213	7.50%

* This schedule is presented prospectively beginning with the fiscal year ended December 31, 2015.

**For purposes of this schedule, covered payroll is defined as "pensionable wages."

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

Schedule of City of Saint Paul's Proportionate Share of Net Pension Liability
 Public Employees General Employees Retirement Plan
 Required Supplementary Information (Last Ten Years*)

Fiscal Year Ending	Employer's Proportion of the Net Pension Liability (Asset)	Employer's Proportionate Share of the Net Pension Liability (Asset) (a)	State's Proportionate Share of the Net Pension Liability Associated with the City of Saint Paul (Asset) (b)	Employer's Proportionate Share of the Net Pension Liability and the State's Related Share of the Net Pension Liability (Asset) (a+b)	Covered Payroll** (c)	Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Covered Payroll (a/c)	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
June 30, 2015	1.6100%	\$83,440,197	N/A	\$83,440,197	\$94,660,723	88.15%	78.19%
June 30, 2016	1.5819%	128,666,775	\$1,677,451	130,344,226	98,053,179	131.22%	68.91%
June 30, 2017	1.5871%	101,322,460	1,274,040	102,596,500	102,173,596	99.17%	75.90%
June 30, 2018	1.5679%	86,979,733	2,852,989	89,832,722	105,387,693	82.53%	79.53%

* This schedule is provided prospectively beginning with the fiscal year ended December 31, 2015.

**For purposes of this schedule, covered payroll is defined as "pensionable wages."

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

CITY OF SAINT PAUL, MINNESOTA
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF SAINT PAUL'S CONTRIBUTIONS
 PUBLIC EMPLOYEES POLICE AND FIRE PLAN
 YEAR ENDED DECEMBER 31, 2018

Schedule 5
 (Page 1 of 1)

Schedule of Saint Paul's Contributions
 Public Employees Police and Fire Plan
 Required Supplementary Information (Last Ten Years*)

Fiscal Year Ending	Actual Contributions in				
	Statutorily Required Contributions (a)	Relation to the Statutorily Required Contributions (b)	Contribution (Deficiency) Excess (a-b)	Covered Payroll** (d)	Actual Contributions as a Percentage of Covered Payroll (b/d)
December 31, 2015	\$13,934,513	\$13,934,513	\$ -	\$86,015,512	16.20%
December 31, 2016	14,421,492	14,421,492	-	89,021,556	16.20%
December 31, 2017	14,685,894	14,685,894	-	90,653,667	16.20%
December 31, 2018	15,159,571	15,159,571	-	93,577,599	16.20%

* This schedule is presented prospectively beginning with the fiscal year ended December 31, 2015.

**For purposes of this schedule, covered payroll is defined as "pensionable wages."

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

CITY OF SAINT PAUL, MINNESOTA
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF SAINT PAUL'S PROPORTIONATE SHARE OF NET PENSION LIABILITY
 PUBLIC EMPLOYEES POLICE AND FIRE PLAN
 YEAR ENDED DECEMBER 31, 2018

Schedule 6
 (Page 1 of 1)

Schedule of City of Saint Paul's Proportionate Share of Net Pension Liability
 Public Employees Police and Fire Plan
 Required Supplementary Information (Last Ten Years*)

Fiscal Year Ending	Employer's Proportion of the Net Pension Liability (Asset)	Employer's Proportionate Share of the Net Pension Liability (Asset) (a)	Employer's Covered Payroll** (b)	Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Covered Payroll (a/b)	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
June 30, 2015	9.264%	\$105,260,718	\$84,662,776	124.31%	86.61%
June 30, 2016	9.058%	363,513,301	87,109,086	417.31%	63.88%
June 30, 2017	8.773%	118,445,940	89,946,790	131.68%	85.43%
June 30, 2018	8.743%	93,187,111	92,048,926	101.24%	88.80%

* This schedule is provided prospectively beginning with the fiscal year ended December 31, 2015.

**For purposes of this schedule, covered payroll is defined as "pensionable wages."

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

Schedule of Changes in Total OPEB Liability and Related Ratios
 Other Postemployment Benefits*

Fiscal Year Ended	Total OPEB Liability - Beginning, as Restated (a)	Service Cost (b)	Interest (c)	Changes in Assumptions (d)	Benefit Payments (e)	Net Change in Total OPEB Liability (b+c+d+e)	Total OPEB Liability - Ending (a+b+c+d+e)	Covered Employee Payroll** (f)	Total OPEB Liability as a Percentage of Covered-Employee Payroll ((a+b+c+d+e)/f)
December 31, 2018	\$ 201,932,219	\$ 4,345,058	\$ 7,660,651	\$ 12,182,237	\$ (10,421,127)	\$ 13,766,819	\$ 215,699,038	\$ 205,782,274	104.82%

*This schedule is presented prospectively beginning with the fiscal year ended December 31, 2018.

**For purposes of this schedule, covered employee payroll is defined as "OPEB eligible payroll".

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

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NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
For the Fiscal Year Ended December 31, 2018

Budgetary Information

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

All annually budgeted funds including the General Fund, the Assessment Financing Fund, the Public Library General Fund and the HRA General Fund are adopted on a basis consistent with generally accepted accounting principles. The legal level of budgetary control for the General Fund is at the department/office level and at the fund level for the HRA General Fund.

Total expenditures exceeded total appropriations in the Public Library's General Fund and the following departments in the City's General Fund.

	<u>Final Budgeted Amounts</u>	<u>Actual</u>	<u>Variance with Final Budgets</u>
Special Revenue Funds:			
Public Library General Fund	\$ 18,013,088	\$ 18,122,012	\$ (108,924)

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:

	<u>Final Budgeted Amounts</u>	<u>Actual</u>	<u>Variance with Final Budgets</u>
General Fund:			
Public Safety			
Fire and Safety Services	\$ 62,848,999	\$ 63,291,122	\$ (442,123)
General Government			
Other*	10,846,335	11,314,374	(468,039)
Highways and Streets	24,111,584	25,690,741	(1,579,157)
Culture and Recreation	33,288,254	33,755,118	(466,864)

*This is the General Government Accounts grouping.

The Assessment Financing Fund, and the HRA General Fund did not exceed total appropriations at the fund level.

Defined Benefit Pension Plans - Changes in Significant Plan Provisions, Actuarial Methods, and Assumptions

The following changes were reflected in the valuation performed on behalf of the Public Employees Retirement Association for the year ended June 30, 2018:

General Employees Retirement Plan

2018

The mortality projection scale was changed from MP-2015 to MP-2017.

The assumed benefit increase rate was changed from 1% per year through 2044 and 2.5% per year thereafter, to 1.25% per year.

2017

The Combined Service Annuity (CSA) loads were changed from 0.80% for active members and 60% for vested and non-vested deferred members (30% for deferred Minneapolis Employees Retirement Fund members). The revised CSA loads are now 0.00% for active member liability, 15% for vested deferred member liability, and 3.00% for non-vested deferred member liability.

The assumed post-retirement benefit increase rate was changed from 1.00% per year for all years to 1.00% per year through 2044 and 2.50% per year thereafter.

Minneapolis Employees Retirement Fund plan provisions change the employer supplemental contribution to \$21,000,000 in calendar years 2017 and 2018 and returns to \$31,000,000 through calendar year 2031. The state's required contribution is \$16,000,000 in PERA's fiscal years 2018 and 2019, and returns to \$6,000,000 annually through calendar year 2031.

2016

The assumed post-retirement benefit increase rate was changed from 1.00% per year through 2035 and 2.50% per year thereafter, to 1.00% for all future years.

The assumed investment rate was changed from 7.90% to 7.50%. The single discount rate was also changed from 7.90% to 7.50%.

Other assumptions were changed pursuant to the experience study dated June 30, 2015. The assumed payroll growth and inflation were decreased by 0.25%. Payroll growth was reduced from 3.50% to 3.25%. Inflation was reduced from 2.75% to 2.50%.

Public Employees Police and Fire Plan

2018

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

Post-retirement benefit increases changed to 1.00% for all years, with no trigger.

An end date of July 1, 2048 was added to the existing \$9.0 million state contribution. Additionally, annual state aid will equal \$4.5 million in fiscal years 2019 and 2020, and \$9.0 million thereafter, until the plan reaches 100% funding, or July 1, 2048, if earlier.

Member contributions were changed effective January 1, 2019 and January 1, 2020 from 10.80% to 11.30 and 11.80% of pay, respectively. Employer contributions were changed effective January 1, 2019 and January 1, 2020 from 16.2% to 16.95 and 17.70% of pay, respectively. Interest credited on member contributions decreased from 4.00% to 3.00%, beginning July 1, 2018.

Deferred augmentation was changed to 0.00%, effective January 1, 2019. Augmentation that has already accrued for deferred members will still apply.

Actuarial equivalent factors were updated to reflect revised mortality and interest assumptions.

2017

The assumed salary increases were changed as recommended in the June 30, 2016, experience study. The net effect is proposed rates that average 0.34% lower than the previous rates.

The assumed rates of retirement were changed, resulting in fewer retirements.

The CSA load was 30% for vested and non-vested, deferred members. The CSA has been changed to 33% for vested members and 2.00% for non-vested members.

The base mortality table for healthy annuitants was changed from the RP-2000 fully generational table to the RP-2014 fully generation table (with a base year of 2006), with male rates adjusted by a factor of 0.96. The mortality improvement scale was changed from Scale AA to Scale MP-2016. The base mortality table for disabled annuitants was changed from the RP-2000 disabled mortality table to the mortality table assumed for healthy retirees.

The assumed termination rates were decreased to 3.00% for the first three years of service. Rates beyond the select period of three years were adjusted, resulting in more expected terminations overall.

The assumed percentage of married female members was decreased from 65% to 60%.

The assumed age difference was changed from separate assumptions for male members (wives assumed to be three years younger) and female members (husbands assumed to be four years older) to the assumption that males are two years older than females.

The assumed percentage of female members electing joint and survivor annuities was increased.

The assumed post-retirement benefit increase rate was changed from 1.00% for all years to 1.00% per year through 2064, and 2.5% thereafter.

The single discount rate was changed from 5.60% per annum to 7.50% per annum.

2016

The assumed post-retirement benefit increase rate was changed from 1.00% per year through 2037 and 2.50% per year thereafter, to 1.00% for all future years.

The assumed investment rate was changed from 7.90% to 7.50%. The single discount rate was changed from 7.90% to 5.60%.

The assumed payroll growth and inflation were decreased by 0.25%. Payroll growth was reduced from 3.50% to 3.25%. Inflation was reduced from 2.75% to 2.50%.

Other Postemployment Benefits Funded Status

In 2018, the City of Saint Paul implemented Governmental Accounting Standards Board (GASB) Statement No.75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. See Note VIII.B in the notes to the financial statements for additional information regarding the City of Saint Paul's other postemployment benefits.

Employer Contributions to Other Postemployment Benefits

Assets have not been accumulated in a trust that meets the criteria in paragraph four of GASB Statement No. 75 to pay related benefits.

Changes in Actuarial Assumptions

The following changes in actuarial assumptions occurred in 2018.

The discount rate used changed from 3.81% to 3.31%.

The City of Saint Paul has elected to use the GASB Statement No. 75 "lookback" method where assets and liabilities are measured as of the prior fiscal year-end, but applied to the current fiscal year.

The amortization method changed from amortizing the entire Unfunded Actuarial Accrued Liability as a level dollar amount over a 30-year open period to straight-line amortization over a closed 5-year period for Investment Gains and Losses, and over a closed period equal to the average of the expected remaining service lives of all members that are provided with OPEB through the plan.

The City is considered a cost-sharing multiple employer plan under GASB Statement No. 75 rules. GASB Statement No. 75 mandated that the plan's costs are calculated for the entire plan and then allocated proportionately to each participating employer (City of Saint Paul and Regional Water Services).

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Nonmajor Governmental Funds

Special Revenue Funds

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

City Grants - to account for monies for energy conservation and improvement measures, city grants, contributions, and other sources received from federal, state, and other agencies to support specified general governmental functions or projects.

General Government Special Projects - to account for the hosting of special events, promotion of the city as a destination, building of capacity for targeted businesses, vendor outreach for the city and other governmental agencies, and replacement of cable equipment through the charging of fees, contributions and other sources.

Fire Responsive Services - to account for monies received by the Fire Department to perform various fire functions, to provide fire protection outside city limits, and to purchase fire equipment.

Police Special Projects - to account for monies received from various restricted contributions, and other sources with a restricted purpose to perform various miscellaneous police functions.

Charitable Gambling - to monitor, review, and administrate all lawful gambling activities and to ensure the integrity of operations as required by state law.

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, sidewalk maintenance, traffic signs, signals, streetlight maintenance, and boulevard tree and vegetation maintenance and trimming.

Street Lighting 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.

Recycling and Solid Waste - 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, Eureka Recycling, and the citizens of Saint Paul.

Public Health - to account for expenses incurred in the operation of Public Health and billed to Ramsey County.

Parks and Recreation Special Projects - to account for monies received from various restricted contributions, and other sources with a restricted purpose to perform various special projects for parks and recreation centers.

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.

Parkland Replacement - to account for proceeds from the sale of city property for which there is no outstanding debt and use the remaining proceeds to finance projects in the capital improvement budget.

Lowertown Ballpark - to account for the use of revenue from facility rental, and other sources to be used in the operation and maintenance of the CHS Ballpark.

Public Library Special Projects - to account for Saint Paul Public Library Agency revenues from fees, fines, grants and donations. Revenues are from various federal and state agencies as well as monies received from the Friends of the Saint Paul Public Library to support expenses for special projects such as collection development, staff training and development, and community outreach opportunities.

City HUD Grants - to account for monies received from the U.S. Department of Housing and Urban Development under the Community Development Block Grant program, the ESG program, the HOME program, the NSP programs and other miscellaneous revenues derived from projects operated under these programs.

City Sales Tax - To account for monies received from the one-half percent city sales tax which are used for the STAR program, 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.

HRA Grants - to account for intergovernmental revenues provided to the HRA from federal, state and local governments for housing and development.

HRA Palace Theater Operations – to account for Palace Theatre revenues received and transferred to the fund that receives it to repay the Palace Theatre construction debt.

Capital Projects Funds

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

HRA Development Capital Projects - to account for HRA multi-year development projects that are locally funded through transfers from other funds and bonds sold for development purposes.

HRA Tax Increment Capital Projects - 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 Fund

Permanent funds account for and report resources that are restricted to the extent that only earnings, 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.

Parks Memorial Permanent - to account for donations from the Ordway Family for the construction of the Japanese Garden in Como Park and 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, 2018

Statement 13
 (Page 1 of 1)

	Special Revenue	Capital Projects	Parks Memorial Permanent	Total Nonmajor Governmental Funds
ASSETS				
Cash and Investments with Treasurer	\$ 38,694,406	\$ 41,031,645	\$ 88,500	\$ 79,814,551
Cash and Investments with Trustees	374,411	-	-	374,411
Imprest Funds	59,760	-	-	59,760
Accrued Interest Receivable on Investments	186,886	190,406	491	377,783
Property Tax Receivable:				
Due from Ramsey County	-	147,371	-	147,371
Delinquent	-	48,219	-	48,219
Accounts Receivable (Net of Allowance)	1,638,602	-	-	1,638,602
Assessments Receivable	13,449,029	-	-	13,449,029
Due from Other Governmental Units	10,110,847	-	-	10,110,847
Notes and Loans Receivable	4,908,407	1,174,272	-	6,082,679
Land Held for Resale	4,514,620	1,875,395	-	6,390,015
Restricted Cash and Cash Equivalents	-	250,300	-	250,300
Advances to Other Funds	9,326,023	4,274,294	-	13,600,317
TOTAL ASSETS	\$ 83,262,991	\$ 48,991,902	\$ 88,991	\$ 132,343,884
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities				
Accrued Salaries Payable	\$ 1,245,607	\$ -	\$ -	\$ 1,245,607
Accounts Payable	4,956,266	247,962	-	5,204,228
Due to Other Funds	6,087,629	-	-	6,087,629
Due to Other Governmental Units	1,305,305	1,533,252	-	2,838,557
Advance from Other Funds	1,750,000	14,076,888	-	15,826,888
Unearned Revenue	7,598,389	1,063,263	-	8,661,652
Total Liabilities	22,943,196	16,921,365	-	39,864,561
Deferred Inflows of Resources				
Unavailable Revenue	18,861,738	1,324,511	209	20,186,458
Fund Balance				
Nonspendable	-	-	35,000	35,000
Restricted	7,053,985	30,746,026	53,782	37,853,793
Committed	28,467,508	-	-	28,467,508
Assigned	13,508,562	-	-	13,508,562
Unassigned	(7,571,998)	-	-	(7,571,998)
Total Fund Balances	41,458,057	30,746,026	88,782	72,292,865
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 83,262,991	\$ 48,991,902	\$ 88,991	\$ 132,343,884

CITY OF SAINT PAUL, MINNESOTA
**COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2018**

Statement 14
(Page 1 of 1)

	Special Revenue	Capital Projects	Parks Memorial Permanent	Total Nonmajor Governmental Funds
REVENUES				
Taxes				
Current Tax Increment	\$ -	\$ 19,379,758	\$ -	\$ 19,379,758
City Sales Tax	18,757,724	-	-	18,757,724
Hotel-Motel Tax	2,426,837	-	-	2,426,837
Other Taxes	272,307	-	-	272,307
Licenses and Permits	2,274,210	-	-	2,274,210
Intergovernmental Revenue	25,161,177	272,118	-	25,433,295
Fees, Sales and Services	22,003,891	329,395	-	22,333,286
Assessment Financing	16,569,752	-	-	16,569,752
Investment Income				
Interest Earned on Investments	348,967	644,569	2,045	995,581
Increase (Decrease) in Fair Value of Investments	(229,442)	(331,036)	(1,068)	(561,546)
Interest Earned - Other	373,790	171,163	-	544,953
Miscellaneous Revenue				
Program Income	131,717	-	-	131,717
Other	7,738,621	81,922	-	7,820,543
Total Revenues	95,829,551	20,547,889	977	116,378,417
EXPENDITURES				
Current				
General Government	4,791,891	-	-	4,791,891
Public Safety	15,353,594	-	-	15,353,594
Highways and Streets	15,998,137	-	-	15,998,137
Sanitation	10,461,719	-	-	10,461,719
Health	2,564,227	-	-	2,564,227
Culture and Recreation	12,862,195	-	172	12,862,367
Housing and Economic Development	20,136,078	8,845,355	-	28,981,433
Capital Outlay	4,261,433	20,800	-	4,282,233
Debt Service				
Other Debt Principal	-	220,280	-	220,280
Interest - Other Debt	-	5,346,895	-	5,346,895
Bond Issuance Costs	47,198	-	-	47,198
Total Expenditures	86,476,472	14,433,330	172	100,909,974
Excess (Deficiency) of Revenues Over (Under) Expenditures	9,353,079	6,114,559	805	15,468,443
OTHER FINANCING SOURCES (USES)				
Transfers In	19,672,009	2,628,852	-	22,300,861
Transfers Out	(32,236,947)	(2,966,397)	-	(35,203,344)
Bonds Issued	2,485,000	-	-	2,485,000
Notes Issued	4,000,000	-	-	4,000,000
Premium on Bonds Issued	36,799	-	-	36,799
Sale of Capital Assets	42,550	-	-	42,550
Total Other Financing Sources (Uses)	(6,000,589)	(337,545)	-	(6,338,134)
Net Change in Fund Balances	3,352,490	5,777,014	805	9,130,309
FUND BALANCES, January 1 - Restated (Note III.C.2-3)	38,105,567	24,969,012	87,977	63,162,556
FUND BALANCES, December 31	\$ 41,458,057	\$ 30,746,026	\$ 88,782	\$ 72,292,865

	City Grants	General Government Special Projects	Fire Responsive Services
ASSETS			
Cash and Investments with Treasurer	\$ 1,175,290	\$ 3,664,153	\$ -
Cash and Investments with Trustees	-	-	-
Imprest Funds	26,000	50	-
Accrued Interest Receivable on Investments	-	-	-
Accounts Receivable (Net of Allowance)	7,990	783,867	-
Assessments Receivable	-	-	-
Due from Other Governmental Units	1,995,416	-	1,146,225
Notes and Loans Receivable	725,000	-	-
Land Held for Resale	-	-	-
Advance to Other Funds	-	-	-
TOTAL ASSETS	\$ 3,929,696	\$ 4,448,070	\$ 1,146,225
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
Liabilities			
Accrued Salaries Payable	\$ 146,928	\$ 27,631	\$ 17,909
Accounts Payable	1,134,665	666,246	5,278
Due to Other Funds	-	-	76,940
Due to Other Governmental Units	53,449	1,555	1,146,986
Advance from Other Funds	-	-	-
Unearned Revenue	1,591,390	-	-
Total Liabilities	2,926,432	695,432	1,247,113
Deferred Inflows of Resources			
Unavailable Revenue	600,573	-	-
Fund Balance			
Restricted	524,738	347,874	-
Committed	-	721,562	52,453
Assigned	-	2,683,202	-
Unassigned	(122,047)	-	(153,341)
Total Fund Balances	402,691	3,752,638	(100,888)
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 3,929,696	\$ 4,448,070	\$ 1,146,225

Police Special Projects	Charitable Gambling	Right of Way Maintenance	Street Lighting Districts	Recycling and Solid Waste	Public Health
\$ 422,313	\$ 261,156	\$ -	\$ 643,087	\$ 6,429,307	\$ -
-	-	-	-	-	-
30,000	-	200	-	-	-
8,225	-	3,157	-	-	-
17,842	-	395,675	-	-	386,694
-	-	5,222,120	-	8,226,909	-
2,010,840	-	69,113	-	-	71,957
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 2,489,220</u>	<u>\$ 261,156</u>	<u>\$ 5,690,265</u>	<u>\$ 643,087</u>	<u>\$ 14,656,216</u>	<u>\$ 458,651</u>
\$ 340,037	\$ 4,206	\$ 279,683	\$ -	\$ 23,854	\$ 137,549
87,268	-	160,020	658	1,367,973	-
-	-	2,924,591	-	-	259,149
45,294	361	28,807	-	2,107	8,316
-	-	-	-	-	-
-	56,541	-	-	-	-
<u>472,599</u>	<u>61,108</u>	<u>3,393,101</u>	<u>658</u>	<u>1,393,934</u>	<u>405,014</u>
<u>1,444,392</u>	<u>-</u>	<u>5,364,125</u>	<u>-</u>	<u>8,065,270</u>	<u>265,901</u>
1,016,379	-	-	642,429	-	-
-	-	-	-	-	-
-	200,048	-	-	5,197,012	-
<u>(444,150)</u>	<u>-</u>	<u>(3,066,961)</u>	<u>-</u>	<u>-</u>	<u>(212,264)</u>
<u>572,229</u>	<u>200,048</u>	<u>(3,066,961)</u>	<u>642,429</u>	<u>5,197,012</u>	<u>(212,264)</u>
<u>\$ 2,489,220</u>	<u>\$ 261,156</u>	<u>\$ 5,690,265</u>	<u>\$ 643,087</u>	<u>\$ 14,656,216</u>	<u>\$ 458,651</u>

CITY OF SAINT PAUL, MINNESOTA
 COMBINING BALANCE SHEET
 NONMAJOR SPECIAL REVENUE FUNDS
 DECEMBER 31, 2018

Statement 15
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	Parks and Recreation Special Projects	Como Campus	Parkland Replacement
ASSETS			
Cash and Investments with Treasurer	\$ 908,956	\$ -	\$ 1,845,867
Cash and Investments with Trustees	-	-	-
Imprest Funds	3,210	300	-
Accrued Interest Receivable on Investments	311	-	10,061
Accounts Receivable (Net of Allowance)	6,095	27,452	-
Assessments Receivable	-	-	-
Due from Other Governmental Units	-	-	-
Notes and Loans Receivable	-	-	-
Land Held for Resale	-	-	-
Advance to Other Funds	-	-	-
TOTAL ASSETS	\$ 918,572	\$ 27,752	\$ 1,855,928
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
Liabilities			
Accrued Salaries Payable	\$ 83,509	\$ 177,672	\$ -
Accounts Payable	136,851	25,378	-
Due to Other Funds	-	2,817,696	-
Due to Other Governmental Units	4,713	12,195	-
Advance from Other Funds	-	-	-
Unearned Revenue	-	3,817	-
Total Liabilities	225,073	3,036,758	-
Deferred Inflows of Resources			
Unavailable Revenue	132	-	4,281
Fund Balance			
Restricted	474,385	-	1,851,647
Committed	783,211	-	-
Assigned	-	-	-
Unassigned	(564,229)	(3,009,006)	-
Total Fund Balances	693,367	(3,009,006)	1,851,647
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 918,572	\$ 27,752	\$ 1,855,928

Lowertown Ballpark	Public Library Special Projects	City HUD Grants	City Sales Tax	HRA Grants	Total Nonmajor Special Revenue Funds
\$ -	\$ 2,213,119	\$ 3,515,771	\$ 17,550,856	\$ 64,531	\$ 38,694,406
374,411	-	-	-	-	374,411
-	-	-	-	-	59,760
-	1,772	16,256	147,104	-	186,886
-	755	-	12,232	-	1,638,602
-	-	-	-	-	13,449,029
-	-	1,313,343	3,477,032	26,921	10,110,847
-	-	1,203,513	2,979,894	-	4,908,407
-	-	4,514,620	-	-	4,514,620
-	-	-	9,326,023	-	9,326,023
<u>\$ 374,411</u>	<u>\$ 2,215,646</u>	<u>\$ 10,563,503</u>	<u>\$ 33,493,141</u>	<u>\$ 91,452</u>	<u>\$ 83,262,991</u>
\$ -	\$ 6,629	\$ -	\$ -	\$ -	\$ 1,245,607
-	197,683	806,332	340,993	26,921	4,956,266
9,253	-	-	-	-	6,087,629
-	402	1,120	-	-	1,305,305
-	-	1,750,000	-	-	1,750,000
-	-	5,946,641	-	-	7,598,389
<u>9,253</u>	<u>204,714</u>	<u>8,504,093</u>	<u>340,993</u>	<u>26,921</u>	<u>22,943,196</u>
<u>-</u>	<u>754</u>	<u>4,554</u>	<u>3,084,835</u>	<u>26,921</u>	<u>18,861,738</u>
-	104,067	2,054,856	-	37,610	7,053,985
-	273,577	-	26,636,705	-	28,467,508
365,158	1,632,534	-	3,430,608	-	13,508,562
-	-	-	-	-	(7,571,998)
<u>365,158</u>	<u>2,010,178</u>	<u>2,054,856</u>	<u>30,067,313</u>	<u>37,610</u>	<u>41,458,057</u>
<u>\$ 374,411</u>	<u>\$ 2,215,646</u>	<u>\$ 10,563,503</u>	<u>\$ 33,493,141</u>	<u>\$ 91,452</u>	<u>\$ 83,262,991</u>

CITY OF SAINT PAUL, MINNESOTA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 YEAR ENDED DECEMBER 31, 2018

Statement 16
 (Page 1 of 4)

	City Grants	General Government Special Projects	Fire Responsive Services
REVENUES			
Taxes			
City Sales Tax	\$ -	\$ -	\$ -
Hotel-Motel Tax	-	2,426,837	-
Other Taxes	-	-	-
Total Taxes	-	2,426,837	-
Licenses and Permits	-	-	-
Intergovernmental Revenue	11,559,810	28,500	-
Fees, Sales and Services	26,343	805,604	1,640,946
Assessment Financing	-	-	-
Investment Income			
Interest Earned on Investments	739	-	-
Increase (Decrease) in Fair Value of Investments	1,329	-	-
Interest Earned - Other	-	-	-
Miscellaneous Revenue			
Program Income	-	-	-
Other	1,215,482	2,404,319	19,683
Total Revenues	12,803,703	5,665,260	1,660,629
EXPENDITURES			
Current			
General Government	688,214	4,103,677	-
Public Safety	4,184,809	-	1,762,434
Highways and Streets	18,841	-	-
Sanitation	-	-	-
Health	-	-	-
Culture and Recreation	3,433,413	-	-
Housing and Economic Development	4,920,771	-	-
Capital Outlay	947,753	10,000	2,508,137
Debt Service			
Bond Issuance Costs	-	-	10,099
Total Expenditures	14,193,801	4,113,677	4,280,670
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,390,098)	1,551,583	(2,620,041)
OTHER FINANCING SOURCES (USES)			
Transfers In	738,669	833,806	2,000,000
Transfers Out	(223,362)	(415,000)	-
Bonds Issued	-	-	1,263,201
Notes Issued	-	-	-
Premium on Bonds Issued	-	-	36,799
Sale of Capital Assets	-	-	16,500
Total Other Financing Sources (Uses)	515,307	418,806	3,316,500
Net Change in Fund Balances	(874,791)	1,970,389	696,459
FUND BALANCES, January 1 - Restated (Note III.C.3)	1,277,482	1,782,249	(797,347)
FUND BALANCES, December 31	\$ 402,691	\$ 3,752,638	\$ (100,888)

Police Special Projects	Charitable Gambling	Right of Way Maintenance	Street Lighting Districts	Recycling and Solid Waste	Public Health
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	272,307	-	-	-	-
-	272,307	-	-	-	-
325,109	-	1,949,101	-	-	-
736,246	-	294,610	-	727,614	-
8,000,069	-	2,004,839	-	81	2,400,228
-	-	8,300,298	251,677	8,017,777	-
28,839	-	-	-	-	-
(23,167)	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	82,516	-	96,391	140
9,067,096	272,307	12,631,364	251,677	8,841,863	2,400,368
-	-	-	-	-	-
9,087,768	318,583	-	-	-	-
-	-	15,847,426	131,870	-	-
-	-	-	-	10,461,719	-
-	-	-	-	-	2,564,227
-	-	4,498	-	-	-
-	-	-	-	-	-
795,543	-	-	-	-	-
10,099	-	-	-	27,000	-
9,893,410	318,583	15,851,924	131,870	10,488,719	2,564,227
(826,314)	(46,276)	(3,220,560)	119,807	(1,646,856)	(163,859)
857,512	-	3,308,055	-	-	-
(568,972)	(109,427)	(2,470,642)	-	(665,805)	-
1,221,799	-	-	-	-	-
-	-	-	-	4,000,000	-
-	-	-	-	-	-
-	-	2,061	-	-	-
1,510,339	(109,427)	839,474	-	3,334,195	-
684,025	(155,703)	(2,381,086)	119,807	1,687,339	(163,859)
(111,796)	355,751	(685,875)	522,622	3,509,673	(48,405)
\$ 572,229	\$ 200,048	\$ (3,066,961)	\$ 642,429	\$ 5,197,012	\$ (212,264)

CITY OF SAINT PAUL, MINNESOTA
**COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES**
NONMAJOR SPECIAL REVENUE FUNDS
YEAR ENDED DECEMBER 31, 2018

Statement 16
(Page 3 of 4)

	Parks and Recreation Special Projects	Como Campus	Parkland Replacement	Lowertown Ballpark
REVENUES				
Taxes				
City Sales Tax	\$ -	\$ -	\$ -	\$ -
Hotel-Motel Tax	-	-	-	-
Other Taxes	-	-	-	-
Total Taxes	-	-	-	-
Licenses and Permits				
Intergovernmental Revenue	1,338,172	-	-	-
Fees, Sales and Services	2,187,553	1,515,499	2,100	421,628
Assessment Financing	-	-	-	-
Investment Income				
Interest Earned on Investments	1,393	-	44,089	3,734
Increase (Decrease) in Fair Value of Investments	(1,044)	-	(27,802)	-
Interest Earned - Other	-	-	-	-
Miscellaneous Revenue	-	-	-	-
Program Income	-	-	-	-
Other	196,104	1,907,842	595,997	590,617
Total Revenues	3,722,178	3,423,341	614,384	1,015,979
EXPENDITURES				
Current				
General Government	-	-	-	-
Public Safety	-	-	-	-
Highways and Streets	-	-	-	-
Sanitation	-	-	-	-
Health	-	-	-	-
Culture and Recreation	3,672,868	3,706,039	3,638	630,711
Housing and Economic Development	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service	-	-	-	-
Bond Issuance Costs	-	-	-	-
Total Expenditures	3,672,868	3,706,039	3,638	630,711
Excess (Deficiency) of Revenues Over (Under) Expenditures	49,310	(282,698)	610,746	385,268
OTHER FINANCING SOURCES (USES)				
Transfers In	97,963	438,489	-	61,340
Transfers Out	(1,006,635)	(118,198)	(343,191)	(359,628)
Bonds Issued	-	-	-	-
Notes Issued	-	-	-	-
Premium on Bonds Issued	-	-	-	-
Sale of Capital Assets	-	-	-	-
Total Other Financing Sources (Uses)	(908,672)	320,291	(343,191)	(298,288)
Net Change in Fund Balances	(859,362)	37,593	267,555	86,980
FUND BALANCES, January 1 - Restated (Note III.C.3)	1,552,729	(3,046,599)	1,584,092	278,178
FUND BALANCES, December 31	\$ 693,367	\$ (3,009,006)	\$ 1,851,647	\$ 365,158

Public Library Special Projects	City HUD Grants	City Sales Tax	HRA Grants	HRA Palace Theatre Operations	Total Nonmajor Special Revenue Funds
\$ -	\$ -	\$ 18,757,724	\$ -	\$ -	\$ 18,757,724
-	-	-	-	-	2,426,837
-	-	-	-	-	272,307
-	-	18,757,724	-	-	21,456,868
-	-	-	-	-	2,274,210
334,234	10,141,991	-	-	-	25,161,177
333,186	1,709,148	922,690	-	33,977	22,003,891
-	-	-	-	-	16,569,752
8,019	-	262,154	-	-	348,967
(6,021)	-	(172,737)	-	-	(229,442)
-	250,595	123,195	-	-	373,790
-	131,717	-	-	-	131,717
629,530	-	-	-	-	7,738,621
1,298,948	12,233,451	19,893,026	-	33,977	95,829,551
-	-	-	-	-	4,791,891
-	-	-	-	-	15,353,594
-	-	-	-	-	15,998,137
-	-	-	-	-	10,461,719
-	-	-	-	-	2,564,227
1,411,028	-	-	-	-	12,862,195
-	10,705,074	4,483,312	26,921	-	20,136,078
-	-	-	-	-	4,261,433
-	-	-	-	-	47,198
1,411,028	10,705,074	4,483,312	26,921	-	86,476,472
(112,080)	1,528,377	15,409,714	(26,921)	33,977	9,353,079
172,500	98,956	11,064,719	-	-	19,672,009
-	(792,618)	(25,129,492)	-	(33,977)	(32,236,947)
-	-	-	-	-	2,485,000
-	-	-	-	-	4,000,000
-	-	-	-	-	36,799
23,989	-	-	-	-	42,550
196,489	(693,662)	(14,064,773)	-	(33,977)	(6,000,589)
84,409	834,715	1,344,941	(26,921)	-	3,352,490
1,925,769	1,220,141	28,722,372	64,531	-	38,105,567
\$ 2,010,178	\$ 2,054,856	\$ 30,067,313	\$ 37,610	\$ -	\$ 41,458,057

	General Government Special Projects				Fire Responsive Services			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final			Original	Final		
REVENUES								
Taxes								
Hotel-Motel Tax	\$ 2,020,850	\$ 2,020,850	\$ 2,426,837	\$ 405,987	\$ -	\$ -	\$ -	\$ -
Other Taxes	-	-	-	-	-	-	-	-
Total Taxes	2,020,850	2,020,850	2,426,837	405,987	-	-	-	-
Licenses and Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	71,748	71,748	28,500	(43,248)	-	-	-	-
Fees, Sales and Services	498,831	498,831	805,604	306,773	1,616,315	1,616,315	1,640,946	24,631
Assessment Financing	-	-	-	-	-	-	-	-
Investment Income	-	-	-	-	-	-	-	-
Interest Earned on Investments	-	-	-	-	-	-	-	-
Increase (Decrease) in Fair Value of Investments	-	-	-	-	-	-	-	-
Interest Earned - Other	-	-	-	-	-	-	-	-
Miscellaneous Revenue	-	-	-	-	-	-	-	-
Other	123,500	1,223,500	2,404,319	1,180,819	90,488	94,488	19,683	(74,805)
Total Revenues	2,714,929	3,814,929	5,665,260	1,850,331	1,706,803	1,710,803	1,660,629	(50,174)
EXPENDITURES								
Current								
General Government	3,430,236	4,664,025	4,103,677	560,348	-	-	-	-
Public Safety	-	-	-	-	2,145,682	2,149,682	1,762,434	387,248
Highways and Streets	-	-	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-
Culture and Recreation	-	-	-	-	-	-	-	-
Housing and Economic Development	-	-	-	-	-	-	-	-
Capital Outlay	21,000	21,000	10,000	11,000	1,300,000	2,939,912	2,508,137	431,775
Debt Service	-	-	-	-	-	-	-	-
Debt Service - Other Debt	-	-	-	-	-	-	-	-
Bond Insurance Cost	-	-	-	-	-	-	10,099	(10,099)
Total Expenditures	3,451,236	4,685,025	4,113,677	571,348	3,445,682	5,089,594	4,280,670	808,924
Excess (Deficiency) of Revenues Over (Under) Expenditures	(736,307)	(870,096)	1,551,583	2,421,679	(1,738,879)	(3,378,791)	(2,620,041)	758,750
OTHER FINANCING SOURCES (USES)								
Transfers In	833,806	833,806	833,806	-	56,516	56,516	2,000,000	1,943,484
Transfers Out	(415,000)	(415,000)	(415,000)	-	-	-	-	-
Bonds Issued	-	-	-	-	-	-	1,263,201	1,263,201
Note Issued	-	-	-	-	-	-	-	-
Premium on Bonds Issued	-	-	-	-	-	-	36,799	36,799
Sale of Capital Assets	-	-	-	-	-	-	16,500	16,500
Capital Lease	-	-	-	-	1,485,000	1,485,000	-	(1,485,000)
Total Other Financing Sources (Uses)	418,806	418,806	418,806	-	1,541,516	1,541,516	3,316,500	1,774,984
Net Change in Fund Balances	(317,501)	(451,290)	1,970,389	2,421,679	(197,363)	(1,837,275)	696,459	2,533,734
FUND BALANCES, January 1 - Restated (Note III.C.3)	1,782,249	1,782,249	1,782,249	-	(797,347)	(797,347)	(797,347)	-
FUND BALANCES, December 31	\$ 1,464,748	\$ 1,330,959	\$ 3,752,638	\$ 2,421,679	\$ (994,710)	\$ (2,634,622)	\$ (100,888)	\$ 2,533,734

Police Special Projects				Charitable Gambling				Right of Way Maintenance			
Budgeted Amounts		Actual Amounts	Variance with Final Budget	Budgeted Amounts		Actual Amounts	Variance with Final Budget	Budgeted Amounts		Actual Amounts	Variance with Final Budget
Original	Final			Original	Final			Original	Final		
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	211,922	211,922	272,307	60,385	-	-	-	-
-	-	-	-	211,922	211,922	272,307	60,385	-	-	-	-
502,836	502,836	325,109	(177,727)	-	-	-	-	1,657,963	1,782,963	1,949,101	166,138
884,000	884,000	736,246	(147,754)	-	-	-	-	340,127	440,127	294,610	(145,517)
6,043,532	6,210,053	8,000,069	1,790,016	-	-	-	-	12,738,815	14,925,682	2,004,839	(12,920,843)
-	-	-	-	-	-	-	-	209,475	209,475	8,300,298	8,090,823
10,000	10,000	28,839	18,839	-	-	-	-	-	-	-	-
-	-	(23,167)	(23,167)	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-
786,326	786,326	-	(786,326)	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	100,000	100,000	82,516	(17,484)
8,226,694	8,393,215	9,067,096	673,881	211,922	211,922	272,307	60,385	15,046,380	17,458,247	12,631,364	(4,826,883)
-	-	-	-	-	-	-	-	-	-	-	-
9,460,750	10,824,922	9,087,768	1,737,154	287,090	393,591	318,583	75,008	-	-	-	-
-	-	-	-	-	-	-	-	15,378,457	18,024,240	15,847,426	2,176,814
-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	4,498	(4,498)
1,801,132	1,896,398	795,543	1,100,855	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-
-	-	10,099	(10,099)	-	-	-	-	-	-	-	-
11,261,882	12,721,320	9,893,410	2,827,910	287,090	393,591	318,583	75,008	15,378,457	18,024,240	15,851,924	2,172,316
(3,035,188)	(4,328,105)	(826,314)	3,501,791	(75,168)	(181,669)	(46,276)	135,393	(332,077)	(665,993)	(3,220,560)	(2,654,567)
1,178,430	1,178,430	857,512	(320,918)	-	-	-	-	3,303,045	2,886,876	3,308,055	421,179
(665,095)	(654,777)	(568,972)	85,805	(11,834)	(11,834)	(109,427)	(97,593)	(2,970,969)	(2,470,969)	(2,470,642)	327
-	-	1,221,799	1,221,799	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	2,061	2,061
740,377	740,377	-	(740,377)	-	-	-	-	-	-	-	-
1,253,712	1,264,030	1,510,339	246,309	(11,834)	(11,834)	(109,427)	(97,593)	332,076	415,907	839,474	423,567
(1,781,476)	(3,064,075)	684,025	3,748,100	(87,002)	(193,503)	(155,703)	37,800	(1)	(150,086)	(2,381,086)	(2,231,000)
(111,796)	(111,796)	(111,796)	-	355,751	355,751	355,751	-	(685,875)	(685,875)	(685,875)	-
\$ (1,893,272)	\$ (3,175,871)	\$ 572,229	\$ 3,748,100	\$ 268,749	\$ 162,248	\$ 200,048	\$ 37,800	\$ (685,876)	\$ (835,961)	\$ (3,066,961)	\$ (2,231,000)

	Street Lighting Districts				Recycling and Solid Waste			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final			Original	Final		
REVENUES								
Taxes								
Hotel-Motel Tax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Taxes	-	-	-	-	-	-	-	-
Total Taxes	-	-	-	-	-	-	-	-
Licenses and Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	-	-	-	-	727,685	727,685	727,614	(71)
Fees, Sales and Services	-	-	-	-	1,923,720	1,923,720	81	(1,923,639)
Assessment Financing	389,879	389,879	251,677	(138,202)	6,011,915	6,011,915	8,017,777	2,005,862
Investment Income	-	-	-	-	-	-	-	-
Interest Earned on Investments	-	-	-	-	-	-	-	-
Increase (Decrease) in Fair Value of Investments	-	-	-	-	-	-	-	-
Interest Earned - Other	-	-	-	-	-	-	-	-
Miscellaneous Revenue	-	-	-	-	-	-	-	-
Other	-	-	-	-	429,600	429,600	96,391	(333,209)
Total Revenues	389,879	389,879	251,677	(138,202)	9,092,920	9,092,920	8,841,863	(251,057)
EXPENDITURES								
Current								
General Government	-	-	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-	-	-
Highways and Streets	389,879	389,879	131,870	258,009	-	-	-	-
Sanitation	-	-	-	-	6,675,728	10,794,129	10,461,719	332,410
Health	-	-	-	-	-	-	-	-
Culture and Recreation	-	-	-	-	-	-	-	-
Housing and Economic Development	-	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-	-	-
Debt Service - Other Debt	-	-	-	-	-	-	-	-
Bond Issuance Cost	-	-	-	-	-	40,000	27,000	13,000
Total Expenditures	389,879	389,879	131,870	258,009	6,675,728	10,834,129	10,488,719	345,410
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	119,807	119,807	2,417,192	(1,741,209)	(1,646,856)	94,353
OTHER FINANCING SOURCES (USES)								
Transfers In	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	(665,805)	(665,805)	(665,805)	-
Bonds Issued	-	-	-	-	-	-	-	-
Note Issued	-	-	-	-	-	4,000,000	4,000,000	-
Premium on Bonds Issued	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Capital Lease	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	(665,805)	3,334,195	3,334,195	-
Net Change in Fund Balances	-	-	119,807	119,807	1,751,387	1,592,986	1,687,339	94,353
FUND BALANCES, January 1 - Restated (Note III.C.3)	522,622	522,622	522,622	-	3,509,673	3,509,673	3,509,673	-
FUND BALANCES, December 31	\$ 522,622	\$ 522,622	\$ 642,429	\$ 119,807	\$ 5,261,060	\$ 5,102,659	\$ 5,197,012	\$ 94,353

Public Health				Parks and Recreation Special Projects				Como Campus			
Budgeted Amounts		Actual Amounts	Variance with Final Budget	Budgeted Amounts		Actual Amounts	Variance with Final Budget	Budgeted Amounts		Actual Amounts	Variance with Final Budget
Original	Final			Original	Final			Original	Final		
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-
2,717,202	2,717,202	2,400,228	(316,974)	1,556,702	1,556,702	1,338,172	(218,530)	1,753,974	1,753,974	1,515,499	(238,475)
-	-	-	-	2,679,163	2,679,163	2,187,553	(491,610)	-	-	-	-
-	-	-	-	-	-	1,393	1,393	-	-	-	-
-	-	-	-	-	-	(1,044)	(1,044)	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-
-	-	140	140	262,594	262,594	196,104	(66,490)	2,122,431	2,122,431	1,907,842	(214,589)
2,717,202	2,717,202	2,400,368	(316,834)	4,498,459	4,498,459	3,722,178	(776,281)	3,876,405	3,876,405	3,423,341	(453,064)
-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-
2,717,201	2,717,201	2,564,227	152,974	3,570,249	3,620,249	3,672,868	(52,619)	4,189,862	4,269,166	3,706,039	563,127
-	-	-	-	106,000	106,000	-	106,000	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-
2,717,201	2,717,201	2,564,227	152,974	3,676,249	3,726,249	3,672,868	53,381	4,189,862	4,269,166	3,706,039	563,127
1	1	(163,859)	(163,860)	822,210	772,210	49,310	(722,900)	(313,457)	(392,761)	(282,698)	110,063
-	-	-	-	182,572	182,572	97,963	(84,609)	407,489	407,489	438,489	31,000
-	-	-	-	(1,006,482)	(1,006,482)	(1,006,635)	(153)	(107,567)	(107,567)	(118,198)	(10,631)
-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	(823,910)	(823,910)	(908,672)	(84,762)	299,922	299,922	320,291	20,369
1	1	(163,859)	(163,860)	(1,700)	(51,700)	(859,362)	(807,662)	(13,535)	(92,839)	37,593	130,432
(48,405)	(48,405)	(48,405)	-	1,552,729	1,552,729	1,552,729	-	(3,046,599)	(3,046,599)	(3,046,599)	-
\$ (48,404)	\$ (48,404)	\$ (212,264)	\$ (163,860)	\$ 1,551,029	\$ 1,501,029	\$ 693,367	\$ (807,662)	\$ (3,060,134)	\$ (3,139,438)	\$ (3,009,006)	\$ 130,432

	Parkland Replacement				Lowertown Ballpark			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final			Original	Final		
REVENUES								
Taxes								
Hotel-Motel Tax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Taxes	-	-	-	-	-	-	-	-
Total Taxes	-	-	-	-	-	-	-	-
Licenses and Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	200,000	200,000	-	(200,000)	-	-	-	-
Fees, Sales and Services	-	-	2,100	2,100	421,626	421,626	421,628	2
Assessment Financing	-	-	-	-	-	-	-	-
Investment Income	-	-	-	-	-	-	-	-
Interest Earned on Investments	-	-	44,089	44,089	-	-	3,734	3,734
Increase (Decrease) in Fair Value of Investments	-	-	(27,802)	(27,802)	-	-	-	-
Interest Earned - Other	-	-	-	-	-	-	-	-
Miscellaneous Revenue	-	-	-	-	-	-	-	-
Other	-	-	595,997	595,997	342,500	354,206	590,617	236,411
Total Revenues	200,000	200,000	614,384	414,384	764,126	775,832	1,015,979	240,147
EXPENDITURES								
Current								
General Government	-	-	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-	-	-
Highways and Streets	-	-	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-
Culture and Recreation	-	-	3,638	(3,638)	560,118	571,824	630,711	(58,887)
Housing and Economic Development	-	-	-	-	-	-	-	-
Capital Outlay	200,000	200,000	-	200,000	-	-	-	-
Debt Service	-	-	-	-	-	-	-	-
Debt Service - Other Debt	-	-	-	-	61,340	61,340	-	61,340
Bond Issuance Cost	-	-	-	-	-	-	-	-
Total Expenditures	200,000	200,000	3,638	196,362	621,458	633,164	630,711	2,453
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	610,746	610,746	142,668	142,668	385,268	242,600
OTHER FINANCING SOURCES (USES)								
Transfers In	-	-	-	-	61,340	61,340	61,340	-
Transfers Out	-	-	(343,191)	(343,191)	(111,508)	(111,508)	(359,628)	(248,120)
Bonds Issued	-	-	-	-	-	-	-	-
Note Issued	-	-	-	-	-	-	-	-
Premium on Bonds Issued	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Capital Lease	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	(343,191)	(343,191)	(50,168)	(50,168)	(298,288)	(248,120)
Net Change in Fund Balances	-	-	267,555	267,555	92,500	92,500	86,980	(5,520)
FUND BALANCES, January 1 - Restated (Note III.C.3)	1,584,092	1,584,092	1,584,092	-	278,178	278,178	278,178	-
FUND BALANCES, December 31	\$ 1,584,092	\$ 1,584,092	\$ 1,851,647	\$ 267,555	\$ 370,678	\$ 370,678	\$ 365,158	\$ (5,520)

Public Library Special Projects				HRA Palace Theatre Operations			
Budgeted Amounts		Actual Amounts	Variance with Final Budget	Budgeted Amounts		Actual Amounts	Variance with Final Budget
Original	Final			Original	Final		
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
210,834	347,704	334,234	(13,470)	-	-	-	-
376,986	376,986	333,186	(43,800)	-	33,977	33,977	-
-	-	-	-	-	-	-	-
14,433	14,433	8,019	(6,414)	-	-	-	-
-	-	(6,021)	(6,021)	-	-	-	-
-	-	-	-	-	-	-	-
697,619	817,350	629,530	(187,820)	-	-	-	-
1,299,872	1,556,473	1,298,948	(257,525)	-	33,977	33,977	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
1,418,466	1,813,578	1,411,028	402,550	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
1,418,466	1,813,578	1,411,028	402,550	-	-	-	-
(118,594)	(257,105)	(112,080)	145,025	-	33,977	33,977	-
-	-	172,500	172,500	-	-	-	-
(2,500)	(2,500)	-	2,500	-	(33,977)	(33,977)	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	23,989	23,989	-	-	-	-
-	-	-	-	-	-	-	-
(2,500)	(2,500)	196,489	198,989	-	(33,977)	(33,977)	-
(121,094)	(259,605)	84,409	344,014	-	-	-	-
1,925,769	1,925,769	1,925,769	-	-	-	-	-
\$ 1,804,675	\$ 1,666,164	\$ 2,010,178	\$ 344,014	\$ -	\$ -	\$ -	\$ -

**CITY OF SAINT PAUL, MINNESOTA
 COMBINING BALANCE SHEET
 NONMAJOR CAPITAL PROJECTS FUNDS
 DECEMBER 31, 2018**

**Statement 18
 (Page 1 of 1)**

	HRA Development Capital Projects	HRA Tax Increment Capital Projects	Total Nonmajor Capital Projects Funds
ASSETS			
Cash and Investments with Treasurer	\$ 6,023,033	\$ 35,008,612	\$ 41,031,645
Accrued Interest Receivable	486	189,920	190,406
Property Tax Receivable:			
Due from Ramsey County	-	147,371	147,371
Delinquent	-	48,219	48,219
Notes and Loans Receivable	289,616	884,656	1,174,272
Land Held for Resale	893,067	982,328	1,875,395
Restricted Cash and Cash Equivalents	-	250,300	250,300
Advance to Other Funds	4,138,678	135,616	4,274,294
TOTAL ASSETS	\$ 11,344,880	\$ 37,647,022	\$ 48,991,902
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
Liabilities			
Accounts Payable	\$ 156,479	\$ 91,483	\$ 247,962
Due to Other Governmental Units	-	1,533,252	1,533,252
Advance from Other Funds	9,326,023	4,750,865	14,076,888
Unearned Revenue	1,063,263	-	1,063,263
Total Liabilities	10,545,765	6,375,600	16,921,365
Deferred Inflows of Resources			
Unavailable Revenue	290,185	1,034,326	1,324,511
Fund Balances			
Restricted	508,930	30,237,096	30,746,026
Total Fund Balances	508,930	30,237,096	30,746,026
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 11,344,880	\$ 37,647,022	\$ 48,991,902

**CITY OF SAINT PAUL, MINNESOTA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES
 NONMAJOR CAPITAL PROJECTS FUNDS
 YEAR ENDED DECEMBER 31, 2018**

Statement 19
 (Page 1 of 1)

	HRA Development Capital Projects	HRA Tax Increment Capital Projects	Total Nonmajor Capital Projects Funds
REVENUES			
Taxes			
Property Taxes			
Current Tax Increment	\$ -	\$ 19,379,758	\$ 19,379,758
Intergovernmental Revenue	272,118	-	272,118
Fees, Sales and Services	191,605	137,790	329,395
Investment Income			
Interest Earned on Investments	-	644,569	644,569
Increase (Decrease) in Fair Value of Investments	-	(331,036)	(331,036)
Interest Earned - Other	171,163	-	171,163
Miscellaneous Revenue - Other	81,922	-	81,922
Total Revenues	716,808	19,831,081	20,547,889
EXPENDITURES			
Current			
Housing and Economic Development	1,006,654	7,838,701	8,845,355
Capital Outlay	20,800	-	20,800
Debt Service			
Other Debt Principal	-	220,280	220,280
Interest - Other Debt	-	5,346,895	5,346,895
Total Expenditures	1,027,454	13,405,876	14,433,330
Excess (Deficiency) of Revenues Over (Under) Expenditures	(310,646)	6,425,205	6,114,559
OTHER FINANCING SOURCES (USES)			
Transfers In	333,977	2,294,875	2,628,852
Transfers Out	-	(2,966,397)	(2,966,397)
Total Other Financing Sources (Uses)	333,977	(671,522)	(337,545)
Net Change in Fund Balances	23,331	5,753,683	5,777,014
FUND BALANCES, January 1	485,599	24,483,413	24,969,012
FUND BALANCES, December 31	\$ 508,930	\$ 30,237,096	\$ 30,746,026

**CITY OF SAINT PAUL, MINNESOTA
BALANCE SHEET
NONMAJOR PERMANENT FUND
DECEMBER 31, 2018**

**Statement 20
(Page 1 of 1)**

	<u>Parks Memorial</u>
ASSETS	
Cash and Investments with Treasurer	\$ 88,500
Accrued Interest Receivable on Investments	<u>491</u>
 TOTAL ASSETS	 <u>\$ 88,991</u>
 DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	
Deferred Inflows of Resources	
Unavailable Revenue	<u>\$ 209</u>
 Fund Balances	
Nonspendable	35,000
Restricted	<u>53,782</u>
 Total Fund Balances	 <u>88,782</u>
 TOTAL DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	 <u>\$ 88,991</u>

**CITY OF SAINT PAUL, MINNESOTA
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR PERMANENT FUND
YEAR ENDED DECEMBER 31, 2018**

**Statement 21
(Page 1 of 1)**

	<u>Parks Memorial</u>
REVENUES	
Investment Income	
Interest Earned on Investments	\$ 2,045
Increase (Decrease) in Fair Value of Investments	<u>(1,068)</u>
Total Revenues	<u>977</u>
EXPENDITURES	
Culture and Recreation	<u>172</u>
Net Change in Fund Balances	805
FUND BALANCES, January 1	<u>87,977</u>
FUND BALANCES, December 31	<u><u>\$ 88,782</u></u>

CITY OF SAINT PAUL, MINNESOTA
 SCHEDULE OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL - ANNUALLY BUDGETED
 NONMAJOR PERMANENT FUND
 YEAR ENDED DECEMBER 31, 2018

Statement 22
 (Page 1 of 1)

	Parks Memorial			Variance with Final Budget
	Budgeted Amounts		Actual Amounts	
	Original	Final		
REVENUES				
Investment Income				
Interest Earned on Investments	\$ 2,000	\$ 2,000	\$ 2,045	\$ 45
Increase (Decrease) in Fair Value of Investments	-	-	(1,068)	(1,068)
Total Revenues	2,000	2,000	977	(1,023)
EXPENDITURES				
Current				
Culture and Recreation	2,000	2,000	172	1,828
Net Change in Fund Balances	-	-	805	805
FUND BALANCES, January 1	87,977	87,977	87,977	-
FUND BALANCES, December 31	\$ 87,977	\$ 87,977	\$ 88,782	\$ 805

Nonmajor 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.

Parks 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, ski facilities, and the Watergate Marina.

Impound 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 - to account for printing services rendered to city departments, offices, and other governmental units.

CITY OF SAINT PAUL, MINNESOTA
COMBINING STATEMENT OF NET POSITION
NONMAJOR ENTERPRISE FUNDS
DECEMBER 31, 2018

Statement 23
 (Page 1 of 1)

	Parks Special Services	Impound Lot	River Print	Total Nonmajor Enterprise Funds
ASSETS				
Current Assets				
Cash and Investments with Treasurer	\$ -	\$ -	\$ 88,212	\$ 88,212
Imprest Funds	600	1,000	-	1,600
Accounts Receivable (Net of Allowance)	79,186	-	3,603	82,789
Due from Other Governmental Units	-	-	87,805	87,805
Inventories	15,217	156,704	64,764	236,685
Total Current Assets	95,003	157,704	244,384	497,091
Noncurrent Assets				
Capital Assets				
Land	3,505,372	-	-	3,505,372
Buildings and Structures	2,670,040	13,395	-	2,683,435
Less: Accumulated Depreciation	(2,161,308)	(13,395)	-	(2,174,703)
Public Improvements	48,287	-	-	48,287
Less: Accumulated Depreciation	(25,902)	-	-	(25,902)
Equipment	2,171,477	74,097	506,410	2,751,984
Less: Accumulated Depreciation	(2,111,374)	(74,097)	(506,410)	(2,691,881)
Total Noncurrent Assets	4,096,592	-	-	4,096,592
TOTAL ASSETS	4,191,595	157,704	244,384	4,593,683
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Other Postemployment Benefits Outflows	168,070	58,712	25,191	251,973
Deferred Pension Outflows	328,189	935,744	50,696	1,314,629
TOTAL DEFERRED OUTFLOWS OF RESOURCES	496,259	994,456	75,887	1,566,602
LIABILITIES				
Current Liabilities (Payable from Current Assets)				
Accrued Salaries Payable	47,418	80,814	13,769	142,001
Accounts Payable	42,692	89,269	28,650	160,611
Due to Other Funds	9,094,205	2,631,022	-	11,725,227
Due to Other Governmental Units	2,804	4,024	1,069	7,897
Unearned Revenue	17,244	-	-	17,244
Compensated Absences Payable	15,750	7,000	-	22,750
Total Current Liabilities	9,220,113	2,812,129	43,488	12,075,730
Noncurrent Liabilities				
Compensated Absences Payable	86,293	72,850	50,329	209,472
Other Postemployment Benefits Liability	1,762,659	615,758	264,191	2,642,608
Net Pension Liability	1,046,812	1,327,502	204,547	2,578,861
Total Noncurrent Liabilities	2,895,764	2,016,110	519,067	5,430,941
TOTAL LIABILITIES	12,115,877	4,828,239	562,555	17,506,671
Deferred Pension Inflows	346,828	825,035	63,873	1,235,736
NET POSITION				
Net Investment in Capital Assets	4,096,592	-	-	4,096,592
Unrestricted	(11,871,443)	(4,501,114)	(306,157)	(16,678,714)
TOTAL NET POSITION	\$ (7,774,851)	\$ (4,501,114)	\$ (306,157)	\$ (12,582,122)

CITY OF SAINT PAUL, MINNESOTA
**COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND NET POSITION
NONMAJOR ENTERPRISE FUNDS
YEAR ENDED DECEMBER 31, 2018**

Statement 24
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	Parks Special Services	Impound Lot	River Print	Total Nonmajor Enterprise Funds
OPERATING REVENUES				
Fees, Sales and Services	\$ 1,871,930	\$ 2,348,821	\$ 1,225,009	\$ 5,445,760
Rents and Leases	721,000	-	-	721,000
Miscellaneous	44,669	6,570	1,183	52,422
Total Operating Revenues	<u>2,637,599</u>	<u>2,355,391</u>	<u>1,226,192</u>	<u>6,219,182</u>
OPERATING EXPENSES				
Cost of Merchandise Sold	222,188	-	-	222,188
Salaries	1,067,063	1,040,048	197,054	2,304,165
Employee Fringe Benefits	449,120	323,194	58,846	831,160
Services	432,890	1,116,770	623,552	2,173,212
Materials and Supplies	324,599	30,188	228,973	583,760
Depreciation	153,338	-	-	153,338
Miscellaneous	139,966	-	-	139,966
Total Operating Expenses	<u>2,789,164</u>	<u>2,510,200</u>	<u>1,108,425</u>	<u>6,407,789</u>
OPERATING INCOME (LOSS)	<u>(151,565)</u>	<u>(154,809)</u>	<u>117,767</u>	<u>(188,607)</u>
NON-OPERATING REVENUES (EXPENSES)				
Investment Income				
Increase (Decrease) in Fair Value of Investments	5,229	-	-	5,229
Total Non-Operating Revenues (Expenses)	<u>5,229</u>	<u>-</u>	<u>-</u>	<u>5,229</u>
Income (Loss) Before Transfers	<u>(146,336)</u>	<u>(154,809)</u>	<u>117,767</u>	<u>(183,378)</u>
Transfers In	90,377	-	-	90,377
Transfers Out	(476,774)	(1,990)	-	(478,764)
Change in Net Position	<u>(532,733)</u>	<u>(156,799)</u>	<u>117,767</u>	<u>(571,765)</u>
NET POSITION, January 1	<u>(6,015,598)</u>	<u>(3,979,438)</u>	<u>(265,346)</u>	<u>(10,260,382)</u>
Change in Accounting Principle (See Note III.C.1)	(1,226,520)	(364,877)	(158,578)	(1,749,975)
NET POSITION, January 1, as Restated	<u>(7,242,118)</u>	<u>(4,344,315)</u>	<u>(423,924)</u>	<u>(12,010,357)</u>
NET POSITION, December 31	<u>\$ (7,774,851)</u>	<u>\$ (4,501,114)</u>	<u>\$ (306,157)</u>	<u>\$ (12,582,122)</u>

CITY OF SAINT PAUL, MINNESOTA
 COMBINING STATEMENT OF CASH FLOWS
 NONMAJOR ENTERPRISE FUNDS
 YEAR ENDED DECEMBER 31, 2018

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	Parks Special Services	Impound Lot	River Print	Total Nonmajor Enterprise Funds
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from Customers	\$ 2,661,754	\$ 2,355,391	\$ 429,485	\$ 5,446,630
Receipts from Other Funds for Services Provided	-	-	796,425	796,425
Payment to Suppliers	(993,853)	(961,963)	(820,598)	(2,776,414)
Payment to Employees	(1,069,875)	(1,033,878)	(195,724)	(2,299,477)
Payment for Fringe Benefits and Payroll Taxes	(563,225)	(375,084)	(68,170)	(1,006,479)
Payment to Other Funds for Services Used	(93,626)	(175,942)	(42,285)	(311,853)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	(58,825)	(191,476)	99,133	(151,168)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfers In from Other Funds	90,377	-	-	90,377
Transfers Out to Other Funds	(476,774)	(1,990)	-	(478,764)
Advance Received from Other Funds	439,993	193,466	-	633,459
Repayment of Advance Received from Other Funds	-	-	(10,921)	(10,921)
NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	53,596	191,476	(10,921)	234,151
CASH FLOWS FROM INVESTING ACTIVITIES				
Increase (Decrease) in Fair Value of Investments	5,229	-	-	5,229
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	5,229	-	-	5,229
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	-	-	88,212	88,212
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	600	1,000	-	1,600
CASH AND CASH EQUIVALENTS AT END OF YEAR	\$ 600	\$ 1,000	\$ 88,212	\$ 89,812

CITY OF SAINT PAUL, MINNESOTA
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
YEAR ENDED DECEMBER 31, 2018

Statement 25
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	Parks Special Services	Impound Lot	River Print	Total Nonmajor Enterprise Funds
RECONCILIATION OF OPERATING INCOME (LOSS) TO				
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES				
Operating Income (Loss)	\$ (151,565)	\$ (154,809)	\$ 117,767	\$ (188,607)
Adjustments to Reconcile Operating Income to				
Net Cash Provided (Used) by Operating Activities				
Depreciation	153,338	-	-	153,338
Changes in Assets and Liabilities				
(Increase) Decrease in				
Accounts Receivable	20,371	-	(3,603)	16,768
Due from Other Governmental Units	-	-	3,321	3,321
Deferred Other Postemployment Benefits Outflows	(168,070)	(58,712)	(25,191)	(251,973)
Deferred Pension Outflows	128,590	242,279	28,455	399,324
Inventories	11,506	(37,004)	12,110	(13,388)
Accrued Salaries Payable	(2,812)	6,170	1,330	4,688
Accounts Payable	21,347	48,098	(22,454)	46,991
Due to Other Governmental Units	(689)	(2,041)	(14)	(2,744)
Unearned Revenue	3,784	-	-	3,784
Net Pension Liability	(115,215)	(161,490)	(25,496)	(302,201)
Deferred Pension Inflows	(22,818)	(103,797)	(5,049)	(131,664)
Compensated Absences Payable	(49,090)	(9,469)	1,096	(57,463)
Other Postemployment Benefits Liability	112,498	39,299	16,861	168,658
Total Adjustments	92,740	(36,667)	(18,634)	37,439
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ (58,825)	\$ (191,476)	\$ 99,133	\$ (151,168)
DETAILS OF CASH AND CASH EQUIVALENTS				
Cash and Investments with Treasurer	\$ -	\$ -	\$ 88,212	\$ 88,212
Imprest Funds	600	1,000	-	1,600
TOTAL CASH AND CASH EQUIVALENTS	\$ 600	\$ 1,000	\$ 88,212	\$ 89,812

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Internal Service Funds

Internal Service funds account for the financing of goods and services provided by one department to other departments or to other government units.

Central Services - to account for various general government service activities including financial, legal, risk management, special projects, real estate, new information system and energy conservation.

Equipment Services Fire-Police - to account for the operations of the Public Safety repair shop.

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.

Public Works Administration - to account for the costs of administrative services provided for the divisions of the Department of Public Works.

Fleet Services (formerly Public Works Equipment Service) - to account for the purchase and repair of most vehicles used by the Department of Public Works.

Public Works Engineering - to account for recoverable engineering and professional services rendered by the Department of Public Works.

Asphalt Plant - to account for the manufacturing of asphalt products.

Traffic Warehouse - to purchase, inventory, store and supply materials for traffic maintenance and capital projects.

Parks Supply and Maintenance - to account for materials purchased and design services performed by the Division of Parks and Recreation for other departments' capital funds and outside parties. All supplies, materials, repair parts, and equipment purchased for the use in City parks, maintenance of playgrounds and the repair and recovery of the costs thereof.

Planning and Economic Development Administration - to account for administrative operations within the Department of Planning and Economic Development.

CITY OF SAINT PAUL, MINNESOTA
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
DECEMBER 31, 2018

Statement 26
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	Central Services	Equipment Services Fire - Police	Internal Borrowing	Public Works Administration	Fleet Services
ASSETS					
Current Assets					
Cash and Investments with Treasurer	\$ 5,727,525	\$ -	\$ -	\$ 2,260,352	\$ 6,251,977
Imprest Funds	-	200	-	200	-
Accounts Receivable (Net of Allowance)	-	25,126	-	-	4,656
Due from Other Governmental Units	478,433	-	-	-	28,856
Due from Other Funds	-	-	387,620	-	-
Inventories	-	458,569	-	-	859,383
Total Current Assets	6,205,958	483,895	387,620	2,260,552	7,144,872
Non-Current Assets					
Long-Term Receivables (Net of Allowances)	-	-	712,501	-	-
Advance to Other Funds	-	-	1,169,166	-	-
Capital Assets					
Land	-	-	-	-	25,243
Construction in Progress	-	-	-	-	189,523
Buildings and Structures	11,397,228	1,166,048	-	-	2,108,781
Less: Accumulated Depreciation	(8,889,933)	(991,267)	-	-	(1,687,876)
Equipment	3,315,465	282,204	-	106,777	27,948,271
Less: Accumulated Depreciation	(2,163,730)	(237,107)	-	(102,313)	(19,135,857)
Total Noncurrent Assets	3,659,030	219,878	1,881,667	4,464	9,448,085
TOTAL ASSETS	9,864,988	703,773	2,269,287	2,265,016	16,592,957
DEFERRED OUTFLOWS OF RESOURCES					
Deferred Other Postemployment Benefits Outflows	252,365	25,739	-	171,400	146,626
Deferred Pension Outflows	554,529	237,400	-	360,275	375,466
TOTAL DEFERRED OUTFLOWS OF RESOURCES	806,894	263,139	-	531,675	522,092
LIABILITIES					
Current Liabilities					
Accrued Salaries Payable	190,142	79,686	-	101,470	118,204
Accounts Payable	244,489	142,407	6,596	18,084	328,152
Due to Other Funds	210,878	1,614,999	428,910	-	-
Due to Other Governmental Units	11,513	4,533	-	8,296	7,116
Unearned Revenue	-	-	-	-	-
Compensated Absences Payable	20,550	-	-	25,250	-
General Obligation Bonds Payable	-	-	-	-	160,000
Capital Lease Payable	547,012	-	-	-	618,203
Accrued Interest Payable	1,657	-	-	-	5,783
Total Current Liabilities	1,226,241	1,841,625	435,506	153,100	1,237,458
Noncurrent Liabilities					
General Obligation Bonds Payable	-	-	-	-	732,521
Capital Lease Payable	-	-	-	-	991,131
Advance from Other Funds	665,000	10,571	234,545	-	-
Compensated Absences Payable	261,235	84,764	-	161,883	174,600
Other Postemployment Benefits Liability	2,646,745	269,941	-	1,797,605	1,537,784
Net Pension Liability	1,809,671	769,349	-	1,204,672	1,251,706
Total Noncurrent Liabilities	5,382,651	1,134,625	234,545	3,164,160	4,687,742
TOTAL LIABILITIES	6,608,892	2,976,250	670,051	3,317,260	5,925,200
DEFERRED INFLOWS OF RESOURCES					
Deferred Pension Inflows	687,323	316,526	-	526,280	474,201
NET POSITION					
Net Investment in Capital Assets	3,112,018	219,878	-	4,464	6,946,230
Unrestricted	263,649	(2,545,742)	1,599,236	(1,051,313)	3,769,418
TOTAL NET POSITION	\$ 3,375,667	\$ (2,325,864)	\$ 1,599,236	\$ (1,046,849)	\$ 10,715,648

Public Works Engineering	Asphalt Plant	Traffic Warehouse	Parks Supply and Maintenance	Planning and Economic Development Administration	Total Internal Service Funds
\$ 1,927,985	\$ 2,615,840	\$ 766,536	\$ 857,378	\$ 2,555,735	\$ 22,963,328
150	100	100	-	200	950
29,498	25,153	68,931	33,385	-	186,749
-	4,107	56,371	-	-	567,767
-	-	-	-	-	387,620
-	265,826	2,268,976	54,305	-	3,907,059
<u>1,957,633</u>	<u>2,911,026</u>	<u>3,160,914</u>	<u>945,068</u>	<u>2,555,935</u>	<u>28,013,473</u>
3,035,681	-	-	-	-	3,748,182
-	-	-	-	-	1,169,166
32,000	23,664	-	6,436	-	87,343
-	-	-	-	-	189,523
-	1,280,483	59,649	26,558	176,721	16,215,468
-	(714,616)	(59,649)	(25,691)	(66,761)	(12,435,793)
764,263	343,947	41,564	2,347,014	142,621	35,292,126
(677,389)	(343,947)	(41,564)	(1,486,447)	(126,024)	(24,314,378)
<u>3,154,555</u>	<u>589,531</u>	<u>-</u>	<u>867,870</u>	<u>126,557</u>	<u>19,951,637</u>
<u>5,112,188</u>	<u>3,500,557</u>	<u>3,160,914</u>	<u>1,812,938</u>	<u>2,682,492</u>	<u>47,965,110</u>
332,277	58,273	1,053	176,311	431,023	1,595,067
<u>1,110,208</u>	<u>69,813</u>	<u>31,482</u>	<u>548,840</u>	<u>1,308,198</u>	<u>4,596,211</u>
<u>1,442,485</u>	<u>128,086</u>	<u>32,535</u>	<u>725,151</u>	<u>1,739,221</u>	<u>6,191,278</u>
335,801	20,909	11,872	145,494	412,336	1,415,914
84,650	474,149	146,792	42,173	16,218	1,503,710
-	-	-	-	-	2,254,787
20,995	1,597	673	11,572	25,463	91,758
2,488,051	-	-	-	-	2,488,051
44,100	-	-	-	76,125	166,025
-	-	-	-	-	160,000
-	-	-	-	-	1,165,215
-	-	-	-	-	7,440
<u>2,973,597</u>	<u>496,655</u>	<u>159,337</u>	<u>199,239</u>	<u>530,142</u>	<u>9,252,900</u>
-	-	-	-	-	732,521
-	-	-	-	-	991,131
-	-	-	-	-	910,116
406,454	38,179	11,578	90,569	470,918	1,700,180
3,484,846	611,159	11,036	1,849,113	4,520,460	16,728,689
3,441,291	224,936	95,601	1,749,884	4,441,305	14,988,415
<u>7,332,591</u>	<u>874,274</u>	<u>118,215</u>	<u>3,689,566</u>	<u>9,432,683</u>	<u>36,051,052</u>
<u>10,306,188</u>	<u>1,370,929</u>	<u>277,552</u>	<u>3,888,805</u>	<u>9,962,825</u>	<u>45,303,952</u>
<u>1,326,309</u>	<u>92,264</u>	<u>45,669</u>	<u>614,925</u>	<u>1,750,822</u>	<u>5,834,319</u>
118,874	589,531	-	867,870	126,557	11,985,422
(5,196,698)	1,575,919	2,870,228	(2,833,511)	(7,418,491)	(8,967,305)
<u>\$ (5,077,824)</u>	<u>\$ 2,165,450</u>	<u>\$ 2,870,228</u>	<u>\$ (1,965,641)</u>	<u>\$ (7,291,934)</u>	<u>\$ 3,018,117</u>

CITY OF SAINT PAUL, MINNESOTA
**COMBINING STATEMENT OF REVENUES,
EXPENSES AND CHANGES IN FUND NET POSITION**
INTERNAL SERVICE FUNDS
YEAR ENDED DECEMBER 31, 2018

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	Central Services	Equipment Services Fire - Police	Internal Borrowing	Public Works Administration	Fleet Services
OPERATING REVENUES					
Fees, Sales and Services	\$ 10,533,052	\$ 3,328,568	\$ -	\$ 3,371,852	\$ 5,899,195
Rents and Leases	2,022,485	-	-	-	-
Interest Earned on Loans	-	-	128,276	-	-
Miscellaneous	20,763	6,081	-	10,758	67,656
Total Operating Revenues	12,576,300	3,334,649	128,276	3,382,610	5,966,851
OPERATING EXPENSES					
Cost of Merchandise Sold	-	-	-	-	-
Salaries	2,151,896	976,890	-	1,470,785	1,482,159
Employee Fringe Benefits	638,994	483,655	-	568,534	648,946
Services	6,552,761	335,049	1,271	446,260	859,515
Materials and Supplies	1,085,757	1,930,189	-	30,968	2,292,627
Depreciation	1,387,661	31,572	-	3,221	1,289,217
Miscellaneous	32,803	-	-	1,589	-
Total Operating Expenses	11,849,872	3,757,355	1,271	2,521,357	6,572,464
OPERATING INCOME (LOSS)	726,428	(422,706)	127,005	861,253	(605,613)
NON-OPERATING REVENUES (EXPENSES)					
Intergovernmental Revenue	-	-	-	-	153,803
Gain on Sale of Capital Assets	-	-	-	-	81,319
Investment Income	-	-	-	-	-
Interest Earned on Investments	-	-	(24,576)	-	-
Increase (Decrease) in Fair Value of Investments	-	-	7,861	-	-
Miscellaneous Other Revenue (Expense)	-	-	-	-	-
Interest Expense on General Obligation Bonds	-	-	-	-	(23,068)
Interest Expense on Capital Lease	(40,756)	-	-	-	(37,485)
Interest Expense on Advance from Other Funds	(22,205)	(449)	(9,293)	-	-
Total Non-Operating Revenues (Expenses)	(62,961)	(449)	(26,008)	-	174,569
Income (Loss) Before Transfers	663,467	(423,155)	100,997	861,253	(431,044)
Transfers In	249,027	-	-	-	2,549,540
Transfers Out	(4,516,391)	(20,613)	(162,525)	(218,095)	(3,661)
Change in Net Position	(3,603,897)	(443,768)	(61,528)	643,158	2,114,835
NET POSITION, January 1	8,745,133	(1,832,607)	1,660,764	(516,717)	9,551,001
Change in Accounting Principle (See Note III.C.1)	(1,765,569)	(49,489)	-	(1,173,290)	(950,188)
NET POSITION, January 1, as Restated	6,979,564	(1,882,096)	1,660,764	(1,690,007)	8,600,813
NET POSITION, December 31	\$ 3,375,667	\$ (2,325,864)	\$ 1,599,236	\$ (1,046,849)	\$ 10,715,648

Public Works Engineering	Asphalt Plant	Traffic Warehouse	Parks Supply and Maintenance	Planning and Economic Development Administration	Total Internal Service Funds
\$ 8,453,663	\$ 2,825,922	\$ 2,976,336	4,089,687	8,873,903	\$ 50,352,178
-	-	-	-	-	2,022,485
-	-	-	-	-	128,276
25,154	1,993	962	24,067	34,246	191,680
8,478,817	2,827,915	2,977,298	4,113,754	8,908,149	52,694,619
-	-	-	273,539	-	273,539
4,290,188	279,023	152,204	1,921,427	5,557,695	18,282,267
1,444,944	119,132	65,375	716,798	1,747,954	6,434,332
2,345,421	224,660	425,853	567,519	1,626,527	13,384,836
252,939	2,115,090	1,931,882	287,060	33,267	9,959,779
29,796	7,557	1,628	122,986	16,034	2,889,672
-	713	-	-	3,824	38,929
8,363,288	2,746,175	2,576,942	3,889,329	8,985,301	51,263,354
115,529	81,740	400,356	224,425	(77,152)	1,431,265
-	-	-	1,048	-	154,851
-	-	-	-	-	81,319
-	-	-	-	-	(24,576)
-	-	-	-	-	7,861
(2,415)	-	-	-	-	(2,415)
-	-	-	-	-	(23,068)
-	-	-	-	-	(78,241)
-	-	-	-	-	(31,947)
(2,415)	-	-	1,048	-	83,784
113,114	81,740	400,356	225,473	(77,152)	1,515,049
-	-	-	120,000	448,671	3,367,238
(44,002)	-	-	(384,959)	(170,428)	(5,520,674)
69,112	81,740	400,356	(39,486)	201,091	(638,387)
(2,941,551)	2,566,515	2,443,904	(608,053)	(4,531,119)	14,537,270
(2,205,385)	(482,805)	25,968	(1,318,102)	(2,961,906)	(10,880,766)
(5,146,936)	2,083,710	2,469,872	(1,926,155)	(7,493,025)	3,656,504
\$ (5,077,824)	\$ 2,165,450	\$ 2,870,228	\$ (1,965,641)	\$ (7,291,934)	\$ 3,018,117

CITY OF SAINT PAUL, MINNESOTA
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
YEAR ENDED DECEMBER 31, 2018

Statement 28
 (Page 1 of 4)

	Central Services	Equipment Services Fire - Police	Internal Borrowing	Public Works Administration	Fleet Services
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from Loan Recipients and Other Customers	\$ 1,127,619	\$ (468)	\$ 250,000	\$ 40,425	\$ 48,961
Receipts from Other Funds for Services Provided	11,348,075	3,325,409	52,632	3,342,185	5,894,158
Other Operating Receipts	-	-	-	-	-
Payments to Suppliers	(7,628,319)	(2,100,946)	(1,271)	(105,414)	(2,696,129)
Payments to Employees	(2,130,806)	(970,663)	-	(1,473,223)	(1,471,604)
Payments for Fringe Benefits and Payroll Taxes	(746,411)	(526,598)	-	(656,050)	(723,374)
Payments to Other Funds for Services Used	-	(196,340)	-	(376,796)	(314,429)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	1,970,158	(469,606)	301,361	771,127	737,583
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Transfers In from Other Funds	249,027	-	-	-	2,549,540
Transfers Out to Other Funds	(4,516,391)	(20,613)	(162,525)	(218,095)	(3,661)
Intergovernmental	-	-	-	-	153,803
Advance Received from Other Funds	210,878	1,609,789	(1,522,514)	-	-
Collection of Advance Made to Other Funds	-	-	(78,182)	-	-
Repayment of Advance Received from Other Funds	(416,581)	(1,111,996)	1,493,175	-	-
Interest Paid on Advance Received from Other Funds	(22,205)	(449)	(9,293)	-	-
NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	(4,495,272)	476,731	(279,339)	(218,095)	2,699,682
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Proceeds from Sale of Capital Assets	-	-	-	-	81,319
Principal Paid on General Obligation Bonds	-	-	-	-	(159,056)
Principal Paid on Capital Lease	(1,049,236)	-	-	-	(698,017)
Payments for Acquisition and Construction of Capital Assets					
Equipment	(582,846)	(7,125)	-	-	(1,858,062)
Interest Paid on General Obligation Bonds	(7,034)	-	-	-	(23,068)
Interest Paid on Capital Lease	(40,756)	-	-	-	(39,727)
NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	(1,679,872)	(7,125)	-	-	(2,696,611)
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest and Dividends on Investments Received	-	-	(29,883)	-	-
Increase (Decrease) in Fair Value of Investments	-	-	7,861	-	-
NET CASH USED IN INVESTING ACTIVITIES	-	-	(22,022)	-	-
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(4,204,986)	-	-	553,032	740,654
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	9,932,511	200	-	1,707,520	5,511,323
CASH AND CASH EQUIVALENTS AT END OF YEAR	\$ 5,727,525	\$ 200	\$ -	\$ 2,260,552	\$ 6,251,977

	Public Works Engineering	Asphalt Plant	Traffic Warehouse	Parks Supply and Maintenance	Planning and Economic Development Administration	Total Internal Service Funds
\$	(583,040)	\$ 1,017,572	\$ 313,778	\$ 755,567	\$ 306,463	\$ 3,276,877
	8,427,581	1,825,546	2,730,788	3,312,257	8,567,440	48,826,071
	-	1,993	962	24,067	34,246	61,268
	(675,967)	(1,823,562)	(2,897,868)	(864,680)	(854,861)	(19,649,017)
	(4,018,191)	(280,610)	(151,388)	(1,898,791)	(5,563,183)	(17,958,459)
	(1,611,792)	(141,525)	(67,601)	(831,203)	(2,078,406)	(7,382,960)
	(1,784,444)	(118,361)	(306,768)	(392,407)	(807,871)	(4,297,416)
	<u>(245,853)</u>	<u>481,053</u>	<u>(378,097)</u>	<u>104,810</u>	<u>(396,172)</u>	<u>2,876,364</u>
	-	-	-	120,000	448,671	3,367,238
	(44,002)	-	-	(384,959)	(170,428)	(5,520,674)
	-	-	-	1,048	-	154,851
	-	-	-	-	-	298,153
	-	-	-	-	-	(78,182)
	-	-	-	-	-	(35,402)
	-	-	-	-	-	(31,947)
	<u>(44,002)</u>	<u>-</u>	<u>-</u>	<u>(263,911)</u>	<u>278,243</u>	<u>(1,845,963)</u>
	-	-	-	-	-	81,319
	-	-	-	-	-	(159,056)
	-	-	-	-	-	(1,747,253)
	(44,998)	(463,082)	-	-	(15,692)	(2,971,805)
	-	-	-	-	-	(30,102)
	-	-	-	-	-	(80,483)
	<u>(44,998)</u>	<u>(463,082)</u>	<u>-</u>	<u>-</u>	<u>(15,692)</u>	<u>(4,907,380)</u>
	-	-	-	-	-	(29,883)
	-	-	-	-	-	7,861
	-	-	-	-	-	(22,022)
	(334,853)	17,971	(378,097)	(159,101)	(133,621)	(3,899,001)
	<u>2,262,988</u>	<u>2,597,969</u>	<u>1,144,733</u>	<u>1,016,479</u>	<u>2,689,556</u>	<u>26,863,279</u>
\$	<u>1,928,135</u>	<u>\$ 2,615,940</u>	<u>\$ 766,636</u>	<u>\$ 857,378</u>	<u>\$ 2,555,935</u>	<u>\$ 22,964,278</u>

	Central Services	Equipment Services Fire Police	Internal Borrowing	Public Works Administration	Fleet Services
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES					
Operating Income (Loss)	\$ 726,428	\$ (422,706)	\$ 127,005	\$ 861,253	\$ (605,613)
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities					
Depreciation	1,387,661	31,572	-	3,221	1,289,217
Non-Operating Miscellaneous Revenue (Expense)	-	-	-	-	-
Changes in Assets and Liabilities					
(Increase) Decrease in					
Accounts Receivable	90,922	(9,708)	-	-	1,547
Notes and Loans Receivable	-	-	237,500	-	-
Accrued Interest Receivable	-	-	-	-	-
Due from Other Funds	-	-	-	-	-
Due from Component Units	73,692	-	-	-	-
Due from Other Governmental Units	(265,220)	-	-	-	(25,279)
Deferred Other Postemployment Benefits Outflows	(252,365)	(25,739)	-	(171,400)	(146,626)
Deferred Pension Outflows	315,618	146,307	-	258,836	218,572
Inventories	-	(42,960)	-	-	13,439
Prepaid Items	-	-	-	-	-
Increase (Decrease) in					
Accrued Salaries Payable	21,090	6,227	-	(2,438)	10,555
Accounts Payable	42,774	12,812	-	(1,782)	132,519
Due to Other Governmental Units	228	(1,900)	-	(1,611)	(4,374)
Net Pension Liability	(282,790)	(131,090)	-	(231,915)	(195,839)
Deferred Pension Inflows	(56,005)	(25,962)	-	(45,929)	(38,785)
Unearned Revenue	-	-	(63,144)	-	-
Compensated Absences Payable	(794)	(23,688)	-	(11,833)	(9,894)
Other Postemployment Benefits Liability	168,919	17,229	-	114,725	98,144
Total Adjustments	1,243,730	(46,900)	174,356	(90,126)	1,343,196
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ 1,970,158	\$ (469,606)	\$ 301,361	\$ 771,127	\$ 737,583
RECONCILIATION OF CASH AND CASH EQUIVALENTS TO THE STATEMENT OF NET POSITION					
Cash and Investments with Treasurer	\$ 5,727,525	\$ -	\$ -	\$ 2,260,352	\$ 6,251,977
Imprest Funds	-	200	-	200	-
TOTAL CASH AND CASH EQUIVALENTS	\$ 5,727,525	\$ 200	\$ -	\$ 2,260,552	\$ 6,251,977

Public Works Engineering	Asphalt Plant	Traffic Warehouse	Parks Supply and Maintenance	Planning and Economic Development Administration	Total Internal Service Funds
\$ 115,529	\$ 81,740	\$ 400,356	\$ 224,425	\$ (77,152)	\$ 1,431,265
29,796 (2,415)	7,557 -	1,628 -	122,986 -	16,034 -	2,889,672 (2,415)
(9,459)	(4,318)	109,754	(21,863)	-	156,875
-	-	-	-	-	237,500
-	-	-	-	-	-
-	-	-	-	-	73,692
-	22,227	(41,524)	-	-	(309,796)
(332,277)	(58,273)	(1,053)	(176,311)	(431,023)	(1,595,067)
605,228	45,291	22,806	282,210	802,269	2,697,137
-	11,407	(716,311)	(22,167)	-	(756,592)
-	-	-	-	-	-
48,076	(1,587)	816	22,636	(5,488)	99,887
2,603	386,714	(130,626)	(107,153)	7,722	345,583
(546)	(294)	36	351	(6,836)	(14,946)
(542,277)	(40,581)	(20,434)	(252,857)	(718,824)	(2,416,607)
(107,395)	(8,037)	(4,047)	(50,077)	(142,359)	(478,596)
(187,614)	-	-	-	-	(250,758)
(87,510)	202	(202)	(35,385)	(129,019)	(298,123)
222,408	39,005	704	118,015	288,504	1,067,653
(361,382)	399,313	(778,453)	(119,615)	(319,020)	1,445,099
\$ (245,853)	\$ 481,053	\$ (378,097)	\$ 104,810	\$ (396,172)	\$ 2,876,364
\$ 1,927,985	\$ 2,615,840	\$ 766,536	\$ 857,378	\$ 2,555,735	\$ 22,963,328
150	100	100	-	200	950
\$ 1,928,135	\$ 2,615,940	\$ 766,636	\$ 857,378	\$ 2,555,935	\$ 22,964,278

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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.

Minnesota Sales and Use Tax - to account for receipts and disbursements of sales tax as required by the Tax Reform and Relief Act.

City Agency - to account for the proceeds from Comcast for distribution relating to the city's Cable Access Program; property taxes levied and collected by Ramsey County and remitted to the Port Authority of the City of Saint Paul; outstanding checks which have been written off and remitted to the State of Minnesota under the Minnesota Uniform Disposition of Unclaimed Property Act; receipts and disbursements for which proper accounting cannot be made at the time of the transaction; collection of the State of Minnesota building permit surcharge; and cash received by the Police Department that is lost, unclaimed or contraband collected during the course of Police business.

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CITY OF SAINT PAUL, MINNESOTA
 COMBINING STATEMENT OF NET POSITION
 ALL AGENCY FUNDS
 DECEMBER 31, 2018

	Employee Withholding	Minnesota Sales and Use Tax	City Agency	Total Agency Funds
ASSETS				
Cash and Investments with Treasurer	\$ 928,328	\$ 308,529	\$ 1,823,407	\$ 3,060,264
TOTAL ASSETS	\$ 928,328	\$ 308,529	\$ 1,823,407	\$ 3,060,264
LIABILITIES				
Accrued Salaries Payable	\$ 204,411	\$ -	\$ -	\$ 204,411
Accounts Payable	30,481	40	1,792,244	1,822,765
Due to Other Governmental Units	693,436	308,489	31,163	1,033,088
TOTAL LIABILITIES	\$ 928,328	\$ 308,529	\$ 1,823,407	\$ 3,060,264

CITY OF SAINT PAUL, MINNESOTA
 STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 ALL AGENCY FUNDS
 YEAR ENDED DECEMBER 31, 2018

Statement 30
 (Page 1 of 2)

Employee Withholding	January 1, 2018	Additions	Deductions	December 31, 2018
ASSETS				
Cash and Investments with Treasurer	\$ 839,920	\$ 87,308,899	\$ 87,220,491	\$ 928,328
TOTAL ASSETS	\$ 839,920	\$ 87,308,899	\$ 87,220,491	\$ 928,328
LIABILITIES				
Accrued Salaries Payable	\$ -	\$ 21,790,032	\$ 21,585,621	\$ 204,411
Accounts Payable	160,606	30,481	160,606	30,481
Due to Other Governmental Units	679,314	68,951,938	68,937,816	693,436
TOTAL LIABILITIES	\$ 839,920	\$ 90,772,451	\$ 90,684,043	\$ 928,328
Minnesota Sales and Use Tax				
ASSETS				
Cash and Investments with Treasurer	\$ 300,742	\$ 501,879	\$ 494,092	\$ 308,529
TOTAL ASSETS	\$ 300,742	\$ 501,879	\$ 494,092	\$ 308,529
LIABILITIES				
Accounts Payable	\$ -	\$ 40	\$ -	\$ 40
Due to Other Governmental Units	300,742	515,578	507,831	308,489
TOTAL LIABILITIES	\$ 300,742	\$ 515,618	\$ 507,831	\$ 308,529
City Agency				
ASSETS				
Cash and Investments with Treasurer	\$ 2,168,109	\$ 15,066,530	\$ 15,411,232	\$ 1,823,407
Receivables				
Accounts (net of allowance for estimated uncollectibles)	12,068	-	12,068	-
TOTAL ASSETS	\$ 2,180,177	\$ 15,066,530	\$ 15,423,300	\$ 1,823,407
LIABILITIES				
Accounts Payable	\$ 1,979,812	\$ 11,327,957	\$ 11,515,525	\$ 1,792,244
Due to Other Governmental Units	200,365	4,903,994	5,073,196	31,163
TOTAL LIABILITIES	\$ 2,180,177	\$ 16,231,951	\$ 16,588,721	\$ 1,823,407

CITY OF SAINT PAUL, MINNESOTA
 STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 ALL AGENCY FUNDS
 YEAR ENDED DECEMBER 31, 2018

Statement 30
 (Page 2 of 2)

<u>Agency Funds Total</u>	<u>January 1, 2018</u>	<u>Additions</u>	<u>Deductions</u>	<u>December 31, 2018</u>
ASSETS				
Cash and Investments with Treasurer	\$ 3,308,771	\$ 102,877,308	\$ 103,125,815	\$ 3,060,264
Receivables				
Accounts (net of allowance for estimated uncollectibles)	12,068	-	12,068	-
TOTAL ASSETS	<u>\$ 3,320,839</u>	<u>\$ 102,877,308</u>	<u>\$ 103,137,883</u>	<u>\$ 3,060,264</u>
LIABILITIES				
Accrued Salaries Payable	\$ -	\$ 21,790,032	\$ 21,585,621	\$ 204,411
Accounts Payable	2,140,418	11,358,478	11,676,131	1,822,765
Due to Other Governmental Units	1,180,421	74,371,510	74,518,843	1,033,088
TOTAL LIABILITIES	<u>\$ 3,320,839</u>	<u>\$ 107,520,020</u>	<u>\$ 107,780,595</u>	<u>\$ 3,060,264</u>

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OTHER SUPPLEMENTARY INFORMATION

CITY OF SAINT PAUL, MINNESOTA
 SCHEDULE OF INTERGOVERNMENTAL REVENUE
 ALL FUNDS
 FOR THE FISCAL YEAR ENDED DECEMBER 31, 2018

Schedule 8
 (Page 1 of 3)

	Federal	State	County	Other	Total
GOVERNMENTAL FUNDS					
Major Governmental Funds					
General Fund					
City Share County Pilot	\$ -	\$ -	\$ 180,053	\$ -	\$ 180,053
City Share of MNDOT Fines	-	9,101	-	-	9,101
City Share of State Court Fines	-	2,011,963	-	-	2,011,963
County Portion of Rent for Task Force	-	-	125,000	-	125,000
County Road Aid	-	-	1,798,758	-	1,798,758
Fire Pension Amortization and Insurance Premium Aid	-	2,503,743	-	-	2,503,743
Local Government Aid	-	65,071,723	-	-	65,071,723
Municipal State Aid Maintenance	-	3,521,894	-	-	3,521,894
Paramedic Reimbursement for Services	-	1,146,225	-	-	1,146,225
Police Pension Amortization Aid	-	5,255,583	-	-	5,255,583
Police/Fire Disability Benefit Act	-	263,174	-	-	263,174
Precourt Diversion	-	38,450	-	-	38,450
Public Employees Retirement Association - Pension Aid	-	517,512	-	-	517,512
Trunk Highway Funds	-	934,847	-	-	934,847
Total General Fund	-	81,274,215	2,103,811	-	83,378,026
Public Library General Fund					
City Share County Pilot	-	-	32,047	-	32,047
City Debt Service					
Build America Bonds Interest Subsidy	-	-	-	458,440	458,440
City Share County Pilot	-	-	24,962	-	24,962
Minnesota Department of Management and Budget	-	2,700,000	-	-	2,700,000
Total City Debt Service	-	2,700,000	24,962	458,440	3,183,402
City Capital Projects					
Federal Highway Administration - State Administered	1,927,922	-	-	-	1,927,922
Metropolitan Council	-	733,440	-	-	733,440
Minnesota State DNR, BWSR and Historical Society	-	1,102,910	-	-	1,102,910
Minnesota Trunk Highway Funds	-	1,310,000	-	-	1,310,000
Municipal State Aid - Construction	-	3,832,263	-	-	3,832,263
Ramsey County	-	-	50,000	-	50,000
Total City Capital Projects	1,927,922	6,978,613	50,000	-	8,956,535
Total Major Governmental Funds	\$ 1,927,922	\$ 90,952,828	\$ 2,210,820	\$ 458,440	\$ 95,550,010

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CITY OF SAINT PAUL, MINNESOTA
 SCHEDULE OF INTERGOVERNMENTAL REVENUE
 ALL FUNDS
 FOR THE FISCAL YEAR ENDED DECEMBER 31, 2018

Schedule 8
 (Page 2 of 3)

	Federal	State	County	Other	Total
Nonmajor Governmental Funds					
Special Revenue Funds					
City Grants					
2015 Assistance to Firefighters Grant	\$ 128,598	\$ -	\$ -	\$ -	\$ 128,598
2015 State Homeland Security Grant	180,000	-	-	-	180,000
2016 Assistance to Firefighters Grant	132,001	-	-	-	132,001
2016 Pre-Disaster Mitigation Grant	17,916	-	-	-	17,916
2016 Urban Area Security Initiative (UASI) Grant	736,840	-	-	-	736,840
2017 Emergency Management Performance Grant Program	17,035	-	-	-	17,035
2017 Hazardous Materials Emergency Preparedness Grant	48,397	-	-	-	48,397
2017 Urban Area Security Initiative (UASI) Grant	582,727	-	-	-	582,727
2018 Emergency Management Performance Grant Program	23,244	-	-	-	23,244
2018 Haz Mat ERT	-	14,314	-	-	14,314
AmeriCorps VISTA - CNCS	200,951	-	-	-	200,951
Capitol Regional Water District	-	-	-	16,000	16,000
Environment Protection Agency	91,170	-	-	-	91,170
Metropolitan Council	-	-	-	4,674,907	4,674,907
Minnesota Department of Administration	-	861,678	-	-	861,678
Minnesota Department of Commerce	-	351,189	-	-	351,189
Minnesota Department of Employment and Economic Development	-	811,223	-	-	811,223
Minnesota Department of Natural Resources	-	324,086	-	-	324,086
Minnesota Department of Public Safety	-	110,479	-	-	110,479
Minnesota Department of Public Safety - HSEM Police	67,730	-	-	-	67,730
Minnesota Department of Public Safety - US DOJ	123,217	-	-	-	123,217
Minnesota Department of Public Safety - US DOT	29,125	-	-	-	29,125
Minnesota Department of Transportation - US DOT	72,603	-	-	-	72,603
Minnesota Pollution Control Agency	-	(5,850)	-	-	(5,850)
MN Historical Society - National Parks Service	25,000	-	-	-	25,000
MN Historical Society - US DOI	886	-	-	-	886
MN Housing Financing Agency - HUD	8,991	-	-	-	8,991
Office of National Drug Control	100,045	-	-	-	100,045
Ramsey County - US DOT	304,189	-	-	-	304,189
Ramsey County - VCET	-	-	121,142	-	121,142
ServeMinnesota Americorp	291,732	-	-	-	291,732
US Department of Homeland Security - Port Security Grant Program Fire Department	110,634	-	-	-	110,634
US Department of Homeland Security - Port Security Grant Program Police Department	306,869	-	-	-	306,869
US Department of Justice	593,728	-	-	-	593,728
US Department of Justice - SPIP Blaze Project	47,054	-	-	-	47,054
US National Parks Service	39,960	-	-	-	39,960
Total City Grants	4,280,642	2,467,119	121,142	4,690,907	11,559,810
General Government Special Projects					
US Equal Employment Opportunity Commission	28,500	-	-	-	28,500
Police Special Projects					
Peace Officers Standards Board	-	568,460	-	-	568,460
United States Department of Justice - Equitable Sharing	135,853	-	-	-	135,853
United States Department of Treasury - Equitable Sharing	31,933	-	-	-	31,933
Total Police Special Projects	167,786	568,460	-	-	736,246
Right Of Way Maintenance					
Municipal State Aid	-	178,619	-	-	178,619
Ramsey County Aid	-	-	79,569	-	79,569
State Trunk Highway	-	36,422	-	-	36,422
Total Right of Way Maintenance	\$ -	\$ 215,041	\$ 79,569	\$ -	\$ 294,610

CITY OF SAINT PAUL, MINNESOTA
SCHEDULE OF INTERGOVERNMENTAL REVENUE
ALL FUNDS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2018

Schedule 8
(Page 3 of 3)

	Federal	State	County	Other	Total
Recycling And Solid Waste					
Ramsey County Recycling Program (SCORE)	\$ -	\$ -	\$ 727,614	\$ -	\$ 727,614
Parks And Recreation Special Projects					
Metropolitan Council	-	1,338,172	-	-	1,338,172
Public Library Special Projects					
Library MN Dept of Education	18,897	-	-	-	18,897
Metropolitan Library Service Agency (MELSA)	-	315,337	-	-	315,337
Total Public Library Special Projects	18,897	315,337	-	-	334,234
City HUD Grants					
Community Development Block Grant - HUD	7,432,256	-	-	-	7,432,256
Emergency Solutions Grant - HUD	716,890	-	-	-	716,890
Home Investment Partnerships Program - HUD	1,972,561	-	-	-	1,972,561
Neighborhood Stabilization Program - HUD	20,284	-	-	-	20,284
Total City HUD Grants	10,141,991	-	-	-	10,141,991
Total Special Revenue Funds	14,637,816	4,904,129	928,325	4,690,907	25,161,177
Capital Projects					
HRA Development Capital Projects					
Community Homeownership Impact Funds	-	272,118	-	-	272,118
Total Capital Projects	-	272,118	-	-	272,118
Total Nonmajor Governmental Funds	14,637,816	5,176,247	928,325	4,690,907	25,433,295
Total Governmental Funds	\$ 16,565,738	\$ 96,129,075	\$ 3,139,145	\$ 5,149,347	\$ 120,983,305
PROPRIETARY FUNDS					
Major Enterprise Funds					
Sewer Utility					
Ramsey County Aid	\$ -	\$ -	\$ 72,711	\$ -	\$ 72,711
HRA Loan Enterprise					
National Foreclosure Mitigation Counseling Program - Minnesota Housing Finance Agency	1,469	-	-	-	1,469
Homeowner Loan Program - State Administered	-	452,150	-	-	452,150
Mortgage Foreclosure Prevention Assistance Program - State Administered	-	18,500	-	-	18,500
Total HRA Loan Enterprise	1,469	470,650	-	-	472,119
Total Major Enterprise Funds	1,469	470,650	72,711	-	544,830
Internal Service Fund					
Fleet Services					
Ramsey County	-	-	152,637	-	152,637
MN Pollution Control Agency	-	1,166	-	-	1,166
Total OFS Fleet Services	-	1,166	152,637	-	153,803
Parks Supply and Maintenance					
Minnesota Department of Natural Resources	-	1,048	-	-	1,048
Total Internal Service Fund	-	2,214	152,637	-	154,851
Total Proprietary Funds	1,469	472,864	225,348	-	699,681
TOTAL ALL FUNDS	\$ 16,567,207	\$ 96,601,939	\$ 3,364,493	\$ 5,149,347	\$ 121,682,986

CITY OF SAINT PAUL, MINNESOTA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
ALL FUNDS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2018

Schedule 9
(Page 1 of 3)

Federal Grantor Pass-Through Agency Program or Cluster Title	Federal CFDA Number	Pass-Through Grant Agreement Number	Expenditures	Passed Through to Subrecipients
U.S. Department of Housing and Urban Development				
Direct Grants				
CDBG - Entitlement Grants Cluster				
Community Development Block Grants/Entitlement Grants	14.218		\$ 8,554,293	\$ 2,606,023
Emergency Solutions Grant Program	14.231		716,890	677,691
Home Investment Partnerships Program	14.239		2,054,847	-
Neighborhood Stabilization Program – ARRA	14.256		24,838	-
Fair Housing Assistance Program State and Local	14.401		28,500	-
Passed Through Minnesota Home Ownership Center Housing Counseling Assistance Program	14.169	FY2017-11	146,823	-
Total U.S. Department of Housing and Urban Development			<u>11,526,191</u>	<u>3,283,714</u>
U.S. Department of the Interior National Park Service				
Direct Grants				
Mississippi National River and Recreation Area State and Local Assistance	15.941		39,960	-
Passed Through Minnesota Historical Society				
Historic Preservation Fund Grants-In-Aid	15.904	P17AF00098.025	25,000	-
Historic Preservation Fund Grants-In-Aid	15.904	P17AF00098.018	886	-
Total CFDA# 15.904			<u>25,886</u>	<u>-</u>
Total U.S. Department of Interior National Park Service			<u>65,846</u>	<u>-</u>
U.S. Department of Justice				
Direct Grants				
Public Safety Partnership and Community Policing Grants	16.710		397,950	-
Edward Byrne Memorial Justice Assistance Grant Program	16.738		176,767	-
Criminal and Juvenile Justice and Mental Health Collaboration Program	16.745		67,441	-
Equitable Sharing Program	16.922		167,786	-
Passed Through Minnesota Department of Public Safety				
Missing Children's Assistance	16.543	SWIFT 109610	1,939	-
Crime Victim Assistance	16.575	A-CVSP-2017-STPAULAO-0039	14,338	-
Crime Victim Assistance	16.575	A-CVS-2018-STPAULAO-00114	106,940	-
Total CFDA # 16.575			<u>121,278</u>	<u>-</u>
Passed through Saint Paul and Ramsey County Domestic Abuse Intervention Grants to Encourage Arrest Policies and Enforcement of Protection Orders Program	16.590	2016-WE-AX-0013	101,182	-
Total U.S. Department of Justice			<u>1,034,343</u>	<u>-</u>

The Notes to the Schedule of Expenditures of Federal Awards are an integral part of this schedule.

CITY OF SAINT PAUL, MINNESOTA
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 ALL FUNDS
 FOR THE FISCAL YEAR ENDED DECEMBER 31, 2018

Federal Grantor Pass-Through Agency Program or Cluster Title	Federal CFDA Number	Pass-Through Grant Agreement Number	Expenditures	Passed Through to Subrecipients
U.S. Department of Transportation				
Passed Through Minnesota Department of Transportation				
Highway Planning and Construction Cluster				
Highway Planning and Construction	20.205	1030098	2,853,416	-
Highway Planning and Construction	20.205	SP 091-090-080	277,584	-
Highway Planning and Construction	20.205	SP 164-070-014	18,480	-
Total CFDA # 20.205			<u>3,149,480</u>	-
Passed Through Ramsey County				
Minimum Penalties for Repeat Offenders for Driving While Intoxicated (Total CFDA # 20.608 \$189,583)	20.608	TZD	170,069	-
Highway Safety Cluster				
State and Community Highway Safety	20.600	TZD	98,819	-
National Priority Safety Programs (Total CFDA # 20.616 \$44,004)	20.616	TZD	34,392	-
Passed Through Minnesota Department of Public Safety				
Minimum Penalties for Repeat Offenders for Driving While Intoxicated (Total CFDA # 20.608 \$189,583)	20.608	A-OFFICR19-2019-STPAULCI-034	19,514	-
Highway Safety Cluster				
National Priority Safety Programs (Total CFDA # 20.616 \$44,004)	20.616	A-OFFICR19-2019-STPAULCI-034	9,612	-
Interagency Hazardous Materials Public Sector Training and Planning Grants	20.703	A-HMEP-2017-STPFIRE-007	13,728	-
Interagency Hazardous Materials Public Sector Training and Planning Grants	20.703	A-HMEP-2017-STPFIRE-026	34,669	-
Total CFDA # 20.703			<u>48,397</u>	-
Total U.S. Department of Transportation			<u>3,530,283</u>	-
U.S. Department of Treasury				
Passed Through Minnesota Housing Finance Agency				
National Foreclosure Mitigation Counseling Program	21.000	PL114-113X1350	1,469	-
Total U.S. Department of Treasury			<u>1,469</u>	-
Institute of Museum and Library Services				
Passed Through Friends of the Saint Paul Public Library				
Grants to States	45.310	LS-00-18-0024-18	18,897	-
Total Institute of Museum and Library Services			<u>18,897</u>	-
U.S. Environmental Protection Agency				
Direct Grants				
Brownfields Training, Research, and Technical Assistance Grants and Cooperative Agreements	66.814		54,492	-
Brownfields Assessment and Cleanup Cooperative Agreements	66.818		35,190	-
Passed Through Minnesota Public Facilities Authority				
Drinking Water State Revolving Fund Cluster Capitalization Grants for Drinking Water State Revolving Funds	66.468	MPFA-DWRF-L-049-FY17	573,773	-
Total U.S. Environmental Protection Agency			<u>663,455</u>	-

The Notes to the Schedule of Expenditures of Federal Awards are an integral part of this schedule.

CITY OF SAINT PAUL, MINNESOTA
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 ALL FUNDS
 FOR THE FISCAL YEAR ENDED DECEMBER 31, 2018

Federal Grantor Pass-Through Agency Program or Cluster Title	Federal CFDA Number	Pass-Through Grant Agreement Number	Expenditures	Passed Through to Subrecipients
Corporation for National and Community Service				
Direct Grants				
Volunteers in Service to America	94.013		200,951	-
Passed Through ServeMinnesota				
AmeriCorps	94.006	17ACHMN0010001-17	171,454	-
AmeriCorps	94.006	17AFHMN0010005-18	44,150	-
AmeriCorps	94.006	17ACHMN0010001-18	46,866	-
Total CFDA # 94.006			<u>262,470</u>	-
Total Corporation for National and Community Service			<u>463,421</u>	-
Executive Office of the President				
Passed Through North Central High Intensity Drug Trafficking Areas				
High Intensity Drug Trafficking Areas Program	95.001	G18ML0028A	22,095	-
High Intensity Drug Trafficking Areas Program	95.001	G17ML0028A	77,950	-
Total CFDA # 95.001			<u>100,045</u>	-
Total Executive Office of the President			<u>100,045</u>	-
U.S. Department of Homeland Security				
Direct Grants				
Assistance to Firefighters Grant	97.044		186,390	-
Port Security Grant Program - Fire Department	97.056		110,634	-
Port Security Grant Program - Police Department	97.056		306,869	-
Total CFDA # 97.056			<u>417,503</u>	-
Passed through Minnesota Department of Public Safety				
Emergency Management Performance Grants	97.042	A-EMPG-2014-STPAULEERMGT-0772	29,966	-
Pre-Disaster Mitigation	97.047	A-HM-PDM-2016-STPAULCI-02	42,743	-
Homeland Security Grant Program	97.067	A-SHSP-2015-STPAULCI-028	180,000	-
Homeland Security Grant Program	97.067	A-UASI-2016-STPAULCI-012	581,848	-
Homeland Security Grant Program	97.067	A-UASI-2017-STPAULCI-012	582,727	-
Homeland Security Grant Program	97.067	A-SHSP-201T-STBOMB-015	76,522	-
Total CFDA # 97.067			<u>1,421,097</u>	-
Total U.S. Department of Homeland Security			<u>2,097,699</u>	-
Total Federal Awards			<u>\$ 19,501,649</u>	<u>\$ 3,283,714</u>
Totals by Cluster				
Total expenditures for CDBG - Entitlement Grants Cluster			8,554,293	
Total expenditures for Highway Planning and Construction Cluster			3,149,480	
Total expenditures for Highway Safety Cluster			142,823	
Total expenditures for Drinking Water State Revolving Fund Cluster			573,773	

The Notes to the Schedule of Expenditures of Federal Awards are an integral part of this schedule.

CITY OF SAINT PAUL, MINNESOTA
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2018

1. Reporting Entity

The Schedule of Expenditures of Federal Awards presents the activities of federal award programs expended by the City of Saint Paul and the Saint Paul Regional Water Services, a component unit of the City. For the year ended December 31, 2018, the level of federal funding for the Saint Paul Regional Water Services did not require that a separate single audit be performed for the component unit. This schedule does not include \$3,217,377 in federal awards expended by the Port Authority of the City of Saint Paul, a component unit of the City, which had a separate single audit. The City's reporting entity is defined in Note II to the basic financial statements. Regional Water's reporting entity is defined in Note 2.A. to the financial statements in Regional Water's separately issued annual financial report.

2. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the City of Saint Paul and the Saint Paul Regional Water Services under programs of the federal government for the year ended December 31, 2018. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the schedule presents only a selected portion of the operations of the City of Saint Paul and the Saint Paul Regional Water Services, it is not intended to and does not present the financial position, changes in net position, or cash flows of the City of Saint Paul or the Saint Paul Regional Water Services.

3. Summary of Significant Accounting Policies

Expenditures reported on the schedule are reported on the basis of accounting used by the individual funds of the City of Saint Paul and the Saint Paul Regional Water Services. Governmental funds use the modified accrual basis of accounting. Proprietary funds use the full accrual basis of accounting. Such expenditures are recognized following, as applicable, either the cost principles contained in OMB Circular A-87, *Cost Principles for State, Local and Indian Tribal Governments*, or the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. The City of Saint Paul and the Saint Paul Regional Water Services have elected to not use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

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CITY OF SAINT PAUL, MINNESOTA

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2018**

4. Reconciliation to Schedule of Intergovernmental Revenue

Federal grant revenue per Schedule of Intergovernmental Revenue	\$ 16,567,207
Expenditures of Program Income	
Community Development Block Grants/Entitlement Grants	1,122,037
Home Investment Partnerships Program	82,286
Housing Counseling Assistance Program	137,832
Neighborhood Stabilization Program – ARRA	4,554
Expenditures occurring in 2017, but revenue recognized in 2018	
2015 Assistance to Firefighters Grant	(39,408)
2016 Assistance to Firefighters Grant	(34,801)
2017 Emergency Management Performance Grant Program	(17,035)
Brownfields Training, Research, and Technical Assistance Grants and Cooperative Agreements	(2,505)
Brownfields Assessment and Cleanup Cooperative Agreements	(480)
AmeriCorps	(29,262)
Highway Planning and Construction	(54,123)
Homeland Security Grant Program – Emergency Management Department	(154,992)
National Priority Safety Programs	(399)
State and Community Highway Safety	(509)
Expenditures occurring in 2018, but revenue deferred until 2019	
Brownfields Assessment and Cleanup Cooperative Agreements	1,497
Edward Byrne Memorial Justice Assistance Grant Program	48,430
Emergency Management Performance Grants	6,722
Grants to Encourage Arrest Policies and Enforcement of Protection Orders Program	54,128
Highway Planning and Construction	1,203,078
Homeland Security Grant Program – Police Department	8,792
Pre-Disaster Mitigation	24,827
Expenditures for the Saint Paul Regional Water Services	
Capitalization Grants for Drinking Water State Revolving Funds	573,773
Expenditures per Schedule of Expenditures of Federal Awards	<u>\$ 19,501,649</u>

5. Saint Paul Regional Water Services' Reconciliation of Schedule of Expenditures of Federal Awards to Actual Reimbursements

Regional Water had expenditures under one federal award in 2018. The Capitalization Grants for Drinking Water State Revolving Funds, which is passed through the Minnesota Public Facilities Authority, a component unit of the State of Minnesota. This award is in the form of a Drinking Water Note Payable secured by Net Revenues of Regional Water. It will be repaid over a 20-year period.

Expenditures for the Capitalization Grants for Drinking Water State Revolving Funds during the year ended December 31, 2018, totaled \$573,773. Reimbursements during fiscal year 2018 totaled \$774,895; \$246,730 was for 2017 expenditures, and the remaining \$528,165 was for 2018 expenditures.

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STATISTICAL SECTION

This part of the City of Saint Paul's Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

Financial Trends

These tables contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

Revenue Capacity

These tables contain information to help the reader assess the factors affecting the City's ability to generate its property and sales taxes.

Debt Capacity

These tables present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.

Demographic and Economic Information

These tables offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place and to help make comparisons over time and with other governments.

Operating Information

These tables contain information about the City's operations and resources to help the reader understand how the City's financial information relates to the services the City provides and the activities it performs.

Sources: Unless otherwise noted, the information in these tables is derived from the Comprehensive Annual Financial Reports for the relevant year. The City implemented GASB Statement No. 54 in 2011; beginning in 2011, information in the tables present the new fund classifications and new fund balance classifications.

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City of Saint Paul, Minnesota
NET POSITION BY COMPONENT
 Last Ten Fiscal Years
(accrual basis of accounting)

Table 1
 (Page 1 of 1)
Unaudited

	Fiscal Year				
	2009	2010	2011	2012	2013
Governmental Activities					
Net Investment in Capital Assets	\$ 845,478,082	\$ 870,207,402	\$ 897,144,181	\$ 914,831,518	\$ 927,971,657
Restricted	14,382,290	10,840,072	126,716,782	106,610,744	126,429,482
Unrestricted	79,548,174	65,908,623	(70,428,738)	(70,857,529)	(116,737,173)
Total Governmental Activities Net Position	<u>939,408,546</u>	<u>946,956,097</u>	<u>953,432,225</u>	<u>950,584,733</u>	<u>937,663,966</u>
Business-Type Activities					
Net Investment in Capital Assets	232,402,369	230,341,576	229,596,222	228,206,967	251,126,046
Restricted	11,941,383	17,257,081	13,808,890	14,927,767	14,870,191
Unrestricted	78,582,035	75,358,398	73,495,906	65,783,952	53,283,956
Total Business-Type Activities Net Position	<u>322,925,787</u>	<u>322,957,055</u>	<u>316,901,018</u>	<u>308,918,686</u>	<u>319,280,193</u>
Primary Government					
Net Investment in Capital Assets	1,077,880,451	1,100,548,978	1,126,740,403	1,143,038,485	1,179,097,703
Restricted	26,323,673	28,097,153	140,525,672	121,538,511	141,299,673
Unrestricted	158,130,209	141,267,021	3,067,168	(5,073,577)	(63,453,217)
Total Primary Government Net Position	<u>\$ 1,262,334,333</u>	<u>\$ 1,269,913,152</u>	<u>\$ 1,270,333,243</u>	<u>\$ 1,259,503,419</u>	<u>\$ 1,256,944,159</u>
	Fiscal Year				
	2014	2015	2016	2017	2018
Governmental Activities					
Net Investment in Capital Assets	\$ 884,350,146	\$ 927,886,682	\$ 924,717,220	\$ 942,140,801	\$ 999,762,371
Restricted	149,764,160	152,709,015	165,968,764	152,061,991	111,141,762
Unrestricted	(49,197,886)	(235,688,769)	(267,550,032)	(276,916,443)	(390,812,880)
Total Governmental Activities Net Position	<u>984,916,420</u>	<u>844,906,928</u>	<u>823,135,952</u>	<u>817,286,349</u>	<u>720,091,253</u>
Business-Type Activities					
Net Investment in Capital Assets	249,527,566	250,610,829	242,687,846	242,228,344	246,127,072
Restricted	16,703,820	16,779,825	14,223,605	14,101,649	13,544,824
Unrestricted	54,042,676	52,163,584	59,265,066	64,841,447	63,958,481
Total Business-Type Activities Net Position	<u>320,274,062</u>	<u>319,554,238</u>	<u>316,176,517</u>	<u>321,171,440</u>	<u>323,630,377</u>
Primary Government					
Net Investment in Capital Assets	1,133,877,712	1,178,497,511	1,167,405,066	1,184,369,145	1,245,889,443
Restricted	166,467,980	169,488,840	180,192,369	166,163,640	124,686,586
Unrestricted	4,844,790	(183,525,185)	(208,284,966)	(212,074,996)	(326,854,399)
Total Primary Government Net Position	<u>\$ 1,305,190,482</u>	<u>\$ 1,164,461,166</u>	<u>\$ 1,139,312,469</u>	<u>\$ 1,138,457,789</u>	<u>\$ 1,043,721,630</u>

Source: Office of Financial Services, City of St. Paul

	Fiscal Year				
	2009	2010	2011	2012	2013
Expenses					
Governmental Activities:					
General Government	\$ 38,193,787	\$ 41,026,366	\$ 45,904,559	\$ 36,960,488	\$ 45,897,421
Public Safety	158,802,550	169,630,318	167,319,484	168,819,155	180,335,655
Highways and Streets	47,107,428	53,073,852	58,368,567	72,375,018	73,112,752
Sanitation	10,864,518	10,125,974	3,831,801	4,136,543	4,418,516
Health	3,504,354	3,596,107	3,847,123	3,651,735	3,281,326
Culture and Recreation	69,515,520	65,806,514	74,479,716	76,468,821	78,240,164
Housing and Economic Development	41,293,685	63,429,009	50,411,057	55,918,173	54,376,822
Interest and Fiscal Charges	22,431,008	22,796,044	23,901,340	25,994,941	21,170,331
Total Governmental Activities Expenses	<u>391,712,850</u>	<u>429,484,184</u>	<u>428,063,647</u>	<u>444,324,874</u>	<u>460,832,987</u>
Business-Type Activities:					
HRA Penfield & Lofts	-	-	-	-	-
Sewer	33,419,811	33,125,516	38,205,270	50,450,819	41,534,100
Development Loan Programs	5,275,603	1,211,512	4,071,255	2,728,591	2,112,059
Parking Operations	11,822,002	11,550,265	11,566,905	11,055,407	11,639,747
Parks, Recreation and Athletics	4,653,217	4,448,793	4,731,832	4,985,210	4,739,628
Impound Lot	2,563,378	3,276,206	2,716,930	2,519,161	3,241,403
Printing	1,462,918	1,347,600	1,435,476	1,394,357	1,404,767
Total Business-Type Activities Expenses	<u>59,196,929</u>	<u>54,959,892</u>	<u>62,727,668</u>	<u>73,133,545</u>	<u>64,671,704</u>
Total Primary Government Expenses	<u>\$ 450,909,779</u>	<u>\$ 484,444,076</u>	<u>\$ 490,791,315</u>	<u>\$ 517,458,419</u>	<u>\$ 525,504,691</u>
Program Revenues (See Table 3)					
Governmental Activities:					
Charges for Services					
General Government	\$ 16,596,690	\$ 12,618,406	\$ 32,363,963	\$ 7,900,534	\$ 4,468,536
Public Safety	34,535,278	41,807,497	36,874,281	42,997,003	48,557,047
Highways and Streets	43,363,311	37,934,352	26,740,937	40,924,292	57,350,782
Sanitation	3,654,476	1,427,354	4,590,556	5,381,382	2,030,145
Health	3,424,173	3,386,748	3,464,551	3,351,494	3,248,970
Culture and Recreation	5,861,240	6,605,978	9,152,639	10,956,097	11,095,412
Housing and Economic Development	5,231,153	9,220,024	2,786,648	9,745,681	552,943
Operating Grants and Contributions	43,760,775	76,491,106	52,035,818	51,948,542	65,382,318
Capital Grants and Contributions	19,467,064	10,580,782	20,347,127	31,947,548	18,553,919
Total Governmental Activities Program Revenues	<u>175,894,160</u>	<u>200,072,247</u>	<u>188,356,520</u>	<u>205,152,573</u>	<u>211,240,072</u>
Business-Type Activities:					
Charges for Services					
HRA Penfield & Lofts	-	-	-	-	-
Sewer	46,480,240	46,972,750	45,856,581	51,185,513	48,918,611
Development Loan Programs	1,748,389	504,285	2,478,443	919,137	1,469,932
Parking Operations	11,204,743	11,394,497	12,140,085	12,186,953	13,485,208
Parks, Recreation and Athletics	3,772,730	3,990,156	3,710,174	4,179,835	4,162,394
Impound Lot	3,062,620	3,305,857	2,668,342	2,456,393	3,171,264
Printing	1,314,185	1,286,696	1,392,178	1,210,644	1,415,416
Operating Grants and Contributions	427,828	294,329	519,025	142,559	-
Capital Grants and Contributions	74,666	-	1,592,481	1,076,050	112,894
Total Business-Type Activities Program Revenues	<u>68,085,401</u>	<u>67,748,570</u>	<u>70,357,309</u>	<u>73,357,084</u>	<u>72,735,719</u>
Total Primary Government Program Revenues	<u>\$ 243,979,561</u>	<u>\$ 267,820,817</u>	<u>\$ 258,713,829</u>	<u>\$ 278,509,657</u>	<u>\$ 283,975,791</u>

	Fiscal Year				
	2014	2015	2016	2017	2018
Expenses					
Governmental Activities:					
General Government	\$ 69,578,614	\$ 64,463,362	\$ 70,544,027	\$ 73,149,603	\$ 61,546,618
Public Safety	179,068,144	206,496,430	248,226,223	208,246,596	190,930,617
Highways and Streets	95,671,488	93,282,628	97,130,188	94,871,504	78,474,590
Sanitation	5,435,630	5,660,400	5,766,000	5,636,364	10,585,400
Health	3,965,489	1,688,139	3,090,856	2,977,570	2,256,115
Culture and Recreation	69,348,669	67,959,225	71,749,233	78,143,487	78,839,668
Housing and Economic Development	42,338,140	43,674,221	39,460,130	52,013,923	45,959,207
Interest and Fiscal Charges	28,296,493	21,543,991	21,514,665	19,754,218	21,389,798
Total Governmental Activities Expenses	<u>493,702,667</u>	<u>504,768,396</u>	<u>557,481,322</u>	<u>534,793,265</u>	<u>489,982,013</u>
Business-Type Activities:					
HRA Penfield & Lofts	4,899,679	5,755,516	3,687,863	3,608	460
Sewer	43,802,699	45,645,402	47,796,953	47,624,241	52,792,986
Development Loan Programs	1,051,049	3,614,698	3,650,448	889,342	1,903,076
Parking Operations	11,903,949	12,021,087	12,340,066	12,705,422	13,389,391
Parks, Recreation and Athletics	4,191,870	2,773,375	3,120,301	2,843,261	2,788,463
Impound Lot	3,150,863	2,501,746	2,833,098	2,317,587	2,510,014
Printing	1,434,043	1,346,592	1,132,149	1,076,736	1,108,368
Total Business-Type Activities Expenses	<u>70,434,152</u>	<u>73,658,416</u>	<u>74,560,878</u>	<u>67,460,197</u>	<u>74,492,758</u>
Total Primary Government Expenses	<u>\$ 564,136,819</u>	<u>\$ 578,426,812</u>	<u>\$ 632,042,200</u>	<u>\$ 602,253,462</u>	<u>\$ 564,474,771</u>
Program Revenues (See Table 3)					
Governmental Activities:					
Charges for Services					
General Government	\$ 51,972,789	\$ 39,340,223	\$ 32,068,901	\$ 42,214,723	\$ 36,344,237
Public Safety	34,658,084	39,434,149	40,835,147	44,217,631	43,242,191
Highways and Streets	56,098,206	65,113,129	73,265,083	48,554,728	38,149,221
Sanitation	9,339,524	5,551,335	6,093,628	8,027,575	7,928,324
Health	3,207,916	3,270,783	2,914,508	2,769,502	2,564,228
Culture and Recreation	10,134,984	10,159,326	10,237,135	10,031,501	9,929,397
Housing and Economic Development	9,884,795	10,117,094	9,907,531	10,664,668	11,761,515
Operating Grants and Contributions	60,142,195	57,404,503	44,135,137	50,836,196	44,314,394
Capital Grants and Contributions	20,042,432	25,635,971	19,189,003	16,717,693	17,872,096
Total Governmental Activities Program Revenues	<u>255,480,925</u>	<u>256,026,513</u>	<u>238,646,073</u>	<u>234,034,217</u>	<u>212,105,603</u>
Business-Type Activities:					
Charges for Services					
HRA Penfield & Lofts	3,758,574	5,888,720	3,820,703	-	-
Sewer	49,640,483	52,033,538	54,250,478	57,670,729	60,572,343
Development Loan Programs	606,581	3,820,711	174,557	284,973	1,087,678
Parking Operations	13,669,640	14,856,306	15,828,064	16,654,305	17,921,793
Parks, Recreation and Athletics	2,333,934	2,598,576	2,752,536	2,786,697	2,637,599
Impound Lot	2,874,833	1,582,430	1,925,444	1,746,275	2,355,391
Printing	1,498,360	1,306,887	1,336,677	719,827	1,226,192
Operating Grants and Contributions	-	-	-	-	-
Capital Grants and Contributions	-	-	-	-	-
Total Business-Type Activities Program Revenues	<u>74,382,405</u>	<u>82,087,168</u>	<u>80,088,459</u>	<u>79,862,806</u>	<u>85,800,996</u>
Total Primary Government Program Revenues	<u>\$ 329,863,330</u>	<u>\$ 338,113,681</u>	<u>\$ 318,734,532</u>	<u>\$ 313,897,023</u>	<u>\$ 297,906,599</u>

	Fiscal Year				
	2009	2010	2011	2012	2013
Net (Expense)/Revenue					
Governmental Activities	\$ (215,818,690)	\$ (229,411,937)	\$ (239,707,127)	\$ (239,172,301)	\$ (249,592,915)
Business-Type Activities	8,888,472	12,788,678	7,629,641	223,539	8,064,015
Total Primary Government Net Expense	<u>\$ (206,930,218)</u>	<u>\$ (216,623,259)</u>	<u>\$ (232,077,486)</u>	<u>\$ (238,948,762)</u>	<u>\$ (241,528,900)</u>
General Revenues and Other Changes in Net Position					
Governmental Activities:					
Taxes					
Property Taxes, Levied for General Purposes	\$ 87,071,342	\$ 91,851,462	\$ 99,580,962	\$ 103,894,752	\$ 98,981,989
Property Taxes, Levied for Debt Service	20,417,065	19,960,415	11,211,822	13,938,044	21,361,771
City Sales Tax	15,270,418	15,219,497	15,620,488	15,940,712	17,034,422
Gross Earnings Franchise Fee	24,184,936	24,716,144	25,184,336	24,645,673	29,570,068
Other Taxes	2,802,422	2,774,260	2,993,560	3,389,255	2,962,513
Revenues Not Restricted to Specific Programs					
Local Government Aid	57,666,283	50,423,110	54,474,965	53,744,220	53,909,136
Grants and Contributions	13,272,492	4,508,611	3,090,739	511,381	1,067,620
Investment Income					
Interest Earned on Investments	7,913,473	8,588,955	6,731,991	6,815,021	5,284,518
Increase (Decrease) in Fair Value of Investments	115,630	(1,307,705)	4,957,838	(380,210)	(9,426,616)
Other Investment Income	131	75,077	50,394	483,885	160,732
Noncapital Contributions	-	-	-	168,272	96,719
Gain on Sale of Capital Assets	-	41,519	120,589	90,794	283,149
Miscellaneous	4,351,022	4,755,056	7,358,546	9,165,237	7,417,423
Transfers	18,677,377	15,353,087	15,588,454	3,917,773	10,331,230
Special Item - Capital Lease Termination Costs	-	-	(781,429)	-	-
Total Governmental Activities	<u>251,742,591</u>	<u>236,959,488</u>	<u>246,183,255</u>	<u>236,324,809</u>	<u>239,034,674</u>
Business-Type Activities:					
Taxes					
Property Taxes, Levied for General Purposes	1,178,925	1,258,761	1,242,838	1,438,609	1,738,167
Revenues Not Restricted to Specific Programs					
Grants and Contributions	176,193	73,200	73,100	681,284	1,245,094
Investment Income					
Interest Earned on Investments	561,255	883,999	1,026,125	790,729	624,323
Increase (Decrease) in Fair Value of Investments	(134,914)	(272,549)	981,947	(308,744)	(986,276)
Other Investment Income	-	-	-	-	-
Noncapital Contributions	-	-	-	301,800	-
Gain on Sale of Capital Assets	-	-	481	4,229	1,777
Miscellaneous	283,673	652,266	128,762	-	6,322
Transfers	(18,677,377)	(15,353,087)	(15,588,454)	(3,917,773)	(10,331,230)
Special Item - Sale of Lofts Apartments	-	-	-	-	-
Special Item - Sale of Penfield Apartments	-	-	-	-	-
Special Item - Purchase Option Settlement	-	-	-	-	-
Total Business-Type Activities	<u>(16,612,245)</u>	<u>(12,757,410)</u>	<u>(12,135,201)</u>	<u>(1,009,866)</u>	<u>(7,701,823)</u>
Total Primary Government	<u>\$ 235,130,346</u>	<u>\$ 224,202,078</u>	<u>\$ 234,048,054</u>	<u>\$ 235,314,943</u>	<u>\$ 231,332,851</u>
Change in Net Position					
Governmental Activities	\$ 35,923,901	\$ 7,547,551	\$ 6,476,128	\$ (2,847,492)	\$ (10,558,241)
Business-Type Activities	(7,723,773)	31,268	(4,505,560)	(786,327)	362,192
Total Primary Government	<u>\$ 28,200,128</u>	<u>\$ 7,578,819</u>	<u>\$ 1,970,568</u>	<u>\$ (3,633,819)</u>	<u>\$ (10,196,049)</u>

	Fiscal Year				
	2014	2015	2016	2017	2018
Net (Expense)/Revenue					
Governmental Activities	\$ (238,221,742)	\$ (248,741,883)	\$ (318,835,249)	\$ (300,759,048)	\$ (277,876,410)
Business-Type Activities	3,948,253	8,428,752	5,527,581	12,402,609	11,308,238
Total Primary Government Net Expense	<u>\$ (234,273,489)</u>	<u>\$ (240,313,131)</u>	<u>\$ (313,307,668)</u>	<u>\$ (288,356,439)</u>	<u>\$ (266,568,172)</u>
General Revenues and Other Changes in Net Position					
Governmental Activities:					
Taxes					
Property Taxes, Levied for General Purposes	\$ 102,333,637	\$ 104,866,192	\$ 110,577,084	\$ 115,919,094	\$ 151,441,387
Property Taxes, Levied for Debt Service	22,474,817	18,775,067	19,448,709	18,767,103	19,210,611
City Sales Tax	18,314,992	18,022,671	18,823,311	18,911,281	18,757,724
Gross Earnings Franchise Fee	26,022,004	25,341,386	25,324,225	26,329,251	27,450,712
Other Taxes	3,794,188	3,990,771	4,385,376	4,393,095	5,135,181
Revenues Not Restricted to Specific Programs					
Local Government Aid	60,424,253	61,887,988	62,337,589	62,561,686	65,071,723
Grants and Contributions	2,172,748	5,593,771	6,745,610	6,999,822	6,833,488
Investment Income					
Interest Earned on Investments	4,795,857	4,691,136	5,015,342	5,620,565	5,993,768
Increase (Decrease) in Fair Value of Investments	3,897,685	(1,107,392)	(2,242,493)	(419,396)	(1,648,015)
Other Investment Income	385,371	524,720	711,069	748,361	544,953
Noncapital Contributions	16,153,683	20,003,877	20,027,594	21,584,321	21,135,382
Gain on Sale of Capital Assets	67,793	65,969	318,549	2,793,233	145,388
Miscellaneous	14,673,359	1,302,763	5,141,112	437,524	2,746,605
Transfers	8,197,576	10,901,599	20,451,196	10,263,505	5,792,962
Special Item - Capital Lease Termination Costs	-	-	-	-	-
Total Governmental Activities	<u>283,707,963</u>	<u>274,860,518</u>	<u>297,064,273</u>	<u>294,909,445</u>	<u>328,611,869</u>
Business-Type Activities:					
Taxes					
Property Taxes, Levied for General Purposes	1,753,095	1,780,580	\$ 1,099,375	\$ 1,103,567	\$ 1,173,264
Revenues Not Restricted to Specific Programs					
Grants and Contributions	2,521,342	656,977	692,821	288,414	544,830
Investment Income					
Interest Earned on Investments	415,038	499,090	299,230	319,923	84,261
Increase (Decrease) in Fair Value of Investments	407,941	(91,078)	(190,122)	88,790	(141,065)
Other Investment Income	54,203	95,624	298,792	259,186	549,622
Noncapital Contributions	-	-	-	761,141	192,035
Gain on Sale of Capital Assets	-	-	300	34,798	467,400
Miscellaneous	25,858	20	-	-	-
Transfers	(8,197,576)	(10,901,599)	(20,451,196)	(10,263,505)	(5,792,962)
Special Item - Sale of Lofts Apartments	-	3,564,115	-	-	-
Special Item - Sale of Penfield Apartments	-	-	9,345,498	-	-
Special Item - Purchase Option Settlement	-	-	-	-	(3,300,000)
Total Business-Type Activities	<u>(3,020,099)</u>	<u>(4,396,271)</u>	<u>(8,905,302)</u>	<u>(7,407,686)</u>	<u>(6,222,615)</u>
Total Primary Government	<u>\$ 280,687,864</u>	<u>\$ 270,464,247</u>	<u>\$ 288,158,971</u>	<u>\$ 287,501,759</u>	<u>\$ 322,389,254</u>
Change in Net Position					
Governmental Activities	\$ 45,486,221	\$ 26,118,635	\$ (21,770,976)	\$ (5,849,603)	\$ 50,735,459
Business-Type Activities	928,154	4,032,481	(3,377,721)	4,994,923	5,085,623
Total Primary Government	<u>\$ 46,414,375</u>	<u>\$ 30,151,116</u>	<u>\$ (25,148,697)</u>	<u>\$ (854,680)</u>	<u>\$ 55,821,082</u>

Source: Office of Financial Services, City of St. Paul

City of Saint Paul, Minnesota
PROGRAM REVENUES BY FUNCTION/PROGRAM
 Last Ten Fiscal Years
(accrual basis of accounting)

Table 3
 (Page 1 of 1)
Unaudited

Function/Program	Fiscal Year				
	2009	2010	2011	2012	2013
Governmental Activities:					
General Government	\$ 20,991,904	\$ 20,038,070	\$ 40,162,225	\$ 8,337,985	\$ 5,024,416
Public Safety	39,316,096	53,284,221	47,001,067	57,491,668	62,528,797
Highways and Streets	51,943,438	51,725,595	35,787,549	55,701,661	72,297,353
Sanitation	6,430,358	2,025,104	5,246,720	5,981,765	2,720,237
Health	3,424,173	3,386,748	3,464,551	3,556,637	3,248,970
Culture and Recreation	26,575,821	19,612,945	26,367,244	31,493,135	27,304,739
Housing and Economic Development	27,212,370	49,999,564	30,327,164	42,589,722	38,115,560
Total Governmental Activities	175,894,160	200,072,247	188,356,520	205,152,573	211,240,072
Business-Type Activities:					
HRA Penfield & Lofts	-	-	-	-	-
Sewer	46,480,240	46,972,750	45,856,581	51,328,072	48,918,611
Development Loan Programs	2,176,217	798,614	4,483,449	1,995,187	1,469,932
Parking Operations	11,204,743	11,394,497	12,246,585	12,186,953	13,503,179
Parks, Recreation and Athletics	3,847,396	3,990,156	3,710,174	4,179,835	4,257,317
Impound Lot	3,062,620	3,305,857	2,668,342	2,456,393	3,171,264
Printing	1,314,185	1,286,696	1,392,178	1,210,644	1,415,416
Total Business-Type Activities	68,085,401	67,748,570	70,357,309	73,357,084	72,735,719
Total Primary Government	\$ 243,979,561	\$ 267,820,817	\$ 258,713,829	\$ 278,509,657	\$ 283,975,791

Function/Program	Fiscal Year				
	2014	2015	2016	2017	2018
Governmental Activities:					
General Government	\$ 89,661,722	\$ 65,919,815	\$ 46,510,400	\$ 57,866,836	\$ 50,905,232
Public Safety	38,684,379	45,677,270	47,757,722	50,711,316	50,526,999
Highways and Streets	70,915,454	92,097,985	92,187,165	66,140,377	57,194,133
Sanitation	9,390,004	5,551,335	6,093,628	8,027,575	7,928,324
Health	3,207,916	3,270,783	2,914,508	2,769,502	2,564,228
Culture and Recreation	19,366,799	15,945,959	19,703,111	19,121,938	15,605,504
Housing and Economic Development	24,254,651	27,563,366	23,479,539	29,396,673	27,381,183
Total Governmental Activities	255,480,925	256,026,513	238,646,073	234,034,217	212,105,603
Business-Type Activities:					
HRA Penfield & Lofts	3,758,574	5,888,720	3,820,703	-	-
Sewer	49,640,483	52,033,538	54,250,478	57,670,729	60,572,343
Development Loan Programs	606,581	3,820,711	174,557	284,973	1,087,678
Parking Operations	13,669,640	14,856,306	15,828,064	16,654,305	17,921,793
Parks, Recreation and Athletics	2,333,934	2,598,576	2,752,536	2,786,697	2,637,599
Impound Lot	2,874,833	1,582,430	1,925,444	1,746,275	2,355,391
Printing	1,498,360	1,306,887	1,336,677	719,827	1,226,192
Total Business-Type Activities	74,382,405	82,087,168	80,088,459	79,862,806	85,800,996
Total Primary Government	\$ 329,863,330	\$ 338,113,681	\$ 318,734,532	\$ 313,897,023	\$ 297,906,599

Source: Office of Financial Services, City of St. Paul

	Fiscal Year				
	2009	2010	2011 (1)	2012	2013
General Fund					
Reserved	\$ 2,515,994	\$ 2,739,382	\$ -	\$ -	\$ -
Unreserved	33,079,546	33,453,451	-	-	-
Nonspendable	-	-	759,560	568,200	376,840
Restricted	-	-	-	-	-
Committed	-	-	-	-	-
Assigned	-	-	1,453,846	2,259,144	2,559,942
Unassigned	-	-	41,314,963	47,466,130	43,980,447
Total General Fund	\$ 35,595,540	\$ 36,192,833	\$ 43,528,369	\$ 50,293,474	\$ 46,917,229
All Other Governmental Funds					
Reserved	\$ 19,643,937	\$ 29,954,346	\$ -	\$ -	\$ -
Unreserved, reported in:					
Special Revenue Funds	31,555,241	31,311,035	-	-	-
Debt Service Funds	58,331,902	61,760,843	-	-	-
Capital Projects Funds	82,993,995	73,681,454	-	-	-
Permanent Funds	39,249	41,267	-	-	-
Nonspendable	-	-	35,000	35,000	35,000
Restricted	-	-	125,204,623	106,007,546	125,300,043
Committed	-	-	24,193,863	25,860,714	19,259,312
Assigned	-	-	29,867,351	29,923,607	25,357,298
Unassigned	-	-	(3,434,266)	(3,572,604)	(13,452,569)
Total All Other Governmental Funds	\$ 192,564,324	\$ 196,748,945	\$ 175,866,571	\$ 158,254,263	\$ 156,499,084

	Fiscal Year				
	2014	2015	2016	2017	2018
General Fund					
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	-	-	-	-	-
Nonspendable	185,480	-	-	-	6,775
Restricted	-	-	-	-	-
Committed	251,841	67,362	268,433	-	-
Assigned	-	-	-	-	-
Unassigned	49,003,530	49,413,299	48,676,820	52,668,693	57,970,442
Total General Fund	\$ 49,440,851	\$ 49,480,661	\$ 48,945,253	\$ 52,668,693	\$ 57,977,217
All Other Governmental Funds					
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:					
Special Revenue Funds	-	-	-	-	-
Debt Service Funds	-	-	-	-	-
Capital Projects Funds	-	-	-	-	-
Permanent Funds	-	-	-	-	-
Nonspendable	3,774,128	3,693,385	35,000	35,000	35,000
Restricted	178,473,653	152,674,015	169,978,764	151,974,014	112,131,660
Committed	19,689,301	20,067,323	29,588,041	35,275,147	35,263,795
Assigned	27,446,600	28,066,516	26,514,738	23,439,139	25,583,848
Unassigned	(20,116,141)	(12,333,221)	(18,905,813)	(16,049,502)	(15,056,383)
Total All Other Governmental Funds	\$ 209,267,541	\$ 192,168,018	\$ 207,210,730	\$ 194,673,798	\$ 157,957,920

(1) The implementation of Governmental Accounting Standards Board Statement No. 54 in 2011 resulted in a significant change in the City's fund balance classifications.

Source: Office of Financial Services, City of St. Paul

	Fiscal Year				
	2009	2010	2011	2012	2013
Revenues					
Taxes	\$ 148,006,818	\$ 154,749,009	\$ 155,904,709	\$ 166,679,717	\$ 171,761,215
Licenses and Permits	9,820,436	10,690,706	11,630,697	10,945,603	11,226,879
Intergovernmental Revenue	121,877,844	126,986,093	121,972,894	128,192,020	131,773,775
Fees, Sales and Services	50,370,090	52,499,448	54,242,682	65,468,681	68,460,049
Assessment Financing	35,393,640	36,951,903	33,955,433	34,839,487	37,148,634
Investment Income	8,088,868	7,270,592	12,763,669	6,652,759	(4,215,087)
Interest Earned - Other	744,872	503,822	332,235	417,351	227,468
Miscellaneous Revenue	19,584,028	20,859,269	15,730,330	19,361,393	25,972,217
Total Revenues	393,886,596	410,510,842	406,532,649	432,557,011	442,355,150
Expenditures					
General Government	32,724,318	33,322,425	35,359,739	33,829,113	40,279,958
Public Safety	153,510,163	161,774,703	159,037,189	161,201,134	165,727,089
Highways and Streets	27,495,408	29,774,560	36,912,967	43,528,634	43,456,783
Sanitation	10,869,636	10,144,564	3,728,012	4,139,070	4,369,645
Health	3,424,173	3,386,748	3,464,551	3,351,494	3,248,970
Culture and Recreation	53,031,415	52,589,177	55,670,636	58,722,984	59,597,651
Housing and Economic Development	39,619,296	65,867,835	51,503,460	54,721,178	53,487,498
Miscellaneous	5,788,930	6,250,287	6,873,589	7,059,195	6,319,286
Capital Outlay	45,564,338	40,466,027	53,848,689	47,772,365	59,357,927
Debt Service					
Principal	31,030,720	36,220,861	35,581,153	57,322,161	33,648,646
Interest	23,150,305	22,916,286	24,350,688	22,472,959	20,837,062
Bond Issuance Costs	3,162,165	886,344	645,714	584,985	412,747
Total Expenditures	429,370,867	463,599,817	466,976,387	494,705,272	490,743,262
Excess (Deficiency) of Revenues Over (Under) Expenditures	(35,484,271)	(53,088,975)	(60,443,738)	(62,148,261)	(48,388,112)
Other Financing Sources (Uses)					
Transfers In	114,903,508	113,868,958	108,588,719	91,419,407	113,458,962
Transfers Out	(99,806,393)	(99,791,988)	(92,808,494)	(86,690,610)	(99,425,956)
Bonds Issued	101,820,000	49,655,000	54,075,000	30,815,000	26,625,000
Refunded Bonds	(68,030,000)	(8,285,000)	(18,655,000)	-	-
Capital Lease Refunded	-	-	(7,709,500)	-	-
Premium on Bonds Issued	1,379,176	298,900	1,511,657	2,253,341	-
Discount on Bonds Issued	-	-	-	-	-
Notes Issued	17,307,525	-	-	7,575,000	-
Premium on Notes Issued	236,322	-	-	428,119	669,673
Capital Lease	-	2,083,500	-	3,329,543	1,604,500
Capital Contribution	-	-	-	-	283,149
Sale of Capital Assets	47,100	41,519	515,944	2,171,258	41,359
Total Other Financing Sources (Uses)	67,857,238	57,870,889	45,518,326	51,301,058	43,256,687
Special Items					
Sale of Public Safety Building	-	-	2,160,000	-	-
Capital Lease Termination Costs	-	-	(781,429)	-	-
Net Change in Fund Balance	\$ 32,372,967	\$ 4,781,914	\$ (13,546,841)	\$ (10,847,203)	\$ (5,131,425)

Debt Service as a percentage of noncapital expenditures: 14.1% 14.0% 14.5% 17.9% 12.6%

Notes: Investment income includes interest on investments, increase (decrease) in fair value of investments and interest earned on securities lending. Refunding Bonds Issued is reported as Bonds Issued.

Source: Office of Financial Services, City of St. Paul

	Fiscal Year				
	2014	2015	2016	2017	2018
Revenues					
Taxes	\$ 171,788,361	\$ 171,122,657	\$ 178,438,410	\$ 184,255,321	\$ 221,957,076
Licenses and Permits	11,171,898	14,381,813	12,646,883	15,360,179	15,122,088
Intergovernmental Revenue	130,227,939	147,159,299	125,848,954	127,837,192	120,983,305
Fees, Sales and Services	74,947,716	69,066,583	76,915,946	78,369,871	77,653,985
Assessments	44,945,207	45,937,589	49,388,104	25,021,882	26,967,904
Investment Income	8,489,511	3,482,832	2,762,384	5,127,922	4,335,318
Interest Earned - Other	270,884	529,624	709,303	747,518	544,953
Miscellaneous Revenue	31,006,485	19,492,768	16,772,220	17,982,438	20,815,008
Total Revenues	<u>472,848,001</u>	<u>471,173,165</u>	<u>463,482,204</u>	<u>454,702,323</u>	<u>488,379,637</u>
Expenditures					
General Government	50,668,606	50,262,400	52,067,778	56,203,406	58,087,578
Public Safety	169,075,431	174,918,933	182,908,673	185,664,631	192,513,853
Highways and Streets	52,602,415	54,560,202	56,402,461	50,593,266	47,915,974
Sanitation	5,438,602	5,650,985	5,591,091	5,449,642	10,461,719
Health	3,355,469	3,123,230	2,914,508	2,769,500	2,564,227
Culture and Recreation	58,780,083	56,291,423	57,509,987	59,378,865	64,815,849
Housing and Economic Development	32,616,371	34,651,722	29,498,524	42,168,174	36,012,237
Miscellaneous	-	-	-	-	-
Capital Outlay	93,896,664	81,275,491	65,035,976	72,290,783	66,297,741
Debt Service					
Principal	81,282,526	58,281,943	58,916,816	35,393,366	75,518,666
Interest	22,717,904	21,740,207	21,428,920	20,896,910	22,160,324
Bond Issuance Costs	3,031,029	538,524	1,848,828	639,144	626,074
Total Expenditures	<u>573,465,100</u>	<u>541,295,060</u>	<u>534,123,562</u>	<u>531,447,687</u>	<u>576,974,242</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(100,617,099)</u>	<u>(70,121,895)</u>	<u>(70,641,358)</u>	<u>(76,745,364)</u>	<u>(88,594,605)</u>
Other Financing Sources (Uses)					
Transfers In	135,630,924	71,823,631	106,010,305	95,150,988	85,453,410
Transfers Out	(124,549,538)	(57,673,061)	(83,011,735)	(79,996,984)	(77,507,012)
Bonds Issued	96,120,000	34,300,000	58,955,000	43,735,000	49,762,655
Refunded Bonds	-	-	-	-	-
Capital Lease Refunded	-	-	-	-	-
Premium on Bonds Issued	-	1,030,594	3,146,907	2,341,792	2,755,896
Discount on Bonds Issued	-	-	-	-	-
Notes Issued	33,720,000	1,500,000	-	1,525,000	4,000,000
Premium on Notes Issued	10,111,266	-	-	-	-
Capital Lease	2,295,600	2,040,377	-	-	-
Capital Contribution	-	-	-	-	-
Sale of Capital Assets	447,238	40,641	48,185	3,033,222	67,243
Total Other Financing Sources (Uses)	<u>153,775,490</u>	<u>53,062,182</u>	<u>85,148,662</u>	<u>65,789,018</u>	<u>64,532,192</u>
Special Items					
Sale of Public Safety Building	-	-	-	-	-
Capital Lease Termination Costs	-	-	-	-	-
Net Change in Fund Balance	<u>\$ 53,158,391</u>	<u>\$ (17,059,713)</u>	<u>\$ 14,507,304</u>	<u>\$ (10,956,346)</u>	<u>\$ (24,062,413)</u>
Debt Service as a percentage of noncapital expenditures:	21.7%	17.4%	17.1%	12.3%	19.1%

Notes: Investment income includes interest on investments, increase (decrease) in fair value of investments and interest earned on securities lending. Refunding Bonds Issued is reported as Bonds Issued.

Source: Office of Financial Services, City of St. Paul

Fiscal Year	General Property Taxes (1)	Tax Increment Districts	Gross Earnings Franchise Fee	City Sales Tax	Hotel-Motel Tax	Other Taxes (2)	Total Taxes
2009	\$ 84,336,964	\$ 21,239,035	\$ 24,357,979	\$ 15,270,418	\$ 2,726,828	\$ 75,594	\$ 148,006,818
2010	90,901,327	21,382,775	24,455,961	15,219,497	2,701,776	87,673	154,749,009
2011	91,224,224	20,873,814	25,100,829	15,620,488	2,961,147	124,207	155,904,709
2012	98,903,779	23,754,307	24,988,045	15,940,712	2,979,032	113,842	166,679,717
2013	99,990,114	21,809,063	29,570,068	17,034,422	3,225,963	131,585	171,761,215
2014	101,409,232	22,212,851	26,022,004	18,314,992	3,527,558	301,724	171,788,361
2015	101,695,373	22,072,456	25,341,386	18,022,671	3,645,710	345,061	171,122,657
2016	106,147,351	23,758,147	25,324,225	18,823,311	4,058,493	326,883	178,438,410
2017	114,522,011	20,099,683	26,329,251	18,911,281	4,179,191	213,904	184,255,321
2018	142,897,758	27,715,701	27,450,712	18,757,724	4,850,375	284,806	221,957,076

(1) General Property Taxes excludes Market Value Homestead Credit.
 General Property Taxes includes current and prior year collections.

In 2018, the increase in property taxes was largely offset by reductions in assessment revenue as most of the street maintenance program was transferred to the General Fund.

(2) Other Taxes include penalties and interest on property taxes, contamination tax, drug store, and mortuary tax.

Note: Data includes both City and HRA revenues.

Source: Office of Financial Services, City of St. Paul

City of Saint Paul, Minnesota
ESTIMATED MARKET VALUE, TAXABLE MARKET VALUE, AND NET TAX CAPACITY OF TAXABLE PROPERTY
 Last Ten Fiscal Years

Table 7
 (Page 1 of 1)
Unaudited

<u>Levy Year/Payable Year</u>	<u>2008/09</u>	<u>2009/10</u>	<u>2010/11</u>	<u>2011/12</u>	<u>2012/13</u>	<u>2013/14</u>	<u>2014/15</u>	<u>2015/16</u>	<u>2016/17</u>	<u>2017/18</u>
Estimated Market Value										
Residential	\$15,154,428,866	\$14,009,965,414	\$12,485,045,818	\$11,994,675,600	\$11,111,959,900	\$11,036,508,500	\$12,052,824,300	\$12,524,802,900	\$13,136,233,200	\$14,032,712,000
Multiple Dwelling	3,120,576,047	2,963,483,753	3,400,646,842	3,330,026,500	3,267,040,600	3,396,142,300	3,669,146,000	3,929,149,200	4,587,325,500	5,225,414,500
Commercial & Industrial	4,349,570,287	4,303,920,433	3,950,373,208	3,803,442,800	3,659,076,500	3,635,076,700	3,619,245,800	3,728,843,400	3,959,112,000	4,405,402,100
Agricultural	1,937,700	740,000	4,028,148	5,042,500	5,333,000	4,251,400	4,363,200	1,046,400	1,162,500	4,726,100
Personal Property	347,851,300	348,817,500	354,522,183	306,810,900	345,717,700	353,472,300	363,783,400	352,949,100	380,477,800	411,654,600
Total Estimated Market Value	\$22,974,364,200	\$21,626,927,100	\$20,194,616,199	\$19,439,998,300	\$18,389,127,700	\$18,425,451,200	\$19,709,362,700	\$20,536,791,000	\$22,064,311,000	\$24,079,909,300
Taxable Market Value										
Residential	\$14,983,867,166	\$13,892,665,114	\$12,403,748,405	\$10,824,636,500	\$9,922,478,200	\$9,866,331,000	\$10,960,096,300	\$11,454,194,400	\$12,090,255,600	\$13,023,419,800
Multiple Dwelling	3,120,576,047	2,963,483,753	3,397,551,861	3,265,355,000	3,202,891,000	3,332,922,400	3,610,388,500	3,872,408,400	4,532,062,500	5,173,330,100
Commercial & Industrial	4,349,570,287	4,303,920,433	3,909,048,736	3,763,554,800	3,621,468,300	3,608,273,700	3,595,182,500	3,704,000,700	3,931,905,400	4,378,195,500
Agricultural	1,937,700	740,000	727,799	1,749,000	2,047,700	765,100	1,005,600	156,800	271,400	3,834,100
Personal Property	346,961,800	348,817,500	378,983,400	306,810,900	345,717,700	353,557,800	363,783,400	352,949,100	380,477,800	411,654,600
Total Taxable Market Value	\$22,802,913,000	\$21,509,626,800	\$20,090,060,201	\$18,162,106,200	\$17,094,602,900	\$17,161,850,000	\$18,530,456,300	\$19,383,709,400	\$20,934,972,700	\$22,990,434,100
Net Tax Capacity										
Residential	\$151,063,704	\$140,594,960	\$125,429,618	\$109,196,525	\$89,913,342	\$89,546,611	\$97,935,709	\$102,193,118	\$108,909,050	\$118,232,517
Multiple Dwelling	37,287,678	35,344,853	39,244,934	37,617,097	47,032,744	38,391,778	54,257,221	57,973,733	65,249,594	72,866,437
Commercial & Industrial	84,794,817	83,883,251	76,077,098	73,141,486	70,320,861	70,071,386	69,793,040	71,957,196	76,925,417	85,965,858
Agricultural	12,114	7,400	7,283	17,490	20,477	7,651	10,056	1,568	2,714	38,341
Personal Property	6,885,304	5,850,737	7,032,252	6,062,185	6,816,827	6,971,319	7,155,783	7,464,168	7,574,675	8,122,231
	280,043,617	265,681,201	247,791,185	226,034,783	214,104,251	214,988,745	229,151,809	239,589,783	258,661,450	285,225,384
Less: Tax Increment District Captured Net Tax Capacity	(25,975,787)	(25,429,982)	(22,828,278)	(22,376,701)	(20,826,315)	(20,796,378)	(20,745,465)	(22,093,778)	(20,845,546)	(24,444,410)
Fiscal Disparity										
Contribution from Saint Paul	(26,324,251)	(30,378,751)	(29,483,436)	(25,586,524)	(24,033,254)	(22,810,734)	(24,568,718)	(22,957,495)	(25,323,352)	(27,280,786)
Distribution to Saint Paul	51,562,722	56,480,186	55,940,464	51,142,890	47,184,140	47,390,891	50,525,266	52,498,800	55,452,568	58,644,531
Total Net Tax Capacity	\$279,306,301	\$266,352,654	\$251,419,935	\$229,214,448	\$216,428,822	\$218,772,524	\$234,362,892	\$247,037,310	\$267,945,120	\$292,144,719
Direct Tax Rate										
General Revenue	21.839%	25.361%	26.201%	34.068%	34.745%	33.261%	31.709%	30.133%	30.157%	36.734%
Bonded Debt	3.942%	3.762%	3.948%	4.366%	4.711%	5.439%	5.415%	5.017%	5.095%	4.795%
Library Revenue	5.834%	6.522%	7.059%	6.405%	7.978%	7.367%	7.311%	6.866%	6.614%	6.156%
Total Direct Tax Rate	31.615%	35.645%	37.208%	44.839%	47.434%	46.067%	44.436%	42.016%	41.866%	47.686%
Total Net Tax Capacity as a Percentage of										
Total Estimated Market Value	1.22%	1.23%	1.24%	1.18%	1.18%	1.19%	1.19%	1.20%	1.21%	1.21%

Notes: Net tax capacity is the amount to which the local tax rate is applied. Tax Capacity is calculated by applying a statutory formula to the taxable market value of the property.

Source: Ramsey County Department of Property Records and Revenue

City of Saint Paul, Minnesota
PROPERTY TAX RATES AND TAX LEVIES (Certified to County)
DIRECT AND OVERLAPPING GOVERNMENTS
Last Ten Fiscal Years

Table 8
(Page 1 of 1)
Unaudited

Fiscal Year	City of Saint Paul	School District 625	Housing and Redevelopment Authority				Special Districts	Total
			Port Authority	Ramsey County	TAX CAPACITY RATES (PER \$100 OF ADJUSTED TAX CAPACITY VALUE)			
2009	31.615	22.698	(1) 0.900	1.390	43.057	6.805	106.465	
2010	35.642	28.507	(1) 1.272	1.692	46.474	7.232	120.819	
2011	37.208	35.057	(1) 1.262	1.802	50.668	8.119 (2)	134.116	
2012	44.157	40.109	(1) 1.418	1.723	56.801	11.914 (2)	156.122	
2013	46.585	42.238	(1) 1.482	1.396	60.456	12.947 (2)	165.104	
2014	45.242	46.665	(1) 1.445	1.278	58.920	9.037 (2)	162.587	
2015	45.262	42.974	(1) 1.386	1.278	58.782	8.647 (2)	158.329	
2016	41.845	42.562	(1) 1.311	1.178	53.860	8.989 (2)	149.745	
2017	41.963	40.684	(1) 1.327	1.366	51.034	8.669 (2)	145.043	
2018	49.225	39.049	(1) 1.304	1.167	49.347	9.086 (2)	149.178	
TAX LEVIES								
2009	\$ 87,142,264	\$ 63,980,783	(1) \$ 2,278,148	\$ 3,697,000	\$ 253,013,187	\$ 36,194,862	\$ 446,306,244	
2010	92,497,521	72,824,376	(1) 3,178,148	4,299,700	259,971,049	36,442,998	469,213,792	
2011	92,497,521	84,635,854	(1) 3,178,148	4,456,700	267,120,252	39,452,074 (2)	491,340,548	
2012	97,809,058	89,686,469	(1) 3,178,148	3,855,700	271,794,856	40,305,075 (2)	506,629,306	
2013	99,396,152	90,587,829	(1) 3,178,148	4,652,700	276,538,351	41,253,232 (2)	515,606,412	
2014	99,396,152	100,175,041	(1) 3,178,148	4,646,700	276,538,351	41,604,411 (2)	525,538,803	
2015	101,825,142	102,758,380	(1) 3,278,148	4,607,100	276,538,351	42,544,413 (2)	531,551,534	
2016	103,794,243	105,508,330	(1) 3,278,148	5,070,000	284,416,350	44,534,603 (2)	546,601,674	
2017	112,178,553	110,211,036	(1) 3,546,597	5,029,800	292,507,660	46,081,522 (2)	569,555,168	
2018	139,312,120	115,185,030	(1) 3,822,159	5,184,400	305,199,197	49,875,379 (2)	618,578,285	

(1) 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 2004. The 2009 market based tax rate and levy were 0.15885% and \$42,998,853. The 2010 market based tax rate and levy were 0.13989% and \$38,867,680. The 2011 market based tax rate and levy were 0.14581% and \$37,108,684. The 2012 market based tax rate and levy were 0.14951% and \$36,386,107. The 2013 market based tax rate and levy were 0.19564% and \$43,131,511. The 2014 market based tax rate and levy were 0.13684% and \$34,881,492. The 2015 market based tax rate and levy were 0.13495% and \$33,648,734. The 2016 market based tax rate and levy were 0.13868% and \$35,700,301. The 2017 market based tax rate and levy were 0.13670% and \$37,858,620. The 2018 market based tax rate and levy were 0.13466% and \$40,279,916.

(2) Starting in 2011 the Tax Capacity and Tax Levies for the Metropolitan Watershed District has been included in Special Districts.

Note: In addition to the above, the following tax rates and tax levies were applied against portions of Saint Paul.

Fiscal Year	Tax Increment Districts		Tax Levies
	Tax Rates		
	Without METRO W/S Dist	Including METRO W/S Dist	
2009	106.465	107.822	\$ 27,268,157
2010	120.819	122.407	28,809,530
2011	134.116	136.659	27,278,203
2012	156.122	159.165	27,580,222
2013	165.104	165.104	25,932,396
2014	162.587	167.086	25,973,141
2015	158.329	162.588	25,364,445
2016	149.745	153.959	27,075,750
2017	145.043	148.856	25,820,957
2018	149.178	152.924	30,981,109

Source: Ramsey County Department of Property Records and Revenue

City of Saint Paul, Minnesota
PRINCIPAL PROPERTY TAXPAYERS
 Current Year and Nine Years Ago

Table 9
 (Page 1 of 1)
Unaudited

Taxpayer	2018			2009		
	Taxable Capacity Value	Rank	Percentage of Total City Capacity Value	Taxable Capacity Value	Rank	Percentage of Total City Capacity Value
Xcel Energy	\$ 7,324,100	1	2.51%	\$ 5,076,576	1	1.82%
BNSF Railway Co.	1,663,279	2	0.57%	933,895	9	0.33%
St. Paul Tower LP (World Trade Center)	1,607,676	3	0.55%	1,899,250	3	0.68%
Minnesota Mutual Life Insurance	1,358,529	4	0.46%	2,754,790	2	0.99%
U.S. Bank Corp. Property & U.S. Bancorp	1,027,522	5	0.35%	1,368,102	5	0.49%
1944 Rice Street LLC	968,146	6	0.33%			
Ecolab	920,850	7	0.32%			
Chicago Milwaukee St. Paul Pacific	709,900	8	0.24%			
Court International LLC	703,480	9	0.24%			
Ford Motor Company ¹⁾	692,090	10	0.24%	1,104,510	7	0.40%
Traveler's Insurance (St. Paul Companies)				1,620,560	4	0.58%
Behringer Harvard LC LLC (Lawson Software)				1,299,250	6	0.47%
CSM Corporation & Investors				1,047,456	8	0.37%
Griffin Capital LLC				885,250	10	0.31%
	<u>\$ 16,975,572</u>		<u>5.81%</u>	<u>\$ 17,989,639</u>		<u>6.44%</u>

1) Ford Motor Company closed its Highland Park plant in December 2011 and is in the process of completing the environmental cleanup of the site for future redevelopment.

Source: Ramsey County Auditor

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Total Taxes Levied for Current Fiscal Year	\$ 87,142,264	\$ 92,497,521	\$ 92,497,521	\$ 97,809,058	\$ 99,396,152	\$ 99,396,152	\$ 101,825,142	\$ 103,794,243	\$ 112,178,553	\$ 139,312,120
Collection of Current Year Tax Levy										
From Taxpayers	65,905,389	68,594,984	68,178,369	79,459,257	76,483,877	71,089,357	76,842,516	80,601,553	85,670,584	113,761,846
Fiscal Disparity Aid	14,853,646	17,461,680	18,432,472	19,418,426	20,563,859	27,582,052	22,772,013	21,177,737	24,289,281	24,669,248
State Credits and Aids	3,090,322	3,776	4,889	-	2,236	115	-	-	-	-
Total Collection of Current Levy	83,849,357	86,060,440	86,615,730	98,877,683	97,049,972	98,671,524	99,614,529	101,779,290	109,959,865	138,431,094
Unallotted MVHC	-	3,480,043	3,438,536	-	-	-	-	-	-	-
Percentage of Current Year Levy Collected in the Fiscal Year of Levy	96.22%	96.80% (1)	97.36% (1)	101.09%	97.64%	99.27%	97.83%	98.06%	98.02%	99.37%
Delinquent Taxes Collected in subsequent years										
1st Year Delinquent	1,575,214	1,018,896	495,017	597,870	363,911	412,252	1,060,969	968,303	383,837	-
2nd Year Delinquent	198,907	(242,622)	(129,720)	(168,892)	(198,279)	(48,762)	(154,213)	(17,854)	-	-
3rd Year Delinquent	(23,436)	(49,370)	(108,274)	(131,644)	(23,285)	(49,693)	54,484	-	-	-
4th Year Delinquent	9,675	31,609	(84,167)	48,658	49,780	21,310	-	-	-	-
5th Year Delinquent	38,439	(53,344)	26,596	35,197	18,330	-	-	-	-	-
6th Year & Prior Delinquent	(408,859)	57,840	206,432	178,606	-	-	-	-	-	-
Total Delinquent Collections	1,389,940	763,009	405,884	559,795	210,456	335,107	961,240	950,449	383,837	-
Total Tax Collections as of 12/31/18	\$ 85,239,297	\$ 86,823,449	\$ 87,021,614	\$ 99,437,478	\$ 97,260,428	\$ 99,006,631	\$ 100,575,769	\$ 102,729,739	\$ 110,343,702	\$ 138,431,094
Percentage of Levy Collected as of 12/31/18	97.82%	97.63%	97.80%	101.66%	97.85%	99.61%	98.77%	98.97%	98.36%	99.37%

Notes:

- Collections do not include Tax Increment Districts.
- Above data does not include Housing and Redevelopment Authority (HRA), Table 11 presents separately the HRA (Component Unit) data.
- (1) Market Value Homestead Credit was unallotted to the City in 2010 and 2011 due to State Legislature action. State Credits and Aids of \$3,776 for 2010 and \$4,889 for 2011 represent adjustments for prior years collection.

Source: Office of Financial Services, City of St. Paul

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Total Taxes Levied for Current Fiscal Year	\$ 2,278,148	\$ 3,178,148	\$ 3,178,148	\$ 3,178,148	\$ 3,178,148	\$ 3,178,148	\$ 3,278,148	\$ 3,278,148	\$ 3,546,597	\$ 3,822,159
Collection of Current Year Tax Levy										
From Taxpayers	\$ 1,874,829	\$ 2,259,765	\$ 2,470,269	\$ 2,476,585	\$ 2,464,092	\$ 2,432,640	\$ 2,481,531	\$ 2,505,951	\$ 2,776,822	\$ 3,035,185
Fiscal Disparity Aid	223,759	493,367	693,746	633,373	662,508	696,821	725,135	723,429	719,336	778,441
State Credits and Aids	87,974	115,779	108,652	-	70	-	-	166	-	-
Closed TIF District Adj.	-	194,065	-	-	-	-	-	-	-	-
Total Collection of Current Year Tax Levy	\$ 2,186,562	\$ 3,062,976 ⁽¹⁾	\$ 3,272,667	\$ 3,109,958	\$ 3,126,670	\$ 3,129,461	\$ 3,206,666	\$ 3,229,546	\$ 3,496,158	\$ 3,813,626
Collection Percent of Current Year Levy	95.98%	96.38%	102.97%	97.85%	98.38%	98.47%	97.82%	98.52%	98.58%	99.78%
Collection of Delinquent Taxes for Subsequent Years										
1st Year Delinquent	\$ 41,495	\$ 14,489	\$ 21,851	\$ (40,292)	\$ 75,700	\$ 18,489	\$ 17,114	\$ 11,543	\$ 11,608	\$ -
2nd Year Delinquent	9,941	(8,660)	(4,284)	(5,424)	(6,309)	(3,895)	(4,511)	(1,117)	-	-
3rd Year Delinquent	(654)	(1,867)	(3,642)	(4,229)	(949)	(1,394)	1,565	-	-	-
4th Year Delinquent	276	1,259	(2,854)	1,604	1,543	484	-	-	-	-
5th Year Delinquent	1,095	(1,904)	932	1,100	583	-	-	-	-	-
6th Year & Prior Delinquent	(8,768)	1,693	1,902	1,202	-	-	-	-	-	-
Total Collection of Delinquent Taxes	\$ 43,385	\$ 5,010	\$ 13,905	\$ (46,039)	\$ 70,568	\$ 13,684	\$ 14,168	\$ 10,426	\$ 11,608	\$ -
Total Tax Collections	\$ 2,229,947	\$ 3,067,986	\$ 3,286,572	\$ 3,063,919	\$ 3,197,238	\$ 3,143,145	\$ 3,220,834	\$ 3,239,972	\$ 3,507,766	\$ 3,813,626
Total Percent of Levy Collected	97.88%	96.53%	103.41%	96.41%	100.60%	98.90%	98.25%	98.84%	98.91%	99.78%

(1) Revaluation downward of property in a closed Tax Increment Finance District reduced net levy collected by HRA by 6.11%

Note: Collections do not include Tax Increment Districts.

Source: Housing and Redevelopment Authority of the City of St. Paul financial records

	Fiscal Year				
	2009	2010	2011	2012	2013
Governmental Activities					
General Obligation Bonds	\$ 169,845,000	\$ 182,800,000	\$ 206,065,000	\$ 194,755,000	\$ 201,925,000
Revenue Bonds	187,729,669	187,446,305	170,311,657	161,298,862	153,890,000
Revenue Notes	77,427,232	71,896,669	67,740,670	71,130,920	67,164,715
Capital Leases	22,299,122	22,029,755	11,608,850	12,835,277	12,622,008
Total - Governmental Activities	457,301,023	464,172,729	455,726,177	440,020,059	435,601,723
Business-Type Activities					
General Obligation Bonds	29,350,000	28,055,000	26,480,000	24,875,000	23,235,000
Limited Tax Bonds	-	7,855,000	7,855,000	7,855,000	7,855,000
Revenue Bonds	100,595,000	99,840,000	104,310,000	108,115,000	109,725,000
Revenue Notes	14,558,630	12,701,769	11,424,620	10,302,158	9,142,769
Total - Business-Type Activities	144,503,630	148,451,769	150,069,620	151,147,158	149,957,769
Total Primary Government	\$ 601,804,653	\$ 612,624,498	\$ 605,795,797	\$ 591,167,217	\$ 585,559,492
Per Capita (1)	\$ 2,092.94	\$ 2,149.05	\$ 2,125.09	\$ 2,064.37	\$ 2,024.27
Percentage of Personal Income (2)	8.66%	8.82%	8.48%	8.32%	8.17%
	Fiscal Year				
	2014	2015	2016	2017	2018
Governmental Activities					
General Obligation Bonds	\$ 234,692,349	\$ 224,871,494	\$ 249,319,556	\$ 273,563,257	\$ 262,846,570
Revenue Bonds	159,550,555	151,833,008	136,873,878	128,142,006	120,318,509
Revenue Notes	90,629,942	83,580,257	74,255,900	66,248,479	60,191,094
Capital Leases	13,285,662	15,661,255	11,997,645	8,594,691	5,908,345
Total - Governmental Activities	498,158,508	475,946,014	472,446,979	476,548,433	449,264,518
Business-Type Activities					
General Obligation Bonds	21,600,438	19,946,059	18,584,271	16,735,108	15,774,296
Limited Tax Bonds	7,755,000	7,170,000	-	-	-
Revenue Bonds	114,010,281	116,003,919	110,963,023	111,645,255	110,819,234
Revenue Notes	7,946,082	6,773,949	7,906,050	6,735,909	5,482,453
Total - Business-Type Activities	151,311,801	149,893,927	137,453,344	135,116,272	132,075,983
Total Primary Government	\$ 649,470,309	\$ 625,839,941	\$ 609,900,323	\$ 611,664,705	\$ 581,340,501
Per Capita (1)	\$ 2,182.07	\$ 2,083.68	\$ 2,027.25	\$ 1,978.34	\$ 1,857.26
Percentage of Personal Income (2)	8.31%	8.14%	7.69%	7.36%	6.51%

Notes: Details regarding the city's outstanding debt can be found in the notes to the financial statements

(1) See Table 17 for population data.

(2) See Table 17 for personal income data.

Source: Office of Financial Services, City of St. Paul

City of Saint Paul, Minnesota
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
Last Ten Fiscal Years

Table 13
(Page 1 of 1)
Unaudited

	Fiscal Year				
	2009	2010	2011	2012	2013
Population (1)	287,501	285,068	285,068	286,367	289,270
Total Estimated Market Value of Taxable Property	\$ 22,974,364,200	\$ 21,626,927,100	\$ 20,194,616,199	\$ 19,439,998,300	\$ 18,389,127,700
Governmental General Obligation Bonds:					
Property Tax Supported	134,718,582	150,751,047	164,099,811	159,476,620	166,137,942
Special Assessment Debt with Governmental Commitment	23,896,418	23,588,953	23,340,189	19,208,380	21,022,058
HRA Tax Increment	11,230,000	8,460,000	18,625,000	16,070,000	14,765,000
Total Governmental General Obligation Bonds	169,845,000	182,800,000	206,065,000	194,755,000	201,925,000
Less Debt Service Fund	(18,021,164)	(19,216,786)	(17,920,364)	(17,193,224)	(31,531,582)
Less G.O. Special Assessment - Streets Debt Service Fund - property taxes portion (2)	-	(6,588,074)	(10,249,606)	(6,607,586)	(6,904,331)
Net General Bonded Debt	\$ 151,823,836	\$ 156,995,140	\$ 177,895,030	\$ 170,954,190	\$ 163,489,087
Percentage of Net General Bonded Debt to					
Total Estimated Market Value of Taxable Property	0.66%	0.73%	0.88%	0.88%	0.89%
Net General Bonded Debt per Capita	\$ 528.08	\$ 550.73	\$ 624.04	\$ 596.98	\$ 565.18

	Fiscal Year				
	2014	2015	2016	2017	2018
Population (1)	294,873	300,353	304,442	309,180	313,010
Total Estimated Market Value of Taxable Property	\$ 18,425,451,200	\$ 19,709,362,700	\$ 20,536,791,000	\$ 22,064,311,000	\$ 24,079,909,300
Governmental General Obligation Bonds:					
Property Tax Supported	185,842,075	181,150,353	200,845,945	224,430,964	217,025,669
Special Assessment Debt with Governmental Commitment	26,092,925	22,234,647	25,929,055	26,669,036	22,521,986
HRA Tax Increment	13,880,000	12,330,000	10,990,000	9,635,000	8,925,000
Total Governmental General Obligation Bonds	225,815,000	215,715,000	237,765,000	260,735,000	248,472,655
Less Debt Service Fund	(65,002,218)	(50,159,162)	(62,078,179)	(57,023,905)	(49,071,835)
Less G.O. Special Assessment - Streets Debt Service Fund - property taxes portion (2)	-	-	-	-	-
Net General Bonded Debt	\$ 160,812,782	\$ 165,555,838	\$ 175,686,821	\$ 203,711,095	\$ 199,400,820
Percentage of Net General Bonded Debt to					
Total Estimated Market Value of Taxable Property	0.87%	0.84%	0.86%	0.92%	0.83%
Net General Bonded Debt per Capita	\$ 545.36	\$ 551.20	\$ 577.08	\$ 658.88	\$ 637.04

(1) 2008-2009, 2011-2013, and 2016-2017 data is based on Metropolitan Council estimates. 2010 and 2014-2015 data is based on U.S. Census Bureau information.

(2) Due to changes in the fund structure, the G.O. Special Assessment - Streets Debt Service Fund - property taxes portion has been combined with the Debt Service Fund

Source: Office of Financial Services, City of St. Paul

	<u>Total Governmental Debt Outstanding</u>	<u>Percentage Applicable to City of Saint Paul</u>	<u>City of Saint Paul's Share of Debt</u>
Direct Debt			
City of Saint Paul and Saint Paul HRA	\$ 450,834,963	100.00%	\$ 450,834,963
Overlapping Debt			
County of Ramsey	182,657,000	49.77%	90,908,389
Metropolitan Council	1,549,087,966	7.90%	122,377,949
	<u>1,731,744,966</u>		<u>213,286,338</u>
Total Direct and Overlapping Debt	<u>\$ 2,182,579,929</u>		<u>\$ 664,121,301</u>
Underlying Debt			
Port Authority of Saint Paul	\$ 101,526,297	100.00%	\$ 101,526,297
Independent School District #625	438,545,000	100.00%	438,545,000
	<u>540,071,297</u>		<u>540,071,297</u>
Total Direct, Overlapping and Underlying Debt	<u>\$ 2,722,651,226</u>		<u>\$ 1,204,192,598</u>

Overlapping authorities - Ramsey County and Metropolitan Council - are those with the geographic boundaries of which the City represents a portion.

Underlying authorities - Port Authority of Saint Paul and Independent School District # 625 - are contained within the City.

This schedule shows the portion of the outstanding overlapping and underlying debt for the City of Saint Paul and HRA. Many of these obligations are secured by and/or paid from other supporting revenues than the property tax for which the tax base overlaps or underlies.

Applicable percentage for Saint Paul is Saint Paul's net tax capacity divided by net tax capacity of overlapping authority.

100% of underlying debt burden is applicable to the City.

Source: Ramsey County Department of Property Records and Revenue

	Fiscal Year				
	2009	2010	2011	2012	2013
Taxable Market Values					
Real Property Value	\$ 22,455,951,200	\$ 21,160,809,300	\$ 19,711,076,801	\$ 17,855,295,300	\$ 16,748,885,200
Personal Property Value	346,961,800	348,817,500	378,983,400	306,810,900	345,717,700
Taxable Market Values for Debt Limit Computation	22,802,913,000	21,509,626,800	20,090,060,201	18,162,106,200	17,094,602,900
Debt limit (3 1/3% of assessed market value)	760,097,100	716,987,561	669,668,673	605,403,540	569,820,091
Debt applicable to limit					
General Obligation Bonds	199,195,000	210,855,000	232,545,000	219,630,001	225,160,000
Limited Tax Bonds	-	7,855,000	7,855,000	7,855,000	7,855,000
Revenue Bonds	288,324,669	287,286,305	274,621,656	270,903,021	279,325,000
Revenue Notes	29,221,233	27,621,516	24,729,260	29,355,571	25,715,330
Capital Leases	15,922,362	16,453,228	6,427,999	12,835,276	12,622,238
Less: Amount allowable under MSA 475.53 Subd. 3 and City Charter Section 10.14	(424,840,914)	(433,866,176)	(440,047,455)	(426,462,033)	(429,041,992)
Total net debt applicable to limit	107,822,350	113,204,873	106,131,461	114,116,836	121,635,576
Legal debt margin	\$ 652,274,750	\$ 603,782,688	\$ 563,537,212	\$ 491,286,704	\$ 448,184,515
Total net debt applicable to the limit as a percentage of debt limit	14.19%	15.79%	15.85%	18.85%	21.35%

	Fiscal Year				
	2014	2015	2016	2017	2018
Taxable Market Values					
Real Property Value	\$ 16,808,292,200	\$ 18,166,672,900	\$ 19,030,760,300	\$ 20,554,494,900	\$ 22,578,779,500
Personal Property Value	353,557,800	363,783,400	352,949,100	380,477,800	411,654,600
Taxable Market Values for Debt Limit Computation	17,161,850,000	18,530,456,300	19,383,709,400	20,934,972,700	22,990,434,100
Debt limit (3 1/3% of assessed market value)	572,061,667	617,681,877	646,123,647	697,832,423	766,347,803
Debt applicable to limit					
General Obligation Bonds	247,340,000	235,590,000	255,915,000	277,085,000	261,647,655
Limited Tax Bonds	7,755,000	7,170,000	-	-	-
Revenue Bonds	264,180,000	259,004,000	237,994,000	229,029,000	222,324,000
Revenue Notes	55,649,367	90,054,522	81,905,078	72,770,328	65,502,299
Capital Leases	13,285,662	15,751,161	12,062,750	8,634,994	5,923,846
Less: Amount allowable under MSA 475.53 Subd. 3 and City Charter Section 10.14	(423,705,487)	(443,890,753)	(414,356,637)	(385,960,668)	(361,004,024)
Total net debt applicable to limit	164,504,542	163,678,930	173,520,191	201,558,654	194,393,776
Legal debt margin	\$ 407,557,125	\$ 454,002,947	\$ 472,603,456	\$ 496,273,769	\$ 571,954,027
Total net debt applicable to the limit as a percentage of debt limit	28.76%	26.50%	26.86%	28.88%	25.37%

Note: The total net debt of the City shall not exceed three and one-third percent (3 1/3%) of the market value of the taxable real and personal property comprising the taxable value of the City as determined by the County Auditor, in accordance with law.

Source: Ramsey County Department of Property Records and Revenue

Sales Tax Revenue Bonds, Series 2007A, 2007B, 2009, 2014F & 2014G, 2016G and 2016H										
Fiscal Year	Sales Tax Proceeds	Investment Earnings	Rents	Payments in Lieu of Taxes	Bonds Proceeds	Revenues Available for Debt Service	Debt Service			Coverage
							Principal	Interest	State Loan Repayment (1)	
2009	15,270,418	112,686	3,500,000	3,383,040	65,455,000	87,721,144	1,910,000	5,732,583	1,500,000	9.59
2010	15,219,497	110,151	3,500,000	3,762,193	-	22,591,841	2,900,000	4,826,219	1,500,000	2.45
2011	15,620,488	116,388	3,500,000	4,142,802	-	23,379,678	3,065,000	4,502,070	2,000,000	2.44
2012	15,940,712	99,309	3,500,000	4,174,943	-	23,714,964	3,230,000	4,739,286	2,000,000	2.38
2013	17,034,422	106,832	3,500,000	4,208,690	-	24,849,944	3,410,000	4,347,401	2,000,000	2.55
2014	18,314,992	115,277	3,500,000	4,244,125	40,442,845	66,617,238	3,595,000	4,165,615	3,000,000	6.19
2015	18,022,671	115,010	3,500,000	4,631,331	-	26,269,012	4,885,000	5,390,181	-	2.56
2016	18,823,311	129,342	3,500,000	5,020,397	-	27,573,242	4,945,000	5,332,869	- (2)	2.68
2017	18,911,281	37,883	3,500,000	5,061,417	-	27,510,581	5,465,000	4,153,140	-	2.86
2018	18,757,724	97,696	3,500,000	5,104,488	-	27,459,908	5,580,000	4,130,294	-	2.83

(1) In 2013 the State of Minnesota forgave the remaining \$28.75M balance of the Loan repayment with the condition that the amounts scheduled to be repaid are utilized for arena improvements.
 (2) In 2016, the City did an advance refunding of the 2007A & 2007B bond issuances.

Sewer Revenue Bonds, Series 1998E, 2004E, 2006C, 2008D, 2009C, 2009I, 2010D, 2011C, 2012C, 2013D, 2014E, 2015B, 2016B, 2016D, 2017C, and 2018D										
Fiscal Year	Operating Revenue	Operating Expenses (1)	Non Operating Rev/Exp	Transfers (2)	Net Available Revenue	Debt Service		Coverage	(1) (2)	
						Principal	Interest			
2009	46,480,240	(24,674,791)	(1,668,600)	(976,335)	19,160,514	1,510,000	1,520,167	6.32		
2010	46,972,750	(23,544,721)	(1,951,833)	(1,111,263)	20,364,933	2,055,000	1,943,299	5.09		
2011	45,856,581	(28,517,517)	(1,211,171)	(1,584,524)	14,543,369	2,615,000	2,145,809	3.05		
2012	51,185,513	(42,665,456)	(2,702,312)	(1,595,773)	4,221,972	3,060,000	2,350,655	0.78		
2013	48,918,612	(33,268,739)	(3,193,718)	(1,728,694)	10,727,461	3,940,000	2,412,439	1.69		
2014	49,640,477	(37,514,852)	(2,114,256)	(1,584,916)	8,426,453	3,925,000	2,425,774	1.33		
2015	52,033,539	(37,514,970)	(2,693,477)	(1,678,722)	10,146,370	4,330,000	2,800,999	1.45		
2016	54,250,478	(39,239,281)	(4,803,187)	(1,672,231)	8,535,779	4,870,000	2,845,122	1.11	(3)	
2017	57,670,729	(39,400,855)	(2,255,754)	(1,689,781)	14,324,339	5,480,000	2,594,863	1.77		
2018	60,572,343	(44,330,802)	(2,663,405)	(424,603)	13,153,533	5,650,000	2,369,706	1.64		

(1) operating expenses do not include depreciation or bond interest expenses
 (2) transfers do not include capital expenditures and debt service on the outstanding general obligations bonds
 (3) In 2016, the City did an advance refunding of the 1998E, 2004E, 2006C, 2008D and 2009C bond issuances.

Recreational Facilities Revenue Bonds, Series 1996D and 2005									
Fiscal Year	Operating Revenue	Intergovernmental Revenue	Interest Earned on Investments	Miscellaneous Other Revenue	Bonds Proceeds	Revenues Available for Debt Service	Debt Service		Coverage
							Principal	Interest	
2009	8,604,612	-	40,109	1,309	-	8,646,030	235,000	312,938	15.78
2010	8,810,082	-	36,214	4,414	-	8,850,710	250,000	304,125	15.97
2011	8,251,098	-	47,762	481	-	8,299,341	265,000	294,750	14.83
2012	9,208,948	246,705	40,842	-	-	9,496,495	280,000	284,150	16.83
2013	9,509,689	386,470	18,050	-	-	9,914,209	295,000	272,950	17.46
2014	8,609,417	366,973	30,955	-	-	9,007,345	310,000	261,150	15.77
2015	8,814,135	1,378,367	27,771	-	-	10,220,273	325,000	248,750	17.81
2016	9,164,046	1,622,112	11,517	-	-	10,797,675	350,000	235,750	18.43 (1)
2017	-	-	-	-	-	-	-	-	-
2018	-	-	-	-	-	-	-	-	-

(1) The Recreational Facilities Revenue bonds Series 2005 were paid off in 2016.

Spruce Tree Centre Tax Increment Bonds, Series 1988A and 2003							
Fiscal Year	Tax Increments	Developer Shortfall Payments	Investment Earnings	Revenues Available for Debt Service	Debt Service		Coverage
					Principal	Interest	
2009	375,697	15,155	58,277	449,129	191,891	71,016	1.71
2010	441,406	-	53,062	494,468	204,364	58,544	1.88
2011	480,427	-	52,227	532,654	217,648	45,260	2.03
2012	392,445	-	(52,150)	340,295	231,795	31,113	1.29
2013	484,506	-	(11,161)	473,345	246,862	16,046	1.80
2014	-	-	-	-	-	-	-
2015	-	-	-	-	-	-	-
2016	-	-	-	-	-	-	-
2017	-	-	-	-	-	-	-
2018	-	-	-	-	-	-	-

Midway Marketplace Tax Increment Bonds, Series 1995A / Snelling-University Tax Increment Bonds, Series 2005C and 2014D

Fiscal Year	Tax Increments	Investment Earnings	Revenues Available for Debt Service	Debt Service		Coverage
				Principal	Interest	
2009	1,563,981	127,478	1,691,459	380,000	187,463	2.98
2010	1,197,542	133,263	1,330,805	395,000	169,923	2.36
2011	1,175,554	121,825	1,297,379	400,000	151,638	2.35
2012	1,888,544	(81,945)	1,806,599	420,000	132,568	3.27
2013	1,363,792	(49,832)	1,313,960	450,000	111,898	2.34
2014	1,400,686	18,586	1,419,272	470,000	83,077	2.57
2015	1,318,512	9,413	1,327,925	660,000	20,548	1.95
2016	1,370,723	22,970	1,393,693	665,000	11,700	2.06
2017	-	-	-	670,000	4,188	- (1)
2018	-	-	-	-	-	-

(1) The Snelling-University Tax Increment Bonds, Series 2014D was paid off in 2017.

Sales Tax Revenue Bonds, Series 1993 and 1996

Fiscal Year	City Sales Tax Revenue (1)	Investment Earnings	Revenues Available for Debt Service	Debt Service		Coverage
				Principal	Interest	
2009	17,153,570	(2,940)	17,150,630	1,605,000	2,888,635	3.82
2010	18,652,765	(3,252)	18,649,513	1,720,000	2,774,680	4.15
2011	20,125,431	(3,379)	20,122,052	1,840,000	2,652,560	4.48
2012	18,811,159	(3,940)	18,807,219	1,975,000	2,521,920	4.18
2013	18,633,271	(3,994)	18,629,277	2,115,000	2,381,695	4.14
2014*	11,663,648	(1)	11,663,647	2,265,000	2,231,530	2.59
2015*	-	-	-	-	-	-
2016*	-	-	-	-	-	-
2017*	-	-	-	-	-	-
2018*	-	-	-	-	-	-

(1) Includes other sales tax related revenues (investment income, etc.)

*The Series 1993 bonds were refunded by Series 1996 bonds. In 2014 the Series 1996 bonds were refunded and upon funding of the escrow and defeasance of the bonds in August 2014, sales tax revenue was no longer needed for debt service.

Fiscal Year	RiverCentre Parking Facility Lease Revenue Bonds, Series 2000 and 2009					
	Lease Payments from the City	Investment Earnings	Revenues Available for Debt Service	Debt Service		Coverage
				Principal	Interest	
2009	1,098,963	27,744	1,126,707	650,000	290,673	1.20
2010	580,367	19,761	600,128	360,000	240,800	1.00
2011	586,422	19,596	606,018	370,000	229,850	1.01
2012	607,712	20,075	627,787	380,000	218,600	1.05
2013	604,005	20,820	624,825	390,000	207,050	1.05
2014	586,204	22,536	608,740	405,000	195,125	1.01
2015	583,745	22,069	605,814	415,000	182,825	1.01
2016	582,903	24,385	607,288	425,000	169,694	1.02
2017	583,885	21,028	604,913	440,000	155,638	1.02
2018	561,382	32,986	594,368	455,000	139,388	1.00

RiverFront Tax Increment Bonds, Series 1993C, 1993D, 2000D and 2002C							
Fiscal Year	Tax Increments	Tax Increment Pooling from Other Districts	Investment Earnings	Revenues Available for Debt Service	Debt Service		Coverage
					Principal	Interest	
2009	1,035,466	319,165	(4,216)	1,350,415	1,095,000	210,591	1.03
2010	1,067,737	214,049	(368)	1,281,418	1,150,000	155,899	0.98
2011	(223,653)	702,798	(14,128)	465,017	1,215,000	97,255	0.35
2012	986,088	296,000	(19,360)	1,262,728	1,295,000	33,366	0.95
2013	-	-	-	-	-	-	-
2014	-	-	-	-	-	-	-
2015	-	-	-	-	-	-	-
2016	-	-	-	-	-	-	-
2017	-	-	-	-	-	-	-
2018	-	-	-	-	-	-	-

US Bank Tax Increment Bonds, Series 2001, 2011F and 2011G						
Fiscal Year	Tax Increments	Investment Earnings	Revenues Available for Debt Service	Debt Service		Coverage
				Principal	Interest	
2009	1,223,585	10,052	1,233,637	335,000	696,789	1.20
2010	1,388,596	16,670	1,405,266	410,000	677,692	1.29
2011	1,497,416	19,255	1,516,671	400,000	677,870	1.41
2012	1,511,315	(26,204)	1,485,111	745,000	335,182	1.37
2013	1,511,314	(3,845)	1,507,469	755,000	333,844	1.38
2014	1,511,316	13,359	1,524,675	770,000	318,744	1.40
2015	1,442,099	17,700	1,459,799	790,000	303,344	1.34
2016	1,413,008	-	1,413,008	570,000	287,544	1.65
2017	1,339,734	-	1,339,734	580,000	276,144	1.56
2018	1,571,850	-	1,571,850	600,000	258,744	1.83

North Quadrant Tax Increment Bonds Series 2000 and 9th street Tax Increment Bonds, Series 2004						
Fiscal Year	Tax Increments	Investment Earnings	Revenues Available for Debt Service	Debt Service		Coverage
				Principal	Interest	
2009	189,048	143	189,191	53,000	240,079	0.65
2010	190,930	(956)	189,974	38,000	225,002	0.72
2011	197,439	1,590	199,029	41,000	222,939	0.75
2012	175,610	3,049	178,659	116,000	218,594	0.53
2013	275,240	(2,931)	272,309	61,000	211,719	1.00
2014	260,720	1,222	261,942	52,000	207,646	1.01
2015	287,447	(550)	286,897	68,000	203,936	1.06
2016	264,991	(748)	264,243	84,000	198,285	0.94
2017	288,215	(1,052)	287,163	94,000	183,190	1.04
2018	315,742	(1,282)	314,460	125,000	197,669	0.97

Upper Landing Tax Increment Bonds, Series 2002A, 2002B, 2002C, 2002B-1, 2002B-2 and 2012							
Fiscal Year	Tax Increments	Developer Shortfall Payments	Investment Earnings	Revenues Available for Debt Service	Debt Service		Coverage
					Principal	Interest	
2009	1,609,155	517,590	38,818	2,165,563	389,000	1,289,644	1.29
2010	1,769,019	261,324	21,728	2,052,071	415,000	1,262,249	1.22
2011	1,952,421	130,176	32,681	2,115,278	444,000	1,232,981	1.26
2012	1,906,253	156,464	4,950	2,067,667	474,000	1,563,948	1.01
2013	1,915,100	-	(234,242)	1,680,858	-	550,457	3.05
2014	1,961,196	-	233,211	2,194,407	825,000	776,000	1.37
2015	1,883,254	-	60,606	1,943,860	590,000	741,000	1.46
2016	1,963,776	-	29,158	1,992,934	620,000	711,125	1.50
2017	2,436,541	-	4,509	2,441,050	650,000	679,750	1.84
2018	2,663,736	-	18,699	2,682,435	680,000	646,875	2.02

Drake Marble Tax Increment Bonds, Series 2002							
Fiscal Year	Tax Increments	Investment Earnings	Revenues Available for Debt Service	Debt Service		Coverage	
				Principal	Interest		
2009	236,731	1,373	238,104	74,000	109,890	1.29	
2010	177,334	183	177,517	57,000	104,186	1.10	
2011	219,640	(739)	218,901	61,000	101,723	1.35	
2012	213,154	(299)	212,855	96,000	96,019	1.11	
2013	181,391	(3,430)	177,961	48,000	89,505	1.29	
2014	191,471	2,254	193,725	119,000	85,320	0.95	
2015	201,974	913	202,887	92,000	78,300	1.19	
2016	200,074	(2,500)	197,574	107,000	71,888	1.10	
2017	204,663	(2,495)	202,168	173,000	62,674	0.86	
2018	225,784	(2,492)	223,292	142,000	52,515	1.15	

Koch/Mobil Tax Increment Bonds, Series 2004C, 2007B and 2010A							
Fiscal Year	Tax Increments	Developer Shortfall Payments	Investment Earnings	Revenues Available for Debt Service	Debt Service		Coverage
					Principal	Interest	
2009	202,986	237,190	8,114	448,290	-	165,538	2.71
2010	299,002	-	2,649	301,651	-	124,419	2.42
2011	269,163	-	5,005	274,168	150,000	79,113	1.20
2012	241,305	-	8,734	250,039	95,000	76,663	1.46
2013	241,732	-	(7,285)	234,447	100,000	74,713	1.34
2014	242,286	-	4,000	246,286	100,000	72,713	1.43
2015	331,295	-	2,886	334,181	100,000	70,713	1.96
2016	645,355	-	1,639	646,994	105,000	68,663	3.73
2017	776,297	-	(1,639)	774,658	105,000	66,431	4.52
2018	849,973	-	-	849,973	110,000	63,820	4.89

JJ Hill Tax Increment Bonds, Series 2004							
Fiscal Year	Tax Increments	Trustee Reserve Funds	Investment Earnings	Revenues Available for Debt Service	Debt Service		Coverage
					Principal	Interest	
2009	290,744	-	1,140	291,884	54,000	224,406	1.05
2010	308,946	-	373	309,319	69,000	220,750	1.07
2011	303,555	-	403	303,958	81,000	216,250	1.02
2012	284,913	-	2,022	286,935	94,000	211,000	0.94
2013	277,029	-	(3,308)	273,721	108,000	204,906	0.87
2014	284,200	3,205	3,100	290,505	124,000	197,906	0.90
2015	310,208	33,156	15	343,379	136,000	189,906	1.05
2016	323,453	2	(1,951)	321,504	144,000	181,281	0.99
2017	343,914	9,317	(610)	352,621	153,000	172,156	1.08
2018	405,519	7,017	(1,751)	410,785	163,000	162,438	1.26

Neighborhood Scattered Site Tax Increment Bonds, Series 2005							
Fiscal Year	Tax Increments	Reserve Funds	Investment Earnings	Revenues Available for Debt Service	Debt Service		Coverage
					Principal	Interest	
2009	2,352,017	-	166,523	2,518,540	485,000	292,700	3.24
2010	2,252,256	-	189,872	2,442,128	510,000	269,762	3.13
2011	2,044,411	-	191,976	2,236,387	535,000	244,612	2.87
2012	1,974,102	-	(152,884)	1,821,218	565,000	217,854	2.33
2013	1,811,777	-	(66,738)	1,745,039	585,000	188,556	2.26
2014	1,707,814	-	21,312	1,729,126	620,000	157,858	2.22
2015	1,711,344	-	14,537	1,725,881	660,000	124,468	2.20
2016	1,792,663	-	7	1,792,670	690,000	88,835	2.30
2017	-	1,084,809	221	1,085,030	1,110,000	30,248	0.95 (1)
2018	-	-	-	-	-	-	-

(1) The Neighborhood Scattered Site Tax Increment Bonds, Series 2005 was paid off in 2017.

Jimmy Lee Recreation Facility Lease Bonds, Series 2008

Fiscal Year	Lease Payments from the City	Investment Earnings	Revenues Available for Debt Service	Debt Service		Coverage
				Principal	Interest	
2009	538,560	(7,622)	530,938	190,000	348,600	0.99
2010	521,579	69,224	590,803	195,000	342,900	1.10
2011	529,575	24,500	554,075	205,000	336,075	1.02
2012	507,199	23,865	531,064	210,000	328,388	0.99
2013	513,972	(5,480)	508,492	220,000	319,988	0.94
2014	534,538	10,572	545,110	225,000	311,188	1.02
2015	535,538	5,942	541,030	235,000	302,188	1.01
2016	537,788	32,203	569,991	245,000	292,788	1.06
2017	-	-	-	-	-	-
2018	-	-	-	-	-	-

(1) The Jimmy Lee Recreational Facility Lease bonds Series 2008 were paid off in 2016.
 (2) The Jimmy Lee Recreational Facility Lease bonds show only 9 years of data because that represents the full life of the issuance.

Emerald Gardens Tax Increment Bonds, Series 2010

Fiscal Year	Tax Increments	Investment Earnings	Revenues Available for Debt Service	Debt Service		Coverage
				Principal	Interest	
2011	610,362	40,194	650,556	40,000	448,342	1.33
2012	730,938	5,571	736,509	290,000	388,431	1.09
2013	666,507	31	666,538	225,000	374,581	1.11
2014	650,750	3,684	654,434	240,000	362,469	1.09
2015	585,460	(772)	584,688	225,000	350,581	1.02
2016	677,148	(24)	677,124	240,000	338,206	1.17
2017	686,816	1,123	687,939	260,000	324,144	1.18
2018	755,883	1,652	757,535	295,000	308,469	1.26

(1) The Emerald Gardens Tax Increment Bonds Series 2010 do not show 10 years of data because payments began in 2011.

Housing 5000 Land Assembly Bonds, Series 2004

Fiscal Year	Land Sales	Investment Earnings	Revenues Available for Debt Service	Debt Service		Coverage
				Principal	Interest	
2009	-	5,594	5,594	3,930,000	50,782	0.00
2010	-	24,642	24,642	2,510,000	1,681	0.01
2011	1,404,760	2,033	1,406,793	-	-	N/A
2012	-	(4,057)	(4,057)	-	-	N/A
2013	-	-	-	-	-	-
2014	-	-	-	-	-	-
2015	-	-	-	-	-	-
2016	-	-	-	-	-	-
2017	-	-	-	-	-	-
2018	-	-	-	-	-	-

Parking Revenue Bonds, Series 1992A, 1995A, 1995B, 2001A, 2002A, 2002B, 2005A, 2010A and 2017A							
Fiscal Year	Parking Facility Net Revenue	Parking Meter & Parking Fine Revenues	Bond Proceeds Capitalized Interest	Revenues Available for Debt Service	Debt Service		Coverage
					Principal	Interest	
2009	3,084,230	2,000,000	-	5,084,230	1,655,000	1,324,097	1.71
2010	3,043,611	2,000,000	-	5,043,611	1,790,000	1,307,828	1.63
2011	3,492,539	3,000,000	-	6,492,539	565,000	1,087,242	3.93
2012	3,794,576	3,000,000	-	6,794,576	615,000	1,038,056	4.11
2013	3,895,149	3,000,000	-	6,895,149	635,000	1,002,953	4.21
2014	3,326,529	2,491,647	58,694	5,876,870	655,000	1,000,556	3.55
2015	4,001,857	2,596,814	13,945	6,612,616	675,000	980,906	3.99
2016	4,182,523	2,661,622	12,644	6,856,789	695,000	960,656	4.14
2017	4,026,595	2,969,537	3,874	7,000,006	715,000	1,551,845	3.09
2018	4,386,180	2,249,938	16,728	6,652,846	-	814,139	8.17

Parking Revenue Bonds, Series 1997A							
Fiscal Year	Ramp Lease Revenues	Capital Repair Reserve	Investment Earnings	Revenues Available for Debt Service	Debt Service		Coverage
					Principal	Interest	
2009	1,075,562	-	(3,993)	1,071,569	595,000	476,550	1.00
2010	1,075,591	-	(4,018)	1,071,573	635,000	436,388	1.00
2011	1,077,475	-	(4,023)	1,073,452	680,000	393,525	1.00
2012	1,076,739	-	(3,884)	1,072,855	725,000	347,625	1.00
2013	1,077,520	-	(4,024)	1,073,496	775,000	294,328	1.00
2014	1,038,283	-	6,457	1,044,740	825,000	241,735	0.98
2015	1,069,187	-	17,949	1,087,136	880,000	190,688	1.02
2016	1,120,692	-	(4,023)	1,116,669	940,000	131,288	1.04
2017	903,815	193,959	674	1,098,448	1,005,000	67,838	1.02
2018	-	-	-	-	-	-	-

Block 39 Tax Increment Bonds, Series 1998A, 1998B, 2009G and 2009H								
Fiscal Year	Tax Increments	Developer Shortfall Payments	Net Parking Revenues	Investment Earnings	Revenues Available for Debt Service	Debt Service		Coverage
						Principal	Interest	
2009	1,159,081	-	1,640,037	37,016	2,836,134	2,340,000	1,954,043	0.66
2010	1,236,563	-	1,924,977	152,120	3,313,660	1,295,000	763,015	1.61
2011	1,226,734	-	1,946,959	184,762	3,358,455	1,575,000	935,129	1.34
2012	1,181,563	-	2,121,341	(8,022)	3,294,882	1,605,000	885,839	1.32
2013	1,120,132	-	2,165,993	(33,083)	3,253,042	1,640,000	814,357	1.33
2014	1,102,365	-	2,236,509	66,618	3,405,492	1,710,000	783,616	1.37
2015	1,124,373	-	1,441,510	38,950	2,604,833	1,650,000	727,847	1.10
2016	1,099,375	-	1,745,163	360	2,844,898	1,725,000	664,082	1.19
2017	1,103,567	-	2,097,249	370	3,201,186	1,800,000	593,581	1.34
2018	1,173,264	-	3,189,430	392	4,363,086	1,850,000	431,925	1.91

Lofts at Farmers Market Limited Tax Bonds, Series 2010A and 2010B								(1)
Fiscal Year	HRA Tax Levy	Bond Proceeds Capitalized Interest	Investment Earnings	Revenues Available for Debt Service	Debt Service		Coverage	
					Principal	Interest		
2010	-	569,786	-	569,786	-	-	N/A	
2011	-	-	16,249	16,249	-	312,740	0.05	
2012	257,047	-	5,494	262,541	-	514,093	0.51	
2013	618,035	-	(6,048)	611,987	-	514,093	1.19	
2014	650,730	-	11,864	662,594	100,000	511,918	1.08	
2015	656,206	-	7,196	663,402	110,000	507,350	1.07	
2016	-	-	-	-	7,170,000	219,278	-	
2017	-	-	-	-	-	-	-	
2018	-	-	-	-	-	-	-	

(1) The Lofts at Farmers Market Limited Tax bonds show only 7 years of data because that represents the full life of the issuance. They were paid off in 2016.

Parking Revenue Bonds (Smith Avenue Transit Center), Series 2005, 2010B and 2017B							
Fiscal Year	Parking & Transit Center Net Revenue	Parking Meters & Parking Fine Revenues	Investment Earnings	Revenues Available for Debt Service	Debt Service		Coverage
					Principal	Interest	
2009	226,406	-	19,463	245,869	125,000	614,525	0.33
2010	290,945	-	9,924	300,869	130,000	406,450	0.56
2011	320,922	-	49,559	370,481	305,000	563,798	0.43
2012	145,161	-	33,800	178,961	330,000	537,931	0.21
2013	443,593	-	(14,339)	429,254	340,000	528,068	0.49
2014	328,667	508,353	30,723	867,743	350,000	517,743	1.00
2015	460,205	403,186	7,028	870,419	360,000	507,332	1.00
2016	526,670	338,378	6,484	871,532	375,000	496,532	1.00
2017	917,970	30,463	2,038	950,471	385,000	565,471	1.00
2018	604,743	750,062	10,281	1,365,086	1,325,000	40,086	1.00

City of Saint Paul, Minnesota
DEMOGRAPHIC AND ECONOMIC STATISTICS
 Last Ten Fiscal Years

Table 17
 (Page 1 of 1)
Unaudited

<u>Fiscal Year</u>	<u>Population (1)</u>	<u>Per Capita Personal Income</u>	<u>Personal Income (2)</u>	<u>Labor Force (3)</u>	<u>Unemployment Rate (3)</u>
2009	287,501	\$ 24,702	\$ 6,947,235,100	143,492	7.9%
2010	285,068	25,066	7,145,514,488	148,515	7.6%
2011	286,367	25,576	7,106,711,800	149,870	6.9%
2012	289,270	25,072	7,165,005,800	150,515	6.0%
2013	294,873	25,695	7,636,250,500	151,967	5.1%
2014	297,640	26,268	7,818,407,520	152,612	4.2%
2015	300,353	25,611	7,692,209,635	153,855	3.7%
2016	304,442	26,054	7,931,854,576	153,035	3.5%
2017	309,180	26,896	8,315,693,459	153,216	2.8%
2018	313,010	28,535	8,931,740,350	159,675	2.8%

Sources:

- (1) 2009, 2011-2012, and 2016-2018 data is based on Metropolitan Council estimates. 2010 and 2013-2015 data is based on U.S. Census Bureau information.
- (2) 2009-2015 and 2018 data provided by U.S. Census Bureau's Annual American Community Survey. 2016-2017 data is provided by Minnesota Department of Employment and Economic Development (DEED).
- (3) Annual average - not seasonally adjusted. Data provided by Minnesota DEED.

Employers	2018			2009		
	Number of Employees	Rank	Percentage of Total City Employment	Number of Employees	Rank	Percentage of Total City Employment
University of Minnesota ¹⁾	18,000	1	11.27%			
3M Company	16,500	2	10.33%			
State of Minnesota ¹⁾	14,122	3	8.84%	13,500	1	7.77%
Health East ¹⁾²⁾	7,500	4	4.70%	3,132	7	1.80%
Saint Paul Public Schools	5,966	5	3.74%	5,403	2	3.11%
Regions Hospital ¹⁾	5,593	6	3.50%	4,534	4	2.61%
Ramsey County ¹⁾	4,427	7	2.77%	2,667	9	1.54%
United Hospital	3,600	8	2.25%	3,519	6	2.03%
City of Saint Paul ¹⁾	2,907	9	1.82%	3,064	8	1.76%
Securian Financial Group	2,750	10	1.72%			
U.S. Bancorp				4,700	3	2.71%
United States Federal Government				4,184	5	2.41%
St. Paul Traveler's Insurance				2,500	10	1.43%
Total	81,365		50.94%	47,203		27.17%

¹⁾ Includes full- and part-time employees

²⁾ Includes all home care clinics in its network

Sources: Minnesota DEED; City Capital Partnership for 2009 data; 2018 data compiled by Springsted Inc. based on April 2019 telephone survey of individual employers

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
GENERAL GOVERNMENT										
City Attorney	68.8	64.3	63.5	63.5	64.3	64.3	64.3	66.3	67.7	67.7
City Council	29.1	29.1	29.5	28.5	28.5	28.5	28.5	28.5	28.5	28.5
Debt Service Fund	2.8	3.1	3.3	3.5	1.9	1.9	2.0	2.0	2.0	2.5
Emergency Management	2.0	2.0	6.1	5.8	7.4	8.0	8.0	8.0	8.0	8.0
Financial Services (1) (2)	42.7	38.9	40.6	38.4	48.0	45.1	45.1	46.1	45.9	67.4
General Government Accounts	2.1	2.1	2.2	2.2	2.2	0.2	-	-	-	-
Human Resources	31.3	27.4	29.4	28.7	27.9	36.8	37.8	37.8	39.0	40.0
Human Rights and Equal Economic Opportunity (1)	34.6	35.2	32.5	32.5	33.1	29.0	29.0	26.5	29.5	29.0
Mayor's Office	17.0	16.0	16.0	15.0	14.0	16.0	16.0	16.0	16.0	15.0
Office of Technology	83.4	80.7	81.7	80.7	72.7	74.5	75.5	75.5	75.5	75.5
PUBLIC SAFETY										
Fire										
Firefighters and Officers	411.0	417.6	433.0	415.0	421.0	405.0	404.0	413.0	405.0	399.0
Civilians	64.0	41.8	39.0	71.3	53.0	51.0	48.0	51.0	51.0	51.0
Police										
Officers	584.0	583.3	609.0	586.0	578.0	566.0	586.0	617.0	585.0	619.0
Civilians	232.4	182.9	172.0	235.0	163.0	201.0	159.0	139.0	183.0	146.0
Safety and Inspections										
Health	164.4	143.9	144.3	137.6	141.6	136.0	143.0	145.0	148.0	149.0
HIGHWAYS AND STREETS										
Public Works (2)	396.8	387.6	389.9	385.4	385.4	383.9	383.9	385.4	389.4	368.4
CULTURE AND RECREATION										
Libraries	187.9	168.8	169.4	164.1	166.0	167.0	175.1	174.5	175.9	175.4
Parks	580.7	556.1	571.0	553.4	569.7	577.7	554.5	555.0	557.8	563.9
PLANNING AND ECONOMIC DEVELOPMENT										
	79.8	75.2	72.2	68.3	68.2	70.1	72.1	74.1	75.3	74.4
TOTAL	3,064.0	2,899.6	2,945.8	2,955.2	2,884.3	2,900.4	2,870.2	2,893.3	2,913.0	2,906.5

(1) Contract Services and Human Rights merged into new department Human Rights and Equal Economic Opportunity in 2009. Contract Services was previously reported in Financial Services.

(2) Real Estate moved from Public Works to Financial Services in 2009.

Source: Office of Financial Services Budget Department, City of St. Paul

Function/Program	Fiscal Year				
	2009	2010	2011	2012	2013
Police					
Number of Calls for Service	223,645	219,049	240,390	272,624	243,598
Fire					
Number of Structure Fires	886	799	794	826	796
Number of EMS Incidents	24,977	24,707	26,437	27,878	29,578
Department of Safety and Inspections (1)					
Number of Building Permits Issued	8,138	9,887	11,649	8,582	7,738
Valuation of Building Permits Issued	\$330,135,432	\$366,589,782	\$521,098,690	\$474,073,321	\$453,448,341
Public Works					
Miles of Streets Reconstructed	8.2	8.2	7.4	7.1	5.8
Number of Snow Emergencies	5	7	3	2	6
Parks and Recreation					
Picnic Permits Issued	2,000	2,060	2,093	2,167	1,502
Number of Golf Rounds Played	122,315	117,304	105,676	112,862	97,877
Libraries					
Circulation	3,442,777	3,153,093	2,958,656	2,866,183	2,840,868
Number of Titles in Collection	454,032	458,800	464,750	481,175	481,086
Economic Development					
New and Substantially Rehabilitated Housing Units	100	96	100	106	99
Function/Program	Fiscal Year				
	2014	2015	2016	2017	2018
Police					
Number of Calls for Service	236,506	246,086	241,408	234,797	237,850
Fire					
Number of Structure Fires	819	876	894	826	963
Number of EMS Incidents	30,731	32,632	34,618	36,117	37,120
Department of Safety and Inspections (1)					
Number of Building Permits Issued	7,950	7,834	7,814	7,873	8,036
Valuation of Building Permits Issued	\$717,883,411	\$747,684,819	\$483,508,298	\$952,649,958	\$807,610,328
Public Works					
Miles of Streets Reconstructed	8.6	3.7	5.0	3.4	2.1
Number of Snow Emergencies	6	1	3	1	5
Parks and Recreation					
Picnic Permits Issued	1,490	1,428	1,379	1,431	1,392
Number of Golf Rounds Played	46,336	48,752	48,715	48,738	46,353
Libraries					
Circulation	2,608,100	2,976,976	2,825,326	2,440,606	2,129,507
Number of Titles in Collection	489,078	513,348	536,592	562,796	578,315
Economic Development					
*New and Substantially Rehabilitated Housing Units	774	316	1,600	1,232	372

Note: License, Inspection and Environmental Protection; and Neighborhood Housing and Property Improvement were merged to form the new Department of Safety and Inspections in 2007.

Source: Various City departments.

*The 2014 Rehabilitated housing number increased due to the large amount of multi-family housing projects

Function/Program	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Police										
Number of Stations	13	13	10	10	10	10	14	14	16	15
Number of Vehicles	540	520	518	500	495	500	519	512	558	543
Fire										
Number of Stations	16	15	15	15	15	15	15	15	15	15
Number of Vehicles	106	98	102	102	102	105	106	105	103	108
Public Works										
Miles of Sanitary Sewers	806	806	806	806	806	806	806	806	806	806
Miles of Sidewalks	1,011	1,011	1,011	1,011	1,013	1,013	1,014	1,015	1,015	1,015
Miles of Storm Sewers	450	450	450	450	450	450	450	450	450	450
Miles of Streets	863	863	863	863	871	865	865	865	865	865
Number of Alleys	2,311	2,311	2,311	2,311	2,311	2,311	2,311	2,309	2,309	2,309
Number of Bridges	60	60	57	57	56	57	61	63	65	66
Number of Street Light Poles	31,740	31,856	31,698	31,882	32,531	32,852	33,016	33,290	33,290	33,645
Parks and Recreation										
Acreage of Parks	4,288	4,306	4,306	4,306	5,580	4,722	4,395	4,395	4,395	4,403
Number of Golf Courses	4	4	4	4	4	4	4	4	4	4
Number of Municipal Stadiums	1	1	1	1	1	1	1	1	1	1
Number of Parks	173	173	173	173	179	179	179	178	180	180
Number of Recreation Centers	33	25	25	25	24	26	26	33	35	35
Number of Tennis Courts	90	83	77	77	77	79	77	83	77	77
Number of Zoos & Conservatories	1	1	1	1	1	1	1	1	1	1
Libraries										
Number of Libraries	13	13	13	13	13	13	13	13	13	13
Number of Bookmobiles	1	1	1	1	1	1	1	1	1	1
Economic Development										
Number of Parking Facilities	17	17	17	17	17	18	18	18	17	16
Number of Skyways	37	37	37	37	37	37	37	37	37	37

Source: Various City departments.

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CITY OF SAINT PAUL
2018 Comprehensive Annual Financial Report
CAFR Production

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Fire

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