



Comprehensive Annual Financial Report

City of Shoreview Minnesota
For the Fiscal Year Ended December 31, 2019

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CITY OF SHOREVIEW, MINNESOTA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 2019

DEPARTMENT OF FINANCE

Debbie Maloney, Assistant Finance Director

Fred W. Espe, Finance Director

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CITY OF SHOREVIEW, MINNESOTA

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INTRODUCTORY SECTION

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I. INTRODUCTORY SECTION

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SHOREVIEW, MINNESOTA 55126
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June 3, 2020

To the Honorable Mayor,
Members of the City Council,
and Citizens of the City of Shoreview, Minnesota

State law requires that every general-purpose local government publish, within six months of the close of each fiscal year, a complete set of audited financial statements. This report is published to fulfill that requirement for the fiscal year ended December 31, 2019.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Malloy, Montague, Karnowski, Radosevich & Co., P.A., Certified Public Accountants, have issued an unmodified (“clean”) opinion on the City of Shoreview, Minnesota’s (the City) financial statements for the year ended December 31, 2019. The independent auditor’s report is located at the front of the financial section of this report.

The management’s discussion and analysis (MD&A) immediately follows the independent auditor’s report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

Profile of the Government

The City, incorporated in 1957, is a northern suburb of the Minneapolis/St. Paul metropolitan area, situated in Ramsey County. The City occupies 12.2 square miles and serves a population of 26,480. The City is empowered to levy a property tax on both real and personal property located within its boundaries.

The City operates under the State of Minnesota Statutory Plan B (Council – Manager) form of government. Policy-making and legislative authority are vested in a City Council consisting of the mayor and four other members, all elected on a non-partisan basis. The City Council appoints the government’s manager, who in turn appoints the heads of the various departments. Councilmembers serve four-year terms, with two members elected every two years. The mayor is elected for a two-year term. The mayor and members of the City Council are elected at large.

The City provides a full range of services, including police and fire protection; the construction and maintenance of streets and other infrastructure; recreational and cultural activities; parks and a multi-purpose community center; water, sewer, surface water, and street light systems; community development, building inspection, and planning; and general government operations, including administration, finance/accounting, information systems, community information (newsletter), and general government buildings.

The City Council is required to adopt a budget by late December. The budget is prepared by fund, department (e.g., public safety), and activity (e.g., police). Department heads may transfer resources within an activity. The city manager may transfer resources within any department; however, transfers between departments or between funds require special approval from the City Council.

The City's capital improvement program (covering 5 years), comprehensive infrastructure replacement plan (covering 50 years), and five-year operating plan along with the annual budget serve as the foundation for the City's financial planning and the annual budget serves as the budget control.

Local Economy

Shoreview is home to many national and regional companies that are leaders in their respective industries of banking and business systems, manufacturing, medical and computer technologies and robotics. A strong business community led by high profile companies such as Cummins Power Generation, Deluxe Corporation, Fiserv, PaR Systems, Westinghouse, Target Corporation, TSI Inc., Wells Fargo, Hill-Rom, Kowalski's, and Ally Financial Services provide the foundation for a healthy economy, diverse economic tax base and major employment for Shoreview and the surrounding area.

Because of its location in a region with a varied economic base, unemployment is relatively stable. During the past 10 years, the unemployment rate has fluctuated from a low of 2.3 percent in 2018, to a high of 6.5 percent in 2010. The 2019 unemployment rate is 2.6%, and as a result of the COVID-19 pandemic the March 31, 2020 rate (most current data available) is 2.8% according to the Minnesota Department of Employment & Economic Development. Unemployment is expected to remain at or below the regional average.

Over the past 10 years, general property taxes have increased in amount and decreased as a percentage of total governmental fund revenues, from 49.0% in 2010 to 45.6 percent in the current fiscal year (a 10-year decrease of 3.4%). Intergovernmental revenues have increased from 2.5 percent in 2010, to 6.3 percent of total revenues in the current fiscal year (a 10-year increase of 3.8 percent).

During the past 10-year period, governmental fund expenditures related to public safety have increased in amount and as a percentage of total current governmental fund

expenditures from 19.1 percent (\$2,557,182) in 2010, to 22.7 percent (\$4,282,209) in the current fiscal year (a 10-year increase of 3.6 percent). The increase reflects a phase in of the duty crew program for paid on-call firefighters working different shifts at fire stations.

The City has diversified its revenue sources through the addition of a utility franchise tax and billboard fees, and the expansion of cellular antenna rental fees. During the past 10 years, franchise taxes and billboard and antenna rental fees have increased in amount and have increased as a percentage of total governmental fund revenues, from 2.9 percent (\$511,951) in 2010 to 6.5 percent (\$1,740,457) in the current fiscal year (a 10-year increase of 3.6 percent).

In March of 2020 the City suspended Community Center operations due to the COVID-19 pandemic. It is the City's intention to reopen the Community Center for limited services on June 15, 2020.

Long-Term Financial Planning

Total General Fund balance (50.9 percent of total General Fund expenditures) is consistent with policy guidelines set by the City Council for budgetary and planning purposes. The total General Fund balance is made up of a working capital allocation equal to 50 percent of taxes and state aid for 2020 (to accommodate cash flows and the timing for receipt of taxes and state aids), and an allocation of 10 percent of 2020 budgeted expenditures for unanticipated events.

The City's 5-year operating plan and capital improvement program along with the comprehensive infrastructure replacement plan (covering 50 years) serve as the foundation for the City's long-term financial planning. To ensure the timely replacement of infrastructure, the City prepares long-term cost projections for the replacement of all city assets. Funding needs for capital replacements are reflected in tax levies for the street renewal and capital asset replacement funds, and are reflected in user fees established for water, sewer, surface water, and street light funds. The five-year operating plan covering all operating funds, establishes specific goals for each fund. During 2010, Standard & Poor's raised the City's debt rating one notch from 'AA+' to 'AAA.' This was the first time that a 'AAA' rating had been assigned to the City. On November 29, 2018, Standard & Poor's affirmed the 'AAA' rating on the City's general obligation debt.

The 'AAA' rating reflects Standard & Poor's assessment of the City's:

- Very strong economy, with access to a broad and diverse metropolitan statistical area (MSA);
- Very strong management, with strong financial policies and practices under our Financial Management Assessment (FMA) methodology;
- Strong budgetary performance, with operating surpluses in the General Fund and at the total governmental fund level in fiscal 2017;
- Very strong budgetary flexibility, with an available fund balance in fiscal 2017 of 45 percent of operating expenditures;

- Very strong liquidity, with total government available cash at 1.5x total governmental fund expenditures and 23.5x governmental debt service, and access to external liquidity we consider strong;
- Very weak debt and contingent liability profile, with debt service carrying charges at 6.4 percent of expenditures and net direct debt that is 216.9 percent of total governmental fund revenue, and
- Strong institutional framework score.

Projections for the next 5 years indicate that property tax contributions, user fees, and investment income will adequately support scheduled replacements. The impact of replacement costs on the property tax levy over the next 5 years is estimated to average 4.5 percent per year, and user fees are projected to increase between 3.0 percent and 5.0 percent over the next five years. The use of capital revolving funds will result in stable property tax and user fee increases despite fluctuating capital expenditures.

Relevant Financial Policies

The City utilizes various financial and budget policies to guide the City Council and staff when making financial decisions. These include formal Fund Balance, Debt, Budget, Comprehensive Infrastructure Replacement, Community Investment and Financial Investment policies. The primary objective of these policies is to guarantee effective delivery of City services to residents and businesses, and to ensure protection of the City's financial strength and flexibility through a revenue structure and long-term planning effort that is consistent with City Council goals and working capital targets. The overall revenue structure is established with a long-term view, and is designed to protect service delivery, ensure adequate resources in support of operations, protect asset function and condition by providing sufficient funding for repair and replacement cost when needed, and provide long-term stability and sustainability. The City's policies prohibit the use of one-time revenues to support ongoing operational expenses.

Major Initiatives

The City of Shoreview has a strong track record for supporting business growth to attract and retain quality companies consistent with our community values. Shoreview's partnership approach in developing and maintaining close relationships with our business community through our adopted Business Retention and Expansion Program has been recognized for our successful efforts.

Shoreview's economic development efforts to retain and expand business include the Lex at 4100 project. Eagle Ridge Partners is currently undertaking major redevelopment and upgrades to the 4100 West Building within the Shoreview Corporate Center. The 120,000 square foot single-user building built in the 1970's is being fully renovated and converted to a high end multi-tenant corporate facility. Completion is expected in the fall of 2020 and the building's value will increase from \$5.6 million to \$21 million, corporate tenants have already been secured and will bring over 600 jobs to Shoreview.

Gradient Financial Group recently acquired an office building at 4625 Churchill Street and is currently undertaking a complete renovation and providing major upgrades to the property. Gradient is planning on moving about 30 employees to the facility with a growth plan that estimates a potential of up to 100 employees.

Once the Rice Street/I-694 bridge is completed in 2020 the City will pursue the redevelopment of the vacant 10 acre former Ramsey County Public Works site that is under City ownership. The City will undertake a request for proposals from qualified developers in late 2020 with the goal of selling the property to a preferred developer in early 2021. The property is most likely to be developed for business park and corporate uses.

Shoreview has also seen major private sector investment in the multi-family housing market with over 1,300 new residential units having been completed, under construction, or approved in just the past few years. While the City has limited vacant land, the high quality of life, parks and recreation amenities, and excellent schools, makes the community an attractive market for development. Several of these projects have involved the redevelopment of older commercial properties including the completed Lakeview Terrace 108-unit market rate apartments, the McMillan mixed-used development of 134 upscale apartments, ground floor retail, and 14 townhomes and the Loden a 412-unit high-end apartment complex featuring outdoor pools, fitness and yoga spaces, dog spa and an outdoor games area. The Edison at Rice Creek is a 368-unit rental apartment and townhome project located on an 18-acre site within the Rice Creek Corporate park.

Higher end single-family housing projects currently under construction include the 8-lot subdivision of Whistler Pines. The development has an area of 3.6 acres and homes are expected to have values in the range of \$500,000 to \$700,000.

The City strives to ensure that Shoreview maintains a strong, healthy, and positive business climate that promotes and fosters continued economic development, business growth, and reinvestment in the community.

As a result of continued growth in recreation programs and strong demand for use of Community Center facilities, as well as a goal to maintain the Community Center as a vibrant community facility, the City Council and Park & Recreation Commission authorized a study of a possible expansion of the Community Center in 2014. The study was completed in 2016 and the City Council approved the construction contracts on October 2, 2017.

Construction started on October 23, 2017 and was completed in 2019, and includes two distinct areas, an expansion of the Tropics Indoor Waterpark and a major two-story addition adjacent to the gymnasium. The Waterpark project includes a renovation in the pool locker rooms, expanded family locker rooms, and a 7,000 square foot expansion to the Waterpark that includes a new zero depth shallow water splash pool and major aquatic play structure. The project adjacent to the gymnasium is a two-level,

15,000 square foot expansion and includes expanding the Tropical Adventure Indoor Playground, adding four group fitness studios on the lower level and adding four activity rooms on the upper level.

The cost for this major expansion project was \$16.7 million. The project was financed through a combination of sources including the issuance of General Obligation Tax Abatement Bonds that will be paid over the next 20 years and through contributions from the City's capital project funds.

In 2019 the City began construction of the Shoreview Commons Master Plan Phase I project located next to the Community Center. This project includes the construction of a new decorative pond and formal garden area, a plaza-style skate park, trail and sidewalk extensions and landscaping. The project is estimated to cost \$3 million and is scheduled to be completed in 2020 and is financed by the Community Investment and Capital Asset Replacement funds.

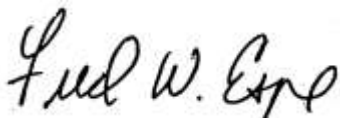
Awards and Acknowledgements

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

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

The preparation of this report would not have been possible without the efficient and dedicated service of the entire staff of the finance department. We wish to express our appreciation to all members of the department who assisted and contributed to the preparation of this report. Credit must also be given to the mayor, City Council, and city manager for their unfailing support for maintaining the highest standards of professionalism in the management of the City's finances.

Respectfully submitted,



Fred W. Espe
Finance Director/Treasurer



Deborah Maloney
Assistant Finance Director



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

City of Shoreview
Minnesota

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2018

Christopher P. Morill

Executive Director/CEO

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CITY OF SHOREVIEW, MINNESOTA

Principal City Officials

December 31, 2019

City Council

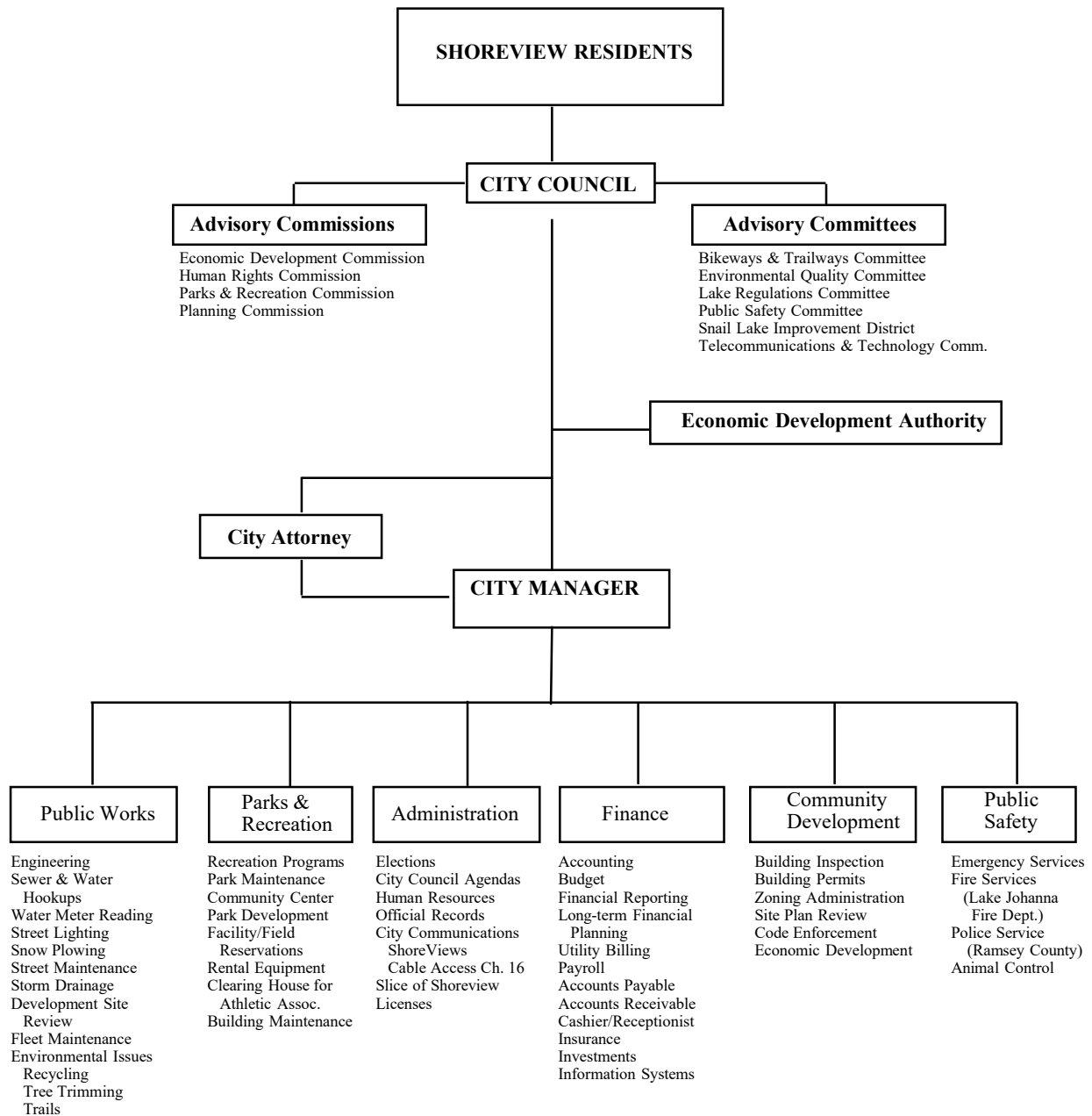
	<u>Term Expires</u>
Mayor Sandy Martin	December 31, 2020
Councilmembers Sue Denkinger	December 31, 2020
Emy Johnson	December 31, 2020
Terry Quigley	December 31, 2022
Cory Springhorn	December 31, 2022

Administrative Staff

	<u>Date of Hire</u>
City Manager Terry Schwerm	June 16, 1993
Assistant City Manager/Community Development Director Thomas C. Simonson	February 19, 1985
Finance Director/Treasurer Fred W. Espe	February 1, 2014
Public Works Director Mark J. Maloney	September 6, 1994

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City Of Shoreview
Organizational Chart
 December 31, 2019



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**FINANCIAL SECTION –
INDEPENDENT AUDITOR’S REPORT AND MD&A
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II. FINANCIAL SECTION

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PRINCIPALS

Thomas A. Karnowski, CPA
Paul A. Radosevich, CPA
William J. Lauer, CPA
James H. Eichten, CPA
Aaron J. Nielsen, CPA
Victoria L. Holinka, CPA/CMA
Jaclyn M. Huegel, CPA
Kalen T. Karnowski, CPA

INDEPENDENT AUDITOR'S REPORT

To the City Council and Management
City of Shoreview, Minnesota

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Shoreview, Minnesota (the City) as of and for the year ended December 31, 2019, 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 conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the 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.

(continued)

OPINIONS

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

EMPHASIS OF MATTER

As described in Note 1 of the notes to basic financial statements, the City has implemented Governmental Accounting Standards Board (GASB) Statement No. 84, *Fiduciary Activities*, during the year ended December 31, 2019. 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 the required supplementary information (RSI), as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the 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 RSI in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining and individual nonmajor fund statements and schedules, supplementary financial information, and statistical section, as listed in the table of contents, are presented for purposes of additional analysis and are not required parts of the basic financial statements.

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

The introductory section, supplementary financial information, and statistical section 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.

Malloy, Montague, Karnowski, Radosevich & Co., P.A.

Minneapolis, Minnesota
June 3, 2020

Management's Discussion and Analysis

As management of the City of Shoreview, Minnesota (the City), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended December 31, 2019. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages iii–viii of this report.

Financial Highlights

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$111,536,741 (net position). Of this amount, \$27,911,910 (unrestricted net position) may be used to meet the City's ongoing obligations to citizens and creditors.
- The City's total net position increased by \$6,238,693 as a result of a \$5,122,103 increase in net position for governmental activities and a \$1,116,590 increase in net position for business-type activities.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$25,095,592, a decrease of \$732,421 in comparison with the prior year. Approximately 19.0 percent of this amount (\$4,760,195) is considered unassigned and available for spending at the City's discretion.
- The unassigned fund balance for the General Fund was \$5,554,310 or 50.6 percent of the total General Fund expenditures. Fund balance in the General Fund increased \$397,637 during the year.
- The City's total governmental activity bonded and certificate of participation debt decreased by \$1,915,000 (excluding premiums) from the prior year. In 2018 the City issued \$150,000 of general obligation refunding improvement bonds to take advantage of lower interest rates to reduce future interest costs. Due to the structure of the refunding issue, the City called the (old) bonds for redemption on February 1, 2019.
- During 2019, the City's business-type activity bonded debt decreased \$3,210,000 (excluding premiums) from the prior year. In 2018 the City issued \$1,355,000 of general obligation refunding revenue bonds to take advantage of lower interest rates to reduce future interest costs. Due to the structure of the refunding issue, the City called the (old) bonds for redemption on February 1, 2019. Net revenues of the Water, Sewer and Surface Water utilities are pledged for the debt service of the business-type debt.
- The City's capital assets increased \$3,601,991, or 4.6 percent for governmental activities, and increased \$1,523,801, or 3.2 percent for business-type activities. A significant portion of the increase in the governmental-type activities is related to the Community Center Commons Master Plan Phase I improvements (\$1,780,940), and 2019 street rehabilitation (\$2,405,987).

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to basic 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 liabilities, and deferred inflows/outflows (as applicable), with the differences reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

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

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through use fees and charges (business-type activities). The governmental activities of the City include general government, public safety, public works, parks and recreation, and community development. The business-type activities of the City include water, sewer, surface water management, and street light services.

The government-wide financial statements can be found on pages 21–23 of this report.

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the City's funds 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 City's near-term financing decisions. Both the governmental fund Balance Sheet and the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains seven individual major governmental funds. Information is presented separately in the governmental fund Balance Sheet and in the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances for the General Fund, Community Center Operation Fund, Recreation Programs Fund, Municipal State Aid Fund, Street Renewal Fund, Capital Asset Replacement Fund and Community Investment Fund, which are considered to be major funds. Data from all other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The basic governmental fund financial statements can be found on pages 24–28 of this report.

Proprietary funds. The City maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its water, sewer, surface water management, and street light operations. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for its short-term disability self-insurance, liability claims, and central garage functions. Because each of these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide 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 water, sewer, surface water management, and street light operations, which are considered to be major funds of the City. Conversely, all three internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of combining statements elsewhere in this report.

The basic proprietary fund financial statements can be found on pages 29–31 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 City's only fiduciary fund is a custodial fund.

The basic fiduciary fund financial statements can be found on page 32–33 of this report.

Notes to basic financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to basic financial statements start on page 34 of this report.

Other information. The City adopts an annual appropriated budget for its General Fund and special revenue funds. Budgetary comparison schedules have been provided for these funds to demonstrate compliance with their respective budgets. For the General Fund and major special revenue funds these schedules are presented as required supplementary information following the Notes to Financial Statements, while budgetary schedules for nonmajor special revenue funds are included within the Combining and Individual Nonmajor Funds Statements and Schedules section of this report. The combining and individual fund statements and schedules in connection with nonmajor governmental funds and internal service funds are presented immediately following the required supplementary information.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$111,536,741 at the close of the most recent fiscal year.

By far the largest portion of the City's net position (\$76,907,412 or 69 percent) reflects its investment in capital assets (e.g., infrastructure, land, buildings, and machinery and equipment) less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

	Governmental Activities		Business-Type Activities		Total	
	2019	2018	2019	2018	2019	2018
Current and other assets	\$ 31,822,269	\$ 32,593,505	\$ 12,202,474	\$ 15,664,823	\$ 44,024,743	\$ 48,258,328
Capital assets	82,078,703	78,476,712	49,276,472	47,752,671	131,355,175	126,229,383
Total assets	<u>\$ 113,900,972</u>	<u>\$ 111,070,217</u>	<u>\$ 61,478,946</u>	<u>\$ 63,417,494</u>	<u>\$ 175,379,918</u>	<u>\$ 174,487,711</u>
Deferred outflows of resources	\$ 319,478	\$ 683,196	\$ 82,734	\$ 165,494	\$ 402,212	\$ 848,690
Long-term liabilities outstanding	\$ 33,810,387	\$ 35,937,216	\$ 22,240,227	\$ 24,180,413	\$ 56,050,614	\$ 60,117,629
Other liabilities	4,667,265	4,867,261	2,553,652	3,684,663	7,220,917	8,551,924
Total liabilities	<u>\$ 38,477,652</u>	<u>\$ 40,804,477</u>	<u>\$ 24,793,879</u>	<u>\$ 27,865,076</u>	<u>\$ 63,271,531</u>	<u>\$ 68,669,553</u>
Deferred inflows of resources	\$ 775,604	\$ 1,103,845	\$ 198,254	\$ 264,955	\$ 973,858	\$ 1,368,800
Net position						
Net investment in capital assets	\$ 50,530,530	\$ 46,904,126	\$ 26,376,882	\$ 23,247,084	\$ 76,907,412	\$ 70,151,210
Restricted	6,681,314	6,640,221	36,105	47,983	6,717,419	6,688,204
Unrestricted	17,755,350	16,300,744	10,156,560	12,157,890	27,911,910	28,458,634
Total net position	<u>\$ 74,967,194</u>	<u>\$ 69,845,091</u>	<u>\$ 36,569,547</u>	<u>\$ 35,452,957</u>	<u>\$ 111,536,741</u>	<u>\$ 105,298,048</u>

An additional portion of the City's net position (\$6,717,419 or 6 percent) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position (\$27,911,910 or 25 percent) may be used to meet the City's ongoing obligations to citizens and creditors.

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

The net position of the City as a whole increased \$6,238,693 (5.9 percent) from \$105,298,048 at December 31, 2018 to \$111,536,741 at December 31, 2019. Governmental activities increased \$5,122,103 (7.3 percent) from the prior year while the business-type activities increased \$1,116,590 (3.1 percent) during the same period.

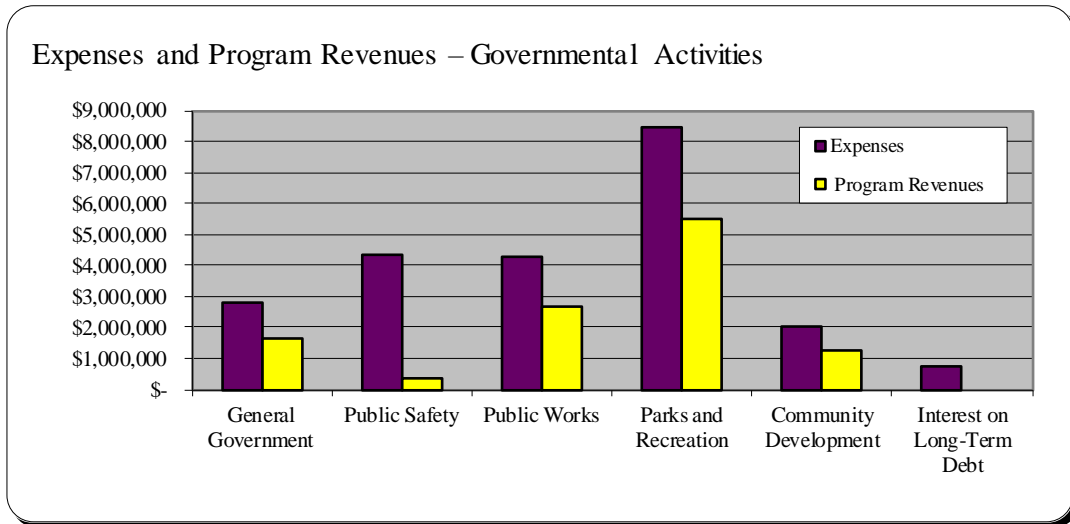
In 2018, the City issued street rehabilitation bonds for the 2018/2019 street rehabilitation project. Converting the 2018 unspent bond proceeds into capital assets during 2019 contributed to the decrease in “current and other assets” and increase in “capital assets” for governmental activities in the previous table.

Governmental activities. Governmental activities increased the City’s net position by \$5,122,103. Key elements of this increase are as follows:

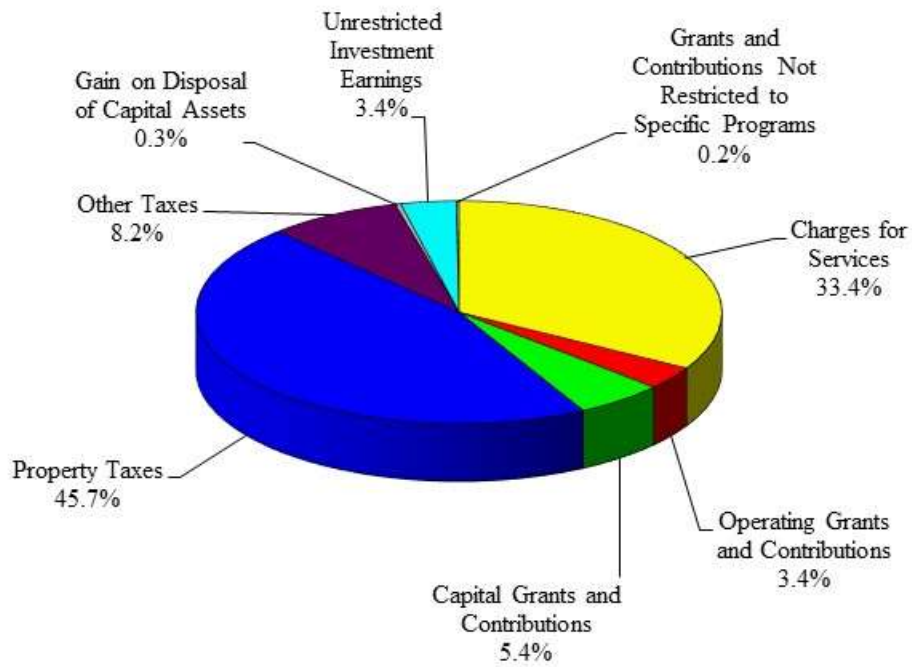
City of Shoreview’s Changes in Net Position						
	Governmental Activities		Business-Type Activities		Total	
	2019	2018	2019	2018	2019	2018
Revenues						
Program revenues						
Charges for services	\$ 9,024,966	\$ 7,052,427	\$ 10,284,588	\$ 10,197,845	\$ 19,309,554	\$ 17,250,272
Operating grants and contributions	912,161	1,012,976	9,635	7,379	921,796	1,020,355
Capital grants and contributions	1,468,899	1,243,109	207,943	501,000	1,676,842	1,744,109
General revenues						
Property taxes	12,365,629	11,616,082	–	–	12,365,629	11,616,082
Tax increment collections	959,072	1,027,508	–	–	959,072	1,027,508
Franchise tax	1,254,280	1,259,315	–	–	1,254,280	1,259,315
Grants and contributions not restricted to specific programs	41,864	65,663	–	–	41,864	65,663
Unrestricted investment earnings	926,217	473,304	299,578	119,561	1,225,795	592,865
Gain on disposal of capital assets	90,307	71,356	–	–	90,307	71,356
Total revenues	<u>27,043,395</u>	<u>23,821,740</u>	<u>10,801,744</u>	<u>10,825,785</u>	<u>37,845,139</u>	<u>34,647,525</u>
Expenses						
General government	2,818,666	2,738,134	–	–	2,818,666	2,738,134
Public safety	4,369,668	4,145,531	–	–	4,369,668	4,145,531
Public works	4,272,497	4,619,159	–	–	4,272,497	4,619,159
Parks and recreation	8,436,181	7,180,495	–	–	8,436,181	7,180,495
Community development	2,006,036	1,566,796	–	–	2,006,036	1,566,796
Interest on long-term debt	768,658	759,972	–	–	768,658	759,972
Water	–	–	3,123,860	3,090,385	3,123,860	3,090,385
Sewer	–	–	4,118,957	3,777,594	4,118,957	3,777,594
Surface water	–	–	1,366,392	1,306,195	1,366,392	1,306,195
Street lights	–	–	325,531	317,788	325,531	317,788
Total expenses	<u>22,671,706</u>	<u>21,010,087</u>	<u>8,934,740</u>	<u>8,491,962</u>	<u>31,606,446</u>	<u>29,502,049</u>
Increase (decrease) in net position before transfers	4,371,689	2,811,653	1,867,004	2,333,823	6,238,693	5,145,476
Transfers	<u>750,414</u>	<u>694,896</u>	<u>(750,414)</u>	<u>(694,896)</u>	<u>–</u>	<u>–</u>
Increase (decrease) in net position	5,122,103	3,506,549	1,116,590	1,638,927	6,238,693	5,145,476
Net position – January 1	<u>69,845,091</u>	<u>66,338,542</u>	<u>35,452,957</u>	<u>33,814,030</u>	<u>105,298,048</u>	<u>100,152,572</u>
Net position – December 31	<u>\$ 74,967,194</u>	<u>\$ 69,845,091</u>	<u>\$ 36,569,547</u>	<u>\$ 35,452,957</u>	<u>\$ 111,536,741</u>	<u>\$ 105,298,048</u>

- Charges for services for governmental activities increased \$1,972,539 (28.0 percent) during the year. Significant changes from 2018 to 2019 include a \$1,320,686 (34.5 percent) increase in parks and recreation charges and a \$567,459 (81.3 percent) increase in community development charges. The parks and recreation increase is due mainly to service disruptions and facility closures in 2018 and increased service levels in 2019 related to the Community Center expansion project. Increases in community development charges are a result of increases in the valuation of building permits issued in 2019.
- Operating grants and contributions decreased \$100,815 (10.0 percent) during the year. Significant changes from 2018 to 2019 included a \$131,454 decrease in public works. The public works decrease is primarily the result of an operating grant from Ramsey County for the purchase of recycling carts in 2018.
- Capital grants and contributions increased \$225,790 (18.2 percent) during the year. Significant changes from 2018 to 2019 included a \$269,336 increase in parks and recreation and a \$43,546 decrease in public works. The parks and recreation increase is mainly due to park dedication fees. The public works decrease is due to decreased assessment collections, and developer roadway contributions and an increase in county grants.
- Property taxes for governmental activities increased by \$749,547 (6.5 percent) during the year, due to levy increases for the General Fund, Capital Asset Replacement, Special Revenue, and Debt Service Funds.
- Tax increment collections for governmental activities decreased by \$68,436 (6.7 percent). This decrease is primarily due to the decertification of District #7 and the first year of collections for District #10.
- Investment earnings increased by \$452,913 (95.7 percent) during the year, primarily due to year-end adjustments to fair value and higher interest rates.
- General government expenses increased by \$80,532 (2.9 percent) during the year. A significant portion of the increase was related to information technology and cable tv costs, resulting from increased contractual services. The elections accounted for \$24,657 of decreased costs, the City holds elections in even numbered years.
- Public safety expenses increased by \$224,137 (5.4 percent) during the year. Significant changes include the police and fire operating contracts increased by \$103,248, contributions to the fire department for the City's share of fire department capital costs increased by \$110,482, and the payment of state fire aid to the fire department increased \$8,903.
- Public works expenses decreased by \$346,662 (7.5 percent) during the year. The decrease is primarily due to the purchase of City owned recycling carts in 2018.
- Parks and recreation expenses increased \$1,255,686 (17.5 percent) during the year. The increase is due mainly to service disruptions and facility closures in 2018 and increased service levels in 2019 related to the Community Center expansion. The increase in expenditures was offset by increases in parks and recreation charges for services.
- Community development expenses increased by \$439,240 (28.0 percent) during the year. A significant portion of the increase is the result of wages and contracted services, increases in developer assistance payments in TIF Districts in 2019, PERA pension cost increases, and housing loan activity.
- Interest on long-term debt increased by \$8,686 (1.1 percent) during the year.
- Governmental activities reported net transfers of \$750,414 from business-type activities.

The following two graphs provide comparisons of the governmental activities revenues and expenses.



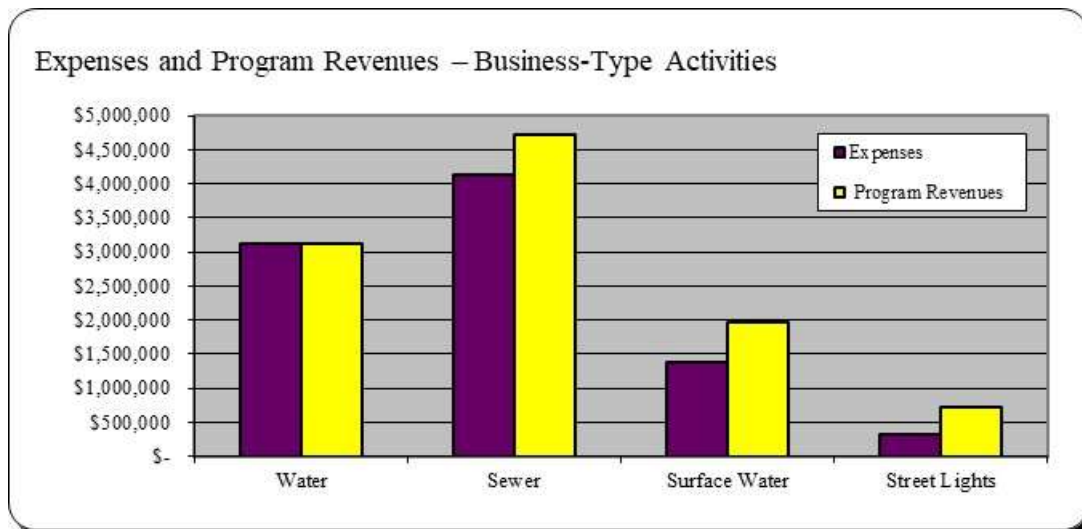
Governmental Activities – Revenues



Business-type activities. Business-type activities increased the City’s net position by \$1,116,590. Key elements of this increase are as follows:

- Charges for services for business-type activities increased \$86,743 (0.9 percent). Water operations decreased \$210,806 (6.4 percent); this decrease was due to a water rate increase of 4 percent for the average residential customer, and an 8.9 percent decrease in the gallons of water sold during the year. Sewer operations increased \$162,638 (3.7 percent); rates increased 3.0 percent and winter residential water consumption decreased 0.3 percent, which provides the basis for residential sewer charges, connection charges increased \$12,264. Surface Water operations increased \$92,101 (5.0 percent), due to a 5 percent rate increase. Street Light operations increased \$42,810 (6.3 percent), due to the impact of a street light rate increase of 5 percent.
- Operating grants and contributions provided \$9,635 of revenue and were a result of the City’s share of the State of Minnesota’s \$16,000,000 contribution to the Public Employees Retirement Association pension fund and a flood grant.
- Capital grants and contributions during the year produced \$207,943 in revenue for business-type activities. This consists of intergovernmental capital grants (\$201,588), and contributions from homeowners (\$6,355).
- Expenses for business-type activities increased \$442,778 (5.2 percent). Increases occurred in sewage treatment costs (\$150,984) and personal services (\$223,802). Personal services increases are the result of salary adjustments in 2019. The City is billed for sewage treatment costs by the Metropolitan Council Environmental Services Division.
- Business-type activities reported net transfers of \$750,414 to governmental activities.

The following graph provides comparisons of the business-type activities program revenues and expenses.



Financial Analysis of the Government's Funds

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of the City'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 balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$25,095,592, a decrease of \$732,421 in comparison with the prior year. Approximately 19 percent of this amount (\$4,760,195) constitutes unassigned fund balance, which is available for spending at the government's discretion. The remainder of fund balance is classified as non-spendable in the form of prepaid items, restricted, committed, or assigned for specific activities and projects. These amounts are not available for new spending because they are restricted by externally imposed constraints or committed and assigned through internally imposed constraints.

The General Fund is the chief operating fund of the City. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$5,554,310. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned General Fund balance represents 50.6 percent of total General Fund expenditures, while total fund balance represents 50.9 percent of that same amount.

The City's General Fund balance policy establishes a minimum and maximum unassigned fund balance based on the following key factors:

- The unassigned fund balance for working capital needs is equal to 50 percent of the ensuing years' General Fund tax levy and levy-based state aids, because taxes and state aids are received in June and December of each year. The working capital allocation is reduced by the balance of nonspendable items at year-end. Budgeted taxes in 2020 are \$637,646 more than in 2019; consequently, the unassigned General Fund balance for working capital increased \$318,823 at the end of the current period. As of year-end, the City has met its minimum unassigned working capital balance.
- The maximum unassigned fund balance for unanticipated expenditures at year-end is equal to 10 percent of budgeted ensuing years' expenditures. Ensuing year budgeted expenditures are \$11,965,378, which results in an unassigned fund balance for unanticipated expenditures of \$1,196,538 (an increase of \$78,814). As of year-end, the City has met its maximum unassigned unanticipated expenditure fund balance.
- The maximum unassigned fund balance is equal to the combined unassigned working capital and unanticipated expenditure fund balances less any nonspendable items. The total for the current fiscal year is \$5,554,310, as compared to \$4,321,592 for the previous year, an increase of \$1,232,718 (due to a decrease of nonspendable items of \$835,081).

The Community Center Operation Fund balance increased \$251,702. The increase is attributable to service enhancements associated with the Community Center expansion and renovation. The Community Center expansion included a new indoor playground, indoor splash pad and additional fitness and meeting rooms.

The Recreation Programs Fund balance increased \$138,862. The increase is attributable to increased revenue associated with the Community Center expansion and renovation, as well as the elimination of a transfer to the Community Center Operation Fund.

Fund balances for the Municipal State Aid, Street Renewal, Capital Asset Replacement, and Community Investment Funds are designed to fluctuate between years depending on the type of operating repairs and capital costs in any given year. Revenues of the Street Renewal and Capital Asset Replacement Funds are designed to change gradually from one year to the next, providing a stable revenue stream to support repair and replacement costs that vary due to type, size, and scope. The fund balance of the Municipal State Aid Fund increased \$413,609, due to state aid, earnings on investments and transfers in exceeding transfers out for costs related to the 2018/2019 Street Rehabilitation and Owasso Boulevard North Reconstruction projects. In accordance with the General Fund, fund balance policy, a \$300,000 transfer was made into the Municipal State Aid Fund to fund a 2020 street rehabilitation project. The fund balance of the Street Renewal Fund increased \$106,611. Expenditures and transfers out in the Street Renewal Fund consisted primarily of public works street rehabilitation and repairs. Capital funding transfers out are for the St. Albans Water Main Extension, Bridge/Lion/Arner/Dale Reconstruction, Dale Court North and South Water Main, and the Wabasso Neighborhood Reconstruction project costs. Operating expenditures are for an annual street condition survey. Fund balance increased \$146,422 in the Capital Asset Replacement Fund. Significant expenditures in 2019 included various community center and park and recreation capital outlay and repairs and supplies in the amount of \$821,678, and public safety expenditures in the amount of \$175,163 paid to the Lake Johanna Fire Department for the City's share of capital costs. Transfers out in the Capital Asset Replacement Fund represent the fund's share of costs for the 2011 Refunding Certificates of Participation (\$180,000), 2017 Tax Abatement Bonds (\$200,000), Commons Master Plan (\$230,548), and computer acquisitions (\$127,493). In accordance with the General Fund, fund balance policy, a \$316,470 transfer was made into the Capital Asset Replacement Fund to build up fund balance. Revenues for the Municipal State Aid, Street Renewal, and Capital Asset Replacement Funds were consistent with prior years.

The Community Investment Fund was established in 2013 to account for resources dedicated for the acquisition of capital assets which have a community-wide benefit. Significant revenue sources include utility franchise fees, wireless telecommunication and billboard lease receipts, and park dedication fees. The fund balance of the Community Investment Fund decreased \$412,797. Significant expenditures include operating costs in the amount of \$18,750 for Community Center and park improvements and capital expenditures for Community Center improvements (\$37,449). Transfers out represent the fund's share of debt service costs for the 2011 Refunding Certificates of Participation (\$180,000), and 2017 Tax Abatement Bonds (\$322,000), and capital costs associated with the County Road E trail segment (\$347,119), Kent Street sidewalk (\$60,000) Commons Master Plan project (\$1,552,318) and Community Center expansion (\$9,899). In accordance with the General Fund fund balance policy, a \$300,000 transfer was made into the Community Investment Fund to improve fund balance and ensure that future project costs are fully funded.

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

Unrestricted net position in the respective proprietary funds include \$2,676,224 for water, \$4,123,015 for sewer, \$2,106,911 for surface water management, and \$1,158,961 for street lights. Water Fund net position decreased \$273,394, primarily due to decreased summer irrigation. Sewer Fund net position increased \$529,594, primarily due to a rate increase and contributions. Surface Water Fund net position increased \$471,528, primarily due to a rate increase. The Street Lights Fund net position increased \$389,450, primarily as a result of a rate increase.

General Fund Budgetary Highlights

Total General Fund revenues were \$1,110,927 more than estimated in the budget. Property taxes were over budget by \$30,576, due to delinquency collections and the settlement of prior year tax appeals. Licenses and permits surpassed anticipated levels by \$722,166, primarily due to building permits, intergovernmental revenues exceeded budget due to State Fire Aid and a FEMA flood grant, and charges for services surpassed anticipated levels by \$212,421, primarily as a result of capital project administrative charges, engineering fees and plan check fees.

Total General Fund expenditures were under budget by \$203,180 (1.8 percent). Within the general government department human resources was under budget due to a vacant position and information systems was under budget due to savings in computer software and maintenance costs. Building inspection was over budget, due to personal costs and contracted electrical inspections. Miscellaneous was under budget due to a placeholder in the budget for pay plan adjustments, it was not practical to allocate the contingency to departments. The unbudgeted transfer out (\$916,470) was made in accordance with the City's fund balance policy regarding excess fund balance in the General Fund.

Capital Assets and Debt Administration

Capital assets. The City's investment in capital assets for its governmental and business-type activities as of December 31, 2019 amounts to \$131,355,175 (net of accumulated depreciation). This investment in capital assets includes land, buildings and structures, machinery and equipment, distribution and collection systems, park facilities, roads, trails, and sidewalks, and pedestrian tunnels and bridges. The total increase in the City's investment in capital assets for the current fiscal year was 4.1 percent (a 4.6 percent increase for governmental activities and a 3.2 percent increase for business-type activities).

City of Shoreview's Capital Assets
(Net of Depreciation)

	Governmental Activities		Business-Type Activities		Total	
	2019	2018	2019	2018	2019	2018
Land	\$ 7,001,880	\$ 6,919,380	\$ 325,202	\$ 325,202	\$ 7,327,082	\$ 7,244,582
Buildings and structures	38,656,748	22,307,539	15,643,040	16,154,589	54,299,788	38,462,128
Machinery and equipment	4,766,878	4,823,951	1,574,463	1,680,489	6,341,341	6,504,440
Distribution and collection systems	–	–	29,200,307	27,544,254	29,200,307	27,544,254
Infrastructure	27,941,623	24,820,268	–	–	27,941,623	24,820,268
Construction in progress	3,711,574	19,605,574	2,533,460	2,048,137	6,245,034	21,653,711
Total	\$ 82,078,703	\$ 78,476,712	\$ 49,276,472	\$ 47,752,671	\$ 131,355,175	\$ 126,229,383

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

- A variety of capital assets for governmental activities including the Community Center expansion (\$16,722,858) were completed at a cumulative cost of \$23,223,673. Construction in progress at year-end for governmental activities is \$3,711,574.
- Various capital assets for business-type activities were completed at a cumulative cost of \$2,713,811. Construction in progress for business-type activities as of the end of the current fiscal year is \$2,533,460.

Additional information on the City's capital assets can be found in Note 5 of the notes to financial statements.

Long-term debt. At the end of the current fiscal year, the City had total bonded debt outstanding of \$45,795,000 (excluding unamortized premiums), a decrease of \$4,725,000 from 2018. The entire bonded debt amount is backed by the full faith and credit of the City. An additional \$1,745,000 of outstanding certificates of participation financed building improvements and a \$5,195,035 loan payable financed land acquisition. Unamortized premium on City debt totaled \$1,848,428. The liability for compensated absences totals \$479,958. The City's net pension liability is \$4,948,256.

City of Shoreview's Outstanding Debt

	Governmental Activities		Business-Type Activities		Total	
	2019	2018	2019	2018	2019	2018
General obligation improvement bonds	\$ 2,004,730	\$ 2,348,969	\$ –	\$ –	\$ 2,004,730	\$ 2,348,969
General obligation bonds	22,603,408	23,866,636	–	–	22,603,408	23,866,636
General obligation revenue bonds	–	–	23,035,290	26,326,501	23,035,290	26,326,501
Loans payable	5,195,035	5,195,035	–	–	5,195,035	5,195,035
Certificates of participation	1,745,000	2,145,000	–	–	1,745,000	2,145,000
Compensated absences	379,263	334,081	100,695	105,604	479,958	439,685
Net pension liability	3,930,400	3,983,502	1,017,856	964,948	4,948,256	4,948,450
Total	\$ 35,857,836	\$ 37,873,223	\$ 24,153,841	\$ 27,397,053	\$ 60,011,677	\$ 65,270,276

The decrease in outstanding debt presented in the table above is partially due to the City issuing \$1,505,000 of General Obligation Refunding Bonds in 2018. As previously discussed, the refunded debt remained outstanding at December 31, 2018 and was called for redemption on February 1, 2019.

The City maintains a bond rating from Standard & Poor's Financial Services, LLC of AAA for general obligation debt.

State statutes limit the amount of general obligation debt a Minnesota city may issue to 3 percent of total estimated market value. The current debt limitation for the City is \$98,141,004. The City's net debt applicable to this limit totals \$9,620,097.

Additional information on the City's long-term debt can be found in Note 6 of the notes to financial statements.

Economic Factors and Next Year's Budgets and Rates

- The 2019 annual average unemployment rate (not seasonally adjusted) for the City was 2.6 percent, which compares favorably to 3.2 percent unemployment for the state of Minnesota, and 3.7 percent unemployment nationally. Current unemployment rate information related to the COVID – 19 pandemic is not available.
- The current property tax collection rate for the current period is 98.8 percent.
- Building permit activity in the current period resulted in permit valuation equal to \$77.0 million. New residential and commercial construction accounted for 31 percent of building permit values. Reinvestment in homes through improvements to property by homeowners accounted for 32 percent of building permit values, and commercial property accounted for the remaining 37 percent of building permit values.
- The 2020 adopted levy supports the 2020 budget.

All of these factors were considered in preparing the City's budget for the 2020 fiscal year.

Water, sewer, surface water management, and street light rates were increased for the 2020 budget year. The increase for the average customer was 9.2 percent for water, 2.0 percent for sewer, 3.5 percent for surface water management, and 3.0 percent for street lights. The total impact on the average residential customer is estimated to be 4.8 percent. These rate increases were necessary to support operating costs, capital costs, and debt repayment.

Requests for Information

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the City's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Finance Director, 4600 Victoria Street North, Shoreview, Minnesota 55126.

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**FINANCIAL SECTION –
BASIC FINANCIAL STATEMENTS
TAB**

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BASIC FINANCIAL STATEMENTS

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CITY OF SHOREVIEW, MINNESOTA
Statement of Net Position
December 31, 2019

Statement 1

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Assets			
Cash and investments	\$ 29,036,393	\$ 9,442,217	\$ 38,478,610
Accrued interest receivable	51,301	13,927	65,228
Accounts receivable	431,105	2,361,757	2,792,862
Loan receivable	56,124	–	56,124
Taxes receivable	278,884	–	278,884
Special assessments receivable	1,709,784	27,222	1,737,006
Internal balances	(91,449)	91,449	–
Due from other governmental units	292,462	73,637	366,099
Prepaid items	57,665	192,265	249,930
Capital assets			
Nondepreciable	10,713,454	2,858,662	13,572,116
Depreciable (net of accumulated depreciation)	71,365,249	46,417,810	117,783,059
Total assets	<u>113,900,972</u>	<u>61,478,946</u>	<u>175,379,918</u>
Deferred outflows of resources			
Deferred pension resources	319,478	82,734	402,212
Liabilities			
Accounts payable	392,241	87,095	479,336
Salaries payable	358,450	82,280	440,730
Contracts payable	468,566	179,111	647,677
Accrued bond interest payable	347,352	274,705	622,057
Deposits payable	685,420	185	685,605
Due to other governmental units	291,981	16,662	308,643
Unearned revenue	75,806	–	75,806
Compensated absences payable			
Due within one year	32,449	8,614	41,063
Due in more than one year	346,814	92,081	438,895
Loan payable			
Due in more than one year	5,195,035	–	5,195,035
Certificates of participation payable			
Due within one year	415,000	–	415,000
Due in more than one year	1,330,000	–	1,330,000
Bonds payable			
Due within one year	1,600,000	1,905,000	3,505,000
Due in more than one year	23,008,138	21,130,290	44,138,428
Net pension liability			
Due in more than one year	3,930,400	1,017,856	4,948,256
Total liabilities	<u>38,477,652</u>	<u>24,793,879</u>	<u>63,271,531</u>
Deferred inflows of resources			
State aid received for subsequent years	10,061	–	10,061
Deferred pension resources	765,543	198,254	963,797
Total deferred inflows of resources	<u>775,604</u>	<u>198,254</u>	<u>973,858</u>
Net position			
Net investment in capital assets	50,530,530	26,376,882	76,907,412
Restricted for			
Business loan program	165,777	–	165,777
Cable television	53,280	–	53,280
Debt service	3,090,405	–	3,090,405
Economic development	75,335	–	75,335
Housing and redevelopment	225,546	–	225,546
Recycling	586,211	–	586,211
Trunk facility	–	36,105	36,105
Tax increment purposes	2,484,760	–	2,484,760
Unrestricted	17,755,350	10,156,560	27,911,910
Total net position	<u>\$ 74,967,194</u>	<u>\$ 36,569,547</u>	<u>\$ 111,536,741</u>

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

CITY OF SHOREVIEW, MINNESOTA

Statement of Activities

For The Year Ended December 31, 2019

	<u>Expenses</u>	<u>Charges For Services</u>
Functions/programs		
Primary government		
Governmental activities		
General government	\$ 2,818,666	\$ 1,572,258
Public safety	4,369,668	59,193
Public works	4,272,497	983,472
Parks and recreation	8,436,181	5,144,790
Community development	2,006,036	1,265,253
Interest on long-term debt	768,658	-
Total governmental activities	<u>22,671,706</u>	<u>9,024,966</u>
Business-type activities		
Water	3,123,860	3,102,813
Sewer	4,118,957	4,509,362
Surface water	1,366,392	1,947,975
Street lights	325,531	724,438
Total business-type activities	<u>8,934,740</u>	<u>10,284,588</u>
Total primary government	<u>\$ 31,606,446</u>	<u>\$ 19,309,554</u>

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

Statement 2

Program Revenues		Net (Expense) Revenue and Changes in Net Position		
Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		
		Governmental Activities	Business-Type Activities	Total
\$ 38,241	\$ –	\$ (1,208,167)	\$ –	\$ (1,208,167)
298,992	–	(4,011,483)	–	(4,011,483)
489,659	1,163,634	(1,635,732)	–	(1,635,732)
75,812	305,265	(2,910,314)	–	(2,910,314)
9,457	–	(731,326)	–	(731,326)
–	–	(768,658)	–	(768,658)
<u>912,161</u>	<u>1,468,899</u>	<u>(11,265,680)</u>	<u>–</u>	<u>(11,265,680)</u>
2,427	6,355	–	(12,265)	(12,265)
1,016	201,588	–	593,009	593,009
6,192	–	–	587,775	587,775
–	–	–	398,907	398,907
<u>9,635</u>	<u>207,943</u>	<u>–</u>	<u>1,567,426</u>	<u>1,567,426</u>
<u>\$ 921,796</u>	<u>\$ 1,676,842</u>	<u>(11,265,680)</u>	<u>1,567,426</u>	<u>(9,698,254)</u>
General revenues				
Property taxes		12,365,629	–	12,365,629
Tax increment collections		959,072	–	959,072
Franchise tax		1,254,280	–	1,254,280
Grants and contributions not restricted to specific programs		41,864	–	41,864
Unrestricted investment earnings		926,217	299,578	1,225,795
Gain on disposal of capital assets		90,307	–	90,307
Transfers		750,414	(750,414)	–
Total general revenues and transfers		<u>16,387,783</u>	<u>(450,836)</u>	<u>15,936,947</u>
Change in net position		5,122,103	1,116,590	6,238,693
Net position – beginning		<u>69,845,091</u>	<u>35,452,957</u>	<u>105,298,048</u>
Net position – ending		<u>\$ 74,967,194</u>	<u>\$ 36,569,547</u>	<u>\$ 111,536,741</u>

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

CITY OF SHOREVIEW, MINNESOTA

Balance Sheet

Governmental Funds

December 31, 2019

	General	Community Center Operation	Recreation Programs	Municipal State Aid
Assets				
Cash and investments	\$ 6,387,832	\$ 2,112,237	\$ 1,041,052	\$ 2,170,604
Accrued interest receivable	9,780	3,709	1,845	3,959
Accounts receivable (net of allowance for uncollectibles)	69,396	45,362	-	-
Loan receivable	-	-	-	-
Taxes receivable	204,717	-	-	-
Special assessments receivable	-	-	-	-
Interfund receivable	-	-	-	-
Due from other governmental units	34,023	-	101	29,341
Prepaid items	28,641	7,528	10,907	-
Total assets	\$ 6,734,389	\$ 2,168,836	\$ 1,053,905	\$ 2,203,904
Liabilities				
Accounts payable	\$ 118,659	\$ 107,229	\$ 7,963	\$ -
Salaries payable	201,860	90,670	42,283	-
Contracts payable	-	-	-	-
Deposits payable	551,091	134,329	-	-
Interfund payable	-	-	-	-
Due to other governmental units	225,175	27,290	396	-
Unearned revenue	185	-	-	-
Total liabilities	1,096,970	359,518	50,642	-
Deferred inflows of resources				
Unavailable revenue – loan receivable	-	-	-	-
Unavailable revenue – property taxes	44,407	-	-	-
Unavailable revenue – special assessments	-	-	-	-
State aid received for subsequent years	10,061	-	-	-
Total deferred inflows of resources	54,468	-	-	-
Fund balances (deficits)				
Nonspendable	28,641	7,528	10,907	-
Restricted	-	-	-	-
Committed	-	1,801,790	992,356	-
Assigned	-	-	-	2,203,904
Unassigned	5,554,310	-	-	-
Total fund balances (deficits)	5,582,951	1,809,318	1,003,263	2,203,904
Total liabilities, deferred inflows of resources, and fund balances (deficits)	\$ 6,734,389	\$ 2,168,836	\$ 1,053,905	\$ 2,203,904

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

Statement 3

Street Renewal	Capital Asset Replacement	Community Investment	Other Governmental Funds	Intra- Activity Eliminations	Total Governmental Funds
\$ 2,713,266	\$ 1,190,440	\$ 4,084,081	\$ 6,641,878	\$ -	\$ 26,341,390
5,463	1,955	10,071	10,123	-	46,905
-	387	214,084	101,575	-	430,804
-	-	-	56,124	-	56,124
16,633	26,555	-	27,772	-	275,677
248,802	-	-	1,460,982	-	1,709,784
-	-	77,957	813,243	(891,200)	-
-	44,745	-	135,784	-	243,994
-	-	-	8,150	-	55,226
<u>\$ 2,984,164</u>	<u>\$ 1,264,082</u>	<u>\$ 4,386,193</u>	<u>\$ 9,255,631</u>	<u>\$ (891,200)</u>	<u>\$ 29,159,904</u>
\$ -	\$ 56,401	\$ 5,207	\$ 76,597	\$ -	\$ 372,056
-	-	-	13,267	-	348,080
-	-	-	468,566	-	468,566
-	-	-	-	-	685,420
-	-	-	891,200	(891,200)	-
-	-	-	38,805	-	291,666
-	-	68,200	7,421	-	75,806
<u>-</u>	<u>56,401</u>	<u>73,407</u>	<u>1,495,856</u>	<u>(891,200)</u>	<u>2,241,594</u>
-	-	-	56,124	-	56,124
5,441	8,414	-	9,690	-	67,952
247,949	-	-	1,440,632	-	1,688,581
-	-	-	-	-	10,061
<u>253,390</u>	<u>8,414</u>	<u>-</u>	<u>1,506,446</u>	<u>-</u>	<u>1,822,718</u>
-	-	-	8,150	-	55,226
-	-	-	5,490,701	-	5,490,701
2,730,774	1,199,267	4,312,786	302,948	-	11,339,921
-	-	-	1,245,645	-	3,449,549
-	-	-	(794,115)	-	4,760,195
<u>2,730,774</u>	<u>1,199,267</u>	<u>4,312,786</u>	<u>6,253,329</u>	<u>-</u>	<u>25,095,592</u>
<u>\$ 2,984,164</u>	<u>\$ 1,264,082</u>	<u>\$ 4,386,193</u>	<u>\$ 9,255,631</u>	<u>\$ (891,200)</u>	<u>\$ 29,159,904</u>
Fund balance reported above					\$ 25,095,592
Amounts reported for governmental activities in the Statement of Net Position are different because:					
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.					74,805,254
Other long-term assets are not available to pay for current period expenditures and, therefore, are reported as unavailable revenue in the funds.					1,812,657
Internal service funds are used by management to charge costs to individual funds.					
The assets, liabilities, and deferred inflows/outflows of the internal service funds are included in governmental activities in the Statement of Net Position.					5,947,991
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.					(28,463,295)
Deferred outflows and inflows of pension resources are not current financial resources and the long-term net pension liability is not due and payable in the current period and, therefore, are not reported in the funds.					(4,231,005)
Net position of governmental activities					<u>\$ 74,967,194</u>

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

CITY OF SHOREVIEW, MINNESOTA

Statement of Revenues, Expenditures,
and Changes in Fund Balances
Governmental Funds
For The Year Ended December 31, 2019

	General	Community Center Operation	Recreation Programs	Municipal State Aid
Revenues				
Taxes				
General property taxes	\$ 8,215,756	\$ —	\$ —	\$ —
Tax increments	—	—	—	—
Franchise tax	—	—	—	—
Special assessments	—	—	—	—
Licenses and permits	1,097,166	—	—	—
Intergovernmental	630,218	—	—	805,121
Charges for services	1,638,512	3,365,366	1,767,371	—
Fines and forfeits	55,843	—	—	—
Earnings on investments	166,442	63,134	31,394	67,370
Billboard fees	—	—	—	—
Antenna fees	—	—	—	—
Park dedication fees	—	—	—	—
Other	21,233	36,112	2,210	—
Total revenues	<u>11,825,170</u>	<u>3,464,612</u>	<u>1,800,975</u>	<u>872,491</u>
Expenditures				
Current				
General government	2,232,560	—	—	—
Public safety	4,053,334	—	—	—
Public works	1,676,884	—	—	—
Parks and recreation	2,194,848	3,489,910	1,762,113	—
Community development	816,437	—	—	—
Capital outlay				
General government	—	—	—	—
Public works	—	—	—	—
Parks and recreation	—	—	—	—
Community development	—	—	—	—
Debt service				
Principal	—	—	—	—
Interest	—	—	—	—
Fiscal charges	—	—	—	—
Total expenditures	<u>10,974,063</u>	<u>3,489,910</u>	<u>1,762,113</u>	<u>—</u>
Revenues over (under) expenditures	<u>851,107</u>	<u>(25,298)</u>	<u>38,862</u>	<u>872,491</u>
Other financing sources (uses)				
Payment to refunded bond escrow agent	—	—	—	—
Transfers in	900,000	277,000	100,000	300,000
Transfers out	(1,353,470)	—	—	(758,882)
Total other financing sources (uses)	<u>(453,470)</u>	<u>277,000</u>	<u>100,000</u>	<u>(458,882)</u>
Net change in fund balances	397,637	251,702	138,862	413,609
Fund balances – January 1	5,185,314	1,557,616	864,401	1,790,295
Fund balances – December 31	<u>\$ 5,582,951</u>	<u>\$ 1,809,318</u>	<u>\$ 1,003,263</u>	<u>\$ 2,203,904</u>

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

Statement 4

Street Renewal	Capital Asset Replacement	Community Investment	Other Governmental Funds	Intra- Activity Eliminations	Total Governmental Funds
\$ 937,041	\$ 1,522,057	\$ 3	\$ 1,515,031	\$ -	\$12,189,888
-	-	-	956,923	-	956,923
-	-	851,909	402,371	-	1,254,280
106,962	-	-	203,356	-	310,318
-	-	-	-	-	1,097,166
-	44,745	7,000	194,304	-	1,681,388
-	-	-	693,748	-	7,464,997
-	-	-	-	-	55,843
92,969	33,275	171,384	225,427	-	851,395
-	-	58,312	-	-	58,312
-	-	427,865	-	-	427,865
-	-	298,265	-	-	298,265
-	276	-	39,917	-	99,748
<u>1,136,972</u>	<u>1,600,353</u>	<u>1,814,738</u>	<u>4,231,077</u>	<u>-</u>	<u>26,746,388</u>
-	-	-	365,419	-	2,597,979
-	175,163	-	53,712	-	4,282,209
30,036	35,519	-	535,254	-	2,277,693
-	228,073	18,750	1,926	-	7,695,620
-	-	-	1,195,701	-	2,012,138
-	-	-	133,164	-	133,164
-	-	-	4,200,279	-	4,200,279
-	593,605	37,449	1,826,798	-	2,457,852
-	-	-	165,805	-	165,805
-	-	-	1,475,000	-	1,475,000
-	-	-	708,939	-	708,939
-	-	-	12,131	-	12,131
<u>30,036</u>	<u>1,032,360</u>	<u>56,199</u>	<u>10,674,128</u>	<u>-</u>	<u>28,018,809</u>
<u>1,106,936</u>	<u>567,993</u>	<u>1,758,539</u>	<u>(6,443,051)</u>	<u>-</u>	<u>(1,272,421)</u>
-	-	-	(160,000)	-	(160,000)
-	316,470	300,000	5,078,584	(6,572,054)	700,000
<u>(1,000,325)</u>	<u>(738,041)</u>	<u>(2,471,336)</u>	<u>(250,000)</u>	<u>6,572,054</u>	<u>-</u>
<u>(1,000,325)</u>	<u>(421,571)</u>	<u>(2,171,336)</u>	<u>4,668,584</u>	<u>-</u>	<u>540,000</u>
106,611	146,422	(412,797)	(1,774,467)	-	(732,421)
2,624,163	1,052,845	4,725,583	8,027,796	-	25,828,013
<u>\$ 2,730,774</u>	<u>\$ 1,199,267</u>	<u>\$ 4,312,786</u>	<u>\$ 6,253,329</u>	<u>\$ -</u>	<u>\$25,095,592</u>

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

CITY OF SHOREVIEW, MINNESOTA

Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
For The Year Ended December 31, 2019

Statement 5

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

Net change in fund balances – total governmental funds.	\$ (732,421)
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the difference between depreciation and capital additions in the current period.	4,260,064
The Statement of Activities reports gains and losses arising from the trade-in or disposal of existing assets to acquire new capital assets. Conversely, governmental funds simply report proceeds on sale of capital assets.	(328,780)
Revenues in the Statement of Activities that do not provide current financial resources and are not reported as revenues in the funds.	(69,391)
The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas material amounts are deferred and amortized in the Statement of Activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	1,715,599
Long-term pension activity is not reported in governmental funds.	26,621
The transfer out of governmental capital assets contributed to enterprise funds.	(68,986)
Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	(80,176)
Internal service funds are used by management to charge costs to individual funds. This amount is the portion of net revenue attributable to and reported with governmental activities.	<u>399,573</u>
Change in net position of governmental activities.	<u><u>\$ 5,122,103</u></u>

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

CITY OF SHOREVIEW, MINNESOTA

Statement of Net Position

Proprietary Funds

December 31, 2019

Statement 6

	Business-Type Activities – Enterprise Funds				Totals Current Year	Governmental Activities – Internal Service Funds
	Water	Sewer	Surface Water	Street Lights		
Assets						
Current assets						
Cash and investments	\$ 2,771,440	\$ 3,692,292	\$ 1,925,198	\$ 1,053,287	\$ 9,442,217	\$ 2,695,003
Accrued interest receivable	3,072	7,359	1,882	1,614	13,927	4,396
Accounts receivable						
Customers	634,035	998,989	441,079	108,473	2,182,576	301
Customer accounts certified to county	56,098	81,945	28,739	12,399	179,181	–
Taxes receivable	–	–	–	–	–	3,207
Due from other governmental units	441	2,784	70,091	321	73,637	48,468
Prepaid items	4,058	185,321	2,704	182	192,265	2,439
Total current assets	<u>3,469,144</u>	<u>4,968,690</u>	<u>2,469,693</u>	<u>1,176,276</u>	<u>12,083,803</u>	<u>2,753,814</u>
Noncurrent assets						
Special assessments receivable	12,430	11,903	2,701	188	27,222	–
Capital assets						
Land	27,577	11,459	286,166	–	325,202	36,293
Buildings and structures	19,181,579	1,992,588	–	–	21,174,167	6,929,379
Machinery and equipment	2,552,665	87,475	8,538	723	2,649,401	6,678,418
Distribution and collection systems	20,995,486	14,016,734	15,403,898	3,034,504	53,450,622	–
Construction in progress	863,728	1,144,432	490,921	34,379	2,533,460	–
Total capital assets	43,621,035	17,252,688	16,189,523	3,069,606	80,132,852	13,644,090
Less accumulated depreciation	(16,293,018)	(9,208,460)	(4,021,854)	(1,333,048)	(30,856,380)	(6,370,641)
Total capital assets (net of accumulated depreciation)	<u>27,328,017</u>	<u>8,044,228</u>	<u>12,167,669</u>	<u>1,736,558</u>	<u>49,276,472</u>	<u>7,273,449</u>
Total noncurrent assets	<u>27,340,447</u>	<u>8,056,131</u>	<u>12,170,370</u>	<u>1,736,746</u>	<u>49,303,694</u>	<u>7,273,449</u>
Total assets	<u>30,809,591</u>	<u>13,024,821</u>	<u>14,640,063</u>	<u>2,913,022</u>	<u>61,387,497</u>	<u>10,027,263</u>
Deferred outflows of resources						
Deferred pension resources	34,389	30,809	17,536	–	82,734	10,618
Liabilities						
Current liabilities						
Accounts payable	33,799	26,162	12,895	14,239	87,095	20,185
Salaries payable	33,226	30,594	17,527	933	82,280	10,370
Contracts payable	12,794	166,317	–	–	179,111	–
Accrued bond interest payable	197,111	34,910	42,684	–	274,705	42,797
Deposits payable	185	–	–	–	185	–
Due to other governmental units	16,573	89	–	–	16,662	315
Compensated absences payable	3,471	3,157	1,787	199	8,614	772
Bonds payable	1,175,000	285,000	445,000	–	1,905,000	285,000
Total current liabilities	<u>1,472,159</u>	<u>546,229</u>	<u>519,893</u>	<u>15,371</u>	<u>2,553,652</u>	<u>359,439</u>
Noncurrent liabilities						
Compensated absences payable (net of current portion)	37,099	33,748	19,102	2,132	92,081	8,248
Bonds payable (net of current portion)	15,592,949	2,601,184	2,936,157	–	21,130,290	3,474,676
Net pension liability	423,076	379,036	215,744	–	1,017,856	130,634
Total noncurrent liabilities	<u>16,053,124</u>	<u>3,013,968</u>	<u>3,171,003</u>	<u>2,132</u>	<u>22,240,227</u>	<u>3,613,558</u>
Total liabilities	<u>17,525,283</u>	<u>3,560,197</u>	<u>3,690,896</u>	<u>17,503</u>	<u>24,793,879</u>	<u>3,972,997</u>
Deferred inflows of resources						
Deferred pension resources	82,405	73,827	42,022	–	198,254	25,444
Net position						
Net investment in capital assets	10,560,068	5,262,486	8,817,770	1,736,558	26,376,882	3,513,773
Restricted for trunk facility	–	36,105	–	–	36,105	–
Unrestricted	2,676,224	4,123,015	2,106,911	1,158,961	10,065,111	2,525,667
Total net position	<u>\$ 13,236,292</u>	<u>\$ 9,421,606</u>	<u>\$ 10,924,681</u>	<u>\$ 2,895,519</u>	<u>36,478,098</u>	<u>\$ 6,039,440</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.					91,449	
Net position of business-type activities					<u>\$ 36,569,547</u>	

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

CITY OF SHOREVIEW, MINNESOTA

Statement of Revenues, Expenses, and

Changes in Fund Net Position

Proprietary Funds

For The Year Ended December 31, 2019

Statement 7

	Business-Type Activities – Enterprise Funds					Governmental
	Water	Sewer	Surface Water	Street Lights	Totals Current Year	Activities – Internal Service Funds
Operating revenues						
Customer billings	\$ 3,075,847	\$ 4,504,988	\$ 1,938,861	\$ 724,247	\$ 10,243,943	\$ 1,393,949
Water meter sales	14,451	–	–	–	14,451	–
Other	12,515	4,374	9,114	191	26,194	–
Total operating revenues	3,102,813	4,509,362	1,947,975	724,438	10,284,588	1,393,949
Operating expenses						
MCES sewer service charges	–	2,185,998	–	–	2,185,998	–
Administrative charges	250,020	358,730	117,080	34,820	760,650	–
Personal services	792,087	715,086	453,188	20,124	1,980,485	258,209
Materials and supplies	53,533	27,106	13,117	749	94,505	239,891
Water meters	26,725	–	–	–	26,725	–
Contractual services	456,627	402,565	372,024	35,910	1,267,126	171,899
Utilities	151,834	8,389	8,696	145,813	314,732	19,804
Insurance	9,183	17,990	2,286	205	29,664	18,742
Depreciation	950,017	329,271	308,618	87,427	1,675,333	710,759
Total operating expenses	2,690,026	4,045,135	1,275,009	325,048	8,335,218	1,419,304
Operating income (loss)	412,787	464,227	672,966	399,390	1,949,370	(25,355)
Nonoperating revenues (expenses)						
General property taxes	–	–	–	–	–	182,889
Earnings on investments	85,316	132,261	54,541	27,460	299,578	74,822
Intergovernmental revenue	2,427	1,016	6,192	–	9,635	28,222
Gain on sale of capital assets	–	–	–	–	–	90,307
Other	–	–	–	–	–	18,805
Interest	(426,613)	(70,471)	(90,014)	–	(587,098)	(91,544)
Fiscal charges	(5,838)	(1,427)	(4,571)	–	(11,836)	(2,657)
Total nonoperating revenues (expenses)	(344,708)	61,379	(33,852)	27,460	(289,721)	300,844
Income (loss) before contributions and transfers	68,079	525,606	639,114	426,850	1,659,649	275,489
Contributions	51,527	206,988	18,414	–	276,929	4,096
Transfers						
Transfers in	–	–	–	–	–	119,400
Transfers out	(393,000)	(203,000)	(186,000)	(37,400)	(819,400)	–
Total transfers	(393,000)	(203,000)	(186,000)	(37,400)	(819,400)	119,400
Change in net position	(273,394)	529,594	471,528	389,450	1,117,178	398,985
Net position – January 1,	13,509,686	8,892,012	10,453,153	2,506,069	35,360,920	5,640,455
Net position – December 31	<u>\$ 13,236,292</u>	<u>\$ 9,421,606</u>	<u>\$ 10,924,681</u>	<u>\$ 2,895,519</u>	<u>\$ 36,478,098</u>	<u>\$ 6,039,440</u>
Change in net position reported above					\$ 1,117,178	
Amounts reported for business-type activities in the Statement of Activities are different because:						
Transfer in of capital assets from governmental activities.					68,986	
Governmental activities contribution revenue reported above					(68,986)	
Internal service funds are used by management to charge the cost of equipment maintenance and insurance to individual funds. This amount is the portion of net revenue attributable to and reported with business-type activities.					(588)	
Change in net position of business-type activities					\$ 1,116,590	

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

CITY OF SHOREVIEW, MINNESOTA

Statement of Cash Flows

Proprietary Funds

For The Year Ended December 31, 2019

Statement 8

	Business-Type Activities – Enterprise Funds				Totals Current Year	Governmental
	Water	Sewer	Surface Water	Street Lights		Activities – Internal Service Funds
Cash flows from operating activities						
Receipts from customers and users	\$ 3,096,810	\$ 4,501,900	\$ 1,922,990	\$ 717,342	\$10,239,042	\$ –
Receipts from interfund services provided	–	–	–	–	–	1,393,949
Payments to suppliers	(729,926)	(2,633,587)	(390,006)	(181,091)	(3,934,610)	(444,014)
Payments to employees	(784,667)	(699,807)	(399,708)	(18,569)	(1,902,751)	(248,771)
Payments for interfund services used	(250,020)	(358,730)	(117,080)	(34,820)	(760,650)	–
Miscellaneous revenue	54,986	882	502	–	56,370	19,109
Net cash flows from operating activities	<u>1,387,183</u>	<u>810,658</u>	<u>1,016,698</u>	<u>482,862</u>	<u>3,697,401</u>	<u>720,273</u>
Cash flows from noncapital financing activities						
Transfer to other funds	(393,000)	(203,000)	(186,000)	(37,400)	(819,400)	–
Cash flows from capital and related financing activities						
Proceeds from sales of capital assets	–	–	–	–	–	77,529
Acquisition and construction of capital assets	(1,019,749)	(1,168,095)	(618,029)	(95,219)	(2,901,092)	(458,224)
Receipts from taxpayers	–	–	–	–	–	183,623
Transfers from other funds	–	–	–	–	–	119,400
Contributions	6,355	201,588	135,000	–	342,943	4,096
Principal paid on capital debt	(2,190,000)	(525,000)	(495,000)	–	(3,210,000)	(280,000)
Interest and paying agent fees on capital debt	(471,371)	(83,575)	(97,370)	–	(652,316)	(109,569)
Net cash flows from capital and related financing activities	<u>(3,674,765)</u>	<u>(1,575,082)</u>	<u>(1,075,399)</u>	<u>(95,219)</u>	<u>(6,420,465)</u>	<u>(463,145)</u>
Cash flows from investing activities						
Earnings on investments	89,579	135,533	56,780	27,392	309,284	75,937
Net change in cash and cash equivalents	(2,591,003)	(831,891)	(187,921)	377,635	(3,233,180)	333,065
Cash and cash equivalents – January 1	5,362,443	4,524,183	2,113,119	675,652	12,675,397	2,361,938
Cash and cash equivalents – December 31	<u>\$ 2,771,440</u>	<u>\$ 3,692,292</u>	<u>\$ 1,925,198</u>	<u>\$ 1,053,287</u>	<u>\$ 9,442,217</u>	<u>\$ 2,695,003</u>
Reconciliation of operating income (loss) to net cash flows from operating activities						
Operating income (loss)	\$ 412,787	\$ 464,227	\$ 672,966	\$ 399,390	\$ 1,949,370	\$ (25,355)
Adjustments to reconcile operating income (loss) to net cash flows from operating activities						
Miscellaneous revenue	54,986	882	502	–	56,370	19,109
Depreciation	950,017	329,271	308,618	87,427	1,675,333	710,759
Decrease (increase) in receivables	(6,003)	(7,462)	(24,985)	(7,096)	(45,546)	–
Decrease (increase) in prepaid items	(788)	(570)	(307)	(145)	(1,810)	(1,369)
Decrease (increase) in deferred outflows	37,749	32,843	12,168	–	82,760	10,599
Increase (decrease) in payables	(28,477)	19,546	53,270	3,286	47,625	15,055
Increase (decrease) in deferred inflows	(33,088)	(28,079)	(5,534)	–	(66,701)	(8,525)
Total adjustments	<u>974,396</u>	<u>346,431</u>	<u>343,732</u>	<u>83,472</u>	<u>1,748,031</u>	<u>745,628</u>
Net cash flows from operating activities	<u>\$ 1,387,183</u>	<u>\$ 810,658</u>	<u>\$ 1,016,698</u>	<u>\$ 482,862</u>	<u>\$ 3,697,401</u>	<u>\$ 720,273</u>
Noncash investing, capital, and financing activities						
Contributions of capital assets –						
Governmental funds	\$ 45,172	\$ 5,400	\$ 18,414	\$ –	\$ 68,986	\$ –
Capital asset purchase on account –						
Accounts payable	–	10,871	–	–	10,871	–
Contracts payable	12,794	136,220	(15,325)	–	133,689	–
Due from other governmental units –						
Contribution	–	–	(135,000)	–	(135,000)	–
Capital assets	84,496	–	–	–	84,496	–
Proceeds from sales of capital assets	–	–	–	–	–	20,550
Miscellaneous revenue	(52,559)	134	5,690	–	(46,735)	27,918
Taxes receivable	–	–	–	–	–	(734)

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

CITY OF SHOREVIEW, MINNESOTA

Statement of Fiduciary Net Position

Fiduciary Fund

December 31, 2019

Statement 9

	<u>Custodial Fund</u>
Assets	
Cash and investments	\$ 405,566
Accrued interest receivable	<u>1,792</u>
Total assets	<u>407,358</u>
Net position	
Restricted for other organizations	<u>\$ 407,358</u>

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

CITY OF SHOREVIEW, MINNESOTA
Statement of Changes in Fiduciary Net Position
Fiduciary Fund
For The Year Ended December 31, 2019

Statement 10

	<u>Custodial Fund</u>
Additions	
Earnings on investments	<u>\$ 8,524</u>
Deductions	
Payment of interest earnings to other organizations	<u>7,346</u>
Net change in fiduciary net position	1,178
Net position - beginning, as restated	<u>406,180</u>
Net position - ending	<u><u>\$ 407,358</u></u>

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

CITY OF SHOREVIEW

Notes to Financial Statements
December 31, 2019

Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Shoreview, Minnesota (the City) was incorporated in 1957 and operates under the state of Minnesota Statutory Plan B (Council – Manager) form of government. The City provides the following municipal services: public safety (police, fire, civil defense, and animal control), highways and streets, sanitation and health, parks and recreation, public improvements, community development, and general administrative services.

The accounting policies of the City conform to accounting principles generally accepted in the United States of America applicable to governmental units as promulgated by the American Institute of Certified Public Accountants (AICPA) and the Governmental Accounting Standards Board (GASB). The following is a summary of the significant accounting policies.

A. FINANCIAL REPORTING ENTITY

In accordance with GASB pronouncements and accounting principles generally accepted in the United States of America, the financial statements of the reporting entity should include the primary government and its component units. The City includes all funds, organizations, institutions, agencies, departments, and offices that are not legally separate. Component units are legally separate organizations for which the elected officials of the City are financially accountable and are included within the basic financial statements of the City because of their operational or financial relationship with the City.

The City is considered financially accountable for a component unit if it appoints a voting majority of the organization's governing body and is able to impose its will on the organization by significantly influencing the programs, projects, activities, or level of service performed or provided by the organization, or if there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the City. Also, the City has operational responsibility of the EDA. It is this criterion that results in the EDA being reported as a blended component unit.

Blended Component Unit

Shoreview Economic Development Authority (EDA) – The EDA was created to carry out the housing and economic development activities within the City. The EDA's governing body is substantively the same as the City and there is a financial benefit and burden relationship between the City and the EDA. Management of the City has operational responsibility for the EDA and the EDA provides services exclusively to the City. Although the EDA currently has no debt, the issuance of debt requires City Council approval and repayment of debt would be made entirely with resources of the City. The EDA does not issue a separate set of financial statements.

CITY OF SHOREVIEW

Notes to Financial Statements
December 31, 2019

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the nonfiduciary activities of the primary government and its component units. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

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

Separate financial statements are provided for governmental funds, 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.

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

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

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

CITY OF SHOREVIEW

Notes to Financial Statements
December 31, 2019

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

The government reports the following major governmental funds:

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

The *Community Center Operation Fund* (Special Revenue Fund type) accounts for all operations of the community center, including maintenance of the facility and services offered for a fee basis. The fund's primary revenue sources are memberships, daily user fees, room rentals and concessions.

The *Recreation Programs Fund* (Special Revenue Fund type) accounts for recreational and social programs offered on a fee basis. Revenues are user fees of various programs and activities which fund administrative and direct program expenditures.

The *Municipal State Aid Fund* (Capital Project Fund type) accounts for the City's allocation of the state collected highway use tax. The allocation is based on population and need for construction of designated state aid streets.

The *Street Renewal Fund* (Capital Project Fund type) provides financing for the replacement and/or rehabilitation of the City's street system. This fund has a minimum required fund balance of \$2 million per city policy.

The *Capital Asset Replacement Fund* (Capital Project Fund type) provides financing for the replacement of all capital assets.

The *Community Investment Fund* (Capital Project Fund type) provides financing for improvements having a community-wide benefit.

The government reports the following major proprietary funds:

The *Water Fund* accounts for the water service charges which are used to finance the water system operations.

The *Sewer Fund* accounts for the sewer service charges which are used to finance the sanitary sewer system operations.

The *Surface Water Fund* accounts for the surface water charges which are used to finance the surface water system operations.

The *Street Lights Fund* accounts for the street light charges which are used to finance the street light system operations.

CITY OF SHOREVIEW

Notes to Financial Statements
December 31, 2019

Additionally, the government reports the following fund types:

Internal service funds account for the activities of the City's *short-term disability self-insurance, liability claims, and central garage funds*. These services are provided to other departments of the City on a cost reimbursement basis.

The *Custodial Fund* accounts for the assets of the *Hockey Association* held by the City in a custodial capacity.

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

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

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

D. BUDGETS

Budgets are legally adopted on a basis consistent with accounting principles generally accepted in the United States of America. Annual appropriated budgets are legally adopted for the General Fund and all special revenue funds. Budgeted expenditure appropriations lapse at year-end.

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

E. LEGAL COMPLIANCE – BUDGETS

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

1. The city manager submits to the City Council a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted to obtain taxpayer comments.

CITY OF SHOREVIEW

Notes to Financial Statements
December 31, 2019

3. The budget is legally enacted through passage of a resolution on a departmental basis (general government, public safety, public works, parks and recreation and community development) which is the legal level of control, and can be expended by each department based upon detailed budget estimates for individual expenditure accounts.
4. The city manager is authorized to transfer appropriations within any department budget. Adjustments to appropriations between departments or between funds, and budget additions and deletions must be authorized by the City Council.
5. Formal budgetary integration is employed as a management control device during the year for the General Fund and special revenue funds.
6. Legal debt obligation indentures determine the appropriation level and debt service tax levies for the debt service funds. Supplementary budgets are adopted for the proprietary funds to determine and calculate user charges. These debt service and budget amounts represent general obligation bond indenture provisions and net income for operations and capital maintenance and are not reflected in the financial statements.
7. A capital improvement program is reviewed annually by the City Council for the capital project funds. However, appropriations for major projects are not adopted until the actual bid award of the improvement. The appropriations are not reflected in the financial statements.

The following is a listing of nonmajor special revenue funds whose expenditures exceeded budget appropriations:

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Over Budget</u>
Nonmajor funds			
Special revenue fund			
Recycling	\$ 501,180	\$ 535,254	\$ 34,074
Cable TV	170,259	314,167	143,908

The over expenditures were funded by available fund balance and revenues in excess of budget.

F. CASH AND INVESTMENTS

Cash and investment balances from all funds are pooled and invested to the extent available in various securities as authorized by state law. Earnings from investments are allocated to individual funds on the basis of the fund's equity in the cash and investment pool. Interest on restricted cash and investments is allocated directly to the applicable fund. Investment income is accrued at the balance sheet date.

The City provides temporary advances to funds that have insufficient cash balances by means of an advance from another fund shown as interfund receivables in the advancing fund, and an interfund payable in the fund with the deficit, until adequate resources are received. These interfund balances are eliminated on the government-wide financial statements.

CITY OF SHOREVIEW

Notes to Financial Statements
December 31, 2019

The City generally reports investments at fair value. The Minnesota Municipal Money Market Fund is an external investment pool regulated by Minnesota Statutes that is not registered with the Securities and Exchange Commission (SEC), but follows the same regulatory rules of the SEC. The City's investment in this fund is measured at the net position value per share provided by the pool, which is based on an amortized cost method that approximates fair value. For this investment pool, there are no unfunded commitments, redemption frequency is daily, and there is no redemption notice required for the Liquid Class; the redemption notice period is 14 days for the Plus Class.

The City categorizes its fair value measurements within the fair value hierarchy established by accounting principles generally accepted in the United States of America. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs.

Debt securities classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

See Note 3 for the City's recurring fair value measurements as of year-end.

For purposes of the Statement of Cash Flows, the City considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. All of the cash and investments allocated to the proprietary fund types have original maturities of 90 days or less. Therefore, the entire balance in such fund types are considered to be cash equivalents.

G. RECEIVABLES AND PAYABLES

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. Short-term interfund loans are classified as "interfund receivables/payables." All short-term interfund receivables and payables at year-end are planned to be eliminated in the subsequent year. Long-term interfund loans are classified as "interfund loan receivable/payable." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances." Internal balances on the Statement of Net Position also consist of prior and current year internal service fund costs in excess of charges to business-type activities.

Property taxes and special assessment receivables have been reported net of estimated uncollectible accounts (see Note 1. H. and I.). Because utility bills are considered liens on property, no estimated uncollectible amounts are established. Uncollectible amounts are not material for other receivables and have not been reported.

H. PROPERTY TAX REVENUE RECOGNITION

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

GOVERNMENT-WIDE AND PROPRIETARY FUND FINANCIAL STATEMENTS

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

GOVERNMENTAL FUND FINANCIAL STATEMENTS

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

The City's property tax revenue includes payments from the Metropolitan Revenue Distribution (Fiscal Disparities Formula) per Minnesota Statute § 473F. This statute provides a means of spreading a portion of the taxable valuation of commercial/industrial real property to various taxing authorities within the defined metropolitan area. The valuation "shared" is a portion of commercial/industrial property valuation growth since 1971. Property taxes paid to the City through this formula for 2019 totaled \$1,079,291. Receipt of property taxes from this "fiscal disparities pool" does not increase or decrease total tax revenue.

I. SPECIAL ASSESSMENT REVENUE RECOGNITION

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

Once a special assessment roll is adopted, the amount attributed to each parcel is a lien upon that property until full payment is made or the amount is determined to be excessive by the City Council or court action. If special assessments are allowed to go delinquent, the property is subject to tax forfeit sale and the first proceeds of that sale (after costs, penalties, and expenses of sale) are remitted to the City in payment of delinquent special assessments. Generally, the City will collect the full amount of its special assessments not adjusted by City Council or court action. Pursuant to state statutes, a property shall be subject to a tax forfeit sale after three years unless it is homesteaded or is agricultural or seasonal recreational land, in which event the property is subject to such sale after five years.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

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

GOVERNMENTAL FUND FINANCIAL STATEMENTS

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

J. INVENTORIES

The original cost of materials and supplies has been recorded as expenditures at the time of purchase for both the governmental and proprietary funds. These funds do not maintain material amounts of materials and supplies.

K. PREPAID ITEMS

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

L. CAPITAL ASSETS

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at the estimated acquisition value at the date of donation.

In the case of the initial capitalization of general infrastructure assets (i.e., those reported by governmental activities) the City chose to include all such items regardless of their acquisition date. These assets are reported at historical cost.

The City estimated historical cost for the initial reporting of these assets through back trending (estimating the current replacement cost and utilizing an appropriate price-level index to deflate the cost to the acquisition year). As the City constructs or acquires additional infrastructure assets each period, they will be capitalized and reported at historical cost.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. For the year ended December 31, 2019, no interest was capitalized in connection with construction in progress.

Property, plant, and equipment of the City is depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	
Building and structures	20–75 years
Machinery and equipment	5–20 years
Distribution and collection systems	50 years
Streets	35 years
Street lights	25 years
Trails and sidewalks	25–30 years
Pedestrian tunnels and bridges	35 years

M. COMPENSATED ABSENCES

It is the City’s policy to permit employees to accumulate earned but unused annual leave benefits. All annual leave is accrued when incurred in the government-wide and proprietary fund financial statements. Annual leave is payable when used or upon termination of employment. 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.

N. LONG-TERM OBLIGATIONS

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. The recognition of bond premiums and discounts are amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as an expense in the period incurred.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

O. FUND BALANCE CLASSIFICATIONS/FLOW ASSUMPTIONS

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

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

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

Committed – consists of internally imposed constraints. These constraints are established by Resolution of the City Council.

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

Unassigned – is the residual classification for the General Fund and also reflects negative residual amounts in other funds.

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

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

P. NET POSITION CLASSIFICATIONS/FLOW ASSUMPTIONS

In the government-wide and proprietary fund financial statements, net position represents the difference between assets, liabilities and deferred inflows/outflows (as applicable). Net position is displayed in three components:

Net Investment in Capital Assets – Consists of capital assets, net of accumulated depreciation, reduced by any outstanding debt attributable to acquire capital assets.

Restricted Net Position – Consists of net position that is restricted when there are limitations imposed on their use through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.

Unrestricted Net Position – All other net position that does not meet the definition of “restricted” or “net investment in capital assets.”

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

Q. INTERFUND TRANSACTIONS

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

R. USE OF ESTIMATES

The preparation of financial statements, in accordance with accounting principles generally accepted in the United States of America, requires management to make estimates that affect amounts and disclosures reported in the financial statements during the reporting period. Actual results could differ from such estimates.

S. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

In addition to assets and liabilities, the statements of financial position or balance sheets will sometimes report separate sections for deferred outflows or inflows of resources. These separate financial statement elements represent a consumption or acquisition of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) or an inflow of financial resources (revenue) until then.

The City reports deferred outflows and inflows of resources related to pensions reported in the government-wide and proprietary funds Statement of Net Position. These deferred outflows and inflows result from differences between expected and actual experience, changes of assumptions, changes in proportion, difference between projected and actual earnings on pension plan investments, and from contributions to the plan subsequent to the measurement date and before the end of the reporting period. These amounts are deferred and amortized as required under pension standards.

Unavailable revenue, arises only under a modified accrual basis of accounting and, therefore, is only reported in the governmental funds balance sheet. The governmental funds report unavailable revenue from three sources: loans, property taxes and special assessments. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

Imposed nonexchange revenue transactions, state aid received for subsequent years, is deferred and recognized as an inflow of resources in the period that the resources are appropriated. This item is reported both in the governmental fund balance sheet and the government-wide Statement of Net Position as a deferred inflow of resources.

T. STATE-WIDE PENSION PLANS

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

The PERA has a special funding situation created by a direct aid contribution made by the state of Minnesota. The direct aid is a result of the merger of the Minneapolis Employees Retirement Fund into the PERA on January 1, 2015.

U. CHANGE IN ACCOUNTING PRINCIPLE

During the year ended December 31, 2019, the City implemented GASB Statement No. 84, *Fiduciary Activities*. This statement establishes criteria for identifying fiduciary activities of all state and local governments. Activities meeting the criteria are required to be reported in a fiduciary fund in the basic financial statements and present a statement of fiduciary net position and a statement of changes in fiduciary net position. The City’s fiduciary fund uses the *economic resources measurement focus* and the *accrual basis of accounting*, prior to implementing GASB Statement No. 84 this activity was reported in an agency fund and did not involve the measurement of operating results. This standard required retroactive implementation, which resulted in the restatement of net position as of December 31, 2018. The restatement resulted in an increase in net position of \$406,180 as of January 1, 2019.

Note 2 RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

1. EXPLANATION OF CERTAIN DIFFERENCES BETWEEN THE GOVERNMENTAL FUND BALANCE SHEET AND THE GOVERNMENT-WIDE STATEMENT OF NET POSITION

The governmental fund Balance Sheet includes a reconciliation between *fund balances – total governmental funds* and *net position – governmental activities* as reported in the government-wide Statement of Net Position. One element of that reconciliation explains that “long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.” The details of this (\$28,463,295) difference are as follows:

Long-term debt payable	\$ (26,765,035)
Issuance premium	(1,023,462)
Accrued interest payable	(304,555)
Compensated absences	<u>(370,243)</u>
Net adjustment to reduce fund balances – total governmental funds to arrive at net position – governmental activities	<u><u>\$ (28,463,295)</u></u>

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Another element of that reconciliation explains that “internal service funds are used by management to charge the costs of fleet management, short-term disability insurance, and liability claims to individual funds. The net position of the internal service funds is included in governmental activities in the Statement of Net Position.” The details of this \$5,947,991 difference are as follows:

Net position of the internal service funds	\$ 6,039,440
Add: Internal payable representing charges in excess of costs to business-type activities – prior years	(92,037)
Add: Internal receivable representing costs in excess of charges to business-type activities – current year	<u>588</u>
Net adjustment to increase fund balances – total governmental funds to arrive at net position – governmental activities	<u>\$ 5,947,991</u>

Another element of that reconciliation explains that governmental funds do not report long-term amounts related to pensions. The deferred outflows and inflows are not current financial resources and the long-term net pension liability is not due and payable in the current period and, therefore, is not reported in the funds. The details of this (\$4,231,005) difference are as follows:

Deferred outflows of pension resources	\$ 308,860
Long-term net pension liability	(3,799,766)
Deferred inflows of pension resources	<u>(740,099)</u>
Net adjustment to reduce fund balances – total governmental funds to arrive at net position – governmental activities	<u>\$ (4,231,005)</u>

2. EXPLANATION OF CERTAIN DIFFERENCES BETWEEN THE GOVERNMENTAL FUND STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES AND THE GOVERNMENT-WIDE STATEMENT OF ACTIVITIES

The governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances includes 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 Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.” The details of this \$4,260,064 difference are as follows:

Capital outlay	\$ 6,957,100
Depreciation expense	<u>(2,697,036)</u>
Net adjustment to increase net changes in fund balances – total governmental funds to arrive at changes in net position of governmental activities	<u>\$ 4,260,064</u>

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Another element of that reconciliation states that “revenues on the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.” The details of this (\$69,391) difference are as follows:

Loan receivable deferred inflow of resources	
At December 31, 2018	\$ (65,392)
At December 31, 2019	56,124
General property taxes deferred inflow of resources	
At December 31, 2018	(72,951)
At December 31, 2019	67,952
Special assessments deferred inflow of resources	
At December 31, 2018	(1,743,705)
At December 31, 2019	<u>1,688,581</u>
Net adjustment to decrease net changes in fund balances – total governmental funds to arrive at changes in net position of governmental activities	<u>\$ (69,391)</u>

Another element of that reconciliation states that “the issuance of long-term debt (e.g., bonds and leases) provides current financial resources to governmental funds, while the repayment of the long-term debt consumes the current financial resources of governmental funds.” Neither transaction, however, has any effect on net position. The details of this \$1,715,599 difference are as follows:

Principal repayments	
General obligation improvement bonds	\$ 335,000
General obligation capital improvement plan bonds	130,000
General obligation street reconstruction bonds	350,000
General obligation tax abatement bonds	420,000
Certificates of participation	400,000
Premium/discount on debt issuance	<u>80,599</u>
Net adjustment to net changes in fund balances – total governmental funds to arrive at changes in net position of governmental activities	<u>\$ 1,715,599</u>

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Another element of that reconciliation states that “some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.” The details of this (\$80,176) difference are as follows:

Compensated absences	\$ (46,190)
Accrued interest	<u>(33,986)</u>
Net adjustment to net changes in fund balances – total governmental funds to arrive at changes in net position of governmental activities	<u>\$ (80,176)</u>

Note 3 DEPOSITS AND INVESTMENTS

A. DEPOSITS

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

The following is considered the most significant risk associated with deposits:

Custodial Credit Risk – In the case of deposits, this is the risk that in the event of a failure, the City’s deposits may be lost. Minnesota Statutes require that all city deposits be protected by insurance, surety bond, or collateral. The fair value of collateral pledged must equal 110 percent of the deposits not covered by insurance or bonds.

Minnesota Statutes require that securities pledged as collateral be held in safekeeping by the city treasurer or 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. Authorized collateral includes the following:

- a) United States government treasury bills, treasury notes, and treasury bonds;
- b) Issues of United States government agencies and instrumentalities as quoted by a recognized industry quotation service available to the government entity;
- c) General obligation securities of any state or local government with taxing powers which is rated “A” or better by a national bond rating service, or revenue obligation securities of any state or local government with taxing powers which is rated “AA” or better by a national bond rating service;
- d) Unrated general obligation securities of a local government with taxing powers may be pledged as collateral against funds deposited by that same local government entity;
- e) Irrevocable standby letters of credit issued by Federal Home Loan Banks to a municipality accompanied by written evidence that the bank’s public debt is rated “AA” or better by Moody’s Investors Service, Inc. or Standard & Poor’s Corporation; and
- f) Time deposits that are fully insured by any federal agency.

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The City has no additional deposit policies addressing custodial credit risk.

At year-end, the carrying amount of the City's deposits was \$9,741,096 and the bank balance was \$9,777,272. The entire bank balance was covered by federal depository insurance or by collateral held by the City's agent in the City's name.

B. INVESTMENTS

As of December 31, 2019, the City had the following cash and investments:

Investment Type	Concentration	Fair Value Measurement Using	Interest Risk – Maturity Duration in Years			Carrying Amount at Fair Value
	Risk Over 5% of Portfolio		Less than 1 Year	1 to 5 Years	6 to 10 Years	
Federal National Mortgage Association	1.7%	Level 1	\$ –	\$ 499,065	\$ –	\$ 499,065
Federal National Mortgage Association	1.4%	Level 2	399,021	–	–	399,021
Federal Home Loan Mortgage Corporation	1.4%	Level 2	–	399,136	–	399,136
Federal Home Loan Bank	1.7%	Level 1	499,655	–	–	499,655
Federal Farm Credit Bank	1.5%	Level 2	–	451,094	–	451,094
Municipal bonds	**	Level 2	1,526,269	3,951,743	526,340	6,004,352
Marketable certificates of deposit	**	Level 2	4,204,748	4,000,577	–	8,205,325
Investment pools/mutual funds						
Minnesota Municipal Money Market 4M Fund	N/A	Amortized Cost	12,483,627	–	–	12,483,627
Western Asset Institutional Govt.	N/A	Level 1	120,238	–	–	120,238
First American Government Oblig.	N/A	Level 1	25,795	–	–	25,795
Wells Fargo Advantage Government Money Market Fund	N/A	Level 1	43,492	–	–	43,492
Total investments			\$ 19,302,845	\$ 9,301,615	\$ 526,340	29,130,800
Deposits						9,741,096
Petty cash						12,280
Totals						\$ 38,884,176
Government-wide Statement of Net Position						
Cash and investments						\$ 38,478,610
Statement of Fiduciary Net Position – Custodial Fund						
Cash and investments						405,566
Totals						\$ 38,884,176

** – Individual bonds and marketable certificates of deposit are less than 5%

N/A – Not Applicable

NAV – Valued at Net Asset Value. No unfunded commitments, redemption frequency is quarterly, and redemption notice period equals 30 days.

Investments are subject to various risks, the following of which are considered the most significant:

Custodial Credit Risk – For investments, this is the risk that in the event of a failure of the counterparty to an investment transaction (typically a broker-dealer) the City would not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City does not have a formal investment policy addressing this risk, but typically limits its exposure by only purchasing insured or registered investments, or by the control of who holds the securities.

CITY OF SHOREVIEW

Notes to Financial Statements
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Credit Risk – This is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Minnesota Statutes authorize the City to invest in the following:

- a) Direct obligations or obligations guaranteed by the United States or its agencies, its instrumentalities, or organizations created by an act of Congress, excluding mortgage-backed securities defined as high risk.
- b) Shares of investment companies registered under the Federal Investment Company Act of 1940 that receive the highest credit rating, are rated in one of the two highest rating categories by a national bond rating service, and all of the investments have a final maturity of 13 months or less, and whose only investments are in securities described in (a) above, general obligation tax-exempt securities, or repurchase or reverse repurchase agreements.
- c) Obligations of any state or local municipality as follows:
 - 1) 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;
 - 2) any security which is a revenue obligation of any state or local government with taxing powers which is rated “AA” or better by a national bond rating service; and
 - 3) a general obligation of the Minnesota housing finance agency which is a moral obligation of the state of Minnesota and is rated “A” or better by a national bond rating agency.
- d) Bankers’ acceptance of United States banks eligible for purchase by the Federal Reserve System.
- e) Commercial paper issued by United States corporations or their Canadian subsidiaries, rated of the highest quality category by at least two national rating agencies, and maturing in 270 days or less.
- f) Guaranteed Investment Contracts guaranteed by a United States commercial bank, domestic branch of a foreign bank, or a United States insurance company, and with a credit quality in one of the top two highest categories by a national bond rating agency.
- g) Repurchase or reverse repurchase agreements and securities lending agreements with financial institutions qualified as a “depository” by the governmental entity, with banks that are members of the Federal Reserve System with capitalization exceeding \$10,000,000; that are a primary reporting dealer in U.S. government securities to the Federal Reserve Bank of New York; or certain Minnesota securities broker-dealers; or a bank qualified as a depositor.
- h) General obligation temporary bonds of the same governmental entity issued under § 429.091, Subdivision 7; § 469.178, Subdivision 5; or § 475.61, Subdivision 6.

The City’s investment policy does not further address credit risk. As of December 31, 2019, the City’s investment in obligations of U.S. government agencies that are only implicitly guaranteed by the U.S. government (e.g., securities issued by the Federal National Mortgage Association, Federal Home Loan Mortgage Corporation, Federal Home Loan Bank and Federal Farm Credit Bank), received Aaa credit ratings from Moody’s Investors Service, Inc. and AA+ from Standard & Poor’s Corporation. The City’s investment in Western Asset Institutional Government., First American Government Obligation and Wells Fargo Advantage Government Money Market Fund received Aaa credit ratings from Moody’s Investors Service, Inc. and AAA from Standard & Poor’s Corporation. The City’s investments in municipal bonds were rated A and Aa by Moody’s Investors Service, Inc. and A and AA by Standard & Poor’s Ratings Services in the amount of \$1,017,751, \$3,790,422, \$492,107, and \$704,072, respectively.

CITY OF SHOREVIEW
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Concentration Risk – This is the risk associated with investing a significant portion of the City’s investment (considered 5 percent or more) in the securities of a single issuer, excluding U.S. guaranteed investments (such as treasuries), investment pools, and mutual funds. The City’s investment policies do not limit the concentration of investments.

Interest Rate Risk – This is the risk of potential variability in the fair value of fixed rate investments resulting from changes in interest rates (the longer the period for which an interest rate is fixed, the greater the risk). The City does not have an investment policy limiting the duration of investments.

Note 4 RECEIVABLES

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

	Accounts Receivable	Certified Utility Accounts Receivable	Utility Customer Accounts Receivable	Delinquent Property Taxes	Special Assessment Receivable	Total
Major funds						
General	\$ 12,702	\$ –	\$ –	\$ 21,005	\$ –	\$ 33,707
Street Renewal	–	–	–	2,574	223,203	225,777
Capital Asset Replacement	–	–	–	3,980	–	3,980
Water	–	11,772	52,895	–	9,958	74,625
Sewer	–	17,196	82,461	–	9,409	109,066
Surface Water	–	6,031	36,325	–	1,949	44,305
Street Lights	–	2,602	13,624	–	–	16,226
Nonmajor governmental funds	–	–	–	4,050	1,329,541	1,333,591
	<u>\$ 12,702</u>	<u>\$ 37,601</u>	<u>\$ 185,305</u>	<u>\$ 31,609</u>	<u>\$ 1,574,060</u>	<u>\$ 1,841,277</u>

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Note 5 CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2019 was as follows:

	Beginning Balance	Increases	Decreases	Adjustments	Ending Balance
Primary government					
Governmental activities					
Capital assets, not being depreciated					
Land	\$ 6,919,380	\$ 82,500	\$ –	\$ –	\$ 7,001,880
Construction in progress	19,605,574	5,899,931	16,665	(21,777,266)	3,711,574
Total capital assets, not being depreciated	<u>26,524,954</u>	<u>5,982,431</u>	<u>16,665</u>	<u>(21,777,266)</u>	<u>10,713,454</u>
Capital assets, being depreciated					
Building and structures	36,706,564	664,455	–	16,722,858	54,093,877
Machinery and equipment	10,343,787	639,452	187,433	–	10,795,806
Infrastructure	63,219,081	60,000	2,996,486	5,054,408	65,337,003
Total capital assets, being depreciated	<u>110,269,432</u>	<u>1,363,907</u>	<u>3,183,919</u>	<u>21,777,266</u>	<u>130,226,686</u>
Less accumulated depreciation for					
Building and structures	14,399,025	1,038,104	–	–	15,437,129
Machinery and equipment	5,519,836	688,753	179,661	–	6,028,928
Infrastructure	38,398,813	1,680,938	2,684,371	–	37,395,380
Total accumulated depreciation	<u>58,317,674</u>	<u>3,407,795</u>	<u>2,864,032</u>	<u>–</u>	<u>58,861,437</u>
Total capital assets being depreciated – net	<u>51,951,758</u>	<u>(2,043,888)</u>	<u>319,887</u>	<u>21,777,266</u>	<u>71,365,249</u>
Governmental activities capital assets – net	<u>\$ 78,476,712</u>	<u>\$ 3,938,543</u>	<u>\$ 336,552</u>	<u>\$ –</u>	<u>\$ 82,078,703</u>
	Beginning Balance	Increases	Decreases	Adjustments	Ending Balance
Primary government					
Business-type activities					
Capital assets, not being depreciated					
Land	\$ 325,202	\$ –	\$ –	\$ –	\$ 325,202
Construction in progress	2,048,137	2,659,164	–	(2,173,841)	2,533,460
Total capital assets, not being depreciated	<u>2,373,339</u>	<u>2,659,164</u>	<u>–</u>	<u>(2,173,841)</u>	<u>2,856,662</u>
Capital assets, being depreciated					
Building and structures	21,174,167	–	–	–	21,174,167
Machinery and equipment	2,649,401	–	–	–	2,649,401
Distribution and collection systems	50,741,645	539,970	4,834	2,173,841	53,450,622
Total capital assets, being depreciated	<u>74,565,213</u>	<u>539,970</u>	<u>4,834</u>	<u>2,173,841</u>	<u>77,274,190</u>
Less accumulated depreciation for					
Building and structures	5,019,578	511,549	–	–	5,531,127
Machinery and equipment	968,912	106,026	–	–	1,074,938
Distribution and collection systems	23,197,391	1,057,758	4,834	–	24,250,315
Total accumulated depreciation	<u>29,185,881</u>	<u>1,675,333</u>	<u>4,834</u>	<u>–</u>	<u>30,856,380</u>
Total capital assets being depreciated – net	<u>45,379,332</u>	<u>(1,135,363)</u>	<u>–</u>	<u>2,173,841</u>	<u>46,417,810</u>
Business-type activities capital assets – net	<u>\$ 47,752,671</u>	<u>\$ 1,523,801</u>	<u>\$ –</u>	<u>\$ –</u>	<u>\$ 49,276,472</u>

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

Governmental activities	
General government	\$ 209,705
Public safety	87,459
Public works	1,679,776
Parks and recreation	719,263
Community development	833
Capital assets held by the City's internal service funds are charged to the various functions based on their usage of the assets	<u>710,759</u>
Total depreciation expense – governmental activities	<u><u>\$ 3,407,795</u></u>
Business-type activities	
Water	\$ 950,017
Sewer	329,271
Surface water	308,618
Street lights	<u>87,427</u>
Total depreciation expense – business-type activities	<u><u>\$ 1,675,333</u></u>

COMMITMENTS

At December 31, 2019, the City had construction project contracts in progress. The commitments related to the remaining contract balances are summarized as follows:

<u>Project</u>	<u>Amount</u>
St. Albans Watermain Extension	\$ 4,083
Commons Master Plan Phase I	1,821,315
Owasso Boulevard N Reconstruction	6,774,684
Wabasso Neighborhood Improvements	11,643
County Road E Trail	175,999
County Road E Watermain Extension	747
Schutta Road Sanitary Sewer	<u>91,813</u>
Total construction commitments	<u><u>\$ 8,880,284</u></u>

CITY OF SHOREVIEW
Notes to Financial Statements
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Note 6 LONG-TERM DEBT

The City issues general obligation bonds and certificates of participation to provide funds for the acquisition and construction of major capital facilities. The reporting entity's long-term debt is segregated between the amounts to be repaid from governmental activities and amounts to be repaid from business-type activities.

GOVERNMENTAL ACTIVITIES

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

	Issue Date	Final Maturity Date	Interest Rate	Authorized and Issued	Outstanding 12/31/2019
G.O. improvement bonds					
2009 Improvement Bonds	11/15/2009	02/01/2021	3.00-4.00%	\$ 235,000	\$ 50,000
2013 Refunding Improvement Bonds	03/06/2013	02/01/2022	2.00	235,000	30,000
2013 Improvement Bonds	12/05/2013	02/01/2035	3.00-4.00	1,775,000	1,435,000
2014 Refunding Improvement Bonds	12/04/2014	02/01/2022	2.00-3.00	100,000	45,000
2015 Improvement Bonds	09/17/2015	02/01/2026	2.00-4.00	295,000	225,000
2018 Refunding Improvement Bonds	12/27/2018	02/01/2025	5.00	150,000	150,000
Total G.O. improvement bonds				<u>2,790,000</u>	<u>1,935,000</u>
Other G.O. improvement bonds					
G.O. Refunding Capital Improvement Plan Bonds of 2013	03/06/2013	02/01/2020	2.00	750,000	130,000
G.O. Refunding Street Reconstruction Bonds of 2013	03/06/2013	02/01/2022	2.00	1,380,000	605,000
G.O. Street Reconstruction Bonds of 2013	03/06/2013	02/01/2028	2.00-2.375	2,415,000	1,530,000
G.O. Capital Improvement Plan Refunding Bonds of 2014	12/04/2014	02/01/2030	2.00-3.00	4,670,000	3,640,000
G.O. Tax Abatement Bonds of 2017	11/16/2017	02/01/2038	3.00-5.00	12,865,000	12,445,000
G.O. Street Reconstruction Bonds of 2018	12/27/2018	02/01/2034	3.00-5.00	3,180,000	3,180,000
Total other G.O. improvement bonds				<u>25,260,000</u>	<u>21,530,000</u>
Unamortized premium	N/A	N/A	N/A	<u>N/A</u>	<u>1,143,138</u>
Loan payable					
Metropolitan Right-of-Way Acquisition Loan Fund	09/26/2006	N/A	-	<u>6,000,000</u>	<u>5,195,035</u>
Certificates of participation					
Refunding Certificates of Participation 2011	04/01/2011	08/01/2023	2.00-3.75	<u>4,620,000</u>	<u>1,745,000</u>
Compensated absences	N/A	N/A	N/A	<u>N/A</u>	<u>379,263</u>
Net pension liability	N/A	N/A	N/A	<u>N/A</u>	<u>3,930,400</u>
Total city indebtedness – governmental activities				<u>\$ 38,670,000</u>	<u>\$ 35,857,836</u>

N/A – Not Applicable

CITY OF SHOREVIEW
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BUSINESS-TYPE ACTIVITIES

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

	Issue Date	Final Maturity Date	Interest Rate	Authorized and Issued	Outstanding 12/31/2019
G.O. revenue bonds					
Water Revenue Bonds of 2007	11/01/2007	02/01/2023	3.50–4.15 %	\$ 845,000	\$ 280,000
Sewer Revenue Bonds of 2007	11/01/2007	02/01/2023	3.50–4.15	260,000	85,000
Surface Water Revenue Bonds of 2007	11/01/2007	02/01/2023	3.50–4.15	600,000	195,000
Surface Water Revenue Bonds of 2009	11/15/2009	02/01/2021	3.00–4.00	1,180,000	245,000
Water Revenue Bonds of 2013A	03/06/2013	02/01/2023	2.00	775,000	330,000
Surface Water Revenue Bonds of 2013A	03/06/2013	02/01/2023	2.00	960,000	405,000
Water Refunding Revenue Bonds of 2013B	03/06/2013	02/01/2022	2.00	610,000	200,000
Sewer Refunding Revenue Bonds of 2013B	03/06/2013	02/01/2022	2.00	285,000	65,000
Water Revenue Bonds of 2013C	12/05/2013	02/01/2024	3.00	305,000	155,000
Surface Water Revenue Bonds of 2013C	12/05/2013	02/01/2024	3.00	190,000	100,000
Water Refunding Revenue Bonds of 2014	12/04/2014	02/01/2026	2.00–3.00	915,000	600,000
Sewer Refunding Revenue Bonds of 2014	12/04/2014	02/01/2026	2.00–3.00	730,000	470,000
Surface Water Refunding Revenue Bonds of 2014	12/04/2014	02/01/2026	2.00–3.00	265,000	180,000
Water Revenue Bonds of 2015	09/17/2015	02/01/2036	2.00–4.00	6,885,000	6,065,000
Sewer Revenue Bonds of 2015	09/17/2015	02/01/2031	2.00–4.00	1,650,000	1,380,000
Surface Water Revenue Bonds of 2015	09/17/2015	02/01/2031	2.00–4.00	860,000	720,000
Water Revenue Bonds of 2016	01/14/2016	02/01/2036	2.00–3.00	6,995,000	6,055,000
Sewer Revenue Bonds of 2016	01/14/2016	02/01/2031	2.00–3.00	230,000	185,000
Surface Water Revenue Bonds of 2016	01/14/2016	02/01/2031	2.00–3.00	380,000	310,000
Water Refunding Revenue Bonds of 2018	12/27/2018	02/01/2025	5.00	1,010,000	1,010,000
Sewer Refunding Revenue Bonds of 2018	12/27/2018	02/01/2025	5.00	245,000	245,000
Surface Water Refunding Revenue Bonds of 2018	12/27/2018	02/01/2025	5.00	100,000	100,000
Water Revenue Bonds of 2018	12/27/2018	02/01/2034	3.00–5.00	1,585,000	1,585,000
Sewer Revenue Bonds of 2018	12/27/2018	02/01/2029	3.00–5.00	345,000	345,000
Surface Water Revenue Bonds of 2018	12/27/2018	02/01/2034	3.00–5.00	1,020,000	1,020,000
Total G.O. revenue bonds				<u>29,225,000</u>	<u>22,330,000</u>
Unamortized premium	N/A	N/A	N/A	N/A	705,290
Compensated absences payable	N/A	N/A	N/A	N/A	100,695
Net pension liability	N/A	N/A	N/A	N/A	1,017,856
Total city indebtedness – business-type activities				<u>\$ 29,225,000</u>	<u>\$ 24,153,841</u>

N/A – Not Applicable

CITY OF SHOREVIEW
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GOVERNMENTAL ACTIVITIES

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

Year Ending December 31,	G.O. Improvement Bonds		Other G.O. Improvement Bonds		Certificates of Participation	
	Governmental Activities		Governmental Activities		Governmental Activities	
	Principal	Interest	Principal	Interest	Principal	Interest
2020	\$ 185,000	\$ 63,360	\$ 1,415,000	\$ 685,776	\$ 415,000	\$ 62,057
2021	195,000	57,210	1,340,000	647,102	430,000	48,155
2022	175,000	51,135	1,380,000	605,675	440,000	33,750
2023	150,000	45,660	1,205,000	560,127	460,000	17,250
2024	155,000	40,610	1,240,000	512,682	-	-
2025	170,000	35,535	1,275,000	463,145	-	-
2026	115,000	31,230	1,310,000	411,883	-	-
2027	80,000	28,320	1,350,000	358,026	-	-
2028	85,000	25,680	1,395,000	309,742	-	-
2029	85,000	22,960	1,235,000	270,870	-	-
2030	90,000	19,800	1,275,000	233,220	-	-
2031	85,000	16,300	930,000	200,145	-	-
2032	85,000	12,900	955,000	171,870	-	-
2033	90,000	9,400	985,000	142,575	-	-
2034	95,000	5,700	1,015,000	112,178	-	-
2035	95,000	1,900	770,000	85,200	-	-
2036	-	-	790,000	61,800	-	-
2037	-	-	820,000	37,650	-	-
2038	-	-	845,000	12,675	-	-
Total	<u>\$ 1,935,000</u>	<u>\$ 467,700</u>	<u>\$ 21,530,000</u>	<u>\$ 5,882,341</u>	<u>\$ 1,745,000</u>	<u>\$ 161,212</u>

It is not practical to determine the specific year for payment of long-term accrued compensated absences and the net pension liability.

The Metropolitan Right-of-Way Acquisition Loan Fund loan payable repayment is subject to conveyance of the property purchased with the loan to the Minnesota Department of Transportation and the timing of the completion of the highway improvement is currently not known; therefore, it is not practical to determine the annual requirements to amortize this noninterest-bearing note.

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Notes to Financial Statements
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BUSINESS-TYPE ACTIVITIES

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

Year Ending December 31,	G.O. Revenue Bonds	
	Business-Type Activities	
	Principal	Interest
2020	\$ 1,905,000	\$ 632,220
2021	1,965,000	574,611
2022	1,895,000	515,105
2023	1,855,000	454,380
2024	1,575,000	399,846
2025	1,570,000	353,998
2026	1,340,000	314,047
2027	1,175,000	280,629
2028	1,195,000	248,600
2029	1,235,000	215,844
2030	1,225,000	181,934
2031	1,265,000	147,240
2032	860,000	116,608
2033	890,000	90,104
2034	915,000	61,865
2035	720,000	35,863
2036	745,000	12,087
Total	<u>\$ 22,330,000</u>	<u>\$ 4,634,981</u>

It is not practical to determine the specific year for payment of long-term accrued compensated absences and net pension liability.

CITY OF SHOREVIEW
Notes to Financial Statements
December 31, 2019

CHANGE IN LONG-TERM LIABILITIES

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

	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
Governmental activities					
Bonds payable					
G.O. improvement bonds	\$ 2,270,000	\$ —	\$ 335,000	\$ 1,935,000	\$ 185,000
Other G.O. improvement bonds	22,710,000	—	1,180,000	21,530,000	1,415,000
Premium	1,235,605	—	92,467	1,143,138	—
Total bonds payable	<u>26,215,605</u>	<u>—</u>	<u>1,607,467</u>	<u>24,608,138</u>	<u>1,600,000</u>
Loan payable	5,195,035	—	—	5,195,035	—
Certificates of participation	2,145,000	—	400,000	1,745,000	415,000
Compensated absences	334,081	440,920	395,738	379,263	32,449
Net pension liability	3,983,502	410,123	463,225	3,930,400	—
Total governmental activity long-term liabilities	<u>\$ 37,873,223</u>	<u>\$ 851,043</u>	<u>\$ 2,866,430</u>	<u>\$ 35,857,836</u>	<u>\$ 2,047,449</u>
Business-type activities					
G.O. revenue bonds					
G.O. revenue bonds	\$ 25,540,000	\$ —	\$ 3,210,000	\$ 22,330,000	\$ 1,905,000
Premium	786,501	—	81,211	705,290	—
Total bonds payable	<u>26,326,501</u>	<u>—</u>	<u>3,291,211</u>	<u>23,035,290</u>	<u>1,905,000</u>
Compensated absences	105,604	100,159	105,068	100,695	8,614
Net pension liability	964,948	172,869	119,961	1,017,856	—
Total business-type activity long-term liabilities	<u>\$ 27,397,053</u>	<u>\$ 273,028</u>	<u>\$ 3,516,240</u>	<u>\$ 24,153,841</u>	<u>\$ 1,913,614</u>

The governmental activities loans payable, compensated absences, and net pension liability are generally liquidated by the General Fund, special revenue funds, and capital project funds.

Financing of the certificates of participation will be provided from the General Fund, Capital Asset Replacement Fund, Community Investment Fund and Closed Bond Fund.

All general obligation indebtedness outstanding at December 31, 2019 is backed by the full faith and credit of the City, including improvement, other improvement, and revenue bonds. Delinquent assessments receivable at December 31, 2019 totaled \$2,101.

BOND REFUNDING

On December 27, 2018 the City issued the \$1,505,000 General Obligation Refunding Bonds, Series 2018B, with an average interest rate of 2.49%, to be used for refunding \$160,000 of the General Obligation Improvement Bonds, Series 2008A with an average interest rate of 4.23%, \$1,090,000 of the General Obligation Water Improvement Bonds, Series 2008A with an average interest rate of 4.23%, \$265,000 of the General Obligation Sewer Improvement Bonds,

CITY OF SHOREVIEW

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Series 2008A with an average interest rate of 4.23% and \$105,000 of the General Obligation Surface Water Improvement Bonds, Series 2008A with an average interest rate of 4.23%. The refunding resulted in a gross debt service savings of \$8,721, \$61,272, \$14,995, \$5,856 over the next seven years and an economic gain of \$8,214, \$56,497, \$13,665, \$5,525 for the General Obligation Improvement Bonds, Series 2008A, General Obligation Water Improvement Bonds, Series 2008A, General Obligation Sewer Improvement Bonds, Series 2008A, and General Obligation Surface Water Improvement Bonds, Series 2008A respectively. The 2008 refunded bonds were called for redemption on February 1, 2019. Both the refunding and refunded debt were reported in the City's financial statements until the call date of the refunded debt.

DEFERRED AD VALOREM TAX LEVIES – BONDED DEBT

General obligation bond issues sold by the City are financed by ad valorem tax levies. General obligation improvement bond issues sold by the City are partially financed by ad valorem tax levies in addition to special assessments levied against the benefiting properties. When a bond issue to be financed partially or completely by ad valorem tax levies is sold, specific annual amounts of such tax levies are stated in the bond resolution and the county auditor is notified and instructed to levy these taxes over the appropriate years. The future tax levies are subject to cancellation when and if the City has provided alternative sources of financing. The City Council is required to levy any additional taxes found necessary for full payment of principal and interest. These future scheduled tax levies are not shown as assets in the accompanying financial statements at December 31, 2019. Future scheduled tax levies for all bonds outstanding at December 31, 2019 totaled \$14,366,137.

CONDUIT DEBT OBLIGATIONS

From time to time, the City has issued industrial revenue bonds to provide financial assistance to private-sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. Not the City, the state, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

As of December 31, 2019, there is one industrial revenue bond outstanding, with an aggregate principal amount payable of \$648,434.

TAX ABATEMENT AGREEMENTS

The City in order to spur economic development and redevelopment has entered into private development agreements regarding certain tax increment properties. These agreements may in substance be a tax abatement but will depend on their individual circumstances. The City currently has five agreements that would be considered a tax abatement under GASB Statement No. 77. Included in the developer agreements are provisions for tax increment pay-as-you-go revenue notes in accordance with Minnesota Statute, Chapter 469. These notes provide for the payment of principal and interest at set rates and terms. The notes are not a general obligation of the City and are payable solely from available tax increments (repayment is required only if sufficient tax increments are received) and the note is cancelled at the end of the repayment term, whether or not the note has been repaid in full. Accordingly, these note balances are not reflected in the long-term debt balances of the City.

CITY OF SHOREVIEW

Notes to Financial Statements
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Details of the pay-as-you-go revenue notes are as follows:

TIF District #6 Lexington Shores, LLC (Gateway)

In 2001 the City entered into a development agreement with Lexington Shores, LLC to assist the developer with the financing of certain costs associated with the Gateway redevelopment project within TIF District #6. For this agreement, the City used an economic development vehicle known as tax increment financing whereby tax increment revenue is generated on the incremental increase in value above a base value established on the date that the tax increment district is created. In 2001 the City issued two Tax Increment Notes in the amount of \$1,500,000 (Note 1) and \$527,000 (Note 2), with interest of 7.0%. The City will abate 100 percent of the incremental taxes received less administrative costs through execution of the tax increment revenue pay-as-you-go notes to be retired in 2028. No payments are made on Note 2 until Note 1 is paid in full. The outstanding principal balance of Note 1 as of December 31, 2019, was \$1,226,491 and the City rebated \$117,037 in the current year. The outstanding principal balance on Note 2 was \$527,000 and the City did not have any rebate in the current year.

TIF District #8 Lakeview Terrace, LLC (Lakeview Terrace)

In 2013 the City entered into a development agreement with Lakeview Terrace, LLC to assist the developer with the financing of certain costs associated with the Lakeview Terrace apartment project within TIF District #8. For this agreement, the City used an economic development vehicle known as tax increment financing whereby tax increment revenue is generated on the incremental increase in value above a base value established on the date that the tax increment district is created. In 2015 the City issued a Tax increment note in the amount of \$2,000,000 with interest of 5.5%. The City will abate 67 percent of incremental taxes received after a 10% administrative fee through execution of the tax increment revenue pay-as-you-go note to be retired in 2040. The outstanding principal balance as of December 31, 2019, was \$1,591,865 and the City rebated \$215,700 in the current year.

TIF District #9 TSI Incorporated

In 2012 the City entered into a development agreement with TSI Incorporated to assist the company with the financing of certain expansion costs associated with their corporate campus within TIF District #9. For this agreement, the City used an economic development vehicle known as tax increment financing whereby tax increment revenue is generated on the incremental increase in value above a base value established on the date that the tax increment district is created. In 2014 the City issued a Tax increment note in the amount of \$500,000 with interest of 5.0%. The City will abate 90 percent of incremental taxes received through execution of the tax increment revenue pay-as-you-go note to be retired in 2021. The outstanding principal balance as of December 31, 2019, was \$228,787 and the City rebated \$81,076 in the current year.

TIF District #10 McMillan Group, LLC (Elevage)

In 2016 the City entered into a development agreement with Elevage Development Group, LLC to assist the developer with the financing of certain costs associated with the McMillan apartment project within TIF District #10. For this agreement, the City used an economic development vehicle known as tax increment financing whereby tax increment revenue is generated on the incremental increase in value above a base value established on the date that the tax increment district is created. In 2018 the City issued a Tax increment note in the amount of \$2,950,000 with interest of 4.5%. The City will rebate 75 percent of incremental taxes received through execution of the tax increment revenue pay-as-you-go note to be retired in 2044. The outstanding principal balance as of December 31, 2019, was \$2,928,318 and the City rebated \$182,088 in the current year.

CITY OF SHOREVIEW

Notes to Financial Statements
December 31, 2019

TIF District #11 Greco Ridge, LLC (Loden)

In 2017 the City entered into a development agreement with Greco Ridge, LLC to assist the developer with the financing of certain costs associated with the Loden apartment project within TIF District #11. For this agreement, the City used an economic development vehicle known as tax increment financing whereby tax increment revenue is generated on the incremental increase in value above a base value established on the date that the tax increment district is created. In 2019 the City issued a Tax increment note in the amount of \$7,400,000 with interest of 5.5% for phase I of the project. The City will rebate 90 percent of incremental taxes received through execution of the tax increment revenue pay-as-you-go note to be retired in 2043. The outstanding principal balance as of December 31, 2019, was \$7,400,000 and the City rebated \$0 in the current year.

The City is authorized to create a tax increment financing plan under Minnesota Statute, Chapter 469.175. The criteria that must be met under the statute are that, in the opinion of the municipality:

- The proposed development or redevelopment would not reasonably be expected to occur solely through private investment within the reasonably foreseeable future;
- The increased market value of the site that could reasonably be expected to occur without the use of tax increment financing would be less than the increase in the market value estimated to result from the proposed development after subtracting the present value of the projected tax increments for the maximum duration of the district permitted by the plan. The requirements of this item do not apply if the district is a housing district;
- The tax increment financing plan conforms to the general plan for the development or redevelopment of the municipality as a whole; and
- The tax increment financing plan will afford maximum opportunity, consistent with the sound needs of the municipality as a whole, for the development or redevelopment of the project by private enterprise.

PLEDGED REVENUE

The City has issued Certificates of Participation, Capital Improvement, Tax Abatement and Utility Improvement bonds for the construction of buildings, public works infrastructure, and park and recreation facilities. Specific revenues are pledged for the payments of interest and future retirement of the obligations. As of December 31, 2019, the following pledges were in place:

G.O. Capital Improvement Plan Refunding Bonds of 2014

The City pledged \$1,137,187 of Central Garage charges, property tax collections, earnings on investments, intergovernmental revenue, and transfers from utility funds to meet the debt service commitment on the bonds. The debt was originally issued in 2010 to finance the Central Garage building renovation. Refunding Bonds were issued in 2014 and the 2010 bonds were called for redemption in 2015. The 2014 Refunding Bonds have a final maturity date of February 1, 2030. The pledged revenues represent 64 percent of the revenue stream, and \$4,238,106 of the pledge commitment remains outstanding.

G.O. Water Revenue Bonds

The City pledged \$1,063,902 of operating revenue, intergovernmental revenue earnings on investments and capital contributions to meet the debt service commitment on the bonds. The debt was originally issued in years 2007–2018

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to finance water system infrastructure improvements and has a final maturity date of years 2022–2036. The pledged revenues represent 33 percent of the revenue stream, and \$19,964,841 of the pledge commitment remains outstanding.

G.O. Sewer Revenue Bonds

The City pledged \$925,363 of operating revenue, intergovernmental revenue, earnings on investments and capital contributions to meet the debt service commitment on the bonds. The debt was originally issued in years 2007–2018 to finance sewer system infrastructure improvements and it has a final maturity date of years 2022–2031. The pledged revenues represent 19 percent of the revenue stream, and \$3,189,658 of the pledge commitment remains outstanding.

G.O. Surface Water Revenue Bonds

The City pledged \$856,317 of operating revenue, intergovernmental revenue, earnings on investments and capital contributions to meet the debt service commitment on the bonds. The debt was originally issued in years 2007–2018 to finance surface water system infrastructure improvements and it has a final maturity date of years 2021–2034. The pledged revenues represent 43 percent of the revenue stream, and \$3,810,482 of the pledge commitment remains outstanding.

Refunding Certificates of Participation of 2011

The City pledged \$469,356 of earnings on investments and transfers from other funds to meet the debt service commitment on the certificates. The certificates were issued in 2011 to refund the Certificates of Participation of 2002 which financed the community center expansion and they have a final maturity date of August 1, 2023. The pledged revenues represent 100 percent of the revenue stream, and \$1,906,212 of the pledge commitment remains outstanding.

G.O. Tax Abatement Bonds of 2017

The City pledged \$853,057 of property taxes and transfers from other funds to meet the debt service commitment on the bonds. The bonds were issued in 2017 to financed the 2017 community center expansion and they have a final maturity date of February 1, 2038. The pledged revenues represent 100 percent of the revenue stream, and \$16,648,300 of the pledge commitment remains outstanding.

Revenue available to meet debt service requirements is shown in the following table:

Bond Issue	Gross Revenue	Direct Operating Expenses	Available Net Revenue	Debt Service Requirements		
				Principal	Interest and Paying Agent Fees	Total
G.O. Capital Improvement Plan Refunding Bonds of 2014	\$ 1,781,133	\$ 643,946 *	\$ 1,137,187	\$ 280,000	\$ 94,201	\$ 374,201
G.O. Water Revenue Bonds	3,196,911	2,133,009 *	1,063,902	2,190,000	432,451	2,622,451
G.O. Sewer Revenue Bonds	4,844,227	3,918,864 *	925,363	525,000	71,898	596,898
G.O. Surface Water Revenue Bonds	2,008,708	1,152,391 *	856,317	495,000	94,585	589,585
Refunding Certificates of Participation of 2011	469,356	–	469,356	400,000	76,058	476,058
G.O. Tax Abatement Bonds of 2017	853,057	–	853,057	420,000	442,850	862,850
	<u>\$ 13,153,392</u>	<u>\$ 7,848,210</u>	<u>\$ 5,305,182</u>	<u>\$ 4,310,000</u>	<u>\$ 1,212,043</u>	<u>\$ 5,522,043</u>

* Direct operating expenses exclude depreciation expense

NOTE 7 DEFINED BENEFIT PENSION PLANS – STATE-WIDE

A. Plan Description

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

General Employees Retirement Fund (GERF)

All full-time and certain part-time employees of the City are covered by the GERF. The GERF members belong to the Coordinated Plan. Coordinated Plan members are covered by Social Security.

B. Benefits Provided

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

GERF Benefits

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

Annuities, disability benefits, and survivor benefits are increased effective every January 1. Beginning January 1, 2019, the post-retirement increase will be equal to 50.0 percent of the cost of living adjustment (COLA) announced by the Social Security Administration, with a minimum increase of at least 1.0 percent and a maximum of 1.5 percent. Recipients that have been receiving the annuity or benefit for at least a full year as of June 30 before the effective date of the increase, will receive the full increase. For recipients receiving the annuity or benefit for at least one month, but less than a full year as of the June 30 before the effective date of the increase, will receive a reduced prorated increase. For members retiring on January 1, 2024 or later, the increase will be delayed until normal retirement age (age 65 if hired prior to July 1, 1989, or age 66 for individuals hired on or after July 1, 1989). Members retiring under Rule of 90 are exempt from the delay to normal retirement.

C. Contributions

Minnesota Statutes, Chapter 353 sets the rates for employer and employee contributions. Contribution rates can only be modified by the State Legislature.

CITY OF SHOREVIEW
Notes to Financial Statements
December 31, 2019

GERF Contributions

Coordinated Plan members were required to contribute 6.50 percent of their annual covered salary in fiscal year 2019. The City was required to contribute 7.50 percent for Coordinated Plan members. The City's contributions to the GERF for the year ended December 31, 2019 were \$501,753. The City's contributions were equal to the required contributions as set by state statute.

D. Pension Costs

GERF Pension Costs

At December 31, 2019, the City reported a liability of \$4,948,256 for its proportionate share of the GERF's net pension liability. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportion of the net pension liability was based on the City's contributions received by the PERA during the measurement period for employer payroll paid dates from July 1, 2018 through June 30, 2019, relative to the total employer contributions received from all of the PERA's participating employers. The City's proportionate share was .0895 percent at the end of the measurement period and .0892 percent for the beginning of the period.

The City's net pension liability reflected a reduction due to the state of Minnesota's contribution of \$16 million to the fund in 2019. The state of Minnesota is considered a nonemployer contributing entity and the state's contribution meets the definition of a special funding situation. The amount recognized by the City as its proportionate share of the net pension liability, the direct aid, and total portion of the net pension liability that was associated with the City were as follows:

City's proportionate share of the net pension liability	\$ 4,948,256
State's proportionate share of the net pension liability associated with the City	\$ 153,660

For the year ended December 31, 2019, the City recognized pension expense of \$553,901 for its proportionate share of the GERF's pension expense. In addition, the City recognized an additional \$11,508 as pension expense (and grant revenue) for its proportionate share of the state of Minnesota's contribution of \$16 million to the GERF.

CITY OF SHOREVIEW
Notes to Financial Statements
December 31, 2019

At December 31, 2019, the City reported its proportionate share of the GERS'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	\$ 137,472	\$ –
Changes in actuarial assumptions	–	389,609
Differences between projected and actual investment earnings	–	493,846
Changes in proportion	12,482	80,342
Contributions paid to the PERA subsequent to the measurement date	<u>252,258</u>	<u>–</u>
Total	<u>\$ 402,212</u>	<u>\$ 963,797</u>

A total of \$252,258 reported as deferred outflows of resources related to pensions resulting from city contributions subsequent to the measurement date that will be recognized as a reduction of the net pension liability in the year ending December 31, 2020. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ending December 31,</u>	<u>Pension Expense Amount</u>
2020	\$ (319,535)
2021	(407,730)
2022	(94,552)
2023	<u>7,974</u>
Total	<u>\$ (813,843)</u>

E. Actuarial Assumptions

The total pension liability in the June 30, 2019 actuarial valuation was determined using an individual entry-age normal actuarial cost method and the following actuarial assumptions:

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

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

CITY OF SHOREVIEW
Notes to Financial Statements
December 31, 2019

Actuarial assumptions used in the June 30, 2019 valuation were based on the results of actuarial experience studies. The most recent four-year experience study in the GERS was completed in 2019. Economic assumptions were updated in 2018 based on a review of inflation and investment return assumptions.

The following changes in actuarial assumptions and plan provisions occurred in 2019:

Changes in Actuarial Assumptions

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

Changes in Plan Provisions

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

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

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic equity	35.5%	5.10%
Private markets	25.0%	5.90%
Fixed income	20.0%	0.75%
International equity	17.5%	5.90%
Cash equivalents	2.0%	—
Total	100.0%	

F. Discount Rate

The discount rate used to measure the total pension liability in 2019 was 7.5 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and employers will be made at rates set in Minnesota Statutes. Based on these assumptions, the fiduciary net position of the GERS was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

G. Pension Liability Sensitivity

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

CITY OF SHOREVIEW
Notes to Financial Statements
December 31, 2019

	1% Decrease in Discount Rate (6.5%)	Discount Rate (7.5%)	1% Increase in Discount Rate (8.5%)
The City's proportionate share of the GERF net pension liability	\$ 8,134,664	\$ 4,948,256	\$ 2,317,240

H. Pension Plan Fiduciary Net Position

Detailed information about the GERF'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 PERA website at www.mnpera.org, by writing to the PERA at 60 empire Drive, Suite 200, St. Paul, Minnesota 55103 or by calling (651) 296-7460 or (800) 652-9026.

Note 8 – DEFINED CONTRIBUTION PLAN

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

Plan benefits depend solely on amounts contributed to the plan plus investment earnings, less administrative expenses. Minnesota Statutes, Chapter 353D.03, specifies plan provisions, including the employee and employer contribution rates for those qualified personnel who elect to participate. An eligible elected official who decides to participate contributes 5 percent of salary which is matched by the elected official's employer. For ambulance service personnel, employer contributions are determined by the employer, and for salaried employee contributions must be a fixed percentage of salary. Employer contributions for volunteer personnel may be a unit value for each call or period of alert duty. Employees who are paid for their services may elect to make member contributions in an amount not to exceed the employer share. Employer and employee contributions are combined and used to purchase shares in one or more of the seven accounts of the Minnesota Supplemental Investment Fund. For administering the plan, the PERA receives 2 percent of employer contributions and twenty-five hundredths of 1 percent (0.25 percent) of the assets in each member's account annually.

Total contributions made by the City for the last three fiscal years were:

For the Year Ended December 31,	Contribution Amount		Percentage of Covered Payroll		Required Rate for Employees and Employers
	Employee	Employer	Employee	Employer	
2019	\$ 1,951	\$ 1,951	5%	5%	5%
2018	\$ 1,893	\$ 1,893	5%	5%	5%
2017	\$ 1,893	\$ 1,893	5%	5%	5%

CITY OF SHOREVIEW
Notes to Financial Statements
December 31, 2019

Note 9 INTERFUND RECEIVABLES/PAYABLES AND TRANSFERS

Interfund receivable and payable balances at December 31, 2019 are as follows:

Fund	Receivable	Payable
Major funds		
Community Investment	\$ 77,957	\$ –
Nonmajor governmental funds	<u>813,243</u>	<u>891,200</u>
Total	<u>\$ 891,200</u>	<u>\$ 891,200</u>

Interfund receivables/payables are used for temporary cash deficits. These balances will be eliminated by future tax increment receipts and intergovernmental revenue.

Interfund transfers:

Transfers out	Transfer In								Total
	General Fund	Community Center Operation Fund	Recreation Programs Fund	Municipal State Aid	Capital Asset Replacement Fund	Community Investment Fund	Nonmajor Governmental Funds	Internal Service Funds	
General Fund	\$ –	\$ 277,000	\$ 100,000	\$ 300,000	\$ 316,470	\$ 300,000	\$ 60,000	\$ –	\$ 1,353,470
Municipal State Aid Fund	–	–	–	–	–	–	758,882	–	758,882
Street Renewal Fund	–	–	–	–	–	–	1,000,325	–	1,000,325
Capital Asset Replacement Fund	–	–	–	–	–	–	738,041	–	738,041
Community Investment Fund	–	–	–	–	–	–	2,471,336	–	2,471,336
Nonmajor governmental funds	200,000	–	–	–	–	–	50,000	–	250,000
Water Fund	350,000	–	–	–	–	–	–	43,000	393,000
Sewer Fund	160,000	–	–	–	–	–	–	43,000	203,000
Surface Water Fund	155,000	–	–	–	–	–	–	31,000	186,000
Street Lights Fund	35,000	–	–	–	–	–	–	2,400	37,400
Total transfers out	<u>\$ 900,000</u>	<u>\$ 277,000</u>	<u>\$ 100,000</u>	<u>\$ 300,000</u>	<u>\$ 316,470</u>	<u>\$ 300,000</u>	<u>\$ 5,078,584</u>	<u>\$ 119,400</u>	<u>\$ 7,391,454</u>

Interfund transfers allow the City to allocate financial resources to the funds that receive benefits from services provided by another fund. All of the City's interfund transfers fall under that category. All of the 2019 transfers are considered routine and consistent with previous practices.

Note 10 CAPITAL LEASE

In 2011, the City issued refunding certificates of participation for the lease of the community center expansion area. The lease is paid in semi-annual installments, and final payment is due August 1, 2023. Depreciation in the amount of \$73,826 has been recorded as depreciation expense during 2019.

CITY OF SHOREVIEW
Notes to Financial Statements
December 31, 2019

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

	<u>December 31, 2019</u>
Building and structures	\$ 5,337,794
Accumulated depreciation	<u>(1,228,731)</u>
Net	<u>\$ 4,109,063</u>

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

<u>Year</u>	<u>Community Center Expansion</u>
2020	\$ 477,057
2021	478,155
2022	473,750
2023	<u>477,250</u>
Total	1,906,212
Less amount representing interest	<u>(161,212)</u>
Present value of minimum lease payments	<u>\$ 1,745,000</u>

Note 11 OPERATING LEASE PAYABLE

During 2019 the City leased five copier machines under one lease agreement. The lease expires in June 2022, and calls for monthly lease payments of \$2,044. Lease expenditures for the year ended December 31, 2019 amounted to \$24,533.

Future minimum annual lease payments at December 31, 2019 are as follows:

<u>Year Ending December 31,</u>	<u>Copiers</u>
2020	\$ 24,533
2021	24,533
2022	<u>12,267</u>
Total	<u>\$ 61,333</u>

Note 12 COMMITMENTS AND CONTINGENCIES

A. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts: theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

Workers' compensation coverage for City employees and councilmembers is provided through a pooled self-insurance program through the League of Minnesota Cities Insurance Trust (LMCIT). The City pays an annual premium to LMCIT. The City is subject to supplemental assessments if deemed necessary by the LMCIT. The LMCIT reinsures through Workers' Compensation Reinsurance Association (WCRA) as required by law. For workers' compensation, the City is not subject to a deductible. The City's workers' compensation coverage prior to December 1, 2004 is retrospectively rated. With this type of coverage, final premiums are determined after loss experience is known. The amount of premium adjustment, if any, is considered immaterial and not recorded until received or paid.

Other insurance coverage is provided through a pooled self-insurance program through LMCIT. The City pays an annual premium to the LMCIT. The City is subject to supplemental assessments if deemed necessary by the LMCIT. The LMCIT reinsures through commercial companies for claims in excess of various amounts. The City retains risk for deductible portions. These deductibles are considered immaterial to the financial statements.

The City continues to carry commercial insurance for other risks of loss, including disability insurance. There were no significant reductions in insurance from the previous year or settlements in excess of insurance coverage for any of the past three fiscal years.

The City established the Short-Term Disability Self-Insurance Fund to account for the receipt of monthly premiums paid by employees and costs incurred in providing short-term disability insurance to employees on a self-insured basis. Under this program, the Short-Term Disability Self-Insurance Fund provides coverage for losses up to two-thirds of any employee's gross wages. Benefits begin on the sixteenth working day and cover up to three calendar months. The City purchases commercial insurance for long-term disability for claims which exceed three months.

The City established the Liability Claims Fund to account for losses in the City's general package insurance. Under this program, the Liability Claims Fund provides coverage for losses up to \$25,000 for each claim (annual aggregate is \$75,000).

All funds of the City participate in these two programs and make payments to these funds based on historical cost information. GASB Statement No. 10 requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. As of the date of the report, liabilities that have occurred are immaterial.

B. LITIGATION

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

C. FEDERAL AND STATE FUNDS

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

D. TAX INCREMENT DISTRICTS

The City's tax increment districts are subject to review by the state of Minnesota Office of the State Auditor. Any disallowed claims or misuse of tax increments could become a liability of the applicable fund. Management has indicated that they are not aware of any instances of noncompliance which would have a material effect on the financial statements.

E. PURCHASE POWER COMMITMENT

During 2019 the City entered into an agreement with Ideal Energy to install two solar array systems on the roof of the City's public works maintenance facility. Ideal Energy will own and operate the systems for thirteen and fifteen years respectively and the City has agreed to purchase the electricity generated from the systems at an agreed upon rate.

CITY OF SHOREVIEW
Notes to Financial Statements
December 31, 2019

Note 13 FUND BALANCES

A. CLASSIFICATIONS

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

	General Fund	Major Special Revenue Funds	Major Capital Project Funds	Other Funds	Total
Nonspendable					
Prepaid items	\$ 28,641	\$ 18,435	\$ —	\$ 8,150	\$ 55,226
Restricted for					
Business loan program	—	—	—	165,777	165,777
Cable television	—	—	—	53,280	53,280
Debt service	—	—	—	1,948,858	1,948,858
Economic development	—	—	—	78,193	78,193
Housing and redevelopment	—	—	—	229,323	229,323
Recycling	—	—	—	588,783	588,783
Tax increment purposes	—	—	—	2,426,487	2,426,487
Total restricted	—	—	—	5,490,701	5,490,701
Committed to					
Community center operations	—	1,801,790	—	—	1,801,790
Recreation programs	—	992,356	—	—	992,356
Street improvements	—	—	2,730,774	—	2,730,774
Capital asset replacements	—	—	1,199,267	—	1,199,267
Community projects	—	—	4,312,786	—	4,312,786
Cable television	—	—	—	208,180	208,180
Slice of Shoreview event	—	—	—	94,768	94,768
Total committed	—	2,794,146	8,242,827	302,948	11,339,921
Assigned to					
Street improvements	—	—	2,203,904	—	2,203,904
Debt service	—	—	—	1,095,241	1,095,241
Computer systems	—	—	—	150,404	150,404
Total assigned	—	—	2,203,904	1,245,645	3,449,549
Unassigned	5,554,310	—	—	(794,115)	4,760,195
Total	\$ 5,582,951	\$ 2,812,581	\$ 10,446,731	\$ 6,253,329	\$ 25,095,592

B. MINIMUM UNASSIGNED FUND BALANCE POLICY

The City Council has formally adopted a policy regarding the minimum unassigned fund balance for the General Fund. The most significant revenue source of the General Fund is property taxes. This revenue source is received in two installments during the year—June and December. As such, it is the City’s goal to begin each fiscal year with sufficient working capital to fund operations between each semi-annual receipt of property taxes. The policy also addresses the potential for unanticipated events and special temporary allocations as established by the City Council for specific purposes.

The policy establishes a year-end targeted unassigned fund balance for working capital needs at 50 percent of the ensuing years’ General Fund tax levy, and levy-based state aids. The working capital allocation shall be reduced by the balance of any prepaid items at year-end. The unassigned unanticipated event fund balance is established at 10 percent of the ensuing years’ budgeted General Fund expenditures. At December 31, 2019, the unassigned working capital fund balance was 50 percent of the ensuing years’ General Fund tax levy, and levy-based aids. The unassigned unanticipated event fund balance was ten percent of the ensuing years’ budgeted General Fund expenditures.

C. DEFICIT FUND BALANCES

The City had deficit fund balances at December 31, 2019 as follows:

	<u>Amount</u>
Nonmajor Funds	
Capital Project	
District #8 Lakeview Terrace	\$ 719,253
District #11 Loden	1,007
Owasso Blvd. North Reconstruction	<u>73,855</u>
Total	<u>\$ 794,115</u>

The District #8 Lakeview Terrace and District #11 Loden deficits will be eliminated through future tax increment revenue. The Owasso Blvd. North Reconstruction deficit will be eliminated through the issuance of future bonds and the receipt of intergovernmental revenue.

CITY OF SHOREVIEW

Notes to Financial Statements
December 31, 2019

Note 14 HOME ENERGY IMPROVEMENT LOAN RECEIVABLE

In 2010, the Economic Development Authority (EDA) started a home energy improvement loan program. As of December 31, 2019, the EDA had six loans outstanding with interest rates ranging from 3.00 to 6.00 percent. The terms are 120 to 180 months and call for monthly payments.

Future minimum loan receipts at December 31, 2019 are as follows:

<u>Year</u>	<u>Home Energy Improvement Loan Program</u>
2020	\$ 13,687
2021	7,251
2022	7,251
2023	7,251
2024	7,251
2025	6,179
2026	2,940
2027	2,072
2028	2,072
2029	2,072
2030	2,072
2031	2,072
2032	2,072
2033	2,072
2034	518
Total	66,832
Less amount representing interest	(10,708)
Total loan receivable	<u>\$ 56,124</u>

Note 15 SUBSEQUENT EVENTS

A. INVESTMENT FAIR VALUES

The City generally reports its investments at fair value based on standards described earlier in these notes. Subsequent to year end, the novel coronavirus (COVID-19) pandemic has caused significant volatility in economic conditions, including substantial reductions in the quoted active-market prices of some investments. The City's portfolio consists primarily of shorter-term investments, many with guaranteed maturity values. The City does not expect any losses ultimately realized from this market decline to be material. However, the potential negative impact could be heightened if increased demand on City resources and/or a sustained economic downturn hampers the City's ability to hold such investments to maturity as planned. The potential future impact of these conditions on the fair value of the City's investment portfolio is not determinable at this time.

B. CITY OPERATIONS

In March of 2020 in response to the COVID-19 pandemic the Governor of Minnesota issued a stay at home order requiring the closure of certain non-critical businesses. The stay at home order resulted in the closure of the City's community center and the suspension of all recreation program activities on March 16, 2020. The order has resulted in substantial declines in revenue of the Community Center and Recreation Programs funds. The Governor's announcement on May 20, 2020 indicated that the City may reopen the community center and continue recreation program activities on June 15, subject to the City establishing and implementing a COVID-19 Preparedness Plan. It is the City's intension to reopen the community center and resume recreation program activities on a limited basis on June 15. The total potential financial impact of the closure and suspension of activities on the Community Center and Recreation Programs funds is not determinable at this time and could be heightened if additional future restrictions are adopted at the state level.

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**FINANCIAL SECTION –
REQUIRED SUPPLEMENTARY FINANCIAL
INFORMATION OTHER THAN MD&A**

TAB

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REQUIRED SUPPLEMENTARY INFORMATION

CITY OF SHOREVIEW, MINNESOTA
 Required Supplementary Information
 Budgetary Comparison Schedule – General Fund
 For The Year Ended December 31, 2019

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	Original and Final Budget	Actual Amounts	Variance With Final Budget
Revenues			
General property taxes			
Current	\$ 8,185,180	\$ 8,209,864	\$ 24,684
Other	–	5,892	5,892
Total general property taxes	<u>8,185,180</u>	<u>8,215,756</u>	<u>30,576</u>
Licenses and permits			
Business	40,000	44,945	4,945
Non-business	335,000	1,052,221	717,221
Total licenses and permits	<u>375,000</u>	<u>1,097,166</u>	<u>722,166</u>
Intergovernmental			
Federal			
FEMA flood grant	–	4,426	4,426
State			
Road maintenance	270,000	268,374	(1,626)
Market value homestead credit	–	174	174
PERA aid	20,122	20,122	–
State fire aid	280,000	298,667	18,667
Other	–	1,099	1,099
Local			
Aggregate gravel tax	500	1,306	806
Other	35,000	36,050	1,050
Total intergovernmental	<u>605,622</u>	<u>630,218</u>	<u>24,596</u>
Charges for services			
General government	600	1,353	753
Public works	361,381	405,072	43,691
Parks and recreation	7,000	9,573	2,573
Community development	71,500	216,384	144,884
Administrative charges			
Special revenue funds	104,960	104,960	–
Capital project funds	120,000	140,520	20,520
Enterprise funds	760,650	760,650	–
Total charges for services	<u>1,426,091</u>	<u>1,638,512</u>	<u>212,421</u>
Fines and forfeits	47,500	55,843	8,343
Earnings on investments	60,000	166,442	106,442
Other	14,850	21,233	6,383
Total revenues	<u>10,714,243</u>	<u>11,825,170</u>	<u>1,110,927</u>
Expenditures			
General government			
Current			
Council and Commissions	171,420	153,529	17,891
Administration	522,830	515,987	6,843
Human resources	341,949	264,424	77,525
Elections	8,500	9,232	(732)
Communications	238,041	220,162	17,879
Finance and accounting	585,853	574,225	11,628
Information systems	457,464	390,556	66,908
Legal	120,000	104,445	15,555
Total general government	<u>2,446,057</u>	<u>2,232,560</u>	<u>213,497</u>

CITY OF SHOREVIEW, MINNESOTA
 Required Supplementary Information
 Budgetary Comparison Schedule – General Fund
 For The Year Ended December 31, 2019

Statement 11
Page 2 of 2

	Original and Final Budget	Actual Amounts	Variance With Final Budget
Expenditures (continued)			
Public safety			
Current			
Police	2,347,005	2,310,896	36,109
Fire	1,723,779	1,742,438	(18,659)
Total public safety	<u>4,070,784</u>	<u>4,053,334</u>	<u>17,450</u>
Public works			
Current			
Public works administration and engineering	395,768	432,384	(36,616)
Streets	985,426	940,427	44,999
Trail management	145,144	139,303	5,841
Forestry	165,510	164,770	740
Total public works	<u>1,691,848</u>	<u>1,676,884</u>	<u>14,964</u>
Parks and recreation			
Current			
Parks and recreation administration	587,338	609,071	(21,733)
Municipal buildings	139,800	149,732	(9,932)
Park and sports area maintenance	1,436,296	1,436,045	251
Total parks and recreation	<u>2,163,434</u>	<u>2,194,848</u>	<u>(31,414)</u>
Community development			
Current			
Planning and zoning administration	451,032	457,272	(6,240)
Building inspection	253,910	359,165	(105,255)
Total community development	<u>704,942</u>	<u>816,437</u>	<u>(111,495)</u>
Miscellaneous			
Current			
Wage contingency	100,178	–	100,178
Total expenditures	<u>11,177,243</u>	<u>10,974,063</u>	<u>203,180</u>
Revenues over (under) expenditures	<u>(463,000)</u>	<u>851,107</u>	<u>1,314,107</u>
Other financing sources (uses)			
Transfers in	900,000	900,000	–
Transfers out	(437,000)	(1,353,470)	(916,470)
Total other financing sources (uses)	<u>463,000</u>	<u>(453,470)</u>	<u>(916,470)</u>
Net change in fund balance	<u>\$ –</u>	<u>397,637</u>	<u>\$ 397,637</u>
Fund balance – January 1		5,185,314	
Fund balance – December 31		<u>\$ 5,582,951</u>	

CITY OF SHOREVIEW, MINNESOTA

Required Supplementary Information

Budgetary Comparison Schedule – Community Center Operations Fund

For The Year Ended December 31, 2019

Statement 12

	Original and Final Budget	Actual Amounts	Variance With Final Budget
	<u> </u>	<u> </u>	<u> </u>
Revenues			
Charges for services	\$ 3,069,630	\$ 3,365,366	\$ 295,736
Earnings on investments	7,000	63,134	56,134
Other	12,500	36,112	23,612
Total revenues	<u>3,089,130</u>	<u>3,464,612</u>	<u>375,482</u>
Expenditures			
Parks and recreation			
Current			
Personal services	1,999,040	2,025,761	(26,721)
Materials and supplies	543,736	607,174	(63,438)
Contractual services	676,792	856,975	(180,183)
Total expenditures	<u>3,219,568</u>	<u>3,489,910</u>	<u>(270,342)</u>
Revenues over (under) expenditures	<u>(130,438)</u>	<u>(25,298)</u>	<u>105,140</u>
Other financing sources (uses)			
Transfers in	437,000	277,000	(160,000)
Net change in fund balance	<u>\$ 306,562</u>	<u>251,702</u>	<u>\$ (54,860)</u>
Fund balance – January 1		1,557,616	
Fund balance – December 31		<u>\$ 1,809,318</u>	

CITY OF SHOREVIEW, MINNESOTA

Required Supplementary Information

Budgetary Comparison Schedule – Recreation Programs Fund

For The Year Ended December 31, 2019

Statement 13

	Original and Final Budget	Actual Amounts	Variance With Final Budget
Revenues			
Charges for services	\$ 1,497,095	\$ 1,767,371	\$ 270,276
Earnings on investments	3,000	31,394	28,394
Other	–	2,210	2,210
Total revenues	<u>1,500,095</u>	<u>1,800,975</u>	<u>300,880</u>
Expenditures			
Parks and recreation			
Current			
Personal services	1,297,686	1,397,979	(100,293)
Materials and supplies	93,693	92,519	1,174
Contractual services	209,654	271,615	(61,961)
Total expenditures	<u>1,601,033</u>	<u>1,762,113</u>	<u>(161,080)</u>
Revenues over (under) expenditures	<u>(100,938)</u>	<u>38,862</u>	<u>139,800</u>
Other financing sources (uses)			
Transfers in	100,000	100,000	–
Transfers out	(160,000)	–	160,000
Total other financing sources (uses)	<u>(60,000)</u>	<u>100,000</u>	<u>160,000</u>
Net change in fund balance	<u>\$ (160,938)</u>	<u>138,862</u>	<u>\$ 299,800</u>
Fund balance – January 1		864,401	
Fund balance – December 31		<u>\$ 1,003,263</u>	

CITY OF SHOREVIEW, MINNESOTA

Required Supplementary Information (Last Ten Years*)

Statement 14

Schedule of City's and Non-Employer Proportionate Share of Net Pension Liability –

PERA – General Employees Retirement Fund

Schedule of City Contributions –

PERA – General Employees Retirement Fund

For The Year Ended December 31, 2019

PERA – General Employees Retirement Fund
Schedule of City's and Non-Employer Proportionate Share of Net Pension Liability

City Fiscal Year-End Date	PERA Fiscal Year-End Date (Measurement Date)	City's Proportion of the Net Pension Liability	City's Proportionate Share of the Net Pension Liability	City's Proportionate Share of the State of Minnesota's Share of the Net Pension Liability	Proportionate Share of the Net Pension Liability and the City's Share of the State of Minnesota's Share of the Net Pension Liability	City's Covered Payroll	City's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
12/31/2015	06/30/2015	0.0939%	\$ 4,866,385	\$ –	\$ 4,866,385	\$ 5,518,544	88.18%	78.20%
12/31/2016	06/30/2016	0.0927%	\$ 7,526,779	\$ 98,291	\$ 7,625,070	\$ 5,751,467	130.87%	68.90%
12/31/2017	06/30/2017	0.0900%	\$ 5,745,541	\$ 72,239	\$ 5,817,780	\$ 5,792,074	99.20%	75.90%
12/31/2018	06/30/2018	0.0892%	\$ 4,948,450	\$ 162,272	\$ 5,110,722	\$ 5,947,266	83.21%	79.50%
12/31/2019	06/30/2019	0.0895%	\$ 4,948,256	\$ 153,660	\$ 5,101,916	\$ 6,331,126	78.16%	80.20%

PERA – General Employees Retirement Fund
Schedule of City Contributions

City Fiscal Year-End Date	Statutorily Required Contributions	Contributions in Relation to the Statutorily Required Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
12/31/2015	\$ 417,738	\$ 417,738	\$ –	\$ 5,569,840	7.50%
12/31/2016	\$ 437,884	\$ 437,884	\$ –	\$ 5,838,453	7.50%
12/31/2017	\$ 439,966	\$ 439,966	\$ –	\$ 5,866,213	7.50%
12/31/2018	\$ 448,635	\$ 448,635	\$ –	\$ 5,981,792	7.50%
12/31/2019	\$ 501,753	\$ 501,753	\$ –	\$ 6,690,030	7.50%

Note 1: *The City implemented GASB Statement No. 68 in fiscal 2015 (using a June 30, 2015 measurement date). This information is not available for previous fiscal years. Ten years of information will be presented as it becomes available.

CITY OF SHOREVIEW, MINNESOTA

Required Supplementary Information

Notes to RSI

December 31, 2019

Note A LEGAL COMPLIANCE – BUDGETS

The General Fund, Community Center Operations Fund, and Recreation Programs Fund budgets are legally adopted on a basis consistent with accounting principles generally accepted in the United States of America. The legal level of budgetary control is at the department level (general government, public safety, public works, parks and recreation, community development, and miscellaneous) for all funds. For the year ended December 31, 2019, the following is a list of funds whose departments exceeded budgeted appropriations:

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Over Budget</u>
Major funds			
General Fund			
Parks and recreation	\$ 2,163,434	\$ 2,194,848	\$ 31,414
Community Development	704,942	816,437	111,495
Community Center Operations Fund	3,219,568	3,489,910	270,342
Recreation Programs Fund	1,601,033	1,762,113	161,080

The General Fund, Community Center Operations Fund and Recreation Programs Fund over expenditures were funded by greater than anticipated revenues.

Note B PERA – GENERAL EMPLOYEES RETIREMENT FUND

2019 CHANGES IN ACTUARIAL ASSUMPTIONS

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

2019 CHANGES IN PLAN PROVISIONS

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

2018 CHANGES IN ACTUARIAL ASSUMPTIONS

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

2018 CHANGES IN PLAN PROVISIONS

- The augmentation adjustment in early retirement factors is eliminated over a five-year period starting July 1, 2019, resulting in actuarial equivalence after June 30, 2024.

CITY OF SHOREVIEW, MINNESOTA

Required Supplementary Information

Notes to RSI

December 31, 2019

- Interest credited on member contributions decreased from 4.00 percent to 3.00 percent, beginning July 1, 2018.
- Deferred augmentation was changed to 0.00 percent, effective January 1, 2019. Augmentation that has already accrued for deferred members will still apply.
- Contribution stabilizer provisions were repealed.
- Post-retirement benefit increases were changed from 1.00 percent per year with a provision to increase to 2.50 percent upon attainment of 90.00 percent funding ratio to 50.00 percent of the Social Security Cost of Living Adjustment, not less than 1.00 percent and not more than 1.50 percent, beginning January 1, 2019.
- For retirements on or after January 1, 2024, the first benefit increase is delayed until the retiree reaches normal retirement age; does not apply to Rule of 90 retirees, disability benefit recipients, or survivors.
- Actuarial equivalent factors were updated to reflect revised mortality and interest assumptions.

2017 CHANGES IN ACTUARIAL ASSUMPTIONS

- The Combined Service Annuity (CSA) loads were changed from 0.80 percent for active members and 60.00 percent for vested and nonvested deferred members. The revised CSA loads are now zero percent for active member liability, 15.00 percent for vested deferred member liability, and 3.00 percent for nonvested deferred member liability.
- The assumed post-retirement benefit increase rate was changed from 1.00 percent per year for all years, to 1.00 percent per year through 2044, and 2.50 percent per year thereafter.

2017 CHANGES IN PLAN PROVISIONS

- The state's contribution for the Minneapolis Employees Retirement Fund equals \$16.0 million in 2017 and 2018, and \$6.0 million thereafter.
- The Employer Supplemental Contribution for the Minneapolis Employees Retirement Fund changed from \$21.0 million to \$31.0 million in calendar years 2019 to 2031. The state's contribution changed from \$16.0 million to \$6.0 million in calendar years 2019 to 2031.

2016 CHANGES IN ACTUARIAL ASSUMPTIONS

- The assumed post-retirement benefit increase rate was changed from 1.00 percent per year through 2035 and 2.50 percent per year thereafter, to 1.00 percent per year for all years.
- The assumed investment return was changed from 7.90 percent to 7.50 percent. The single discount rate changed from 7.90 percent to 7.50 percent.

CITY OF SHOREVIEW, MINNESOTA

Required Supplementary Information

Notes to RSI

December 31, 2019

- Other assumptions were changed pursuant to the experience study June 30, 2015. The assumed future salary increases, payroll growth, and inflation were decreased by 0.25 percent to 3.25 percent for payroll growth, and 2.50 percent for inflation.

2015 CHANGES IN ACTUARIAL ASSUMPTIONS:

- The assumed post-retirement benefit increase rate was changed from 1.0 percent per year through 2030, and 2.5 percent per year thereafter, to 1.0 percent per year through 2035, and 2.5 percent per year thereafter.

2015 CHANGES IN PLAN PROVISIONS:

- On January 1, 2015, the Minneapolis Employees Retirement Fund was merged into the General Employees Fund, which increased the total pension liability by \$1.1 billion and increased the fiduciary plan net position by \$892 million. Upon consolidation, state and employer contributions were revised; the State's contribution of \$6 million, which meets the special funding situation definition, is due September 2015.

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**FINANCIAL SECTION –
COMBINING AND INDIVIDUAL NONMAJOR FUND
STATEMENTS AND SCHEDULES**

TAB

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**COMBINING AND INDIVIDUAL NONMAJOR FUND STATEMENTS AND
SCHEDULES**

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NONMAJOR GOVERNMENTAL FUNDS

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SPECIAL REVENUE FUNDS

Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted, committed, or assigned to expenditures for specified purposes other than debt service or capital projects.

DEBT SERVICE FUNDS

Debt service funds are used to account for and report the accumulation of restricted, committed, or assigned resources for the payment of interest, principal, and related costs on long-term debt.

CAPITAL PROJECT FUNDS

Capital project funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditures for capital outlays including the acquisition or construction of major capital facilities (other than those financed by proprietary funds).

CITY OF SHOREVIEW, MINNESOTA

Combining Balance Sheet

Nonmajor Governmental Funds

December 31, 2019

Statement 15

	Special Revenue	Debt Service	Capital Project	Totals Nonmajor Governmental Funds
Assets				
Cash and investments	\$ 1,337,239	\$ 3,006,614	\$ 2,298,025	\$ 6,641,878
Accrued interest receivable	2,124	5,416	2,583	10,123
Accounts receivable	101,575	-	-	101,575
Loan receivable	-	-	56,124	56,124
Taxes receivable	6,198	18,735	2,839	27,772
Special assessments receivable	-	1,460,982	-	1,460,982
Interfund receivable	1,007	-	812,236	813,243
Due from other governmental units	36,561	-	99,223	135,784
Prepaid items	8,150	-	-	8,150
Total assets	\$ 1,492,854	\$ 4,491,747	\$ 3,271,030	\$ 9,255,631
Liabilities				
Accounts payable	\$ 43,857	\$ 1,546	\$ 31,194	\$ 76,597
Salaries payable	13,267	-	-	13,267
Contracts payable	-	-	468,566	468,566
Interfund payable	-	-	891,200	891,200
Due to other governmental units	-	-	38,805	38,805
Unearned revenue	7,421	-	-	7,421
Total liabilities	64,545	1,546	1,429,765	1,495,856
Deferred inflows of resources				
Unavailable revenue – loan receivable	-	-	56,124	56,124
Unavailable revenue – property taxes	1,855	5,470	2,365	9,690
Unavailable revenue – special assessments	-	1,440,632	-	1,440,632
Total deferred inflows of resources	1,855	1,446,102	58,489	1,506,446
Fund balances				
Nonspendable	8,150	-	-	8,150
Restricted	1,115,356	1,948,858	2,426,487	5,490,701
Committed	302,948	-	-	302,948
Assigned	-	1,095,241	150,404	1,245,645
Unassigned	-	-	(794,115)	(794,115)
Total fund balances	1,426,454	3,044,099	1,782,776	6,253,329
Total liabilities, deferred inflows of resources, and fund balances	\$ 1,492,854	\$ 4,491,747	\$ 3,271,030	\$ 9,255,631

CITY OF SHOREVIEW, MINNESOTA

Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances
Nonmajor Governmental Funds
For The Year Ended December 31, 2019

Statement 16

	Special Revenue	Debt Service	Capital Project	Totals Nonmajor Governmental Funds
Revenues				
Taxes				
General property taxes	\$ 356,658	\$ 1,118,595	\$ 39,778	\$ 1,515,031
Tax increments	-	-	956,923	956,923
Franchise tax	402,371	-	-	402,371
Special assessments	-	203,356	-	203,356
Intergovernmental	95,081	-	99,223	194,304
Charges for services	605,770	-	87,978	693,748
Earnings on investments	36,145	66,485	122,797	225,427
Other	39,917	-	-	39,917
Total revenues	<u>1,535,942</u>	<u>1,388,436</u>	<u>1,306,699</u>	<u>4,231,077</u>
Expenditures				
Current				
General government	276,181	-	89,238	365,419
Public safety	-	-	53,712	53,712
Public works	535,254	-	-	535,254
Parks and recreation	-	-	1,926	1,926
Community development	314,849	-	880,852	1,195,701
Capital outlay				
General government	76,755	-	56,409	133,164
Public works	-	-	4,200,279	4,200,279
Parks and recreation	35,959	-	1,790,839	1,826,798
Community development	-	-	165,805	165,805
Debt service				
Principal	-	1,475,000	-	1,475,000
Interest	-	708,939	-	708,939
Fiscal charges	-	12,131	-	12,131
Total expenditures	<u>1,238,998</u>	<u>2,196,070</u>	<u>7,239,060</u>	<u>10,674,128</u>
Revenues over (under) expenditures	<u>296,944</u>	<u>(807,634)</u>	<u>(5,932,361)</u>	<u>(6,443,051)</u>
Other financing sources (uses)				
Payment to refunded bond escrow agent	-	(160,000)	-	(160,000)
Transfers in	10,000	982,000	4,086,584	5,078,584
Transfers out	(200,000)	(50,000)	-	(250,000)
Total other financing sources (uses)	<u>(190,000)</u>	<u>772,000</u>	<u>4,086,584</u>	<u>4,668,584</u>
Net change in fund balances	106,944	(35,634)	(1,845,777)	(1,774,467)
Fund balances – January 1	1,319,510	3,079,733	3,628,553	8,027,796
Fund balances – December 31	<u>\$ 1,426,454</u>	<u>\$ 3,044,099</u>	<u>\$ 1,782,776</u>	<u>\$ 6,253,329</u>

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NONMAJOR SPECIAL REVENUE FUNDS

The City had the following special revenue funds during the year:

Recycling – This fund was established to account for the City’s recycling program. Revenues are received through a joint powers agreement with Ramsey County and a user charge is assessed on property tax statements to all residential property. The City maintains a contract with a private hauler for the curbside collection of all recyclable materials.

Cable TV – This fund was established to account for transactions associated with cable television in the City. Franchise and Public Education and Government (PEG) Access fees are restricted for cable television operating and capital expenditures.

Slice of Shoreview Event – This fund was established to account for all costs, donations, sponsorships, and entrance fees associated with the Slice of Shoreview event.

Economic Development Authority – This fund was established to account for economic development programs and activities within the City. Minnesota Statutes restrict the use of revenues for economic development purposes.

Housing and Redevelopment Authority – This fund was established to account for housing and redevelopment programs and activities within the City. Minnesota Statutes restrict the use of revenues for housing and redevelopment purposes.

CITY OF SHOREVIEW, MINNESOTA

Subcombining Balance Sheet
 Nonmajor Special Revenue Funds
 December 31, 2019

Statement 17

	Recycling	Cable TV	Slice of Shoreview Event	Economic Development Authority	Housing and Redevelopment Authority	Total Nonmajor Special Revenue Funds
Assets						
Cash and investments	\$ 586,593	\$ 178,044	\$ 93,238	\$ 247,338	\$ 232,026	\$ 1,337,239
Accrued interest receivable	782	445	187	389	321	2,124
Accounts receivable	-	100,075	1,500	-	-	101,575
Taxes receivable	-	-	-	2,542	3,656	6,198
Interfund receivable	-	-	-	-	1,007	1,007
Due from other governmental units	30,599	-	-	5,962	-	36,561
Prepaid items	85	7,841	33	71	120	8,150
Total assets	<u>\$ 618,059</u>	<u>\$ 286,405</u>	<u>\$ 94,958</u>	<u>\$ 256,302</u>	<u>\$ 237,130</u>	<u>\$ 1,492,854</u>
Liabilities						
Accounts payable	\$ 27,152	\$ 15,459	\$ 157	\$ 882	\$ 207	\$ 43,857
Salaries payable	2,039	1,645	-	3,187	6,396	13,267
Unearned revenue	-	-	-	7,421	-	7,421
Total liabilities	<u>29,191</u>	<u>17,104</u>	<u>157</u>	<u>11,490</u>	<u>6,603</u>	<u>64,545</u>
Deferred inflows of resources						
Unavailable revenue – property taxes	-	-	-	771	1,084	1,855
Fund balances						
Nonspendable	85	7,841	33	71	120	8,150
Restricted	588,783	53,280	-	243,970	229,323	1,115,356
Committed	-	208,180	94,768	-	-	302,948
Total fund balances	<u>588,868</u>	<u>269,301</u>	<u>94,801</u>	<u>244,041</u>	<u>229,443</u>	<u>1,426,454</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 618,059</u>	<u>\$ 286,405</u>	<u>\$ 94,958</u>	<u>\$ 256,302</u>	<u>\$ 237,130</u>	<u>\$ 1,492,854</u>

CITY OF SHOREVIEW, MINNESOTA

Subcombining Statement of Revenues, Expenditures, and
Changes in Fund Balances
Nonmajor Special Revenue Funds
For The Year Ended December 31, 2019

Statement 18

	Recycling	Cable TV	Slice of Shoreview Event	Economic Development Authority	Housing and Redevelopment Authority	Total Nonmajor Special Revenue Funds
Revenues						
Taxes						
General property taxes	\$ -	\$ -	\$ -	\$ 149,033	\$ 207,625	\$ 356,658
Franchise tax	-	402,371	-	-	-	402,371
Intergovernmental	85,624	-	-	9,457	-	95,081
Charges for services	577,461	-	28,309	-	-	605,770
Earnings on investments	13,300	7,569	3,189	6,613	5,474	36,145
Other	226	1,950	37,741	-	-	39,917
Total revenues	<u>676,611</u>	<u>411,890</u>	<u>69,239</u>	<u>165,103</u>	<u>213,099</u>	<u>1,535,942</u>
Expenditures						
Current						
General government	-	201,453	74,728	-	-	276,181
Public works	535,254	-	-	-	-	535,254
Community development	-	-	-	153,644	161,205	314,849
Capital outlay						
General government	-	76,755	-	-	-	76,755
Parks and recreation	-	35,959	-	-	-	35,959
Total expenditures	<u>535,254</u>	<u>314,167</u>	<u>74,728</u>	<u>153,644</u>	<u>161,205</u>	<u>1,238,998</u>
Revenues over (under) expenditures	<u>141,357</u>	<u>97,723</u>	<u>(5,489)</u>	<u>11,459</u>	<u>51,894</u>	<u>296,944</u>
Other financing sources (uses)						
Transfers in	-	-	10,000	-	-	10,000
Transfers out	-	(200,000)	-	-	-	(200,000)
Total other financing sources (uses)	<u>-</u>	<u>(200,000)</u>	<u>10,000</u>	<u>-</u>	<u>-</u>	<u>(190,000)</u>
Net change in fund balances	141,357	(102,277)	4,511	11,459	51,894	106,944
Fund balances – January 1	447,511	371,578	90,290	232,582	177,549	1,319,510
Fund balances – December 31	<u>\$ 588,868</u>	<u>\$ 269,301</u>	<u>\$ 94,801</u>	<u>\$ 244,041</u>	<u>\$ 229,443</u>	<u>\$ 1,426,454</u>

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NONMAJOR DEBT SERVICE FUNDS

The City had the following debt service funds during the year:

Refunding Certificates of Participation of 2011 – This fund was established to provide financing for the 2011 refunding lease. Revenue sources are from transfers from other funds.

G.O. Capital Improvement Plan Refunding Bonds of 2013 – This fund was established to provide financing for the 2013 Refunding Capital Improvement Plan Bonds. The 2013 bonds refunded the 2004 bonds. Revenue sources are from property tax collections.

G.O. Street Reconstruction Refunding Bonds of 2013 – This fund was established to provide financing for the 2013 Refunding Street Reconstruction Bonds. Revenue sources are from property tax collections.

G.O. Street Reconstruction Bonds of 2013 – This fund was established to provide financing for the 2013 Street Reconstruction Bonds. Revenue sources are from property tax collections.

G.O. Street Reconstruction Bonds of 2018 – This fund was established to provide financing for the 2018 Street Reconstruction Bonds. Revenue sources are from property tax collections and transfers from other funds.

G.O. Tax Abatement Bonds of 2017 – This fund was established to provide financing for the 2017 Tax Abatement Bonds of 2017. Revenue sources are from tax collections and transfers in from other funds.

G.O. Improvement Refunding Bonds of 2013 – This fund was established to provide financing for the 2013 Refunding Improvement Bonds. The 2013 bonds refunded the 2006 bonds. Revenue sources are from special assessments and property tax collections.

G.O. Improvement Bonds of 2008/Refunding 2018 – This fund was established to provide financing for the 2008 Improvement Bonds. Revenue sources are from special assessments and property tax collections. These bonds were refunded by the G.O. Improvement Bonds of 2018, and were called for redemption on February 1, 2019.

G.O. Improvement Bonds of 2009 – This fund was established to provide financing for the 2009 Improvement Bonds. Revenue sources are from special assessments and property tax collections.

G.O. Improvement Bonds of 2013 – This fund was established to provide financing for the 2013 Improvement Bonds. Revenue sources are from special assessments and property tax collections.

G.O. Improvement Refunding Bonds of 2014 – This fund was established to provide financing for the 2014 Refunding Improvement Bonds. The 2010 bonds were refunded by the 2014 bonds. Revenue sources are from special assessments and property tax collections.

G.O. Improvement Bonds of 2015 – This fund was established to provide financing for the 2015 Improvement Bonds. Revenue sources are from special assessments and property tax collections.

Closed Bonds – This fund is used to account for previous special assessment bond issues refunded with existing funds. Outstanding special assessment balances are used for related debt service expenditures (fiscal and paying agent fees) and temporary and permanent financing of various capital improvements.

CITY OF SHOREVIEW, MINNESOTA

Subcombining Balance Sheet
 Nonmajor Debt Service Funds
 December 31, 2019

Statement 19
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	Refunding Certificates of Participation of 2011	G.O. Capital Improvement Plan Refunding Bonds of 2013	G.O. Street Reconstruction Refunding Bonds of 2013	G.O. Street Reconstruction Bonds of 2013
Assets				
Cash and investments	\$ 456,493	\$ 124,831	\$ 185,022	\$ 165,415
Accrued interest receivable	2,127	81	103	106
Taxes receivable				
Delinquent	-	734	1,190	1,050
Due from county	-	1,566	2,538	2,242
Special assessments receivable				
Delinquent	-	-	-	-
Deferred	-	-	-	-
Due from county	-	-	-	-
Total assets	<u>\$ 458,620</u>	<u>\$ 127,212</u>	<u>\$ 188,853</u>	<u>\$ 168,813</u>
Liabilities				
Accounts payable	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Deferred inflows of resources				
Unavailable revenue – property taxes	-	734	1,190	1,050
Unavailable revenue – special assessments	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>734</u>	<u>1,190</u>	<u>1,050</u>
Fund balances				
Restricted	458,620	126,478	187,663	167,763
Assigned	-	-	-	-
Total fund balances	<u>458,620</u>	<u>126,478</u>	<u>187,663</u>	<u>167,763</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 458,620</u>	<u>\$ 127,212</u>	<u>\$ 188,853</u>	<u>\$ 168,813</u>

CITY OF SHOREVIEW, MINNESOTA

Subcombining Balance Sheet
 Nonmajor Debt Service Funds
 December 31, 2019

	G.O. Street Reconstruction Bonds of 2018	G.O. Tax Abatement Bonds of 2017	G.O. Improvement Refunding Bonds of 2013	G.O. Improvement Bonds of 2008/ Refunding 2018
Assets				
Cash and investments	\$ 278,142	\$ 193,982	\$ 5,459	\$ 71,897
Accrued interest receivable	266	-	-	111
Taxes receivable				
Delinquent	958	1,490	48	-
Due from county	2,909	3,914	96	-
Special assessments receivable				
Delinquent	-	-	-	-
Deferred	-	-	-	55,968
Due from county	-	-	1,261	9,827
Total assets	<u>\$ 282,275</u>	<u>\$ 199,386</u>	<u>\$ 6,864</u>	<u>\$ 137,803</u>
Liabilities				
Accounts payable	\$ -	\$ 450	\$ -	\$ -
Deferred inflows of resources				
Unavailable revenue – property taxes	958	1,490	48	-
Unavailable revenue – special assessments	-	-	-	55,968
Total deferred inflows of resources	<u>958</u>	<u>1,490</u>	<u>48</u>	<u>55,968</u>
Fund balances				
Restricted	281,317	197,446	6,816	81,835
Assigned	-	-	-	-
Total fund balances	<u>281,317</u>	<u>197,446</u>	<u>6,816</u>	<u>81,835</u>
Total liabilities, deferred inflows of resources, and fund balance	<u>\$ 282,275</u>	<u>\$ 199,386</u>	<u>\$ 6,864</u>	<u>\$ 137,803</u>

G.O. Improvement Bonds of 2009	G.O. Improvement Bonds of 2013	G.O. Improvement Refunding Bonds of 2014	G.O. Improvement Bonds of 2015	Closed Bonds	Total Nonmajor Debt Service Funds
\$ 9,823 7	\$ 250,572 350	\$ 35,599 55	\$ 136,125 223	\$ 1,093,254 1,987	\$ 3,006,614 5,416
-	-	-	-	-	5,470
-	-	-	-	-	13,265
1,727	-	-	-	-	1,727
38,990	1,231,188	15,702	97,057	-	1,438,905
112	6,537	127	2,486	-	20,350
<u>\$ 50,659</u>	<u>\$ 1,488,647</u>	<u>\$ 51,483</u>	<u>\$ 235,891</u>	<u>\$ 1,095,241</u>	<u>\$ 4,491,747</u>
<u>\$ 615</u>	<u>\$ 437</u>	<u>\$ 32</u>	<u>\$ 12</u>	<u>\$ -</u>	<u>\$ 1,546</u>
-	-	-	-	-	5,470
40,717	1,231,188	15,702	97,057	-	1,440,632
<u>40,717</u>	<u>1,231,188</u>	<u>15,702</u>	<u>97,057</u>	<u>-</u>	<u>1,446,102</u>
9,327	257,022	35,749	138,822	-	1,948,858
-	-	-	-	1,095,241	1,095,241
<u>9,327</u>	<u>257,022</u>	<u>35,749</u>	<u>138,822</u>	<u>1,095,241</u>	<u>3,044,099</u>
<u>\$ 50,659</u>	<u>\$ 1,488,647</u>	<u>\$ 51,483</u>	<u>\$ 235,891</u>	<u>\$ 1,095,241</u>	<u>\$ 4,491,747</u>

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CITY OF SHOREVIEW, MINNESOTA

Subcombining Statement of Revenues, Expenditures, and
 Changes in Fund Balances
 Nonmajor Debt Service Funds
 For The Year Ended December 31, 2019

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	Refunding Certificates of Participation of 2011	G.O. Capital Improvement Plan Refunding Bonds of 2013	G.O. Street Reconstruction Refunding Bonds of 2013	G.O. Street Reconstruction Bonds of 2013
Revenues				
General property taxes	\$ -	\$ 131,339	\$ 212,926	\$ 188,049
Special assessments	-	-	-	-
Earnings on investments	9,356	1,382	1,754	1,797
Total revenues	<u>9,356</u>	<u>132,721</u>	<u>214,680</u>	<u>189,846</u>
Expenditures				
Debt service				
Principal	400,000	130,000	195,000	155,000
Interest	74,058	3,900	14,050	34,819
Fiscal charges	2,000	567	2,044	2,394
Total expenditures	<u>476,058</u>	<u>134,467</u>	<u>211,094</u>	<u>192,213</u>
Revenues over (under) expenditures	<u>(466,702)</u>	<u>(1,746)</u>	<u>3,586</u>	<u>(2,367)</u>
Other financing sources (uses)				
Payment to refunded bond escrow agent	-	-	-	-
Transfers in	460,000	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>460,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(6,702)	(1,746)	3,586	(2,367)
Fund balances – January 1	465,322	128,224	184,077	170,130
Fund balances – December 31	<u>\$ 458,620</u>	<u>\$ 126,478</u>	<u>\$ 187,663</u>	<u>\$ 167,763</u>

CITY OF SHOREVIEW, MINNESOTA

Subcombining Statement of Revenues, Expenditures, and
 Changes in Fund Balances
 Nonmajor Debt Service Funds
 For The Year Ended December 31, 2019

	G.O. Street Reconstruction Bonds of 2018	G.O. Tax Abatement Bonds of 2017	G.O. Improvement Refunding Bonds of 2013	G.O. Improvement Bonds of 2008/ Refunding 2018
Revenues				
General property taxes	\$ 247,252	\$ 331,057	\$ 7,971	\$ -
Special assessments	-	-	1,942	23,896
Earnings on investments	4,529	-	-	3,027
Total revenues	<u>251,781</u>	<u>331,057</u>	<u>9,913</u>	<u>26,923</u>
Expenditures				
Debt service				
Principal	-	420,000	5,000	20,000
Interest	70,469	442,400	650	8,271
Fiscal charges	438	450	94	386
Total expenditures	<u>70,907</u>	<u>862,850</u>	<u>5,744</u>	<u>28,657</u>
Revenues over (under) expenditures	<u>180,874</u>	<u>(531,793)</u>	<u>4,169</u>	<u>(1,734)</u>
Other financing sources (uses)				
Payment to refunded bond escrow agent	-	-	-	(160,000)
Transfers in	-	522,000	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>522,000</u>	<u>-</u>	<u>(160,000)</u>
Net change in fund balances	180,874	(9,793)	4,169	(161,734)
Fund balances – January 1	100,443	207,239	2,647	243,569
Fund balances – December 31	<u>\$ 281,317</u>	<u>\$ 197,446</u>	<u>\$ 6,816</u>	<u>\$ 81,835</u>

G.O. Improvement Bonds of 2009	G.O. Improvement Bonds of 2013	G.O. Improvement Refunding Bonds of 2014	G.O. Improvement Bonds of 2015	Closed Bonds	Total Nonmajor Debt Service Funds
\$ -	\$ -	\$ -	\$ -	\$ 1	\$ 1,118,595
11,840	120,660	8,965	30,139	5,914	203,356
117	5,954	946	3,806	33,817	66,485
<u>11,957</u>	<u>126,614</u>	<u>9,911</u>	<u>33,945</u>	<u>39,732</u>	<u>1,388,436</u>
25,000	85,000	10,000	30,000	-	1,475,000
2,437	50,385	1,500	6,000	-	708,939
615	3,094	37	12	-	12,131
<u>28,052</u>	<u>138,479</u>	<u>11,537</u>	<u>36,012</u>	<u>-</u>	<u>2,196,070</u>
<u>(16,095)</u>	<u>(11,865)</u>	<u>(1,626)</u>	<u>(2,067)</u>	<u>39,732</u>	<u>(807,634)</u>
-	-	-	-	-	(160,000)
-	-	-	-	-	982,000
-	-	-	-	(50,000)	(50,000)
-	-	-	-	(50,000)	772,000
<u>(16,095)</u>	<u>(11,865)</u>	<u>(1,626)</u>	<u>(2,067)</u>	<u>(10,268)</u>	<u>(35,634)</u>
25,422	268,887	37,375	140,889	1,105,509	3,079,733
<u>\$ 9,327</u>	<u>\$ 257,022</u>	<u>\$ 35,749</u>	<u>\$ 138,822</u>	<u>\$ 1,095,241</u>	<u>\$ 3,044,099</u>

NONMAJOR CAPITAL PROJECT FUNDS

The City had the following capital project funds during the year:

Tax Increment Financing District #1 Deluxe – This fund accounts for the receipt and use of tax increment collections in development district number two.

Tax Increment Financing District #4 Scandia Shores – This fund is used to account for the receipt and use of tax increment collections in tax increment district number four within development district number two.

Tax Increment Financing District #6 Gateway – This fund is used to account for the receipt and use of tax increment collections in tax increment district number six within development district number two.

Tax Increment Financing District #7 Shoreview Senior Living – This fund is used to account for the receipt and use of tax increment collections in tax increment district number seven within development district number two.

Tax Increment Financing District #8 Lakeview Terrace – This fund is used to account for the receipt and use of tax increment collections in tax increment district number eight within development district number two.

Tax Increment Financing District #9 TSI Inc. – This fund is used to account for the receipt and use of tax increment collections in tax increment district number nine within development district number two.

Tax Increment Financing District #10 Elevage – This fund is used to account for the receipt and use of tax increment collections in tax increment district number ten within development district number two.

Tax Increment Financing District #11 Loden – This fund is used to account for the receipt and use of tax increment collections in tax increment district number eleven within development district number two.

Information Technology – This fund is used to account for the planned replacement and or improvement of computer systems.

The following city improvement project funds are temporary capital project funds which are setup to account for construction costs and capital purchases indicated by the title of each fund.

Bridge/Lion/Arner/Dale Reconstruction
Community Center Expansion
Commons Master Plan
2018/2019 Street Rehabilitation
Dale Court North & South Water Main
Owasso Blvd. North Reconstuction
Wabasso Neighborhood Reconstruction
County Road E Trail
St. Albans Water Main Extension

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CITY OF SHOREVIEW, MINNESOTA

Subcombining Balance Sheet
 Nonmajor Capital Project Funds
 December 31, 2019

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Tax Increment Financing

	District #1 Deluxe	District #4 Scandia Shores	District #6 Gateway	District #7 Shoreview Senior Living	District #8 Lakeview Terrace
Assets					
Cash and investments	\$ 1,330,180	\$ 160,749	\$ 14,368	\$ 5,594	\$ 131,418
Accrued interest receivable	1,685	62	31	349	230
Loan receivable	32,038	24,086	-	-	-
Taxes receivable					
Delinquent	-	-	2,149	-	-
Due from county	-	-	-	-	-
Interfund receivable	812,236	-	-	-	-
Due from other governmental units	-	-	-	-	-
Total assets	\$ 2,176,139	\$ 184,897	\$ 16,548	\$ 5,943	\$ 131,648
Liabilities					
Accounts payable	\$ 44	\$ 11	\$ -	\$ -	\$ -
Contracts payable	-	-	-	-	-
Interfund payable	-	-	-	-	812,236
Due to other governmental units	-	-	-	-	38,665
Total liabilities	44	11	-	-	850,901
Deferred inflows of resources					
Unavailable revenue – loan receivable	32,038	24,086	-	-	-
Unavailable revenue – property taxes	-	-	2,149	-	-
Total deferred inflows of resources	32,038	24,086	2,149	-	-
Fund balances					
Restricted	2,144,057	160,800	14,399	5,943	-
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	(719,253)
Total fund balances	2,144,057	160,800	14,399	5,943	(719,253)
Total liabilities, deferred inflows of resources, and fund balances	\$ 2,176,139	\$ 184,897	\$ 16,548	\$ 5,943	\$ 131,648

CITY OF SHOREVIEW, MINNESOTA

Subcombining Balance Sheet
 Nonmajor Capital Project Funds
 December 31, 2019

	<u>Tax Increment Financing</u>				
	District #9 TSI Inc.	District #10 Elevage	District #11 Loden	Information Technology	Commons Master Plan
Assets					
Cash and investments	\$ 41,150	\$ 60,014	\$ -	\$ 151,972	\$ 309,200
Accrued interest receivable	72	52	-	102	-
Loan receivable	-	-	-	-	-
Taxes receivable					
Delinquent	-	-	-	216	-
Due from county	-	-	-	474	-
Interfund receivable	-	-	-	-	-
Due from other governmental units	-	-	-	-	-
Total assets	<u>\$ 41,222</u>	<u>\$ 60,066</u>	<u>\$ -</u>	<u>\$ 152,764</u>	<u>\$ 309,200</u>
Liabilities					
Accounts payable	\$ -	\$ -	\$ -	\$ 2,144	\$ 17,893
Contracts payable	-	-	-	-	291,307
Interfund payable	-	-	1,007	-	-
Due to other governmental units	-	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>1,007</u>	<u>2,144</u>	<u>309,200</u>
Deferred inflows of resources					
Unavailable revenue – loan receivable	-	-	-	-	-
Unavailable revenue – property taxes	-	-	-	216	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>216</u>	<u>-</u>
Fund balances					
Restricted	41,222	60,066	-	-	-
Assigned	-	-	-	150,404	-
Unassigned	-	-	(1,007)	-	-
Total fund balances	<u>41,222</u>	<u>60,066</u>	<u>(1,007)</u>	<u>150,404</u>	<u>-</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 41,222</u>	<u>\$ 60,066</u>	<u>\$ -</u>	<u>\$ 152,764</u>	<u>\$ 309,200</u>

2018/2019 Street Rehabilitation	Owasso Blvd. North Reconstruction	Wabasso Neighborhood Reconstruction	County Road E Trail	St. Albans Water Main Extension	Total Nonmajor Capital Project Funds
\$ 140	\$ -	\$ 77,335	\$ -	\$ 15,905	\$ 2,298,025
-	-	-	-	-	2,583
-	-	-	-	-	56,124
-	-	-	-	-	2,365
-	-	-	-	-	474
-	-	-	-	-	812,236
-	-	-	99,223	-	99,223
<u>\$ 140</u>	<u>\$ -</u>	<u>\$ 77,335</u>	<u>\$ 99,223</u>	<u>\$ 15,905</u>	<u>\$ 3,271,030</u>
\$ -	\$ 4,241	\$ 965	\$ 5,896	\$ -	\$ 31,194
-	69,614	76,370	15,370	15,905	468,566
-	-	-	77,957	-	891,200
140	-	-	-	-	38,805
<u>140</u>	<u>73,855</u>	<u>77,335</u>	<u>99,223</u>	<u>15,905</u>	<u>1,429,765</u>
-	-	-	-	-	56,124
-	-	-	-	-	2,365
-	-	-	-	-	58,489
-	-	-	-	-	2,426,487
-	-	-	-	-	150,404
-	(73,855)	-	-	-	(794,115)
-	<u>(73,855)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,782,776</u>
<u>\$ 140</u>	<u>\$ -</u>	<u>\$ 77,335</u>	<u>\$ 99,223</u>	<u>\$ 15,905</u>	<u>\$ 3,271,030</u>

CITY OF SHOREVIEW, MINNESOTA

Subcombining Statement of Revenues, Expenditures, and
 Changes in Fund Balances
 Nonmajor Capital Project Funds
 For The Year Ended December 31, 2019

	Tax Increment Financing			
	District #1 Deluxe	District #4 Scandia Shores	District #6 Gateway	District #7 Shoreview Senior Living
Revenues				
Taxes				
General property taxes	\$ -	\$ -	\$ -	\$ -
Tax increments	-	184,443	118,209	-
Intergovernmental	-	-	-	-
Charges for services	33,352	914	-	-
Earnings on investments	61,347	4,498	532	5,943
Total revenues	<u>94,699</u>	<u>189,855</u>	<u>118,741</u>	<u>5,943</u>
Expenditures				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Parks and recreation	-	-	-	-
Community development	6,422	29,762	118,209	219,046
Capital outlay				
General government	-	-	-	-
Public works	-	-	-	-
Parks and recreation	-	-	-	-
Community development	-	165,805	-	-
Total expenditures	<u>6,422</u>	<u>195,567</u>	<u>118,209</u>	<u>219,046</u>
Revenues over (under) expenditures	<u>88,277</u>	<u>(5,712)</u>	<u>532</u>	<u>(213,103)</u>
Other financing sources (uses)				
Transfers in				
Net change in fund balances	<u>88,277</u>	<u>(5,712)</u>	<u>532</u>	<u>(213,103)</u>
Fund balances – January 1	2,055,780	166,512	13,867	219,046
Fund balances – December 31	<u>\$ 2,144,057</u>	<u>\$ 160,800</u>	<u>\$ 14,399</u>	<u>\$ 5,943</u>

Tax Increment Financing

District #8 Lakeview Terrace	District #9 TSI Inc.	District #10 Elevage	District #11 Loden	Information Technology	Bridge/Lion Arner/Dale Reconstruction
\$ -	\$ -	\$ -	\$ -	\$ 39,778	\$ -
320,200	90,410	243,661	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
3,912	1,233	882	-	1,733	-
<u>324,112</u>	<u>91,643</u>	<u>244,543</u>	<u>-</u>	<u>41,511</u>	<u>-</u>
-	-	-	-	89,238	-
-	-	-	-	-	-
-	-	-	-	-	-
241,503	81,885	183,476	549	-	-
-	-	-	-	56,409	-
-	-	-	-	-	113,096
-	-	-	-	-	-
-	-	-	-	-	-
<u>241,503</u>	<u>81,885</u>	<u>183,476</u>	<u>549</u>	<u>145,647</u>	<u>113,096</u>
<u>82,609</u>	<u>9,758</u>	<u>61,067</u>	<u>(549)</u>	<u>(104,136)</u>	<u>(113,096)</u>
-	-	-	-	127,493	113,096
82,609	9,758	61,067	(549)	23,357	-
(801,862)	31,464	(1,001)	(458)	127,047	-
<u>\$ (719,253)</u>	<u>\$ 41,222</u>	<u>\$ 60,066</u>	<u>\$ (1,007)</u>	<u>\$ 150,404</u>	<u>\$ -</u>

CITY OF SHOREVIEW, MINNESOTA

Subcombining Statement of Revenues, Expenditures, and
 Changes in Fund Balances
 Nonmajor Capital Project Funds
 For The Year Ended December 31, 2019

	Community Center Expansion	Commons Master Plan	2018/2019 Street Rehabilitation	Dale Court North & South Water Main
Revenues				
Taxes				
General property taxes	\$ -	\$ -	\$ -	\$ -
Tax increments	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	-	-	53,712	-
Earnings on investments	-	-	42,717	-
Total revenues	<u>-</u>	<u>-</u>	<u>96,429</u>	<u>-</u>
Expenditures				
Current				
General government	-	-	-	-
Public safety	-	-	53,712	-
Parks and recreation	-	1,926	-	-
Community development	-	-	-	-
Capital outlay				
General government	-	-	-	-
Public works	-	-	2,405,987	2,831
Parks and recreation	9,899	1,780,940	-	-
Community development	-	-	-	-
Total expenditures	<u>9,899</u>	<u>1,782,866</u>	<u>2,459,699</u>	<u>2,831</u>
Revenues over (under) expenditures	<u>(9,899)</u>	<u>(1,782,866)</u>	<u>(2,363,270)</u>	<u>(2,831)</u>
Other financing sources (uses)				
Transfers in	<u>9,899</u>	<u>1,782,866</u>	<u>545,112</u>	<u>2,831</u>
Net change in fund balances	-	-	(1,818,158)	-
Fund balances – January 1	-	-	1,818,158	-
Fund balances – December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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<u>Owasso Blvd. North Reconstruction</u>	<u>Wabasso Neighborhood Reconstruction</u>	<u>County Road E Trail</u>	<u>St. Albans Water Main Extension</u>	<u>Total Nonmajor Capital Project Funds</u>
\$ -	\$ -	\$ -	\$ -	\$ 39,778
-	-	-	-	956,923
-	-	99,223	-	99,223
-	-	-	-	87,978
-	-	-	-	122,797
<u>-</u>	<u>-</u>	<u>99,223</u>	<u>-</u>	<u>1,306,699</u>
-	-	-	-	89,238
-	-	-	-	53,712
-	-	-	-	1,926
-	-	-	-	880,852
-	-	-	-	56,409
347,625	841,726	446,342	42,672	4,200,279
-	-	-	-	1,790,839
-	-	-	-	165,805
<u>347,625</u>	<u>841,726</u>	<u>446,342</u>	<u>42,672</u>	<u>7,239,060</u>
<u>(347,625)</u>	<u>(841,726)</u>	<u>(347,119)</u>	<u>(42,672)</u>	<u>(5,932,361)</u>
<u>273,770</u>	<u>841,726</u>	<u>347,119</u>	<u>42,672</u>	<u>4,086,584</u>
(73,855)	-	-	-	(1,845,777)
-	-	-	-	3,628,553
<u>\$ (73,855)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,782,776</u>

CITY OF SHOREVIEW, MINNESOTA
 Nonmajor Special Revenue Fund – Recycling
 Schedule of Revenues, Expenditures, and
 Changes in Fund Balance – Budget and Actual
 For The Year Ended December 31, 2019

Statement 23

	Original and Final Budget	Actual Amounts	Variance With Final Budget
Revenues			
Intergovernmental	\$ 80,000	\$ 85,624	\$ 5,624
Charges for services			
Recycling fees	553,500	577,461	23,961
Earnings on investments	–	13,300	13,300
Other	–	226	226
Total revenues	<u>633,500</u>	<u>676,611</u>	<u>43,111</u>
Expenditures			
Public works			
Current			
Personal services	49,029	48,714	315
Materials and supplies	1,500	333	1,167
Contractual services	450,651	486,207	(35,556)
Total expenditures	<u>501,180</u>	<u>535,254</u>	<u>(34,074)</u>
Net change in fund balances	<u>\$ 132,320</u>	<u>141,357</u>	<u>\$ 9,037</u>
Fund balances – January 1		447,511	
Fund balances – December 31		<u>\$ 588,868</u>	

CITY OF SHOREVIEW, MINNESOTA

Nonmajor Special Revenue Fund – Cable TV
 Schedule of Revenues, Expenditures, and
 Changes in Fund Balance – Budget and Actual
 For The Year Ended December 31, 2019

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	Original and Final Budget	Actual Amounts	Variance With Final Budget
Revenues			
Franchise Taxes			
General Franchise tax	\$ 310,000	\$ 302,740	\$ (7,260)
PEG Access tax	100,000	99,631	(369)
Total franchise tax	410,000	402,371	(7,629)
Earnings on investments	1,900	7,569	5,669
Other	1,200	1,950	750
Total revenues	<u>413,100</u>	<u>411,890</u>	<u>(1,210)</u>
Expenditures			
General government			
Current			
Personal services	37,257	39,952	(2,695)
Materials and supplies	500	23,473	(22,973)
Contractual services	102,502	138,028	(35,526)
Capital outlay	-	76,755	(76,755)
Parks and Recreation			
Capital outlay	30,000	35,959	(5,959)
Total expenditures	<u>170,259</u>	<u>314,167</u>	<u>(143,908)</u>
Revenues over (under) expenditures	<u>242,841</u>	<u>97,723</u>	<u>(145,118)</u>
Other financing sources (uses)			
Transfers out	(200,000)	(200,000)	-
Net change in fund balances	<u>\$ 42,841</u>	<u>(102,277)</u>	<u>\$ (145,118)</u>
Fund balances – January 1		371,578	
Fund balances – December 31		<u>\$ 269,301</u>	

CITY OF SHOREVIEW, MINNESOTA

Nonmajor Special Revenue Fund – Slice of Shoreview Event
 Schedule of Revenues, Expenditures, and
 Changes in Fund Balance – Budget and Actual
 For The Year Ended December 31, 2019

Statement 25

	Original and Final Budget	Actual Amounts	Variance With Final Budget
Revenues			
Charges for services	\$ 27,500	\$ 28,309	\$ 809
Earnings on investments	–	3,189	3,189
Contributions	35,000	37,741	2,741
Total revenues	<u>62,500</u>	<u>69,239</u>	<u>6,739</u>
Expenditures			
General government			
Current			
Materials and supplies	2,000	845	1,155
Contractual services	75,700	73,883	1,817
Total expenditures	<u>77,700</u>	<u>74,728</u>	<u>2,972</u>
Revenues over (under) expenditures	<u>(15,200)</u>	<u>(5,489)</u>	<u>9,711</u>
Other financing sources (uses)			
Transfer in	10,000	10,000	–
Net change in fund balances	<u>\$ (5,200)</u>	<u>4,511</u>	<u>\$ 9,711</u>
Fund balances – January 1		<u>90,290</u>	
Fund balances – December 31		<u>\$ 94,801</u>	

CITY OF SHOREVIEW, MINNESOTA

Nonmajor Special Revenue Fund – Economic Development Authority
 Schedule of Revenues, Expenditures, and
 Changes in Fund Balance – Budget and Actual
 For The Year Ended December 31, 2019

Statement 26

	Original and Final Budget	Actual Amounts	Variance With Final Budget
Revenues			
General property taxes			
Current	\$ 150,000	\$ 148,287	\$ (1,713)
Other	–	746	746
Total general property taxes	<u>150,000</u>	<u>149,033</u>	<u>(967)</u>
Intergovernmental	15,000	9,457	(5,543)
Earnings on investments	–	6,613	6,613
Total revenues	<u><u>165,000</u></u>	<u><u>165,103</u></u>	<u><u>103</u></u>
Expenditures			
Community development			
Current			
Personal services	93,116	80,774	12,342
Supplies	6,000	4,310	1,690
Contractual services	62,601	68,560	(5,959)
Total expenditures	<u>161,717</u>	<u>153,644</u>	<u>8,073</u>
Net change in fund balance	<u><u>\$ 3,283</u></u>	<u><u>11,459</u></u>	<u><u>\$ 8,176</u></u>
Fund balances – January 1		<u>232,582</u>	
Fund balances – December 31		<u><u>\$ 244,041</u></u>	

CITY OF SHOREVIEW, MINNESOTA

Nonmajor Special Revenue Fund – Housing and Redevelopment Authority
 Schedule of Revenues, Expenditures, and
 Changes in Fund Balance – Budget and Actual
 For The Year Ended December 31, 2019

Statement 27

	Original and Final Budget	Actual Amounts	Variance With Final Budget
Revenues			
General property taxes			
Current	\$ 210,000	\$ 207,493	\$ (2,507)
Other	–	132	132
Total general property taxes	<u>210,000</u>	<u>207,625</u>	<u>(2,375)</u>
Earnings on investments	–	5,474	5,474
Total revenues	<u>210,000</u>	<u>213,099</u>	<u>3,099</u>
Expenditures			
Community development			
Current			
Personal services	160,952	95,504	65,448
Contractual services	40,400	65,701	(25,301)
Total expenditures	<u>201,352</u>	<u>161,205</u>	<u>40,147</u>
Net change in fund balance	<u>\$ 8,648</u>	<u>51,894</u>	<u>\$ 43,246</u>
Fund balances – January 1		177,549	
Fund balances – December 31		<u>\$ 229,443</u>	

INTERNAL SERVICE FUNDS

The internal service funds were established to account for the financing of goods or services provided by one department to other departments of the City on a cost-reimbursement basis. Records are maintained on the accrual basis of accounting.

Short-Term Disability Self-Insurance Fund – This fund accounts for the receipt of monthly premiums paid by employees and costs incurred in providing short-term disability insurance to employees on a self-insured basis.

Liability Claims Fund – This fund was established to account for losses in the City’s general package insurance under the deductible amount of \$25,000 per loss/\$75,000 annual limit.

Central Garage Fund – This fund accounts for the operation of the Service Center and vehicle maintenance and replacement. Rental rates and user fees are charged to various departments for the use of the facility and equipment.

CITY OF SHOREVIEW, MINNESOTA

Combining Statement of Net Position

Internal Service Funds

December 31, 2019

Statement 28

	Short-Term Disability Self-Insurance	Liability Claims	Central Garage	Total
Assets				
Current assets				
Cash and investments	\$ 49,930	\$ 258,040	\$ 2,387,033	\$ 2,695,003
Accrued interest receivable	94	493	3,809	4,396
Accounts receivable	-	-	301	301
Taxes receivable	-	-	3,207	3,207
Due from other governmental units	-	-	48,468	48,468
Prepaid items	-	-	2,439	2,439
Total current assets	<u>50,024</u>	<u>258,533</u>	<u>2,445,257</u>	<u>2,753,814</u>
Noncurrent assets				
Capital assets				
Land	-	-	36,293	36,293
Buildings and structures	-	-	6,929,379	6,929,379
Machinery and equipment	-	-	6,678,418	6,678,418
Total capital assets	<u>-</u>	<u>-</u>	<u>13,644,090</u>	<u>13,644,090</u>
Less accumulated depreciation	<u>-</u>	<u>-</u>	<u>(6,370,641)</u>	<u>(6,370,641)</u>
Total capital assets (net of accumulated depreciation)	<u>-</u>	<u>-</u>	<u>7,273,449</u>	<u>7,273,449</u>
Total assets	<u>50,024</u>	<u>258,533</u>	<u>9,718,706</u>	<u>10,027,263</u>
Deferred outflows of resources				
Deferred pension resources	<u>-</u>	<u>-</u>	<u>10,618</u>	<u>10,618</u>
Liabilities				
Current liabilities				
Accounts payable	-	-	20,185	20,185
Salaries payable	-	-	10,370	10,370
Accrued bond interest payable	-	-	42,797	42,797
Due to other governmental units	-	-	315	315
Compensated absences payable	-	-	772	772
Bonds payable	-	-	285,000	285,000
Total current liabilities	<u>-</u>	<u>-</u>	<u>359,439</u>	<u>359,439</u>
Noncurrent liabilities				
Compensated absences payable (net of current portion)	-	-	8,248	8,248
Bonds payable (net of current portion)	-	-	3,474,676	3,474,676
Net pension liability	<u>-</u>	<u>-</u>	<u>130,634</u>	<u>130,634</u>
Total noncurrent liabilities	<u>-</u>	<u>-</u>	<u>3,613,558</u>	<u>3,613,558</u>
Total liabilities	<u>-</u>	<u>-</u>	<u>3,972,997</u>	<u>3,972,997</u>
Deferred inflows of resources				
Deferred pension resources	<u>-</u>	<u>-</u>	<u>25,444</u>	<u>25,444</u>
Net position				
Net investment in capital assets	-	-	3,513,773	3,513,773
Unrestricted	<u>50,024</u>	<u>258,533</u>	<u>2,217,110</u>	<u>2,525,667</u>
Total net position	<u>\$ 50,024</u>	<u>\$ 258,533</u>	<u>\$ 5,730,883</u>	<u>\$ 6,039,440</u>

CITY OF SHOREVIEW, MINNESOTA

Combining Statement of Revenues, Expenses, and
Changes in Fund Net Position
Internal Service Funds
For The Year Ended December 31, 2019

Statement 29

	Short-Term Disability Self-Insurance	Liability Claims	Central Garage	Total
Operating revenues				
Customer billings	\$ 8,156	\$ –	\$ 1,385,793	\$ 1,393,949
Operating expenses				
Personal services	10,437	–	247,772	258,209
Materials and supplies	–	–	239,891	239,891
Contractual services	–	54,162	117,737	171,899
Utilities	–	–	19,804	19,804
Insurance	–	–	18,742	18,742
Depreciation	–	–	710,759	710,759
Total operating expenses	<u>10,437</u>	<u>54,162</u>	<u>1,354,705</u>	<u>1,419,304</u>
Operating income (loss)	<u>(2,281)</u>	<u>(54,162)</u>	<u>31,088</u>	<u>(25,355)</u>
Nonoperating revenues (expenses)				
General property taxes	–	–	182,889	182,889
Earnings on investments	1,605	8,388	64,829	74,822
Intergovernmental revenue	–	–	28,222	28,222
Gain on sale of capital assets	–	–	90,307	90,307
Other	–	16,590	2,215	18,805
Interest	–	–	(91,544)	(91,544)
Fiscal charges	–	–	(2,657)	(2,657)
Total nonoperating revenues (expenses)	<u>1,605</u>	<u>24,978</u>	<u>274,261</u>	<u>300,844</u>
Income (loss) before transfers	<u>(676)</u>	<u>(29,184)</u>	<u>305,349</u>	<u>275,489</u>
Capital contributions	–	–	4,096	4,096
Transfers				
Transfer in	–	–	119,400	119,400
Change in net position	<u>(676)</u>	<u>(29,184)</u>	<u>428,845</u>	<u>398,985</u>
Net position – January 1,	50,700	287,717	5,302,038	5,640,455
Net position – December 31	<u>\$ 50,024</u>	<u>\$ 258,533</u>	<u>\$ 5,730,883</u>	<u>\$ 6,039,440</u>

CITY OF SHOREVIEW, MINNESOTA

Combining Statement of Cash Flows

Internal Service Funds

For The Year Ended December 31, 2019

Statement 30

	Short-Term Disability Self-Insurance	Liability Claims	Central Garage	Total
Cash flows from operating activities				
Receipts from interfund services provided	\$ 8,156	\$ -	\$ 1,385,793	\$ 1,393,949
Payments to suppliers	-	(57,802)	(386,212)	(444,014)
Payments to employees	(11,013)	-	(237,758)	(248,771)
Miscellaneous revenue	-	16,590	2,519	19,109
Net cash flows from operating activities	<u>(2,857)</u>	<u>(41,212)</u>	<u>764,342</u>	<u>720,273</u>
Cash flows from capital and related financing activities				
Proceeds from sales of capital assets	-	-	77,529	77,529
Acquisition and construction of capital assets	-	-	(458,224)	(458,224)
Receipts from taxpayers	-	-	183,623	183,623
Transfers from other funds	-	-	119,400	119,400
Contributions	-	-	4,096	4,096
Principal paid on capital debt	-	-	(280,000)	(280,000)
Interest and paying agent fees on capital debt	-	-	(109,569)	(109,569)
Net cash flows from capital and related financing activities	<u>-</u>	<u>-</u>	<u>(463,145)</u>	<u>(463,145)</u>
Cash flows from investing activities				
Earnings on investments	<u>1,511</u>	<u>8,699</u>	<u>65,727</u>	<u>75,937</u>
Net change in cash and cash equivalents	(1,346)	(32,513)	366,924	333,065
Cash and cash equivalents – January 1	51,276	290,553	2,020,109	2,361,938
Cash and cash equivalents – December 31	<u>\$ 49,930</u>	<u>\$ 258,040</u>	<u>\$ 2,387,033</u>	<u>\$ 2,695,003</u>
Reconciliation of operating income (loss) to net cash flows from operating activities				
Operating income (loss)	<u>\$ (2,281)</u>	<u>\$ (54,162)</u>	<u>\$ 31,088</u>	<u>\$ (25,355)</u>
Adjustments to reconcile operating income (loss) to net cash flows from operating activities				
Miscellaneous revenue	-	16,590	2,519	19,109
Depreciation	-	-	710,759	710,759
Decrease (increase) in prepaid items	-	-	(1,369)	(1,369)
Decrease (increase) in deferred outflows	-	-	10,599	10,599
Increase (decrease) in payables	(576)	(3,640)	19,271	15,055
Increase (decrease) in deferred inflows	-	-	(8,525)	(8,525)
Total adjustments	<u>(576)</u>	<u>12,950</u>	<u>733,254</u>	<u>745,628</u>
Net cash flows from operating activities	<u>\$ (2,857)</u>	<u>\$ (41,212)</u>	<u>\$ 764,342</u>	<u>\$ 720,273</u>
Noncash investing, capital, and financing activities				
Due from other governmental units –				
Proceeds from sales of capital assets	\$ -	\$ -	\$ 20,550	\$ 20,550
Miscellaneous revenue	-	-	27,918	27,918
Taxes receivable	-	-	(734)	(734)

**FINANCIAL SECTION –
SUPPLEMENTARY FINANCIAL INFORMATION
TAB**

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SUPPLEMENTARY FINANCIAL INFORMATION

CITY OF SHOREVIEW, MINNESOTA
Combining Schedule of Indebtedness
December 31, 2019

	<u>Interest Rate</u>	<u>Issue Date</u>	<u>Maturity Date</u>
Bonded indebtedness			
G.O. improvement bonds			
2008 Improvement Bonds	3.50–4.375%	11/15/2008	02/01/2025
2009 Improvement Bonds	3.00–4.00%	11/15/2009	02/01/2021
2013 Refunding Improvement Bonds	2.00%	03/06/2013	02/01/2022
2013 Improvement Bonds	3.00–4.00%	12/05/2013	02/01/2035
2014 Refunding Improvement Bonds	2.00–3.00%	12/04/2014	02/01/2022
2015 Improvement Bonds	2.00–4.00%	09/17/2015	02/01/2026
2018 Refunding Improvement Bonds	5.00%	12/27/2018	02/01/2025
Total G.O. improvement bonds			
Other G.O. improvement bonds			
G.O. Refunding Capital Improvement Plan Bonds of 2013	2.00%	03/06/2013	02/01/2020
G.O. Refunding Street Reconstruction Bonds of 2013	2.00%	03/06/2013	02/01/2022
G.O. Street Reconstruction Bonds of 2013	2.00–2.375%	03/06/2013	02/01/2028
G.O. Capital Improvement Plan Refunding Bonds of 2014	2.00–3.00%	12/04/2014	02/01/2030
G.O. Tax Abatement Bonds of 2017	3.00–5.00%	11/16/2017	02/01/2038
G.O. Street Reconstruction Bonds of 2018	3.00–5.00%	12/27/2018	02/01/2034
Total other G.O. improvement bonds			
G.O. revenue bonds			
G.O. Water Revenue Bonds of 2007	3.50–4.15%	11/01/2007	02/01/2023
G.O. Water Revenue Bonds of 2008	3.50–4.375%	11/15/2008	02/01/2025
G.O. Water Revenue Bonds of 2013A	2.00%	03/06/2013	02/01/2023
G.O. Water Refunding Revenue Bonds of 2013B	2.00%	03/06/2013	02/01/2022
G.O. Water Revenue Bonds of 2013C	3.00%	12/05/2013	02/01/2024
G.O. Water Refunding Revenue Bonds of 2014	2.00–3.00%	12/04/2014	02/01/2026
G.O. Water Revenue Bonds of 2015	2.00–4.00%	09/17/2015	02/01/2036
G.O. Water Revenue Bonds of 2016	2.00–3.00%	01/14/2016	02/01/2036
G.O. Water Refunding Revenue Bonds of 2018	5.00%	12/27/2018	02/01/2025
G.O. Water Revenue Bonds of 2018	3.00–5.00%	12/27/2018	02/01/2034
G.O. Sewer Revenue Bonds of 2007	3.50–4.15%	11/01/2007	02/01/2023
G.O. Sewer Revenue Bonds of 2008	3.50–4.375%	11/15/2008	02/01/2025
G.O. Sewer Refunding Revenue Bonds of 2013B	2.00%	03/06/2013	02/01/2022
G.O. Sewer Refunding Revenue Bonds of 2014	2.00–3.00%	12/04/2014	02/01/2026
G.O. Sewer Revenue Bonds of 2015	2.00–4.00%	09/17/2015	02/01/2031
G.O. Sewer Revenue Bonds of 2016	2.00–3.00%	01/14/2016	02/01/2031
G.O. Sewer Refunding Revenue Bonds of 2018	5.00%	12/27/2018	02/01/2025
G.O. Sewer Revenue Bonds of 2018	3.00–5.00%	12/27/2018	02/01/2029
G.O. Surface Water Revenue Bonds of 2007	3.50–4.15%	11/01/2007	02/01/2023
G.O. Surface Water Revenue Bonds of 2008	3.50–4.375%	11/15/2008	02/01/2025
G.O. Surface Water Revenue Bonds of 2009	3.00–4.00%	11/15/2009	02/01/2021
G.O. Surface Water Revenue Bonds of 2013A	2.00%	03/06/2013	02/01/2023
G.O. Surface Water Revenue Bonds of 2013C	3.00%	12/05/2013	02/01/2024
G.O. Surface Water Refunding Revenue Bonds of 2014	2.00–3.00%	12/04/2014	02/01/2026
G.O. Surface Water Revenue Bonds of 2015	2.00–4.00%	09/17/2015	02/01/2031
G.O. Surface Water Revenue Bonds of 2016	2.00–3.00%	01/14/2016	02/01/2031
G.O. Surface Water Refunding Revenue Bonds of 2018	5.00%	12/27/2018	02/01/2025
G.O. Surface Water Revenue Bonds of 2018	3.00–5.00%	12/27/2018	02/01/2034
Total G.O. revenue bonds			
Total bonded indebtedness			
Unamortized premium	N/A	N/A	N/A
Refunding Certificates of Participation of 2011	2.00–3.75%	04/01/2011	08/01/2023
Loan payable	–	09/26/2006	N/A
Compensated absences	N/A	N/A	N/A
Net pension liability	N/A	N/A	N/A
Total city indebtedness			

N/A – Not Applicable

Exhibit 1

Prior Years			2019		Outstanding 12/31/2019	Principal Due in 2020	Interest Due in 2020
Authorized and Issued	Payments	Outstanding 12/31/2018	Issued	Payments			
\$ 330,000	\$ 150,000	\$ 180,000	\$ -	\$ 180,000	\$ -	\$ -	\$ -
235,000	160,000	75,000	-	25,000	50,000	25,000	1,500
235,000	200,000	35,000	-	5,000	30,000	10,000	500
1,775,000	255,000	1,520,000	-	85,000	1,435,000	85,000	47,835
100,000	45,000	55,000	-	10,000	45,000	15,000	1,125
295,000	40,000	255,000	-	30,000	225,000	30,000	5,400
150,000	-	150,000	-	-	150,000	20,000	7,000
<u>3,120,000</u>	<u>850,000</u>	<u>2,270,000</u>	<u>-</u>	<u>335,000</u>	<u>1,935,000</u>	<u>185,000</u>	<u>63,360</u>
750,000	490,000	260,000	-	130,000	130,000	130,000	1,300
1,380,000	580,000	800,000	-	195,000	605,000	195,000	10,150
2,415,000	730,000	1,685,000	-	155,000	1,530,000	155,000	31,719
4,670,000	750,000	3,920,000	-	280,000	3,640,000	285,000	98,437
12,865,000	-	12,865,000	-	420,000	12,445,000	505,000	428,525
3,180,000	-	3,180,000	-	-	3,180,000	145,000	115,645
<u>25,260,000</u>	<u>2,550,000</u>	<u>22,710,000</u>	<u>-</u>	<u>1,180,000</u>	<u>21,530,000</u>	<u>1,415,000</u>	<u>685,776</u>
845,000	505,000	340,000	-	60,000	280,000	65,000	10,117
2,365,000	1,120,000	1,245,000	-	1,245,000	-	-	-
775,000	365,000	410,000	-	80,000	330,000	80,000	5,800
610,000	345,000	265,000	-	65,000	200,000	65,000	3,350
305,000	120,000	185,000	-	30,000	155,000	30,000	4,200
915,000	235,000	680,000	-	80,000	600,000	80,000	15,050
6,885,000	510,000	6,375,000	-	310,000	6,065,000	315,000	164,102
6,995,000	620,000	6,375,000	-	320,000	6,055,000	320,000	150,050
1,010,000	-	1,010,000	-	-	1,010,000	145,000	46,875
1,585,000	-	1,585,000	-	-	1,585,000	75,000	57,648
260,000	155,000	105,000	-	20,000	85,000	20,000	3,068
580,000	275,000	305,000	-	305,000	-	-	-
285,000	200,000	85,000	-	20,000	65,000	20,000	1,100
730,000	195,000	535,000	-	65,000	470,000	65,000	11,763
1,650,000	170,000	1,480,000	-	100,000	1,380,000	100,000	34,317
230,000	30,000	200,000	-	15,000	185,000	15,000	4,163
245,000	-	245,000	-	-	245,000	35,000	11,375
345,000	-	345,000	-	-	345,000	30,000	13,800
600,000	360,000	240,000	-	45,000	195,000	45,000	7,050
230,000	110,000	120,000	-	120,000	-	-	-
1,180,000	820,000	360,000	-	115,000	245,000	120,000	7,400
960,000	460,000	500,000	-	95,000	405,000	100,000	7,100
190,000	70,000	120,000	-	20,000	100,000	20,000	2,700
265,000	60,000	205,000	-	25,000	180,000	25,000	4,525
860,000	90,000	770,000	-	50,000	720,000	50,000	17,912
380,000	45,000	335,000	-	25,000	310,000	25,000	6,975
100,000	-	100,000	-	-	100,000	15,000	4,625
1,020,000	-	1,020,000	-	-	1,020,000	45,000	37,155
<u>32,400,000</u>	<u>6,860,000</u>	<u>25,540,000</u>	<u>-</u>	<u>3,210,000</u>	<u>22,330,000</u>	<u>1,905,000</u>	<u>632,220</u>
<u>60,780,000</u>	<u>10,260,000</u>	<u>50,520,000</u>	<u>-</u>	<u>4,725,000</u>	<u>45,795,000</u>	<u>3,505,000</u>	<u>1,381,356</u>
N/A	N/A	2,022,106	N/A	N/A	1,848,428	N/A	N/A
4,620,000	2,475,000	2,145,000	-	400,000	1,745,000	415,000	62,057
6,000,000	804,965	5,195,035	-	-	5,195,035	-	-
N/A	N/A	439,685	541,079	500,806	479,958	41,063	-
N/A	N/A	4,948,450	582,992	583,186	4,948,256	N/A	N/A
<u>\$ 71,400,000</u>	<u>\$ 13,539,965</u>	<u>\$ 65,270,276</u>	<u>\$ 1,124,071</u>	<u>\$ 6,208,992</u>	<u>\$ 60,011,677</u>	<u>\$ 3,961,063</u>	<u>\$ 1,443,413</u>

CITY OF SHOREVIEW, MINNESOTA
 Taxable Valuations, Tax Levies, and Tax Rates

Exhibit 2

	<u>Tax Capacity Values</u> <u>2017/2018</u>		<u>Tax Capacity Values</u> <u>2018/2019</u>	
Taxable valuations				
Real estate	\$ 34,566,421		\$ 36,856,582	
Personal property	239,129		216,621	
Fiscal disparities net	559,118		586,096	
Less captured tax increment value	<u>(828,481)</u>		<u>(840,268)</u>	
Totals	<u>\$ 34,536,187</u>		<u>\$ 36,819,031</u>	
Tax levies				
Year of extension	2017		2018	
Year of collection	2018		2019	
	<u>Certified Levy</u>	<u>Tax Capacity Rate</u>	<u>Certified Levy</u>	<u>Tax Capacity Rate</u>
Taxes levied				
General Fund	\$ 7,896,736	22.822%	\$ 8,185,180	22.191%
Shoreview EDA	120,000	0.347%	150,000	0.407%
Capital project funds	2,689,000	7.771%	2,511,000	6.808%
Debt service funds	742,235	2.145%	1,127,000	3.055%
Central Garage Fund	<u>184,000</u>	<u>0.532%</u>	<u>184,000</u>	<u>0.499%</u>
Totals	<u>\$ 11,631,971</u>	<u>33.617%</u>	<u>\$ 12,157,180</u>	<u>32.960%</u>
Shoreview HRA	<u>\$ 110,000</u>	<u>0.318%</u>	<u>\$ 210,000</u>	<u>0.595%</u>

CITY OF SHOREVIEW, MINNESOTA

Schedule of Deferred Tax Levies

Other General Obligation Bonds

December 31, 2019

Exhibit 3

Year of Tax Levy/Collection	G.O. Capital Improvement Plan Refunding Bonds of 2014	G.O. Street Reconstruction Refunding Bonds of 2013	G.O. Street Reconstruction Bonds of 2013	G.O. Street Reconstruction Bonds of 2018	G.O. Tax Abatement Bonds of 2017	Total
2019/2020	\$ 184,000	\$ 214,000	\$ 190,000	\$ 250,000	\$ 334,000	\$ 1,172,000
2020/2021	414,921	224,910	201,567	289,952	513,855	1,645,205
2021/2022	415,656	–	198,102	293,312	483,729	1,390,799
2022/2023	413,345	–	199,887	289,112	451,393	1,353,737
2023/2024	410,917	–	201,121	289,900	411,566	1,313,504
2024/2025	412,755	–	196,987	290,162	369,751	1,269,655
2025/2026	407,295	–	198,102	292,052	331,149	1,228,598
2026/2027	406,928	–	198,863	291,265	290,182	1,187,238
2027/2028	400,995	–	–	289,427	254,757	945,179
2028/2029	400,155	–	–	292,683	222,662	915,500
2029/2030	–	–	–	290,372	188,437	478,809
2030/2031	–	–	–	287,905	152,011	439,916
2031/2032	–	–	–	290,530	113,316	403,846
2032/2033	–	–	–	292,430	72,287	364,717
2033/2034	–	–	–	–	34,096	34,096
Totals	<u>\$ 3,866,967</u>	<u>\$ 438,910</u>	<u>\$ 1,584,629</u>	<u>\$ 4,029,102</u>	<u>\$ 4,223,191</u>	<u>\$ 14,142,799</u>

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CITY OF SHOREVIEW, MINNESOTA

Schedule of Deferred Tax Levies
 General Obligation Improvement Bonds
 December 31, 2019

Exhibit 4

Year of Tax Levy/ Collection	G.O. Improvement Bonds				Total
	Refunding 2014	Refunding 2013B	2013C	Refunding 2018B	
2019/2020	\$ -	\$ 8,000	\$ -	\$ -	\$ 8,000
2020/2021	5,855	8,668	11,705	18,656	44,884
2021/2022	-	-	8,713	17,343	26,056
2022/2023	-	-	5,720	16,031	21,751
2023/2024	-	-	13,228	19,968	33,196
2024/2025	-	-	10,764	-	10,764
2025/2026	-	-	8,076	-	8,076
2026/2027	-	-	10,638	-	10,638
2027/2028	-	-	7,782	-	7,782
2028/2029	-	-	10,176	-	10,176
2029/2030	-	-	10,461	-	10,461
2030/2031	-	-	6,891	-	6,891
2031/2032	-	-	8,571	-	8,571
2032/2033	-	-	10,041	-	10,041
2033/2034	-	-	6,051	-	6,051
Total	\$ 5,855	\$ 16,668	\$ 128,817	\$ 71,998	\$ 223,338

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CITY OF SHOREVIEW, MINNESOTA

Debt Service Payments to Maturity

Revenue Bonds

December 31, 2019

Exhibit 5

Page 1 of 3

	Water Revenue Bonds			
	2007	2013A	Refunding 2013B	2013C
Bonds payable	\$ 280,000	\$ 330,000	\$ 200,000	\$ 155,000
Future interest payable	23,620	13,400	6,100	11,925
Totals	<u>\$ 303,620</u>	<u>\$ 343,400</u>	<u>\$ 206,100</u>	<u>\$ 166,925</u>
Payments to maturity				
2020	\$ 75,117	\$ 85,800	\$ 68,350	\$ 34,200
2021	77,400	84,200	67,050	33,300
2022	74,547	87,550	70,700	32,400
2023	76,556	85,850	—	31,500
2024	—	—	—	35,525
2025	—	—	—	—
2026	—	—	—	—
2027	—	—	—	—
2028	—	—	—	—
2029	—	—	—	—
2030	—	—	—	—
2031	—	—	—	—
2032	—	—	—	—
2033	—	—	—	—
2034	—	—	—	—
2035	—	—	—	—
2036	—	—	—	—
Totals	<u>\$ 303,620</u>	<u>\$ 343,400</u>	<u>\$ 206,100</u>	<u>\$ 166,925</u>

CITY OF SHOREVIEW, MINNESOTA

Debt Service Payments to Maturity

Revenue Bonds

December 31, 2019

	Water Revenue Bonds				
	Refunding 2014	2015	2016	2018	Refunding 2018
Bonds payable	\$ 600,000	\$ 6,065,000	\$ 6,055,000	\$ 1,585,000	\$ 1,010,000
Future interest payable	57,688	1,513,814	1,449,400	448,644	160,250
Totals	<u>\$ 657,688</u>	<u>\$ 7,578,814</u>	<u>\$ 7,504,400</u>	<u>\$ 2,033,644</u>	<u>\$ 1,170,250</u>
Payments to maturity					
2020	\$ 95,050	\$ 479,102	\$ 470,050	\$ 132,648	\$ 191,875
2021	92,650	476,153	473,550	134,547	189,500
2022	90,250	476,402	471,900	136,248	196,625
2023	93,094	474,653	470,150	137,297	198,125
2024	91,181	479,302	463,350	137,673	194,250
2025	99,038	477,153	461,500	137,797	199,875
2026	96,425	479,852	469,000	133,298	-
2027	-	477,028	465,387	133,672	-
2028	-	473,152	461,200	134,398	-
2029	-	477,971	461,350	136,022	-
2030	-	472,340	460,763	137,498	-
2031	-	476,538	459,400	133,897	-
2032	-	371,455	383,375	135,223	-
2033	-	371,613	383,175	136,300	-
2034	-	370,725	382,675	137,126	-
2035	-	373,988	381,875	-	-
2036	-	371,387	385,700	-	-
Totals	<u>\$ 657,688</u>	<u>\$ 7,578,814</u>	<u>\$ 7,504,400</u>	<u>\$ 2,033,644</u>	<u>\$ 1,170,250</u>

Sewer Revenue Bonds					
2007	Refunding 2013B	Refunding 2014	2015	2016	2018
\$ 85,000	\$ 65,000	\$ 470,000	\$ 1,380,000	\$ 185,000	\$ 345,000
7,298	2,050	44,256	220,085	28,744	73,850
<u>\$ 92,298</u>	<u>\$ 67,050</u>	<u>\$ 514,256</u>	<u>\$ 1,600,085</u>	<u>\$ 213,744</u>	<u>\$ 418,850</u>
\$ 23,068	\$ 21,100	\$ 76,763	\$ 134,317	\$ 19,163	\$ 43,800
22,263	20,700	74,812	131,818	18,862	42,600
21,448	25,250	72,863	133,742	18,563	41,400
25,519	-	71,156	134,968	18,262	40,050
-	-	74,637	131,667	17,963	43,425
-	-	72,975	134,418	17,662	41,675
-	-	71,050	132,117	17,344	40,100
-	-	-	134,647	16,987	43,400
-	-	-	131,827	16,613	41,800
-	-	-	133,609	16,219	40,600
-	-	-	135,200	15,806	-
-	-	-	131,755	20,300	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 92,298</u>	<u>\$ 67,050</u>	<u>\$ 514,256</u>	<u>\$ 1,600,085</u>	<u>\$ 213,744</u>	<u>\$ 418,850</u>

CITY OF SHOREVIEW, MINNESOTA

Debt Service Payments to Maturity

Revenue Bonds

December 31, 2019

	Sewer Revenue Bonds	Surface Water Revenue Bonds		
	Refunding 2018	2007	2009	2013A
Bonds payable	\$ 245,000	\$ 195,000	\$ 245,000	\$ 405,000
Future interest payable	38,375	16,326	9,900	16,350
Totals	<u>\$ 283,375</u>	<u>\$ 211,326</u>	<u>\$ 254,900</u>	<u>\$ 421,350</u>
Payments to maturity				
2020	\$ 46,375	\$ 52,050	\$ 127,400	\$ 107,100
2021	49,500	55,138	127,500	105,100
2022	47,500	53,100	-	103,100
2023	45,500	51,038	-	106,050
2024	48,375	-	-	-
2025	46,125	-	-	-
2026	-	-	-	-
2027	-	-	-	-
2028	-	-	-	-
2029	-	-	-	-
2030	-	-	-	-
2031	-	-	-	-
2032	-	-	-	-
2033	-	-	-	-
2034	-	-	-	-
2035	-	-	-	-
2036	-	-	-	-
Totals	<u>\$ 283,375</u>	<u>\$ 211,326</u>	<u>\$ 254,900</u>	<u>\$ 421,350</u>

Surface Water Revenue Bonds						
2013C	Refunding 2014	2015	2016	2018	Refunding 2018	Total
\$ 100,000	\$ 180,000	\$ 720,000	\$ 310,000	\$ 1,020,000	\$ 100,000	\$22,330,000
7,500	17,162	114,774	48,200	289,270	16,000	4,634,981
<u>\$ 107,500</u>	<u>\$ 197,162</u>	<u>\$ 834,774</u>	<u>\$ 358,200</u>	<u>\$ 1,309,270</u>	<u>\$ 116,000</u>	<u>\$ 26,964,981</u>
\$ 22,700	\$ 29,525	\$ 67,912	\$ 31,975	\$ 82,155	\$ 19,625	\$ 2,537,220
22,100	28,775	71,588	31,475	90,155	18,875	2,539,611
21,500	28,025	69,937	30,975	87,955	18,125	2,410,105
20,900	27,369	68,013	30,475	85,480	17,375	2,309,380
20,300	26,806	71,312	29,975	87,605	21,500	1,974,846
–	26,212	70,113	29,475	89,480	20,500	1,923,998
–	30,450	68,912	28,944	86,555	–	1,654,047
–	–	67,653	28,350	88,505	–	1,455,629
–	–	71,180	27,725	85,705	–	1,443,600
–	–	69,474	27,069	88,530	–	1,450,844
–	–	67,735	31,312	86,280	–	1,406,934
–	–	70,945	30,450	88,955	–	1,412,240
–	–	–	–	86,555	–	976,608
–	–	–	–	89,016	–	980,104
–	–	–	–	86,339	–	976,865
–	–	–	–	–	–	755,863
–	–	–	–	–	–	757,087
<u>\$ 107,500</u>	<u>\$ 197,162</u>	<u>\$ 834,774</u>	<u>\$ 358,200</u>	<u>\$ 1,309,270</u>	<u>\$ 116,000</u>	<u>\$ 26,964,981</u>

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CITY OF SHOREVIEW, MINNESOTA

Debt Service Payments to Maturity
 General Obligation Improvement Bonds
 December 31, 2019

Exhibit 6

	G.O. Improvement Bonds						Total
	2009	Refunding 2013B	2013C	Refunding 2014	2015	Refunding 2018	
Bonds payable	\$ 50,000	\$ 30,000	\$ 1,435,000	\$ 45,000	\$ 225,000	\$ 150,000	\$ 1,935,000
Future interest payable	2,000	900	419,375	2,025	19,650	23,750	467,700
Total	<u>\$ 52,000</u>	<u>\$ 30,900</u>	<u>\$ 1,854,375</u>	<u>\$ 47,025</u>	<u>\$ 244,650</u>	<u>\$ 173,750</u>	<u>\$ 2,402,700</u>
Payments to maturity							
2020	\$ 26,500	\$ 10,500	\$ 132,835	\$ 16,125	\$ 35,400	\$ 27,000	\$ 248,360
2021	25,500	10,300	135,210	15,675	34,650	30,875	252,210
2022	—	10,100	137,435	15,225	33,750	29,625	226,135
2023	—	—	134,585	—	32,700	28,375	195,660
2024	—	—	131,735	—	36,750	27,125	195,610
2025	—	—	138,735	—	36,050	30,750	205,535
2026	—	—	110,880	—	35,350	—	146,230
2027	—	—	108,320	—	—	—	108,320
2028	—	—	110,680	—	—	—	110,680
2029	—	—	107,960	—	—	—	107,960
2030	—	—	109,800	—	—	—	109,800
2031	—	—	101,300	—	—	—	101,300
2032	—	—	97,900	—	—	—	97,900
2033	—	—	99,400	—	—	—	99,400
2034	—	—	100,700	—	—	—	100,700
2035	—	—	96,900	—	—	—	96,900
	<u>\$ 52,000</u>	<u>\$ 30,900</u>	<u>\$ 1,854,375</u>	<u>\$ 47,025</u>	<u>\$ 244,650</u>	<u>\$ 173,750</u>	<u>\$ 2,402,700</u>

CITY OF SHOREVIEW, MINNESOTA

Debt Service Payments to Maturity
 Other General Obligation Bonds
 December 31, 2019

Exhibit 7

	Capital Plan Refunding 2013	Street Refunding 2013	Street 2013	Capital Plan Refunding 2014	Tax Abatement 2017	Street 2018	Total
Bonds payable	\$ 130,000	\$ 605,000	\$ 1,530,000	\$ 3,640,000	\$12,445,000	\$ 3,180,000	\$ 21,530,000
Future interest payable	1,300	18,450	160,022	598,106	4,203,300	901,163	5,882,341
Total	<u>\$ 131,300</u>	<u>\$ 623,450</u>	<u>\$ 1,690,022</u>	<u>\$ 4,238,106</u>	<u>\$ 16,648,300</u>	<u>\$ 4,081,163</u>	<u>\$ 27,412,341</u>
Payments to maturity							
2020	\$ 131,300	\$ 205,150	\$ 186,719	\$ 383,437	\$ 933,525	\$ 260,645	\$ 2,100,776
2021	–	206,200	188,569	389,663	928,225	274,445	1,987,102
2022	–	212,100	190,318	390,512	920,000	272,745	1,985,675
2023	–	–	187,019	392,263	911,000	274,845	1,765,127
2024	–	–	188,456	390,006	903,500	270,720	1,752,682
2025	–	–	189,575	387,225	890,125	271,220	1,738,145
2026	–	–	185,638	388,000	876,000	272,245	1,721,883
2027	–	–	186,531	382,725	866,000	272,770	1,708,026
2028	–	–	187,197	382,225	861,300	274,020	1,704,742
2029	–	–	–	376,500	857,175	272,195	1,505,870
2030	–	–	–	375,550	857,525	275,145	1,508,220
2031	–	–	–	–	857,275	272,870	1,130,145
2032	–	–	–	–	856,425	270,445	1,126,870
2033	–	–	–	–	854,975	272,600	1,127,575
2034	–	–	–	–	852,925	274,253	1,127,178
2035	–	–	–	–	855,200	–	855,200
2036	–	–	–	–	851,800	–	851,800
2037	–	–	–	–	857,650	–	857,650
2038	–	–	–	–	857,675	–	857,675
	<u>\$ 131,300</u>	<u>\$ 623,450</u>	<u>\$ 1,690,022</u>	<u>\$ 4,238,106</u>	<u>\$ 16,648,300</u>	<u>\$ 4,081,163</u>	<u>\$ 27,412,341</u>

CITY OF SHOREVIEW, MINNESOTA

Debt Service Payments to Maturity

Certificates of Participation

December 31, 2019

Exhibit 8

	Refunding Certificates of Participation 2011
Bonds payable	\$ 1,745,000
Future interest payable	161,212
Total	<u>\$ 1,906,212</u>
Payments to maturity	
2020	\$ 477,057
2021	478,155
2022	473,750
2023	477,250
	<u>\$ 1,906,212</u>

CITY OF SHOREVIEW, MINNESOTA
Combining Schedule of Property and Equipment
For The Year Ended December 31, 2019

	Capital Assets				Balance – December 31, 2019
	Balance – January 1, 2019	Increases	Decreases	Adjustments	
Governmental activities					
Governmental activities (excluding internal service funds)					
Land	\$ 6,883,087	\$ 82,500	\$ –	\$ –	\$ 6,965,587
Buildings and structures	29,777,185	664,455	–	16,722,858	47,164,498
Machinery and equipment	3,936,160	181,228	–	–	4,117,388
Infrastructure	63,219,081	60,000	2,996,486	5,054,408	65,337,003
Construction in progress	19,605,574	5,899,931	16,665	(21,777,266)	3,711,574
Total	<u>123,421,087</u>	<u>6,888,114</u>	<u>3,013,151</u>	<u>–</u>	<u>127,296,050</u>
Internal service fund					
Central garage					
Land	36,293	–	–	–	36,293
Buildings and structures	6,929,379	–	–	–	6,929,379
Machinery and equipment	6,407,627	458,224	187,433	–	6,678,418
Total central garage	<u>13,373,299</u>	<u>458,224</u>	<u>187,433</u>	<u>–</u>	<u>13,644,090</u>
Total governmental activities	<u>136,794,386</u>	<u>7,346,338</u>	<u>3,200,584</u>	<u>–</u>	<u>140,940,140</u>
Business-type activities					
Water utility					
Land	27,577	–	–	–	27,577
Buildings and structures	19,181,579	–	–	–	19,181,579
Machinery and equipment	2,552,665	–	–	–	2,552,665
Distribution system	19,878,672	296,899	–	819,915	20,995,486
Construction in progress	818,331	865,312	–	(819,915)	863,728
Total water utility	<u>42,458,824</u>	<u>1,162,211</u>	<u>–</u>	<u>–</u>	<u>43,621,035</u>
Sewer utility					
Land	11,459	–	–	–	11,459
Buildings and structures	1,992,588	–	–	–	1,992,588
Machinery and equipment	87,475	–	–	–	87,475
Collection system	13,609,503	182,231	–	225,000	14,016,734
Construction in progress	231,077	1,138,355	–	(225,000)	1,144,432
Total sewer utility	<u>15,932,102</u>	<u>1,320,586</u>	<u>–</u>	<u>–</u>	<u>17,252,688</u>
Surface water management utility					
Land	286,166	–	–	–	286,166
Machinery and equipment	8,538	–	–	–	8,538
Collection system	14,347,562	–	–	1,056,336	15,403,898
Construction in progress	926,139	621,118	–	(1,056,336)	490,921
Total surface water management utility	<u>15,568,405</u>	<u>621,118</u>	<u>–</u>	<u>–</u>	<u>16,189,523</u>
Street light utility					
Machinery and equipment	723	–	–	–	723
Distribution system	2,905,908	60,840	4,834	72,590	3,034,504
Construction in progress	72,590	34,379	–	(72,590)	34,379
Total street light utility	<u>2,979,221</u>	<u>95,219</u>	<u>4,834</u>	<u>–</u>	<u>3,069,606</u>
Total business-type activities	<u>76,938,552</u>	<u>3,199,134</u>	<u>4,834</u>	<u>–</u>	<u>80,132,852</u>
Total government	<u>\$ 213,732,938</u>	<u>\$ 10,545,472</u>	<u>\$ 3,205,418</u>	<u>\$ –</u>	<u>\$ 221,072,992</u>

Exhibit 9

Accumulated Depreciation				Net Capital Assets		
Balance – January 1, 2019	Increases	Decreases	Adjustments	Balance – December 31, 2019	Balance – January 1, 2019	Balance – December 31, 2019
\$ –	\$ –	\$ –	\$ –	\$ –	\$ 6,883,087	\$ 6,965,587
11,652,310	785,767	–	–	12,438,077	18,124,875	34,726,421
2,427,008	230,331	–	–	2,657,339	1,509,152	1,460,049
38,398,813	1,680,938	2,684,371	–	37,395,380	24,820,268	27,941,623
–	–	–	–	–	19,605,574	3,711,574
<u>52,478,131</u>	<u>2,697,036</u>	<u>2,684,371</u>	<u>–</u>	<u>52,490,796</u>	<u>70,942,956</u>	<u>74,805,254</u>
–	–	–	–	–	36,293	36,293
2,746,715	252,337	–	–	2,999,052	4,182,664	3,930,327
3,092,828	458,422	179,661	–	3,371,589	3,314,799	3,306,829
<u>5,839,543</u>	<u>710,759</u>	<u>179,661</u>	<u>–</u>	<u>6,370,641</u>	<u>7,533,756</u>	<u>7,273,449</u>
<u>58,317,674</u>	<u>3,407,795</u>	<u>2,864,032</u>	<u>–</u>	<u>58,861,437</u>	<u>78,476,712</u>	<u>82,078,703</u>
–	–	–	–	–	27,577	27,577
4,087,684	431,451	–	–	4,519,135	15,093,895	14,662,444
916,662	101,302	–	–	1,017,964	1,636,003	1,534,701
10,338,655	417,264	–	–	10,755,919	9,540,017	10,239,567
–	–	–	–	–	818,331	863,728
<u>15,343,001</u>	<u>950,017</u>	<u>–</u>	<u>–</u>	<u>16,293,018</u>	<u>27,115,823</u>	<u>27,328,017</u>
–	–	–	–	–	11,459	11,459
931,894	80,098	–	–	1,011,992	1,060,694	980,596
43,362	4,474	–	–	47,836	44,113	39,639
7,903,933	244,699	–	–	8,148,632	5,705,570	5,868,102
–	–	–	–	–	231,077	1,144,432
<u>8,879,189</u>	<u>329,271</u>	<u>–</u>	<u>–</u>	<u>9,208,460</u>	<u>7,052,913</u>	<u>8,044,228</u>
–	–	–	–	–	286,166	286,166
8,275	176	–	–	8,451	263	87
3,704,961	308,442	–	–	4,013,403	10,642,601	11,390,495
–	–	–	–	–	926,139	490,921
<u>3,713,236</u>	<u>308,618</u>	<u>–</u>	<u>–</u>	<u>4,021,854</u>	<u>11,855,169</u>	<u>12,167,669</u>
613	74	–	–	687	110	36
1,249,842	87,353	4,834	–	1,332,361	1,656,066	1,702,143
–	–	–	–	–	72,590	34,379
<u>1,250,455</u>	<u>87,427</u>	<u>4,834</u>	<u>–</u>	<u>1,333,048</u>	<u>1,728,766</u>	<u>1,736,558</u>
<u>29,185,881</u>	<u>1,675,333</u>	<u>4,834</u>	<u>–</u>	<u>30,856,380</u>	<u>47,752,671</u>	<u>49,276,472</u>
<u>\$ 87,503,555</u>	<u>\$ 5,083,128</u>	<u>\$ 2,868,866</u>	<u>\$ –</u>	<u>\$ 89,717,817</u>	<u>\$ 126,229,383</u>	<u>\$ 131,355,175</u>

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STATISTICAL SECTION

TAB

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III. STATISTICAL SECTION (UNAUDITED)

This part of the City of Shoreview, Minnesota's (the City) 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.

Contents:	Table No.
Financial Trends	1–5
These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	
Revenue Capacity	6–12
These schedules contain information to help the reader assess the City's most significant revenue source, including the property tax and utility revenue.	
Debt Capacity	13–17
These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	
Demographic and Economic Information	18–19
These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	
Operating Indicators	20–22
These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides, and the activities it performs.	

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

CITY OF SHOREVIEW
Net Position by Component
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	Fiscal Year			
	2010	2011	2012	2013
Governmental activities				
Net investment in capital assets	\$ 39,050,369	\$ 40,029,233	\$ 40,154,929	\$ 41,391,324
Restricted	5,329,637	6,325,795	5,364,477	4,646,335
Unrestricted	10,475,310	10,991,847	12,597,300	10,639,322
Total governmental activities net position	<u>\$ 54,855,316</u>	<u>\$ 57,346,875</u>	<u>\$ 58,116,706</u>	<u>\$ 56,676,981</u>
Business-type activities				
Net investment in capital assets	\$ 20,512,610	\$ 20,704,816	\$ 21,585,799	\$ 21,332,825
Restricted	408,379	246,811	183,496	217,442
Unrestricted	7,090,656	6,974,381	7,185,024	8,556,468
Total business-type activities net position	<u>\$ 28,011,645</u>	<u>\$ 27,926,008</u>	<u>\$ 28,954,319</u>	<u>\$ 30,106,735</u>
Primary government				
Net investment in capital assets	\$ 59,562,979	\$ 60,734,049	\$ 61,740,728	\$ 62,724,149
Restricted	5,738,016	6,572,606	5,547,973	4,863,777
Unrestricted	17,565,966	17,966,228	19,782,324	19,195,790
Total primary government net position	<u>\$ 82,866,961</u>	<u>\$ 85,272,883</u>	<u>\$ 87,071,025</u>	<u>\$ 86,783,716</u>

Note: The City implemented GASB Statement No. 68 and GASB Statement No. 71 in fiscal 2015.
Years prior to 2015 have not been restated.

Table 1

Fiscal Year					
2014	2015	2016	2017	2018	2019
\$ 40,908,853	\$ 41,037,296	\$ 42,222,816	\$ 42,933,016	\$ 46,904,126	\$ 50,530,530
7,253,717	7,856,109	6,620,922	6,692,255	6,640,221	6,681,314
13,905,130	12,962,834	14,277,070	16,713,271	16,300,744	17,755,350
<u>\$ 62,067,700</u>	<u>\$ 61,856,239</u>	<u>\$ 63,120,808</u>	<u>\$ 66,338,542</u>	<u>\$ 69,845,091</u>	<u>\$ 74,967,194</u>
\$ 22,829,472	\$ 24,444,045	\$ 22,950,528	\$ 23,889,946	\$ 23,247,084	\$ 26,376,882
224,368	23,338	13,267	80,825	47,983	36,105
8,141,056	7,264,111	9,716,503	9,843,259	12,157,890	10,156,560
<u>\$ 31,194,896</u>	<u>\$ 31,731,494</u>	<u>\$ 32,680,298</u>	<u>\$ 33,814,030</u>	<u>\$ 35,452,957</u>	<u>\$ 36,569,547</u>
\$ 63,738,325	\$ 65,481,341	\$ 65,173,344	\$ 66,822,962	\$ 70,151,210	\$ 76,907,412
7,478,085	7,879,447	6,634,189	6,773,080	6,688,204	6,717,419
22,046,186	20,226,945	23,993,573	26,556,530	28,458,634	27,911,910
<u>\$ 93,262,596</u>	<u>\$ 93,587,733</u>	<u>\$ 95,801,106</u>	<u>\$ 100,152,572</u>	<u>\$ 105,298,048</u>	<u>\$ 111,536,741</u>

CITY OF SHOREVIEW
Changes in Net Position
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	Fiscal Year		
	2010	2011	2012
Expenses			
Governmental activities			
General government	\$ 2,192,010	\$ 2,227,952	\$ 2,349,276
Public safety	2,642,094	2,783,332	3,113,032
Public works	3,512,821	3,909,642	3,998,390
Parks and recreation	5,737,675	6,169,365	6,128,769
Community development	1,472,700	1,398,228	2,904,944
Interest on long-term debt	697,523	911,854	595,009
Total governmental activities expenses	<u>16,254,823</u>	<u>17,400,373</u>	<u>19,089,420</u>
Business-type activities			
Water	2,051,213	2,281,299	2,206,516
Sewer	3,173,831	3,315,044	3,283,498
Surface water	906,527	966,638	1,019,008
Street lights	282,638	318,063	275,412
Total business-type activities expenses	<u>6,414,209</u>	<u>6,881,044</u>	<u>6,784,434</u>
Total primary government expenses	<u>\$ 22,669,032</u>	<u>\$ 24,281,417</u>	<u>\$ 25,873,854</u>
Program revenues			
Government activities			
Charges for services			
General government	\$ 1,210,068	\$ 1,309,819	\$ 1,248,377
Public safety	36,315	64,225	70,304
Public works	692,040	741,563	828,857
Parks and recreation	3,385,971	3,620,548	3,651,544
Community development	579,792	479,074	611,623
Operating grants and contributions	250,264	311,246	320,347
Capital grants and contributions	881,392	1,145,697	852,396
Total governmental activities program revenues	<u>7,035,842</u>	<u>7,672,172</u>	<u>7,583,448</u>
Business-type activities			
Charges for services			
Water	2,009,301	2,186,139	2,918,022
Sewer	3,254,199	3,548,325	3,568,777
Surface water	926,154	1,008,151	1,147,539
Street lights	348,778	365,475	456,284
Operating grants and contributions	—	—	—
Capital grants and contributions	37,176	27,878	109,985
Total business-type activities program revenues	<u>6,575,608</u>	<u>7,135,968</u>	<u>8,200,607</u>
Total primary government program revenues	<u>\$ 13,611,450</u>	<u>\$ 14,808,140</u>	<u>\$ 15,784,055</u>

Note: The City implemented GASB Statement No. 68 and GASB Statement No. 71 in fiscal 2015. Years prior to 2015 have not been restated.

Table 2
Page 1 of 2

Fiscal Year						
2013	2014	2015	2016	2017	2018	2019
\$ 2,582,399	\$ 2,529,960	\$ 2,561,018	\$ 2,779,242	\$ 2,889,824	\$ 2,738,134	\$ 2,818,666
3,543,388	3,568,459	3,676,952	3,836,127	4,469,412	4,145,531	4,369,668
6,798,886	5,178,104	4,201,869	4,591,903	4,191,821	4,619,159	4,272,497
6,123,840	6,726,335	6,800,000	7,247,189	7,265,886	7,180,495	8,436,181
2,210,253	1,580,709	1,459,408	3,047,976	1,658,775	1,566,796	2,006,036
730,200	680,281	409,442	342,529	479,563	759,972	768,658
<u>21,988,966</u>	<u>20,263,848</u>	<u>19,108,689</u>	<u>21,844,966</u>	<u>20,955,281</u>	<u>21,010,087</u>	<u>22,671,706</u>
2,238,481	2,251,547	2,376,328	2,736,575	2,867,238	3,090,385	3,123,860
3,498,374	3,569,836	3,599,737	3,721,041	3,813,241	3,777,594	4,118,957
954,828	1,032,375	1,095,693	1,275,433	1,273,020	1,306,195	1,366,392
295,949	305,615	305,572	295,184	305,275	317,788	325,531
<u>6,987,632</u>	<u>7,159,373</u>	<u>7,377,330</u>	<u>8,028,233</u>	<u>8,258,774</u>	<u>8,491,962</u>	<u>8,934,740</u>
<u>\$ 28,976,598</u>	<u>\$ 27,423,221</u>	<u>\$ 26,486,019</u>	<u>\$ 29,873,199</u>	<u>\$ 29,214,055</u>	<u>\$ 29,502,049</u>	<u>\$ 31,606,446</u>
\$ 1,405,214	\$ 1,286,854	\$ 1,493,962	\$ 1,513,923	\$ 1,428,626	\$ 1,506,804	\$ 1,572,258
55,362	52,034	56,076	55,164	50,779	62,596	59,193
918,543	833,176	840,649	922,381	912,497	961,129	983,472
3,744,316	3,837,325	3,866,453	3,832,222	4,066,937	3,824,104	5,144,790
758,157	746,075	541,413	797,376	1,232,151	697,794	1,265,253
1,345,155	1,401,114	670,100	985,665	797,103	1,012,976	912,161
911,375	3,360,726	1,342,886	1,112,367	1,300,509	1,243,109	1,468,899
<u>9,138,122</u>	<u>11,517,304</u>	<u>8,811,539</u>	<u>9,219,098</u>	<u>9,788,602</u>	<u>9,308,512</u>	<u>11,406,026</u>
2,694,959	2,481,331	2,589,260	2,871,346	3,244,714	3,313,619	3,102,813
3,777,352	3,859,639	3,945,284	4,054,563	4,280,337	4,346,724	4,509,362
1,221,047	1,371,166	1,474,485	1,618,068	1,782,349	1,855,874	1,947,975
474,872	495,367	521,184	555,704	640,876	681,628	724,438
–	–	129,750	22,715	406	7,379	9,635
76,008	173,961	656,855	417,907	40,561	501,000	207,943
<u>8,244,238</u>	<u>8,381,464</u>	<u>9,316,818</u>	<u>9,540,303</u>	<u>9,989,243</u>	<u>10,706,224</u>	<u>10,502,166</u>
<u>\$ 17,382,360</u>	<u>\$ 19,898,768</u>	<u>\$ 18,128,357</u>	<u>\$ 18,759,401</u>	<u>\$ 19,777,845</u>	<u>\$ 20,014,736</u>	<u>\$ 21,908,192</u>

CITY OF SHOREVIEW
 Changes in Net Position
 Last Ten Fiscal Years
 (Accrual Basis of Accounting)

	Fiscal Year		
	2010	2011	2012
Net (expense) revenue			
Governmental activities	\$ (9,218,981)	\$ (9,728,201)	\$ (11,505,972)
Business-type activities	161,399	254,924	1,416,173
Total primary government net expense	<u>\$ (9,057,582)</u>	<u>\$ (9,473,277)</u>	<u>\$ (10,089,799)</u>
General revenues and other changes in net position			
Governmental activities			
Taxes			
Property taxes	\$ 8,620,022	\$ 8,911,670	\$ 9,243,083
Tax increments	1,935,523	2,035,627	1,980,051
Franchise tax	283,344	287,206	301,530
Unrestricted grants and contributions	40,762	41,851	33,369
Investment earnings	168,822	374,378	231,716
Gain on disposal of capital assets	29,473	64,709	26,561
Transfers	273,253	504,319	459,493
Total governmental activities	<u>11,351,199</u>	<u>12,219,760</u>	<u>12,275,803</u>
Business-type activities			
Investment earnings	65,535	163,758	71,631
Transfers	(273,253)	(504,319)	(459,493)
Total business-type activities	<u>(207,718)</u>	<u>(340,561)</u>	<u>(387,862)</u>
Total primary government	<u>\$ 11,143,481</u>	<u>\$ 11,879,199</u>	<u>\$ 11,887,941</u>
Change in net position			
Governmental activities	\$ 2,132,218	\$ 2,491,559	\$ 769,831
Business-type activities	(46,319)	(85,637)	1,028,311
Total primary government	<u>\$ 2,085,899</u>	<u>\$ 2,405,922</u>	<u>\$ 1,798,142</u>

Note: The City implemented GASB Statement No. 68 and GASB Statement No. 71 in fiscal 2015. Years prior to 2015 have not been restated.

Fiscal Year						
2013	2014	2015	2016	2017	2018	2019
\$ (12,850,844)	\$ (8,746,544)	\$ (10,297,150)	\$ (12,625,868)	\$ (11,166,679)	\$ (11,701,575)	\$ (11,265,680)
1,256,606	1,222,091	1,939,488	1,512,070	1,730,469	2,214,262	1,567,426
<u>\$ (11,594,238)</u>	<u>\$ (7,524,453)</u>	<u>\$ (8,357,662)</u>	<u>\$ (11,113,798)</u>	<u>\$ (9,436,210)</u>	<u>\$ (9,487,313)</u>	<u>\$ (9,698,254)</u>
\$ 9,666,218	\$ 9,776,446	\$ 10,347,760	\$ 10,903,874	\$ 11,088,974	\$ 11,616,082	\$ 12,365,629
1,882,775	1,816,702	1,148,397	753,738	861,608	1,027,508	959,072
456,242	1,120,948	1,395,125	1,278,643	1,275,995	1,259,315	1,254,280
33,500	33,218	35,331	58,743	34,541	65,663	41,864
(553,422)	849,339	294,151	208,622	328,996	473,304	926,217
56,763	78,143	44,577	43,147	91,798	71,356	90,307
(130,957)	462,467	588,446	643,670	702,501	694,896	750,414
11,411,119	14,137,263	13,853,787	13,890,437	14,384,413	15,208,124	16,387,783
(235,147)	328,537	98,325	80,404	105,764	119,561	299,578
130,957	(462,467)	(588,446)	(643,670)	(702,501)	(694,896)	(750,414)
<u>(104,190)</u>	<u>(133,930)</u>	<u>(490,121)</u>	<u>(563,266)</u>	<u>(596,737)</u>	<u>(575,335)</u>	<u>(450,836)</u>
<u>\$ 11,306,929</u>	<u>\$ 14,003,333</u>	<u>\$ 13,363,666</u>	<u>\$ 13,327,171</u>	<u>\$ 13,787,676</u>	<u>\$ 14,632,789</u>	<u>\$ 15,936,947</u>
\$ (1,439,725)	\$ 5,390,719	\$ 3,556,637	\$ 1,264,569	\$ 3,217,734	\$ 3,506,549	\$ 5,122,103
1,152,416	1,088,161	1,449,367	948,804	1,133,732	1,638,927	1,116,590
<u>\$ (287,309)</u>	<u>\$ 6,478,880</u>	<u>\$ 5,006,004</u>	<u>\$ 2,213,373</u>	<u>\$ 4,351,466</u>	<u>\$ 5,145,476</u>	<u>\$ 6,238,693</u>

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CITY OF SHOREVIEW

Governmental Activities Tax Revenues by Source

Table 3

Last Ten Fiscal Years

(Accrual Basis of Accounting)

<u>Fiscal Year</u>	<u>General Property Tax</u>	<u>Tax Increments</u>	<u>Franchise Tax</u>	<u>Total</u>
2010	\$ 8,620,022	\$ 1,935,523	\$ 283,344	\$ 10,838,889
2011	8,911,670	2,035,627	287,206	11,234,503
2012	9,243,083	1,980,051	301,530	11,524,664
2013	9,666,218	1,882,775	456,242	12,005,235
2014	9,776,446	1,816,702	1,120,948	12,714,096
2015	10,347,760	1,148,397	1,395,125	12,891,282
2016	10,903,874	753,738	1,278,643	12,936,255
2017	11,088,974	861,608	1,275,995	13,226,577
2018	11,616,082	1,027,508	1,259,315	13,902,905
2019	12,365,629	959,072	1,254,280	14,578,981

CITY OF SHOREVIEW

Fund Balances of Governmental Funds

Last Ten Fiscal Years

(Modified Accrual Basis of Accounting)

	Fiscal Year			
	2010	2011 (1)	2012	2013
General Fund				
Nonspendable				
Prepaid items	\$ -	\$ 17,954	\$ 69,213	\$ 82,971
Assigned	-	-	-	-
Unassigned	-	3,958,458	4,066,796	4,220,635
Reserved	6,463	-	-	-
Unreserved	3,914,672	-	-	-
Total General Fund	<u>\$ 3,921,135</u>	<u>\$ 3,976,412</u>	<u>\$ 4,136,009</u>	<u>\$ 4,303,606</u>
All other governmental funds				
Nonspendable				
Prepaid items	\$ -	\$ 9,924	\$ 8,680	\$ 14,642
Restricted	-	5,955,357	5,105,880	6,832,418
Committed	-	5,030,274	5,562,550	5,517,902
Assigned	-	1,200,724	1,858,594	967,183
Unassigned	-	(46,333)	(222,622)	(1,294,351)
Reserved	5,336,946	-	-	-
Unreserved, reported in				
Special revenue funds	1,338,648	-	-	-
Capital projects funds	3,884,575	-	-	-
Total all other governmental funds	<u>\$ 10,560,169</u>	<u>\$ 12,149,946</u>	<u>\$ 12,313,082</u>	<u>\$ 12,037,794</u>

(1) The implementation of GASB Statement No. 54 in 2011 resulted in a significant change in the City's fund balance classifications. Prior year information has not been restated.

Table 4

Fiscal Year					
2014	2015	2016	2017	2018	2019
\$ 63,953	\$ 11,164	\$ 135,985	\$ 80,440	\$ 863,722	\$ 28,641
-	-	-	30,000	-	-
4,383,445	4,615,960	4,673,293	4,915,075	4,321,592	5,554,310
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 4,447,398</u>	<u>\$ 4,627,124</u>	<u>\$ 4,809,278</u>	<u>\$ 5,025,515</u>	<u>\$ 5,185,314</u>	<u>\$ 5,582,951</u>
\$ 2,350	\$ 3,925	\$ 22,169	\$ 4,058	\$ 20,541	\$ 26,585
7,097,111	6,220,156	4,954,524	16,266,250	7,301,624	5,490,701
7,046,321	8,957,012	10,065,588	12,466,505	11,101,004	11,339,921
2,090,550	2,804,058	2,936,626	2,619,061	3,022,851	3,449,549
(907,931)	(1,104,502)	(989,146)	(904,624)	(803,321)	(794,115)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 15,328,401</u>	<u>\$ 16,880,649</u>	<u>\$ 16,989,761</u>	<u>\$ 30,451,250</u>	<u>\$ 20,642,699</u>	<u>\$ 19,512,641</u>

CITY OF SHOREVIEW

Changes in Fund Balances of Governmental Funds

Last Ten Fiscal Years

(Modified Accrual Basis of Accounting)

	Fiscal Year			
	2010	2011	2012	2013
Revenues				
Taxes				
General property taxes	\$ 8,649,002	\$ 8,843,965	\$ 9,011,334	\$ 9,463,973
Tax increments	1,935,523	2,035,627	1,980,051	1,882,775
Franchise tax	283,344	287,206	301,530	456,242
Special assessments	208,473	193,372	181,035	149,647
Licenses and permits	501,198	441,243	540,755	648,306
Intergovernmental	449,736	1,180,975	913,123	1,973,301
Charges for services	5,012,643	5,272,954	5,380,786	5,857,355
Fines and forfeits	32,813	62,135	67,000	52,440
Earnings on investments	133,828	352,042	216,714	(508,781)
Payments in lieu of taxes	110,000	110,000	110,000	–
Billboard fees	–	–	43,557	51,667
Antenna fees	228,607	319,150	246,611	243,606
Loan payments	21,750	21,750	–	–
Miscellaneous	88,001	87,816	154,427	147,399
Total revenues	<u>17,654,918</u>	<u>19,208,235</u>	<u>19,146,923</u>	<u>20,417,930</u>
Expenditures				
Current				
General government	2,086,403	2,062,470	2,205,967	2,385,455
Public safety	2,557,182	2,697,842	3,027,782	3,458,358
Public works	1,913,770	2,235,780	2,335,935	5,172,372
Parks and recreation	5,213,371	5,746,983	5,620,067	5,634,141
Community development	1,468,725	1,392,619	2,903,360	2,206,684
Miscellaneous	120,007	–	–	–
Capital outlay	1,295,891	2,191,037	1,362,235	6,938,968
Debt service				
Principal	1,120,000	1,125,000	1,335,000	1,395,000
Interest	495,569	359,612	397,416	329,902
Fiscal charges	16,511	7,601	10,407	126,892
Payment to refunded bond escrow agent	–	85,989	–	–
Total expenditures	<u>16,287,429</u>	<u>17,904,933</u>	<u>19,198,169</u>	<u>27,647,772</u>
Revenues over (under) expenditures	<u>1,367,489</u>	<u>1,303,302</u>	<u>(51,246)</u>	<u>(7,229,842)</u>
Other financing sources (uses)				
Issuance of refunding debt	–	4,620,000	–	2,365,000
Bonds issued	140,000	–	–	4,190,000
Premium on debt issuance	–	–	–	285,435
Discount on debt issuance	(1,120)	(44,759)	–	–
Payments to refunded bond escrow agent	–	(4,575,241)	–	(135,000)
Sale of capital assets	–	752	250	3,290
Transfers in	324,074	341,000	373,729	413,426
Total other financing sources (uses)	<u>462,954</u>	<u>341,752</u>	<u>373,979</u>	<u>7,122,151</u>
Net change in fund balances	<u>\$ 1,830,443</u>	<u>\$ 1,645,054</u>	<u>\$ 322,733</u>	<u>\$ (107,691)</u>
Debt service as a percentage of noncapital expenditures	<u>10.8%</u>	<u>9.4%</u>	<u>9.7%</u>	<u>8.3%</u>

Table 5

Fiscal Year					
2014	2015	2016	2017	2018	2019
\$ 9,617,824	\$ 10,124,526	\$ 10,726,142	\$ 10,907,023	\$ 11,433,913	\$ 12,189,888
1,811,837	1,193,506	753,761	861,608	1,027,508	956,923
1,120,948	1,395,125	1,278,643	1,275,995	1,259,315	1,254,280
262,313	294,239	323,464	311,968	351,436	310,318
628,033	500,102	695,250	1,000,637	634,797	1,097,166
2,474,156	1,341,381	1,674,144	1,484,186	1,778,150	1,681,388
5,698,863	5,886,182	5,896,213	6,126,896	5,832,229	7,464,997
49,430	52,581	51,264	47,899	59,366	55,843
787,765	274,698	196,028	307,559	445,005	851,395
-	-	-	-	-	-
50,300	51,809	53,363	58,716	52,862	58,312
300,670	359,711	399,928	430,740	464,364	427,865
-	-	-	-	-	-
365,766	155,786	223,692	426,631	118,077	398,013
<u>23,167,905</u>	<u>21,629,646</u>	<u>22,271,892</u>	<u>23,239,858</u>	<u>23,457,022</u>	<u>26,746,388</u>
2,352,792	2,355,197	2,516,388	2,633,535	2,518,533	2,597,979
3,483,427	3,592,309	3,751,349	4,384,589	4,059,505	4,282,209
2,614,448	2,551,991	2,886,255	2,116,201	2,586,700	2,277,693
6,218,662	6,260,728	6,551,569	6,622,590	6,593,145	7,695,620
1,581,136	1,444,053	3,016,431	1,626,053	1,643,991	2,012,138
-	-	-	-	-	-
1,600,173	1,498,097	2,574,263	5,166,469	18,232,967	6,957,100
1,265,000	1,265,000	1,030,000	1,010,000	1,849,965	1,475,000
408,211	326,013	267,231	245,175	538,698	708,939
5,254	9,526	3,082	126,460	51,392	12,131
-	-	-	-	-	-
<u>19,529,103</u>	<u>19,302,914</u>	<u>22,596,568</u>	<u>23,931,072</u>	<u>38,074,896</u>	<u>28,018,809</u>
<u>3,638,802</u>	<u>2,326,732</u>	<u>(324,676)</u>	<u>(691,214)</u>	<u>(14,617,874)</u>	<u>(1,272,421)</u>
100,000	-	-	-	150,000	-
-	295,000	-	12,865,000	3,180,000	-
5,822	14,637	-	831,537	164,640	-
-	-	-	-	-	-
(860,000)	(1,490,000)	-	-	-	(160,000)
7,914	4,107	4,369	13,849	807,190	-
541,861	581,498	611,573	658,554	667,292	700,000
<u>(204,403)</u>	<u>(594,758)</u>	<u>615,942</u>	<u>14,368,940</u>	<u>4,969,122</u>	<u>540,000</u>
<u>\$ 3,434,399</u>	<u>\$ 1,731,974</u>	<u>\$ 291,266</u>	<u>\$ 13,677,726</u>	<u>\$ (9,648,752)</u>	<u>\$ (732,421)</u>
<u>9.3%</u>	<u>8.9%</u>	<u>6.5%</u>	<u>6.7%</u>	<u>12.0%</u>	<u>10.4%</u>

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CITY OF SHOREVIEW

Taxable Net Tax Capacity Value and Estimated Market Value of Taxable Property
Last Ten Fiscal Years

Table 6

Fiscal Year	Real Property		Personal Property	Agricultural and Miscellaneous	Less Captured Tax Increment Value	Total Taxable Net Tax Capacity Value	Total Direct Tax Rate	Total Market Value	Net Tax Capacity as a Percentage of Market Value
	Residential Property	Commercial Property							
2010	\$ 26,372,797	\$8,238,244	\$ 269,727	\$ 8,996	\$ 1,933,124	\$ 32,956,640	27.569%	\$3,015,578,000	1.1%
2011	24,749,422	7,524,515	276,239	23,332	1,784,852	30,788,656	30.671%	2,838,577,100	1.1%
2012	22,153,383	7,228,211	296,285	21,668	1,549,078	28,150,469	33.252%	2,568,566,800	1.1%
2013	20,538,954	6,704,036	311,101	60,854	1,379,783	26,235,162	36.970%	2,404,938,000	1.1%
2014	20,887,523	6,674,198	192,279	59,021	1,319,882	26,493,139	37.490%	2,412,883,200	1.1%
2015	23,239,953	6,664,044	206,444	60,102	920,195	29,250,348	34.873%	2,640,693,400	1.1%
2016	24,122,506	6,414,987	217,494	60,810	607,343	30,208,454	35.357%	2,698,385,600	1.1%
2017	26,119,554	6,513,377	234,673	62,086	702,515	32,227,175	34.302%	2,861,312,100	1.1%
2018	28,149,733	6,915,965	239,129	59,841	828,481	34,536,187	33.617%	3,068,151,200	1.1%
2019	30,228,796	7,158,969	216,621	54,913	840,268	36,819,031	32.960%	3,271,366,800	1.1%
Percentage of Total Net Tax Capacity Value									
2010	80.0%	25.0%	0.8%	0.1%	6.0%	100.0%			
2011	80.4%	24.4%	0.9%	0.1%	5.8%	100.0%			
2012	78.7%	25.7%	1.0%	0.1%	5.5%	100.0%			
2013	78.3%	25.6%	1.2%	0.2%	5.3%	100.0%			
2014	78.9%	25.2%	0.7%	0.3%	5.1%	100.0%			
2015	79.4%	22.8%	0.7%	0.2%	3.1%	100.0%			
2016	79.9%	21.2%	0.7%	0.2%	2.0%	100.0%			
2017	81.1%	20.2%	0.7%	0.2%	2.2%	100.0%			
2018	81.5%	20.0%	0.7%	0.2%	2.4%	100.0%			
2019	82.1%	19.4%	0.6%	0.2%	2.3%	100.0%			

Tax exempt property values are not included in total net capacity value.

Source: Ramsey County Assessor's Office

CITY OF SHOREVIEW

Property Tax Rates

Direct and Overlapping (1) Governments

Last Ten Fiscal Years

	Fiscal Year		
	2010	2011	2012
Tax Capacity Rates:			
City of Shoreview			
General Fund	20.053%	21.634%	23.148%
Special revenue	–	0.085%	0.197%
Capital project	5.786%	6.821%	7.552%
Debt service	1.730%	1.797%	1.582%
Internal service	–	0.334%	0.773%
Total city tax rate	27.569%	30.671%	33.252%
Shoreview HRA	0.169%	0.198%	0.254%
Overlapping rates			
Ramsey County	46.598%	50.801%	56.945%
Ramsey County Library	3.650%	3.877%	4.372%
Total county tax rate	50.248%	54.678%	61.317%
Rice Creek Watershed	1.511%	1.618%	2.348%
Metro Watershed	–	–	3.043%
School Districts			
District No. 621	24.560%	25.573%	29.044%
District No. 623	13.065%	14.566%	17.065%
Other			
Regional rail	3.700%	3.921%	4.330%
Metropolitan Council	2.261%	2.313%	2.706%
Mosquito Control	0.480%	0.503%	0.571%
Total Direct and Overlapping Tax Capacity Rates:			
Grass Lake, No. 621	108.987%	117.857%	131.474%
Rice Creek, No. 621	110.498%	119.475%	133.822%
Metro Watershed, No. 621	–	–	134.517%
Grass Lake, No. 623	97.492%	106.850%	119.495%
Rice Creek, No. 623	99.003%	108.468%	121.843%
Metro Watershed, No. 623	–	–	122.538%
State-Wide Tax Capacity Rates:			
Commercial, industrial, and non-electric public utilities	45.881%	49.043%	51.100%
Cabins	17.755%	19.145%	20.750%
Market Value Tax Rates:			
Overlapping rates			
School Districts			
District No. 621	0.18882%	0.19536%	0.21242%
District No. 623	0.20374%	0.19715%	0.19591%

Source: Ramsey County Assessor’s office

(1) Overlapping rates are those of local, county, regional, and state governments that apply to property owners within the City. Not all overlapping rates apply to all city property owners (e.g., the rates for special districts apply only to the portion of the government’s property owners whose property is located within the geographic boundaries of the special district).

Table 7

Fiscal Year						
2013	2014	2015	2016	2017	2018	2019
25.557%	25.842%	23.853%	24.267%	23.588%	22.822%	22.191%
0.231%	0.302%	0.306%	0.365%	0.356%	0.347%	0.407%
8.545%	8.580%	8.160%	8.302%	8.096%	7.771%	6.808%
1.929%	2.071%	1.848%	1.813%	1.693%	2.145%	3.055%
0.708%	0.695%	0.706%	0.610%	0.569%	0.532%	0.499%
36.970%	37.490%	34.873%	35.357%	34.302%	33.617%	32.960%
0.289%	0.345%	0.323%	0.332%	0.325%	0.318%	0.595%
60.638%	59.105%	54.462%	54.012%	51.173%	49.473%	48.565%
4.602%	4.630%	4.460%	4.873%	4.677%	4.489%	4.315%
65.240%	63.735%	58.922%	58.885%	55.850%	53.962%	52.880%
2.322%	2.346%	2.205%	2.108%	1.985%	1.826%	1.858%
3.643%	4.499%	4.259%	4.214%	3.813%	3.746%	3.387%
29.444%	29.734%	27.378%	26.245%	25.305%	28.464%	26.330%
15.464%	16.251%	17.180%	20.958%	18.894%	34.396%	31.686%
4.528%	4.196%	3.938%	4.091%	3.875%	3.830%	3.886%
2.776%	2.729%	2.525%	2.379%	2.243%	2.153%	2.098%
0.573%	0.554%	0.511%	0.475%	0.455%	0.440%	0.423%
139.820%	138.783%	128.470%	127.764%	122.355%	122.784%	119.172%
142.142%	141.129%	130.675%	129.872%	124.340%	124.610%	121.030%
143.463%	143.282%	132.729%	131.978%	126.168%	126.530%	122.559%
125.840%	125.300%	118.272%	122.477%	115.944%	128.716%	124.528%
128.162%	127.646%	120.477%	124.585%	117.929%	130.542%	126.386%
129.483%	129.799%	122.531%	126.691%	119.757%	132.462%	127.915%
52.523%	52.160%	50.840%	48.641%	45.802%	43.865%	42.416%
22.327%	22.836%	21.703%	21.167%	20.845%	20.779%	19.962%
0.22834%	0.21069%	0.21901%	0.22261%	0.20712%	0.19725%	0.18765%
0.24553%	0.25826%	0.25930%	0.21044%	0.19350%	0.21951%	0.22529%

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CITY OF SHOREVIEW
Principal Property Taxpayers
Current Year and Nine Years Ago

Table 8

Taxpayer	2019				2010			
	Market Value	Taxable Net Tax Capacity Value	Rank	Percentage of Total Net Tax Capacity Value	Market Value	Taxable Net Tax Capacity Value	Rank	Percentage of Total Net Tax Capacity Value
Wells Fargo	\$ 34,615,000	\$ 691,550	1	1.88%	\$ 46,400,000	\$ 927,250	2	2.81%
Terrace Apartments Company	31,922,300	399,030	2	1.08%	21,699,600	271,246	7	0.82%
Deluxe Corporation	18,000,000	359,250	3	0.98%	37,000,000	739,250	3	2.24%
Medtronic	14,126,500	281,780	4	0.77%	20,225,100	403,752	4	1.23%
Dayton Hudson Corporation	13,963,000	278,510	5	0.76%	17,575,000	350,750	5	1.06%
Lakeshore Oaks Apartments LLP	21,965,000	274,565	6	0.75%	–	–	–	–
Shoreview Senior Living	21,606,300	270,079	7	0.73%	–	–	–	–
TSI Inc.	13,500,000	269,250	8	0.73%	8,945,100	178,152	10	0.54%
Lakeview Terrace	20,767,700	259,596	9	0.71%	–	–	–	–
Carroll Ventures Company	19,600,000	245,000	10	0.67%	–	–	–	–
Ari - Shoreview Corp. Center, LLC	–	–	–	–	50,699,100	1,013,232	1	3.07%
Canis Rice Creek, LLC	–	–	–	–	16,383,200	326,164	6	0.99%
Fox UTV Holdings, Inc.	–	–	–	–	13,281,700	263,226	8	0.80%
Xcel Energy/NSP	–	–	–	–	12,286,800	245,736	9	0.75%
Total	\$ 210,065,800	\$ 3,328,610		9.06%	\$ 244,495,600	\$ 4,718,758		14.31%

Rank is based on taxable net tax capacity value.

Source: Ramsey County Board of Equalization and Assessment

CITY OF SHOREVIEW
Property Tax Levies and Collections
Last Ten Fiscal Years

Levy Year	Total Tax Levy for Fiscal Year (1)	Collections (Refunds) Within the Fiscal Year						
		2010	2011	2012	2013	2014	2015	2016
Property Taxes:								
2009 and prior	\$ 8,350,663	\$ 30,543	\$ (60,331)	\$ (3,323)	\$ 2,930	\$ 2,234	\$ 3,271	\$ -
2010	8,731,773	8,608,884	29,965	(69,854)	(5,977)	3,529	476	5,785
2011	9,051,713	-	8,980,471	(7,542)	(11,727)	(65,999)	759	2,202
2012	9,360,028	-	-	9,262,995	28,098	(40,783)	(36,120)	3,508
2013	9,679,510	-	-	-	9,607,386	14,812	(26,344)	5,740
2014	10,009,093	-	-	-	-	9,922,551	11,781	1,371
2015	10,362,788	-	-	-	-	-	10,283,315	32,320
2016	10,767,725	-	-	-	-	-	-	10,708,778
2017	11,190,497	-	-	-	-	-	-	-
2018	11,741,840	-	-	-	-	-	-	-
2019	12,367,045	-	-	-	-	-	-	-
Non-levy collections (2)		9,575	(8,254)	43,440	26,253	(38,859)	94,302	150,889
Total collections within fiscal year		<u>\$ 8,649,002</u>	<u>\$ 8,941,851</u>	<u>\$ 9,225,716</u>	<u>\$ 9,646,963</u>	<u>\$ 9,797,485</u>	<u>\$ 10,331,440</u>	<u>\$ 10,910,593</u>
Tax Increments:								
2009 and prior	\$ 2,037,210	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2010	2,096,947	1,935,523	9,302	-	-	-	-	-
2011	2,094,246	-	2,026,325	9,864	-	(13,785)	-	-
2012	2,013,059	-	-	1,939,529	(8,553)	(7,020)	-	-
2013	1,917,808	-	-	-	1,891,327	10,706	-	(5,625)
2014	1,837,507	-	-	-	-	1,821,936	25	(5,622)
2015	1,193,512	-	-	-	-	-	1,193,481	(5,630)
2016	776,270	-	-	-	-	-	-	770,638
2017	868,354	-	-	-	-	-	-	-
2018	1,027,508	-	-	-	-	-	-	-
2019	1,013,478	-	-	-	-	-	-	-
Non-levy collections (2)		-	-	30,658	-	-	-	-
Total collections within fiscal year		<u>\$ 1,935,523</u>	<u>\$ 2,035,627</u>	<u>\$ 1,980,051</u>	<u>\$ 1,882,774</u>	<u>\$ 1,811,837</u>	<u>\$ 1,193,506</u>	<u>\$ 753,761</u>

(1) Net of county rounding adjustment.

(2) Non-levy collections include interest, petitions, and other collections that do not reduce uncollected taxes.

Table 9

Collections (Refunds) Within the Fiscal Year			Percentage Collected Within the Fiscal Year of the Levy	Total Collections to Date		Adjustments	Total Uncollected	
2017	2018	2019		Amount	Percentage of Levy		Amount	Percentage of Levy
\$ -	\$ -	\$ -	98.5%	\$ 8,199,529	98.2%	\$ (151,134)	\$ -	0.00%
-	-	-	98.6%	8,572,808	98.2%	(158,965)	-	0.00%
(1,804)	-	-	99.2%	8,896,360	98.3%	(155,353)	-	0.00%
668	2,777	-	99.0%	9,221,143	98.5%	(138,885)	-	0.00%
157	1,249	150	99.3%	9,603,150	99.2%	(81,640)	(5,280)	-0.05%
458	1,696	350	99.1%	9,938,207	99.3%	(68,346)	2,540	0.03%
(21,193)	2,436	1,064	99.2%	10,297,942	99.4%	(62,340)	2,506	0.02%
17,544	(8,941)	2,990	99.5%	10,720,371	99.6%	(42,833)	4,521	0.04%
11,105,813	30,948	(25,606)	99.2%	11,111,155	99.3%	(72,541)	6,801	0.06%
-	11,690,537	(7,701)	99.6%	11,682,836	99.5%	(50,681)	8,323	0.07%
-	-	12,224,575	98.8%	12,224,575	98.8%	(95,055)	47,415	0.38%
(12,367)	(105,163)	177,146					-	
<u>\$ 11,089,276</u>	<u>\$ 11,615,539</u>	<u>\$ 12,372,968</u>					<u>\$ 66,826</u>	
\$ -	\$ -	\$ -	98.5%	\$ 2,007,418	98.5%	\$ (29,792)	\$ -	0.00%
-	-	-	92.3%	1,944,825	92.7%	(152,122)	-	0.00%
-	-	-	96.8%	2,022,404	96.6%	(71,842)	-	0.00%
-	-	-	96.3%	1,923,956	95.6%	(89,103)	-	0.00%
-	-	-	98.6%	1,896,408	98.9%	(21,400)	-	0.00%
-	-	-	99.2%	1,816,339	98.8%	(21,168)	-	0.00%
-	-	-	100.0%	1,187,851	99.5%	(5,661)	-	0.00%
-	-	-	99.3%	770,638	99.3%	(5,632)	-	0.00%
861,608	-	-	99.2%	861,608	99.2%	(6,746)	-	0.00%
-	1,027,508	-	100.0%	1,027,508	100.0%	-	-	0.00%
-	-	956,923	94.4%	956,923	94.4%	(54,406)	2,149	0.21%
-	-	-					-	
<u>\$ 861,608</u>	<u>\$ 1,027,508</u>	<u>\$ 956,923</u>					<u>\$ 2,149</u>	

CITY OF SHOREVIEW

Water Sold by Type of Customer

Last Ten Fiscal Years

(in millions of gallons)

	Residential			
	Tier 1 – First 10,000 Gallons	Tier 2 – Second 20,000 Gallons	Tier 3 – Remaining Gallons	Total Residential
2010	362.0	230.8	94.8	687.6
2011	360.5	221.7	94.7	676.9

	(2) Residential				
	Tier 1 – First 5,000 Gallons	Tier 2 – Second 5,000 Gallons	Tier 3 – Third 20,000 Gallons	Tier 4 – Remaining Gallons	Total Residential
2012	199.7	165.0	250.7	148.8	764.2
2013	201.1	161.8	219.1	107.5	689.5
2014	201.6	155.9	187.6	55.5	600.6
2015	202.7	153.9	176.5	63.1	596.2
2016	205.8	154.2	177.5	66.6	604.1
2017	207.5	157.7	185.2	62.3	612.7
2018	205.1	151.0	168.6	63.7	588.4
2019	213.4	153.5	139.0	34.8	540.7

	Percentage of Total Water Sold				
	Tier 1 – First 5,000 Gallons	Tier 2 – Second 5,000 Gallons	Tier 3 – Third 20,000 Gallons	Tier 4 – Remaining Gallons	Total Residential
2010	39.8%		25.3%	10.4%	75.5%
2011	40.6%		24.9%	10.6%	76.1%
2012	19.5%	16.2%	24.6%	14.6%	74.9%
2013	22.1%	17.8%	24.0%	11.8%	75.7%
2014	25.3%	19.6%	23.6%	7.0%	75.5%
2015	25.7%	19.5%	22.4%	8.0%	75.6%
2016	26.2%	19.7%	22.7%	8.5%	77.1%
2017	26.2%	19.9%	23.4%	7.9%	77.4%
2018	26.5%	19.5%	21.8%	8.2%	76.0%
2019	30.2%	21.7%	19.7%	4.9%	76.5%

(1) The City does not bill the various departments for water use; this consumption is for tracking purposes only.

(2) In 2012, the City adjusted its tiers for residential accounts by splitting the first tier into two tiers.

Source: City of Shoreview utility billing department

Table 10

Commercial/Industrial/Hotel/Motel/Public Institutions Religious/Charitable/Residential Irrigation Only Accounts					
Tier 1 – First 50,000 Gallons	Tier 2 – Second 1,150,000 Gallons	Tier 3 – Remaining Water Consumed	Total Commercial/ Industrial, Etc.	Shoreview City Accounts (1)	Total Water Sold
27.0	141.3	32.3	200.6	22.6	910.8
26.1	126.7	41.7	194.5	19.0	890.4

Commercial/Industrial/Hotel/Motel/Public Institutions Religious/Charitable/Residential Irrigation Only Accounts					
Tier 1 – First 50,000 Gallons	Tier 2 – Second 1,150,000 Gallons	Tier 3 – Remaining Water Consumed	Total Commercial/ Industrial, Etc.	Shoreview City Accounts (1)	Total Water Sold
28.2	151.5	49.5	229.2	26.0	1,019.4
27.0	135.3	39.1	201.4	20.2	911.1
26.7	126.0	26.4	179.1	16.8	796.5
26.8	118.8	26.0	171.6	21.6	789.4
26.5	114.4	17.4	158.3	21.2	783.6
25.9	107.6	18.8	152.4	26.0	791.1
26.7	117.9	21.7	166.3	20.4	775.1
26.1	103.9	20.2	150.2	15.4	706.3

Percentage of Total Water Sold					
3.0%	15.5%	3.5%	22.0%	2.5%	100.0%
2.9%	14.2%	4.7%	21.8%	2.1%	100.0%
2.8%	14.8%	4.9%	22.5%	2.6%	100.0%
3.0%	14.8%	4.3%	22.1%	2.2%	100.0%
3.4%	15.7%	3.3%	22.4%	2.1%	100.0%
3.4%	15.0%	3.3%	21.7%	2.7%	100.0%
3.4%	14.6%	2.2%	20.2%	2.7%	100.0%
3.3%	13.6%	2.4%	19.3%	3.3%	100.0%
3.4%	15.2%	2.8%	21.4%	2.6%	100.0%
3.7%	14.7%	2.9%	21.3%	2.2%	100.0%

CITY OF SHOREVIEW

Residential Utility Rates per Quarter
Last Ten Fiscal Years

	Water				Surface Water Management			
	Rate per 1,000 Gallons				Per Unit		Per Acre	
	Base Rate Per Unit	Tier 1 First 10,000 Gallons	Tier 2 Second 20,000 Gallons	Tier 3 Remaining Gallons	Single-Family	Town Home	Condos	Apartments and Mobile Homes
2010	\$ 10.00	\$ 0.920	\$ 1.860	\$ 2.950	\$ 14.52	\$ 15.38	\$ 121.44	\$ 121.44
2011	11.00	1.010	2.050	3.250	15.97	16.92	133.58	133.58

	(1) Water					Surface Water Management			
	Rate per 1,000 Gallons					Per Unit		Per Acre	
	Base Rate Per Unit	Tier 1 First 5,000 Gallons	Tier 2 Second 5,000 Gallons	Tier 3 Third 20,000 Gallons	Tier 4 Remaining Gallons	Single-Family	Town Home	Condos	Apartments and Mobile Homes
2012	\$ 13.00	\$ 1.04	\$ 1.69	\$ 2.34	\$ 3.84	\$ 17.57	\$ 18.61	\$ 146.94	\$ 146.94
2013	13.40	1.08	1.74	2.41	3.96	19.33	20.47	161.63	161.63
2014	13.96	1.13	1.81	2.51	4.13	21.26	22.52	177.79	177.79
2015	14.94	1.21	1.94	2.69	4.42	23.39	24.77	195.57	195.57
2016	16.73	1.36	2.17	3.01	4.95	25.73	27.25	215.13	215.13
2017	18.74	1.52	2.43	3.37	5.54	28.30	29.98	236.64	236.64
2018	19.49	1.58	2.53	3.50	5.76	29.72	31.48	248.47	248.47
2019	20.27	1.64	2.63	3.64	5.99	31.21	33.05	260.89	260.89

Source: City of Shoreview utility billing department

(1) Conservation rates restructured in 2012 to split the first residential tier into two tiers.

Table 11

Sewer						Street Lighting	
Use Rate per unit (Based on Winter Water Use)						Per Unit	
Base Rate Per Unit	Tier 1 Less Than 5,000 Gallons	Tier 2 Between 5,000 and 10,000 Gallons	Tier 3 Between 10,001 and 20,000 Gallons	Tier 4 Between 20,001 and 30,000 Gallons	Tier 5 Greater Than 30,000 Gallons	Single- and Multi- Family	Condos, Apartments, and Mobile Homes
\$ 32.51	\$ 13.74	\$ 23.65	\$ 36.27	\$ 49.33	\$ 64.09	\$ 6.94	\$ 5.20
35.76	15.11	26.02	39.90	54.26	70.50	7.29	5.46

Sewer						Street Lighting	
Use Rate per unit (Based on Winter Water Use)						Per Unit	
Base Rate Per Unit	Tier 1 Less Than 5,000 Gallons	Tier 2 Between 5,000 and 10,000 Gallons	Tier 3 Between 10,001 and 20,000 Gallons	Tier 4 Between 20,001 and 30,000 Gallons	Tier 5 Greater Than 30,000 Gallons	Single- and Multi- Family	Condos, Apartments, and Mobile Homes
\$ 35.76	\$ 15.11	\$ 26.02	\$ 39.90	\$ 54.26	\$ 70.50	\$ 9.11	\$ 6.83
37.91	16.02	27.58	42.29	57.52	74.73	9.47	7.10
39.05	16.50	28.41	43.56	59.25	76.97	9.85	7.38
40.22	17.00	29.26	44.87	61.03	79.28	10.24	7.68
41.43	17.51	30.14	46.22	62.86	81.66	10.85	8.14
42.67	18.04	31.04	47.61	64.75	84.11	12.48	9.36
43.95	18.58	31.97	49.04	66.69	86.63	13.23	9.92
45.27	19.14	32.93	50.51	68.69	89.23	13.89	10.42

CITY OF SHOREVIEW

Commercial Utility Rates per Quarter

Last Ten Fiscal Years

Fiscal Year	Water			
	Base Rate Per Account	Rate per 1,000 Gallons		
		First 50,000	Next 1,150,000	All Remaining
2010	\$ 10.00	\$ 1.40	\$ 1.86	\$ 2.95
2011	11.00	1.54	2.05	3.25
2012	13.00	1.69	2.34	3.84
2013	13.40	1.74	2.41	3.96
2014	13.96	1.81	2.51	4.13
2015	14.94	1.94	2.69	4.42
2016	16.73	2.17	3.01	4.95
2017	18.74	2.43	3.37	5.54
2018	19.49	2.53	3.50	5.76
2019	20.27	2.63	3.64	5.99

Source: City of Shoreview utility billing department

Table 12

Sewer		Surface Water Management	Street Lights
Sewer Availability Charge Per Account	Rate per 1,000 Gallons	Rate Per Acre	Rate Per Acre
\$ 32.51	\$ 3.47	\$ 121.44	\$ 20.82
35.76	3.82	133.58	21.86
35.76	3.82	146.94	27.33
37.91	4.05	161.63	28.42
39.05	4.17	177.79	29.56
40.22	4.30	195.57	30.74
41.43	4.43	215.13	32.58
42.67	4.56	236.64	37.47
43.95	4.70	248.47	39.72
45.27	4.84	260.89	41.71

CITY OF SHOREVIEW

Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year	Governmental Activities					Business- Type Activities
	General Obligation Improvement Bonds	Other General Obligation Bonds	General Obligation Tax Increment Bonds	Certificates of Participation	Loan Payable	Water Bonds
2010	\$ 1,610,000	\$ 8,950,000	\$ 2,180,000	\$ 4,680,000	\$ 6,000,000	\$ 5,710,000
2011	1,350,000	8,705,000	1,830,000	4,620,000	6,000,000	5,250,000
2012	1,065,000	8,355,000	1,320,000	4,330,000	6,000,000	4,700,000
2013	2,780,000	12,395,000	690,000	3,985,000	6,000,000	5,930,000
2014	2,620,000	15,645,000	350,000	3,635,000	6,000,000	5,880,000
2015	2,680,000	8,810,000	–	3,275,000	6,000,000	11,355,000
2016	2,480,000	8,125,000	–	2,910,000	6,000,000	17,900,000
2017	2,305,000	20,270,000	–	2,535,000	6,000,000	16,940,000
2018	2,270,000	22,710,000	–	2,145,000	5,195,035	18,470,000
2019	1,935,000	21,530,000	–	1,745,000	5,195,035	16,280,000

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

- (1) See Table 6 – Taxable Net Tax Capacity Value and Estimated Market Value of Taxable Property for the estimated actual market value.
- (2) See Table 18 – Demographic and Economic Statistics schedule for estimated personal income and population data.

Table 13

<u>Business-Type Activities</u>				Percentage of	Percentage of	
<u>Sewer</u>	<u>Surface</u>	<u>Unamortized</u>	<u>Total Primary</u>	<u>Estimated</u>	<u>Estimated actual</u>	
<u>Bonds</u>	<u>Water</u>	<u>Premium</u>	<u>Government</u>	<u>Personal</u>	<u>Market Value of</u>	<u>Per Capita (2)</u>
	<u>Bonds</u>			<u>Income (2)</u>	<u>Property (1)</u>	
\$ 2,220,000	\$ 2,780,000	\$ -	\$ 34,130,000	3.20%	1.13%	\$ 1,319
2,130,000	2,555,000	-	32,440,000	3.02%	1.14%	1,295
1,985,000	2,300,000	-	30,055,000	2.69%	1.17%	1,197
1,995,000	3,190,000	403,427	37,368,427	3.28%	1.55%	1,470
2,400,000	3,095,000	632,915	40,257,915	3.35%	1.67%	1,571
3,135,000	3,345,000	869,556	39,469,556	3.09%	1.49%	1,534
3,190,000	3,390,000	958,363	44,953,363	3.36%	1.67%	1,723
2,960,000	3,030,000	1,699,503	55,739,503	4.03%	1.95%	2,114
3,300,000	3,770,000	2,022,106	59,882,141	4.12%	1.95%	2,264
2,775,000	3,275,000	1,848,428	54,583,463	3.45%	1.67%	2,061

CITY OF SHOREVIEW

Ratios of Net General Bonded Debt Outstanding
Last Ten Fiscal Years

Fiscal Year	Governmental Activities			Business-Type Activities		
	General Obligation Improvement Bonds	Other General Obligation Bonds	General Obligation Tax Increment Bonds	Water Bonds	Sewer Bonds	Surface Water Bonds
2010	\$ 1,610,000	\$ 8,950,000	\$ 2,180,000	\$ 5,710,000	\$ 2,220,000	\$ 2,780,000
2011	1,350,000	8,705,000	1,830,000	5,250,000	2,130,000	2,555,000
2012	1,065,000	8,355,000	1,320,000	4,700,000	1,985,000	2,300,000
2013	2,780,000	12,395,000	690,000	5,930,000	1,995,000	3,190,000
2014	2,620,000	15,645,000	350,000	5,880,000	2,400,000	3,095,000
2015	2,680,000	8,810,000	–	11,355,000	3,135,000	3,345,000
2016	2,480,000	8,125,000	–	17,900,000	3,190,000	3,390,000
2017	2,305,000	20,270,000	–	16,940,000	2,960,000	3,030,000
2018	2,270,000	22,710,000	–	18,470,000	3,300,000	3,770,000
2019	1,935,000	21,530,000	–	16,280,000	2,775,000	3,275,000

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

- (1) See Table 6 – Taxable Net Tax Capacity Value and Estimated Market Value of Taxable Property for the estimated actual market value.
- (2) See Table 18 – Demographic and Economic Statistics schedule.

Table 14

<u>Unamortized Premium</u>	<u>Total</u>	<u>Resources Restricted for Repayment</u>	<u>Net General Bonded Debt</u>	<u>Percentage of Estimated Actual Market Value of Property (1)</u>	<u>Per Capita (2)</u>
\$ —	\$23,450,000	\$ 939,736	\$22,510,264	0.75%	\$ 870
—	21,820,000	980,000	20,840,000	0.73%	832
—	19,725,000	881,898	18,843,102	0.73%	750
403,427	27,383,427	3,325,237	24,058,190	1.00%	946
632,915	30,622,915	2,577,845	28,045,070	1.16%	1,094
869,556	30,194,556	1,136,688	29,057,868	1.10%	1,130
958,363	36,043,363	1,145,579	34,897,784	1.29%	1,337
1,699,503	47,204,503	1,110,868	46,093,635	1.61%	1,748
2,022,106	52,542,106	1,508,902	51,033,204	1.66%	1,930
1,848,428	47,643,428	1,490,238	46,153,190	1.41%	1,743

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CITY OF SHOREVIEW

Direct and Overlapping Governmental Activities Debt
as of December 31, 2019

Table 15

Governmental Unit	Gross Debt Outstanding (1)	Estimated Percentage Applicable (2)	Estimated Share of Overlapping Debt
Overlapping debt			
Ramsey County	\$ 175,477,000	6.784%	\$ 11,903,622
Independent School District No. 621 (Mounds View)	235,390,000	30.747%	72,375,821
Independent School District No. 623 (Roseville)	175,710,000	3.617%	6,355,038
Special Independent School District No. 916 (Vo-Tech)	77,200,000	11.885%	9,175,124
Metropolitan Council	1,555,384,035	0.863%	13,416,815
Rice Creek Watershed District	255,531	16.130%	41,216
Total overlapping debt			113,267,636
City of Shoreview direct debt (1)			31,548,173
Total direct and overlapping debt			<u>\$ 144,815,809</u>

Debt Ratios

Ratio of debt per capita (26,480 population, Table 18)	\$ 5,469
Ratio of debt to net tax capacity valuations (after fiscal disparities) (\$36,819,031, Table 6)	393.32%
Ratio of debt to estimated actual market value of property (\$3,271,366,800, Table 6)	4.43%

Sources: Assessed value data used to estimate applicable percentages provided by the County Board of Equalization and Assessment. Debt outstanding data provided by the county.

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

- (1) Gross bonded and direct debt outstanding includes all general obligation, certificate of participation debt and loans.
- (2) The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the county’s taxable assessed value that is within the government’s boundaries and dividing it by the county’s total taxable assessed value.

CITY OF SHOREVIEW
 Legal Debt Margin Information
 Last Ten Fiscal Years

	Fiscal Year			
	2010	2011	2012	2013
Debt limit	\$ 90,467,340	\$ 85,157,333	\$ 77,057,004	\$ 72,148,140
Total net debt applicable to limit	12,747,163	12,442,328	11,798,714	13,168,149
Legal debt margin	<u>\$ 77,720,177</u>	<u>\$ 72,715,005</u>	<u>\$ 65,258,290</u>	<u>\$ 58,979,991</u>
Total net debt applicable to the limit as a percentage of debt limit	14.09%	14.61%	15.31%	18.25%

Table 16

Fiscal Year					
2014	2015	2016	2017	2018	2019
\$ 72,386,496	\$ 79,220,802	\$ 80,951,568	\$ 85,839,363	\$ 92,044,536	\$ 98,141,004
16,872,663	11,095,214	10,064,636	8,985,056	10,947,380	9,620,097
<u>\$ 55,513,833</u>	<u>\$ 68,125,588</u>	<u>\$ 70,886,932</u>	<u>\$ 76,854,307</u>	<u>\$ 81,097,156</u>	<u>\$ 88,520,907</u>
23.31%	14.01%	12.43%	10.47%	11.89%	9.80%

Legal Debt Margin Calculation for Fiscal Year 2019

Market value (payable 2019 value, Table 6)	\$3,271,366,800
Debt limit (3% of market value)	98,141,004
Debt applicable to limit	
Other general obligation bonds	9,085,000
Certificates of participation	1,745,000
Less cash set aside for repayment of general obligation debt	<u>(1,209,903)</u>
Total net debt applicable to limit	<u>9,620,097</u>
Legal debt margin	<u>\$ 88,520,907</u>

CITY OF SHOREVIEW
Pledged Revenue Coverage
Last Ten Fiscal Years

Table 17

Fiscal Year	Utility Revenues	Less Operating Expenses (1)	Net Available Revenue	Debt Service		Times Coverage
				Principal	Interest	
Water Revenue Bonds						
2010	\$ 2,042,580	\$ 1,339,306	\$ 703,274	\$ 425,000	\$ 192,894	1.14
2011	2,279,802	1,368,874	910,928	460,000	202,063	1.38
2012	2,966,297	1,405,259	1,561,038	550,000	183,921	2.13
2013	2,585,461	1,403,838	1,181,623	460,000	183,026	1.84
2014	2,668,132	1,432,452	1,235,680	965,000	163,432	1.10
2015	2,639,110	1,430,934	1,208,176	1,410,000	181,749	0.76
2016	2,929,180	1,570,611	1,358,569	450,000	462,503	1.49
2017	3,285,821	1,609,969	1,675,852	960,000	436,998	1.20
2018	3,354,356	1,693,957	1,660,399	1,065,000	409,713	1.13
2019	3,190,556	1,740,009	1,450,547	2,190,000	426,613	0.55
Sewer Revenue Bonds						
2010	\$ 3,274,000	\$ 2,869,607	\$ 404,393	\$ 80,000	\$ 57,495	2.94
2011	3,617,492	2,953,041	664,451	90,000	76,061	4.00
2012	3,604,257	2,893,667	710,590	145,000	72,489	3.27
2013	3,718,390	3,100,871	617,519	275,000	67,690	1.80
2014	3,973,536	3,163,229	810,307	325,000	58,703	2.11
2015	3,981,855	3,191,670	790,185	915,000	53,375	0.82
2016	4,085,178	3,328,440	756,738	175,000	82,853	2.93
2017	4,324,274	3,403,098	921,176	230,000	75,034	3.02
2018	4,402,907	3,377,484	1,025,423	250,000	68,294	3.22
2019	4,642,639	3,715,864	926,775	525,000	70,471	1.56
Surface Water Management Revenue Bonds						
2010	\$ 937,550	\$ 656,073	\$ 281,477	\$ 130,000	\$ 90,408	1.28
2011	1,032,620	669,298	363,322	225,000	91,277	1.15
2012	1,159,830	710,054	449,776	255,000	84,797	1.32
2013	1,188,105	621,960	566,145	415,000	84,608	1.13
2014	1,411,270	695,548	715,722	360,000	80,992	1.62
2015	1,485,119	752,030	733,089	610,000	73,517	1.07
2016	1,630,559	922,576	707,983	335,000	88,721	1.67
2017	1,799,161	903,944	895,217	360,000	78,096	2.04
2018	1,878,164	930,275	947,889	380,000	67,526	2.12
2019	2,008,708	966,391	1,042,317	495,000	90,014	1.78

Note: Details regarding the City's outstanding debt can be found in the notes to financial statements. Utility revenues include operating revenue, earnings on investments and the federal credit associated with Build America Bonds and Intergovernmental revenue.

(1) Operating expenses do not include depreciation.

CITY OF SHOREVIEW

Demographic and Economic Statistics

Last Ten Fiscal Years

Table 18

<u>Fiscal Year</u>	<u>Population (1)</u>	<u>Estimated Personal Income (Amounts Expressed in Whole Dollars) (2)</u>	<u>Per Capita Personal Income (3)</u>	<u>School Enrollment District No. 621 (4)</u>	<u>School Enrollment District No. 623 (4)</u>	<u>Unemployment Rate (5)</u>
2010	25,882	\$ 1,065,950,170	\$ 41,185	9,849	6,795	6.5 %
2011	25,043	1,075,496,678	42,946	9,914	6,916	5.6 %
2012	25,118	1,117,977,062	44,509	10,006	7,061	4.7 %
2013	25,429	1,138,863,194	44,786	10,232	7,196	4.0 %
2014	25,630	1,202,047,000	46,900	10,521	7,271	3.3 %
2015	25,723	1,275,269,171	49,577	10,762	7,500	3.0 %
2016	26,092	1,339,563,280	51,340	11,145	7,550	3.2 %
2017	26,366	1,383,951,340	52,490	11,297	7,615	2.9 %
2018	26,447	1,452,839,498	54,934	11,389	7,664	2.3 %
2019	26,480	1,580,405,840	59,683	11,655	7,580	2.6 %

Notes/Sources:

- (1) Population figures other than census year are estimates provided by the Metropolitan Council. The last census was taken in 2010. Figures are as of December 31 of the prior year.
- (2) This estimated personal income number is calculated by taking the per capita personal income and multiplying it by the City's population. Also see note (3) regarding the per capita personal income figures.
- (3) Per capital personal income data is provided by the Bureau of Economic Analysis. The 2010–2018 data is for Ramsey County, in which the City resides, the smallest region applicable to the City that this information is available for. The 2019 figure is an estimate for the state of Minnesota as there were no other relevant estimates available at the time of this report.
- (4) The City is served by two independent school districts. District No. 621 covers approximately 90% of the City, while District No. 623 covers approximately 10% of the City. Accordingly, not all students enrolled in District No. 621 or District No. 623 live in the City.
- (5) Annual average unemployment provided by the Minnesota Department of Employment & Economic Development.

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CITY OF SHOREVIEW

Principal Employers
Current Year and Nine Years Ago

Table 19

Employer	2019			2010		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Wells Fargo	1,200	1	11.28%	614	3	5.23%
Deluxe Corporation	1,150	2	10.81%	1,026	1	8.75%
Cummins Power Generation	600	3	5.64%	–	–	–
Target Corporation	500	4	4.70%	350	5	2.98%
TSI Inc.	485	5	4.56%	325	6	2.77%
Westinghouse (PaR Nuclear)	300	6	2.82%	–	–	–
PaR Systems	275	7	2.59%	110	9	0.94%
Hill-Rom	250	8	2.35%	–	–	–
Ally Financial Services	247	9	2.32%	–	–	–
Kowalski's	225	10	2.12%	–	–	–
Medtronic	–	–	–	869	2	7.41%
Empi, Inc.	–	–	–	430	4	3.67%
Taylor Corporation	–	–	–	198	7	1.69%
City of Shoreview	–	–	–	135	8	1.15%
Rainbow Foods	–	–	–	91	10	0.78%
Total	5,232		49.19%	4,148		35.36%

Source: City of Shoreview Community Development Department

Total City employment provided by the Minnesota Department of Employment & Economic Development.

CITY OF SHOREVIEW

Budgeted Full-Time Equivalent City Government Employees by Function
Last Ten Fiscal Years

Function	Budgeted Full-Time Equivalent Employees as of December 31,				
	2010	2011	2012	2013	2014
General government	14.05	12.66	14.69	13.46	14.22
Public safety					
Emergency services	0.08	0.08	0.07	0.08	0.08
Public works					
Engineering	4.05	4.05	4.03	4.03	4.03
Maintenance	6.83	6.83	6.84	7.12	7.68
Parks and recreation					
Administration	6.00	5.00	4.00	4.00	4.44
Maintenance	9.51	9.71	9.95	9.95	10.00
Community center	36.03	36.68	36.44	36.61	38.44
Recreation programs	26.08	28.54	29.13	29.74	32.73
Community development	5.82	5.82	5.84	6.56	6.95
Water	8.33	8.35	8.40	8.39	8.41
Sewer	7.34	7.35	7.41	7.41	7.44
Surface water	3.52	3.52	3.55	3.55	3.67
Street lights	0.20	0.20	0.20	0.20	0.28
Central garage	2.40	2.40	2.40	2.40	2.40
	<u>130.24</u>	<u>131.19</u>	<u>132.95</u>	<u>133.50</u>	<u>140.77</u>
Full-time	79.75	79.00	79.00	79.00	83.36
Part-time	0.75	0.75	1.55	1.55	0.42
Associate	49.74	51.44	52.40	52.95	56.99
	<u>130.24</u>	<u>131.19</u>	<u>132.95</u>	<u>133.50</u>	<u>140.77</u>

Source: City Finance Department

Table 20

Budgeted Full-Time Equivalent Employees as of December 31,				
<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
13.80	14.59	14.08	13.60	13.40
-	-	-	-	-
3.83	4.01	3.43	3.05	3.05
7.68	7.63	7.64	8.07	8.33
4.50	4.10	4.60	5.02	5.44
10.00	10.02	9.83	11.25	11.55
38.52	37.55	37.04	42.25	43.52
31.52	34.47	32.94	33.90	37.93
7.00	7.25	7.25	7.39	8.14
8.28	8.18	8.29	8.02	8.69
7.30	7.20	7.31	7.03	7.15
3.74	3.96	4.04	4.03	4.03
0.20	0.25	0.15	0.10	0.20
<u>2.40</u>	<u>2.40</u>	<u>2.40</u>	<u>2.40</u>	<u>2.40</u>
<u>138.77</u>	<u>141.61</u>	<u>139.00</u>	<u>146.11</u>	<u>153.83</u>
82.00	84.32	84.86	84.56	87.47
1.10	1.60	0.50	0.60	1.13
<u>55.67</u>	<u>55.69</u>	<u>53.64</u>	<u>60.95</u>	<u>65.23</u>
<u>138.77</u>	<u>141.61</u>	<u>139.00</u>	<u>146.11</u>	<u>153.83</u>

CITY OF SHOREVIEW

Operating Indicators by Function

Last Ten Fiscal Years

Function	Fiscal Year		
	2010	2011	2012
Police (contracted with Ramsey County Sheriff's Department)			
Calls for service	6,298	6,443	6,661
Fire (contractual service with Lake Johanna Fire Department)			
Calls for service	806	988	1,060
Public works			
Salt (tons)	525	438	373
Crack sealant (pounds)	9,000	13,500	9,000
Asphalt repairs (tons of asphalt)	579	775	505
Recyclables collected (tons)	3,342	2,985	3,165
Trails resurfaced (miles)	4.50	5.00	9.90
Parks and recreation			
Recreation program users (registered participants)	20,679	26,317	28,601
Community program attendance (non-fee programs)	–	57,055	49,542
Community center users	627,822	699,025	692,616
Community development			
Permits issued	1,044	922	867
Permit valuation (millions)	\$ 42.1	\$ 21.9	\$ 29.9
Water			
Water main breaks	14	3	3
Meters replaced	61	25	16
Curb box repairs (water valves)	458	385	225
Hydrants repaired	42	75	18
Average annual residential water use per household	82,742	81,368	91,605
Average daily consumption (millions of gallons)	2.91	2.69	3.01
Maximum daily gallons pumped (millions)	9.46	5.91	6.97
Sewer			
Sewage flow (millions of gallons)	865	914	791
Miles jetted	72	82	82
Miles rodded	38	32	35
Miles inspected	40	60	40
Surface water management			
Material dredged from ponds (yards)	795	–	–
Sweepings collected (tons of material)	250	200	250
Miles of street swept	405	353	405
Street sweeping rounds per year	5	4	5
Lake augmentation, gallons pumped (millions)	221.2	–	110.7
Central garage			
Gallons of gas	17,500	14,676	14,980
Gallons of diesel	20,000	20,002	23,183
Oil changes	164	116	114
Tires replaced	42	17	54

Sources: Various city departments

Note: Indicators are not available for the general government city functions.

N/A Indicators are not available for these years.

*Community program attendance (non-fee programs) represent data not quantified prior to 2011.

Table 21

Fiscal Year						
2013	2014	2015	2016	2017	2018	2019
7,057	8,128	8,574	8,533	8,839	8,895	9,150
1,275	1,449	1,597	1,784	1,858	1,948	2,037
500	460	250	300	400	678	552
12,000	7,500	12,600	15,000	10,000	8,000	9,500
380	278	265	232	453	770	436
3,242	2,762	2,735	2,683	2,421	2,508	2,488
5.00	—	6.20	7.72	7.30	6.50	—
25,726	29,270	28,404	27,478	27,814	25,089	53,288
47,964	39,261	43,218	33,150	36,524	17,245	32,666
698,892	593,172	620,509	564,444	544,713	528,918	511,220
1,312	1,053	1,141	1,332	1,602	1,307	2,222
\$ 42.4	\$ 40.3	\$ 21.7	\$ 41.9	\$ 100.3	\$ 27.9	\$ 77.0
10	15	5	7	10	16	12
23	45	34	52	32	20	32
75	105	97	85	128	105	138
25	35	11	32	10	22	35
82,554	73,557	72,575	73,879	70,850	69,882	64,069
2.69	2.43	2.14	2.26	2.24	2.27	2.04
7.68	5.88	5.24	5.54	4.86	4.84	4.33
871	813	764	840	763	840	865
62	81	52	62	72	68	80
32	30	22	—	—	—	—
40	44	62	45	45	50	85
—	—	—	—	—	—	—
350	350	250	83	180	188	719
794	794	904	792	1,017	904	678
9	9	8	7	9	8	6
8.7	—	—	—	—	—	—
17,333	14,469	19,780	20,053	18,608	24,054	24,962
24,727	20,914	17,677	17,497	16,572	17,030	22,440
78	89	90	84	81	64	87
53	39	29	35	53	53	40

CITY OF SHOREVIEW

Capital Asset Statistics by Function

Last Ten Fiscal Years

Function	Fiscal Year			
	2010	2011	2012	2013
Public safety				
Police (contractual service with Ramsey County Sheriff's Department)				
Patrol units (24-hour)	2	2	2	2
Fire (contractual service with Lake Johanna Fire Department)				
Fire stations in service	4	4	4	4
Number of firefighters	60	60	60	60
Public works				
Streets (miles)	92.49	92.63	92.69	92.69
Culture and recreation				
Parks acreage	268	268	268	268
Parks	10	10	10	10
Park buildings	8	8	8	8
Picnic shelters	6	6	6	7
Community center (square footage)	111,000	111,000	111,000	111,000
Water				
Water mains (miles)	102.8	103.0	103.0	103.0
Fire hydrants	1,318	1,325	1,327	1,328
Wells	6	6	6	6
Maximum storage capacity (millions of gallons)	4	4	4	4
Sewer				
Sanitary sewers (miles)	107.9	108.2	108.2	108.2
Lift stations	17	17	17	17
Surface water management				
Storm water lift stations	5	4	4	4
Storm ponds	200	200	200	201
Street lights	692	692	701	717

Sources: Various city departments

Note: No capital asset indicators are available for the general government and community development functions.

Table 22

Fiscal Year					
2014	2015	2016	2017	2018	2019
2	2	2	2	2	2
4	4	4	3	3	3
60	60	79	78	82	79
93.21	93.21	93.32	93.32	93.32	93.32
268	268	268	268	268	268
10	10	10	10	10	11
8	8	8	8	8	8
7	7	7	7	7	7
111,000	111,000	111,000	111,000	134,992	134,992
103.0	103.0	103.4	103.4	104.0	104.0
1,330	1,328	1,332	1,336	1,340	1,340
6	6	6	6	6	6
4	4	4	4	4	4
108.5	108.5	108.6	108.6	108.6	108.6
17	18	19	19	19	19
4	4	4	4	4	4
202	198	198	198	198	198
731	764	787	809	809	828

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