



Comprehensive Annual Financial Report

City of Shoreview Minnesota
For the Fiscal Year Ended December 31, 2020

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CITY OF SHOREVIEW, MINNESOTA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 2020

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 1, 2021

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, 2020.

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, 2020. 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 26,695. 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 Wells Fargo, Deluxe Corporation, Cummins Power Generation, Target Corporation, TSI Inc., Westinghouse, PaR Systems, Hill-Rom Corporation, Ally Financial Services and Kowalski's 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 5.6 percent in 2011. The 2020 unemployment rate is 4.8 percent, as a result of the COVID-19 pandemic. The April 30, 2021 rate (most current data available) is 3.0 percent 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 increased as a percentage of total governmental fund revenues, from 46.0 percent in 2011 to 48.7 percent in the current fiscal year (a 10-year increase of 2.7 percent). Intergovernmental revenues have increased from 6.1 percent in 2011, to 14.9 percent of total revenues in the current fiscal year (a 10-year increase of 8.8 percent). Charges for services have decreased from 27.5 percent in 2011 to 15.8 percent in the current fiscal year (a 10-year decrease of 11.7 percent). The increase in intergovernmental revenue is a result of federal COVID-19 related CARES Act revenue, and the decrease in charges for services

is a result of decreases in Community Center and Recreation Programs revenue as a result of closures related to the COVID-19 pandemic.

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 3.2 percent (\$606,356) in 2011 to 6.7 percent (\$1,747,478) in the current fiscal year (a 10-year increase of 3.5 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 (\$2,697,842) in 2011, to 27.0 percent (\$5,222,852) in the current fiscal year (a 10-year increase of 7.9 percent). The increase reflects additional costs incurred in 2020 related to the COVID-19 pandemic.

In 2020 the City had periodic suspensions in Community Center and Recreation Program operations due to the COVID-19 pandemic. In May of 2021 the Governor of Minnesota lifted the mask mandate and capacity limits for indoor gatherings. The City is currently working on the transition to more normal Community Center and Recreation Program operations.

Long-Term Financial Planning

Total General Fund balance (52.0 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 2021 (to accommodate cash flows and the timing for receipt of taxes and state aids), and an allocation of 10 percent of 2021 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 October 21, 2020, 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;

- Very strong management, with strong financial policies and practices under our Financial Management Assessment (FMA) methodology;
- Adequate budgetary performance, with operating surpluses in the General Fund and at the total governmental fund level in fiscal 2019;
- Very strong budgetary flexibility, with an available fund balance in fiscal 2019 of 45 percent of operating expenditures;
- Very strong liquidity, with total government available cash at 146.9 percent of total governmental fund expenditures and 17.5x governmental debt service, and access to external liquidity we consider strong;
- Weak debt and contingent liability profile, with debt service carrying charges at 8.4 percent of expenditures and net direct debt that is 136.1 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 continues to see significant new commercial and residential development, reinvestment, and construction activity despite the impacts of the global health pandemic. The City is in the midst of significant economic growth, expanded housing options, and added jobs and tax base with several high profile business expansions and redevelopments. Shoreview strives to ensure that it maintains a strong, healthy, and positive business climate that promotes and fosters continued economic development, business growth and reinvestment in the community.

Shoreview continues to experience a recent influx of new market rate apartments and townhomes, 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.

The Edison at Rice Creek is a 368-unit rental apartments and rental townhouse project by Saint Louis-based JPL Development. The project consists of two four-story apartment buildings of 150 units with underground parking, 48 row-style rental townhomes south of the apartments, 20 one-bedroom carriage-house style rental units above garages, and a community building and pool. The plan also includes a commercial lot on the north end for future development. The development is on an 18-acre property located along Interstate 35W between County Roads I and J within the Rice Creek Corporate Park.

The initial phase of the project is nearing completion on the first of two 150-unit apartment buildings, the community building, and 60 of the rental townhomes/carriage homes. The developer intends to move forward with phase two, including the second apartment building, in 2021. The development has an estimated market value of \$68 million. Through a future local tax abatement provided by the city, the project will provide 18 mixed-income affordable units among the townhomes and apartments.

The second phase building called the Eric began construction in June, 2020, and will be adding another 200+ luxury apartments. The first phase of the Loden SV apartments, a \$90 million redevelopment of an old vacant industrial property within the Shoreview Corporate Center off of Lexington Avenue just north of Interstate 694, opened in 2018. Once the second phase is completed in 2021, the project will total over 400 high-end apartments along with underground parking and features such as outdoor pools, fitness and yoga spaces, dog spa, and outdoor games area including pickleball courts and dog park areas. Greco Properties is developing the project in conjunction with the Shoreview Corporate Center owner Eagle Ridge Partners as part of their major upgrades to the business park. The City of Shoreview participated in the project through tax increment financing to assist with some of the redevelopment costs and also to support providing 24 affordable units within both phases of the development.

The McMillan consists of a 5-story building of 134 luxury market rate apartments, ground floor retail, and 14 two-story townhomes. The project offers many amenities including underground parking, an outdoor pool and sundeck, fireplace gathering and gaming area, clubhouse, and walking paths. The \$45 million complex, is located at the northwest quadrant of Interstate 694 and Rice Street near the beautiful Grass Lake-Lake Vadnais area. In January of this year, the complex opened the new Oliver's restaurant, with a full service dining area, bar, and café.

Cara Builders continues construction of Whistler Pines, a project consisting of 8 single-family homes at 4140 Hodgson Road. The property has an area of 3.6 acres and is located on the east side of Hodgson Road, north of I-694 and south of Highway 96. Homes are expected to have values in the range of \$500,000-\$700,000.

Eagle Ridge Partners is currently undertaking major redevelopment and upgrades to the Shoreview Corporate Center campus at Lexington Avenue near I-694. The first phase just completed consisted of major interior and exterior renovations and upgrades to a 120,000 single-user building built in the 1970s. The Lex at 4100 (west building) has been converted to a high-end multi-tenant corporate facility and was completed in July of 2020. The project has increased the market value of the building from \$5.6 million to \$21 million. Despite the economic impacts of the pandemic, new corporate tenants Progressive Insurance and PTC Corporation (a global computer software services company) have leased two floors of the building. Once fully leased, the property owner estimates the project will bring over 600 jobs to Shoreview. The second phase of the redevelopment project will focus on building upgrades to the 4100 (east building), a 66,700 square foot facility.

Gradient Financial Group – Gradient Financial Group is close to completing renovations and major upgrades to an office building at 4625 Churchill Street, which they acquired this past year. Gradient Financial will be moving their software development division of about 30 employees to the new Shoreview location, with a growth plan that estimates at potential of up to 100 employees at the property, once the multi-million dollar project is completed later this year.

The long-awaited Rice Street/I-694 bridge project is finally nearing completion in 2020, and the City will soon be able to pursue the redevelopment of the vacant 10-acre former Ramsey County property that is under City ownership. The City will undertake a request for proposals from qualified developers in 2021, with the goal of selling the property to a preferred developer and construction in 2021/2022. The attractive and highly visible property is most likely to be developed for business-park and corporate uses.

With the goal of enhancing the City's outreach and broadening helpful resources to our business community, as well as attracting new business and economic development, the "ThinkShoreview" rebranding and communications initiative was implemented in 2020. This project included the launching of a new website (thinkshoreview.com) solely designed for the City's economic development efforts. The website has provided astonishing results, on track to double online activity from past years. That increase in activity is quite unique because, instead of a typical rebranding to draw in new

businesses, Shoreview's marketing strategy also put a significant emphasis on reaching out to existing businesses.

The new website provides all the information needed to understand business in Shoreview quickly. That availability was put to the test immediately, as the website went operational just before the most unique of business challenges hit: the COVID-19 crisis. Only eight months into the marketing rebranding efforts, the City has accomplished our goals of improved outreach. Now, "ThinkShoreview" has become the foundation of the City's plans to progress toward the development of further economic outreach and business growth.

The City's Economic Development Authority (EDA) created the Shoreview Small Business Emergency Assistance Program to provide funding support for local businesses impacted by the COVID-19 crisis. To date, the City has issued forgivable loans of \$5,000 to 28 small businesses. Many of the businesses have communicated their appreciation to the City for the support during these difficult economic times.

The Shoreview Business Retention & Expansion (BRE) program is designed with the single purpose of supporting business in the City. Through this program, the City has dedicated staff and resources to provide outreach to our businesses to make sure businesses are successful. Business visits by elected officials and key staff are conducted throughout the year. In addition to the City's interactions through these personal BRE visits, the City sponsors social networking events and business related workshops. The City has developed close working partnerships with other organizations that are in the business of helping business.

The City is now in partnership with Ramsey-Washington counties to promote the BizRecycling program to our business community. BizRecycling provides expert guidance and grants to businesses to generate less trash by recycling more and saving money at the same time. The City received a three-year grant commitment to promote the BizRecycling program to the business community, and we expect this grant to be renewed. City businesses now have access to grant money of up to \$10,000 to develop or enhance a recycling program, and a number of them have already taken advantage of this assistance.

The City Council and the EDA have approved a revised and enhanced Home Improvement Loan program and the creation of a new First Time Homebuyers/Down Payment Assistance Loan program, as well as a funding plan to support the expansion of a housing loan program. Funding of the expanded program will come from existing and future un-obligated tax increment proceeds of \$1 million over the next five years. The

improvements and expansion of the Housing Loan Program is consistent with the goals established by the City Council and EDA for encouraging reinvestment in our housing and attracting young people to the community.

In support of providing additional affordable housing options for residents, the economic development authority has approved three recent residential property acquisitions that will transform and renovate older houses into new affordable rental properties. The City has partnered with Community Action Partnership of Ramsey and Washington Counties (CAPRW) to manage the properties, located at 902 and 910 County Road E and 5931 Lexington Avenue. These projects are being funded through the EDA/HRA, and through financial grants received from other agencies.

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 cost \$3.4 million and was completed in 2020 and was financed by the Community Investment and Capital Asset Replacement funds.

The City will begin the construction of the Shoreview Commons Master Plan Phase II project in the summer of 2021, the project centers on the creation of a destination playground with an estimated cost of \$3.6 million. The project is expected to be completed in the fall of 2021 and will be financed by the Community Investment Fund.

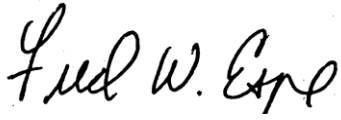
Awards and Acknowledgements

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 for the fiscal year ended December 31, 2019. This was the thirty-fifth 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 comprehensive annual financial report 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 comprehensive annual financial report 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,

A handwritten signature in black ink that reads "Fred W. Espe". The letters are cursive and fluid, with a prominent loop at the end of the word "Espe".

Fred W. Espe
Finance Director/Treasurer

A handwritten signature in black ink that reads "Deborah Maloney". The signature is written in a cursive style with a large, sweeping initial "D".

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, 2019

Christopher P. Morill

Executive Director/CEO

CITY OF SHOREVIEW, MINNESOTA

Principal City Officials

December 31, 2020

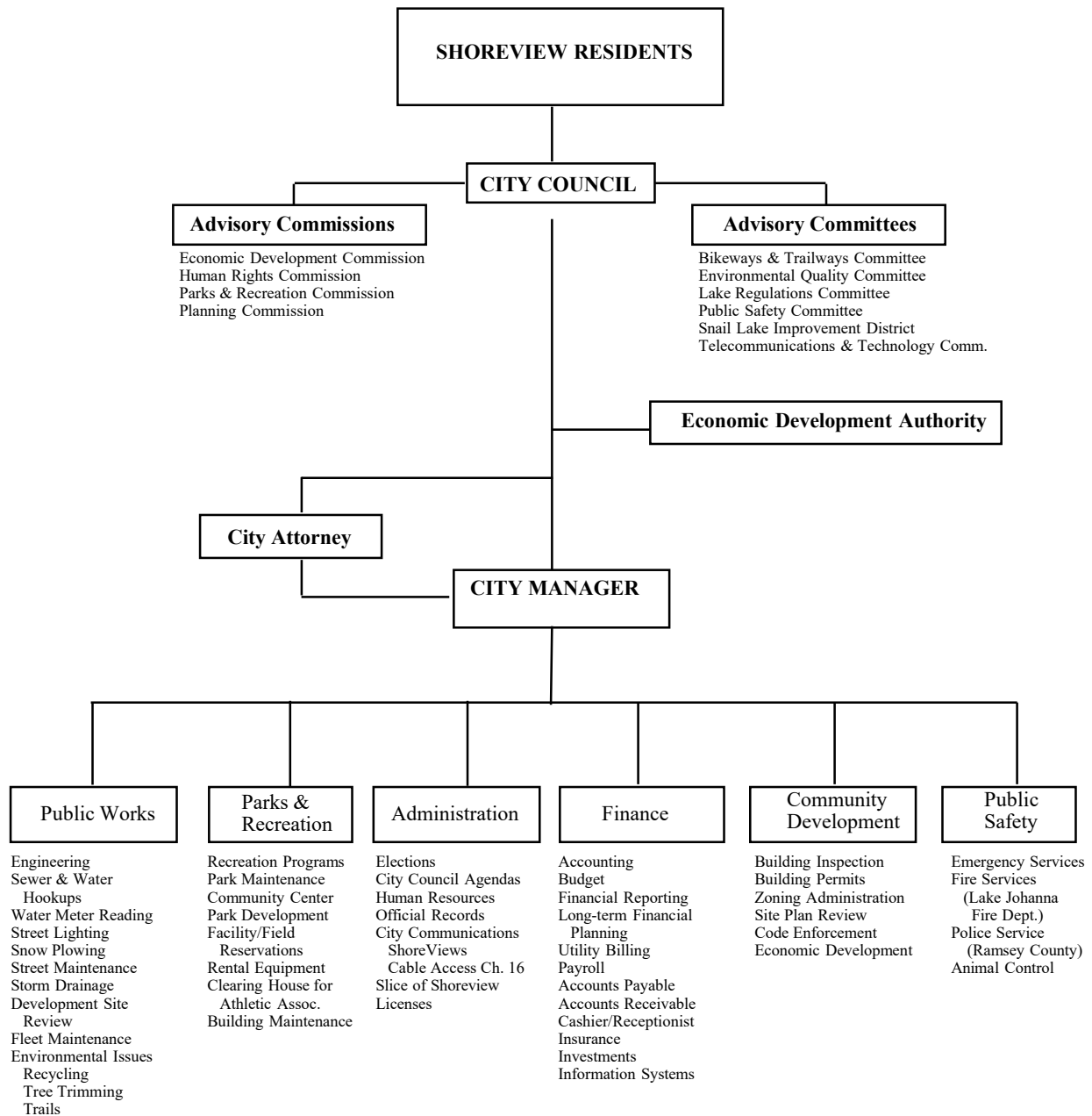
City Council

	<u>Term Expires</u>
Mayor Sandy Martin	December 31, 2022
Councilmembers Sue Denkinger	December 31, 2024
Emy Johnson	December 31, 2024
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 Renee Eisenbeisz	July 10, 2017
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
City Engineer Tom Wesolowski	November 13, 2016
Parks and Recreation Director Steven Benoit	July 7, 2020

City Of Shoreview
Organizational Chart
 December 31, 2020



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

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II. FINANCIAL SECTION



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, 2020, 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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, 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

OTHER MATTERS

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis 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 Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the 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.

(continued)

OTHER REPORTING REQUIRED BY GOVERNMENT AUDITING STANDARDS

In accordance with *Government Auditing Standards*, we have also issued our report dated June 1, 2021, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

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

Minneapolis, Minnesota
June 1, 2021

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, 2020. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages iii–xi 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 \$116,224,063 (net position). Of this amount, \$25,207,955 (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 \$4,687,322 as a result of a \$2,385,979 increase in net position for governmental activities and a \$2,301,343 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 \$20,047,093, a decrease of \$5,048,499 in comparison with the prior year. Approximately 10.3 percent of this amount (\$2,070,161) is considered unassigned and available for spending at the City's discretion.
- The unassigned fund balance for the General Fund was \$4,998,626 or 42.9 percent of the total General Fund expenditures. Fund balance in the General Fund increased \$473,572 during the year.
- The City's total governmental activity bonded and certificate of participation debt decreased by \$1,165,000 (excluding premiums) from the prior year. In 2020 the City issued \$850,000 of general obligation improvement bonds for the construction of infrastructure assets.
- During 2020, the City's business-type activity bonded debt increased \$6,670,000 (excluding premiums) from the prior year. In 2020 the City issued \$8,575,000 of general obligation revenue bonds for the construction of infrastructure assets. 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 \$5,942,349, or 7.2 percent for governmental activities, and increased \$5,163,924, or 10.5 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 (\$1,573,205), and infrastructure improvements related to the Owasso Boulevard North project (\$3,871,741).

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 eight 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, Community Investment Fund and Owasso Blvd. North Reconstruction 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 \$116,224,063 at the close of the most recent fiscal year.

By far the largest portion of the City's net position (\$83,853,379 or 72 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	
	2020	2019	2020	2019	2020	2019
Current and other assets	\$ 30,094,045	\$ 31,822,269	\$ 16,575,705	\$ 12,202,474	\$ 46,669,750	\$ 44,024,743
Capital assets	88,021,052	82,078,703	54,440,396	49,276,472	142,461,448	131,355,175
Total assets	\$ 118,115,097	\$ 113,900,972	\$ 71,016,101	\$ 61,478,946	\$ 189,131,198	\$ 175,379,918
Deferred outflows of resources	\$ 616,276	\$ 319,478	\$ 168,589	\$ 82,734	\$ 784,865	\$ 402,212
Long-term liabilities outstanding	\$ 33,351,595	\$ 33,810,387	\$ 29,520,450	\$ 22,240,227	\$ 62,872,045	\$ 56,050,614
Other liabilities	3,837,561	4,667,265	2,741,636	2,553,652	6,579,197	7,220,917
Total liabilities	\$ 37,189,156	\$ 38,477,652	\$ 32,262,086	\$ 24,793,879	\$ 69,451,242	\$ 63,271,531
Deferred inflows of resources	\$ 4,189,044	\$ 775,604	\$ 51,714	\$ 198,254	\$ 4,240,758	\$ 973,858
Net position						
Net investment in capital assets	\$ 57,978,651	\$ 50,530,530	\$ 25,874,728	\$ 26,376,882	\$ 83,853,379	\$ 76,907,412
Restricted	7,067,639	6,681,314	95,090	36,105	7,162,729	6,717,419
Unrestricted	12,306,883	17,755,350	12,901,072	10,156,560	25,207,955	27,911,910
Total net position	\$ 77,353,173	\$ 74,967,194	\$ 38,870,890	\$ 36,569,547	\$ 116,224,063	\$ 111,536,741

An additional portion of the City's net position (\$7,162,729 or 6 percent) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position (\$25,207,955 or 22 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 \$4,687,322 (4.2 percent) from \$111,536,741 at December 31, 2019 to \$116,224,063 at December 31, 2020. Governmental activities increased \$2,385,979 (3.2 percent) from the prior year while the business-type activities increased \$2,301,343 (6.3 percent) during the same period.

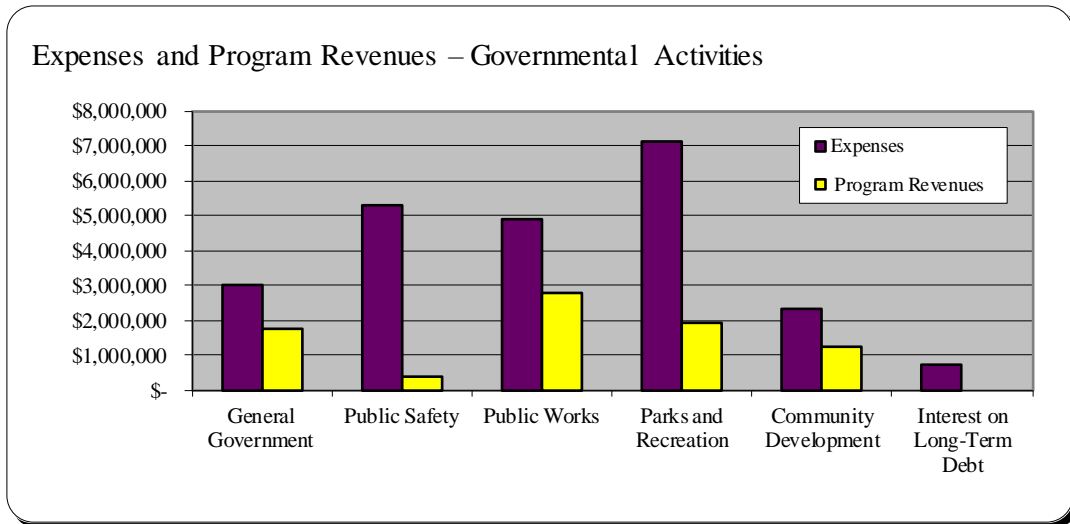
In 2020, the City received a \$4,000,000 advance on future year's Municipal State Aid construction allotments from the State of Minnesota contributing to the increase in "deferred inflows of resources for governmental activities in the previous table.

Governmental activities. Governmental activities increased the City's net position by \$2,385,979. Key elements of this increase are as follows:

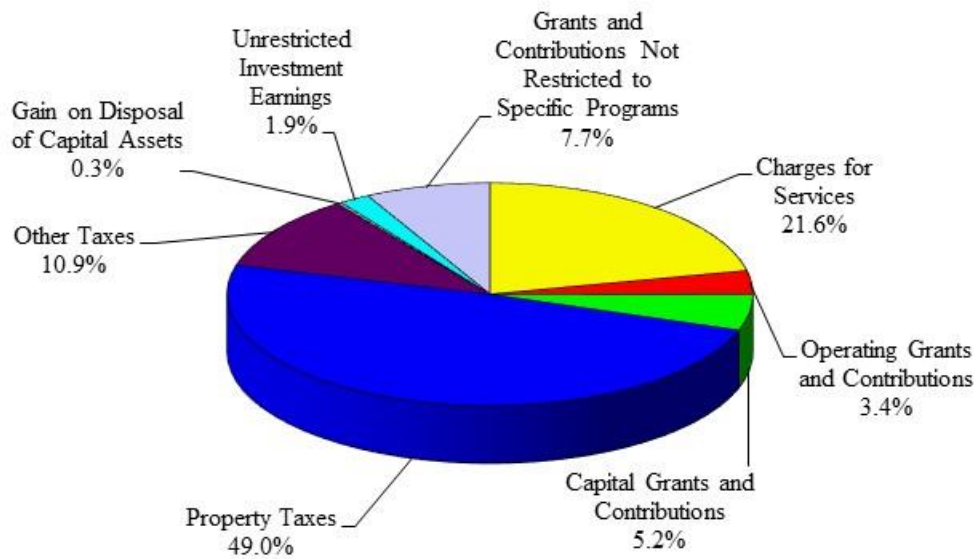
	City of Shoreview's Changes in Net Position					
	Governmental Activities		Business-Type Activities		Total	
	2020	2019	2020	2019	2020	2019
Revenues						
Program revenues						
Charges for services	\$ 5,705,688	\$ 9,024,966	\$ 11,170,029	\$ 10,284,588	\$ 16,875,717	\$ 19,309,554
Operating grants and contributions	910,572	912,161	7,864	9,635	918,436	921,796
Capital grants and contributions	1,371,401	1,468,899	8,091	207,943	1,379,492	1,676,842
General revenues						
Property taxes	12,945,692	12,365,629	–	–	12,945,692	12,365,629
Tax increment collections	1,631,801	959,072	–	–	1,631,801	959,072
Franchise tax	1,248,483	1,254,280	–	–	1,248,483	1,254,280
Grants and contributions not restricted to specific programs	2,035,827	41,864	–	–	2,035,827	41,864
Unrestricted investment earnings	502,407	926,217	130,168	299,578	632,575	1,225,795
Gain on disposal of capital assets	70,694	90,307	–	–	70,694	90,307
Total revenues	<u>26,422,565</u>	<u>27,043,395</u>	<u>11,316,152</u>	<u>10,801,744</u>	<u>37,738,717</u>	<u>37,845,139</u>
Expenses						
General government	3,026,853	2,818,666	–	–	3,026,853	2,818,666
Public safety	5,309,626	4,369,668	–	–	5,309,626	4,369,668
Public works	4,872,473	4,272,497	–	–	4,872,473	4,272,497
Parks and recreation	7,112,278	8,436,181	–	–	7,112,278	8,436,181
Community development	2,329,567	2,006,036	–	–	2,329,567	2,006,036
Interest on long-term debt	716,615	768,658	–	–	716,615	768,658
Water	–	–	3,330,641	3,123,860	3,330,641	3,123,860
Sewer	–	–	4,361,002	4,118,957	4,361,002	4,118,957
Surface water	–	–	1,607,915	1,366,392	1,607,915	1,366,392
Street lights	–	–	384,425	325,531	384,425	325,531
Total expenses	<u>23,367,412</u>	<u>22,671,706</u>	<u>9,683,983</u>	<u>8,934,740</u>	<u>33,051,395</u>	<u>31,606,446</u>
Increase (decrease) in net position before transfers	3,055,153	4,371,689	1,632,169	1,867,004	4,687,322	6,238,693
Transfers	(669,174)	750,414	669,174	(750,414)	–	–
Increase (decrease) in net position	2,385,979	5,122,103	2,301,343	1,116,590	4,687,322	6,238,693
Net position – January 1	74,967,194	69,845,091	36,569,547	35,452,957	111,536,741	105,298,048
Net position – December 31	<u>\$ 77,353,173</u>	<u>\$ 74,967,194</u>	<u>\$ 38,870,890</u>	<u>\$ 36,569,547</u>	<u>\$ 116,224,063</u>	<u>\$ 111,536,741</u>

- Charges for services for governmental activities decreased \$3,319,278 (36.8 percent) during the year. Significant changes from 2019 to 2020 include a \$3,586,513 (69.7 percent) decrease in parks and recreation charges. The parks and recreation decrease is due to service disruptions and facility closures in 2020 as a result of the COVID-19 pandemic. Increases in public works charges are a result of increases in the recycling charge in 2020.
- Operating grants and contributions decreased \$1,589 (0.2 percent) during the year. Significant changes from 2019 to 2020 included a \$124,609 decrease in public works. The public works decrease is primarily the result of decreased hi-way maintenance aid from the State of Minnesota, a cancellation of the spring and fall clean-up events as a result of the COVID-19 pandemic and the elimination or reduction of several operating grants in 2020. Parks and recreation operating grants and contributions increased \$135,216 as a result of Ramsey County's reimbursement for their share of costs associated with the Owasso Blvd. North reconstruction project.
- Capital grants and contributions decreased \$97,498 (6.6 percent) during the year. Significant changes from 2019 to 2020 included a \$158,915 decrease in parks and recreation and a \$61,417 increase in public works. The parks and recreation decrease is mainly due to park dedication fees. The public works increase is due to decreased assessment collections, and increases in State of Minnesota hi-way construction aid and a grant from Ramsey County for the County Road E trail segment.
- Property taxes for governmental activities increased by \$580,063 (4.7 percent) during the year, due to levy increases for the General Fund, permanent Capital Project Funds and Special Revenue Funds.
- Tax increment collections for governmental activities increased by \$672,729 (70.1 percent). This increase is primarily due to the first year of collections for District #11, and the final year of a valuation phase in for District 10.
- Grants and Contributions not restricted to specific programs increased by \$1,993,963 primarily as a result of Federal CARES Act revenue.
- Investment earnings decreased by \$423,810 (45.8 percent) during the year, primarily due to year-end adjustments to fair value.
- General government expenses increased by \$208,187 (7.4 percent) during the year. A significant portion of the increase was related to information technology COVID-19 costs.
- Public safety expenses increased by \$939,958 (21.5 percent) during the year. A significant portion of the increase is related to the COVID-19 pandemic (\$406,992), contributions to the fire department for the City's share of fire department capital costs (\$518,338) and the payment of state fire aid to the fire department (\$15,339).
- Public works expenses increased by \$599,976 (14.0 percent) during the year. The increase is due to increased recycling collection costs as a result of a move to weekly collections, losses on the disposal of fixed assets and increased depreciation costs.
- Parks and recreation expenses decreased \$1,323,903 (15.7 percent) during the year. The decrease is due mainly to service disruptions and facility closures in 2020 due to the COVID-19 pandemic.
- Community development expenses increased by \$323,531 (16.1 percent) during the year. A significant portion of the increase is the result of business assistance in response to the COVID-19 pandemic and developer assistance payments in TIF Districts in 2020.
- Interest on long-term debt decreased by \$52,043 (6.8 percent) during the year.
- Governmental activities reported net transfers of \$669,174 to business-type activities.

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



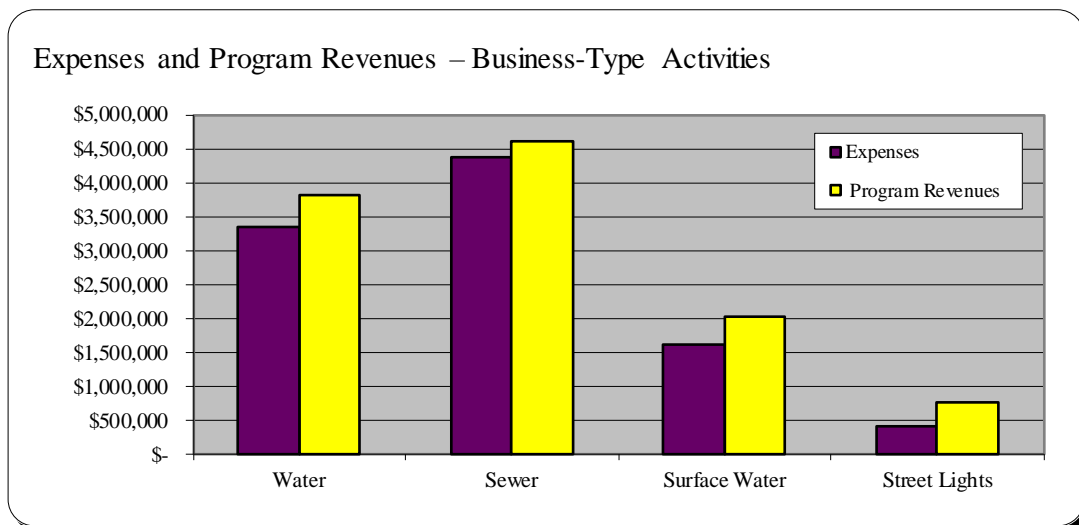
Governmental Activities – Revenues



Business-type activities. Business-type activities increased the City’s net position by \$2,301,343. Key elements of this increase are as follows:

- Charges for services for business-type activities increased \$885,441 (8.6 percent). Water operations increased \$695,807 (22.4 percent); this increase was due to a water rate increase of 9.2 percent for the average residential customer, and a 12.0 percent increase in the gallons of water sold during the year. Sewer operations increased \$94,873 (2.1 percent); rates increased 2.0 percent and winter residential water consumption increased 0.6 percent, which provides the basis for residential sewer charges, connection charges increased \$38,980. Surface Water operations increased \$69,297 (3.6 percent), due to a 3.5 percent rate increase. Street Light operations increased \$25,464 (3.5 percent), due to the impact of a street light rate increase of 3 percent.
- Operating grants and contributions provided \$7,864 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 (\$3,353), a water efficiency grant (\$4,431) and CARES Act funding (\$80).
- Capital grants and contributions during the year produced \$8,091 in revenue for business-type activities. This consists of contributions from homeowners.
- Expenses for business-type activities increased \$749,243 (8.4 percent). A significant portion of the increases occurred in contractual costs (\$534,411), personal services (\$148,006), interest and fiscal charges (\$63,558) and utilities (\$58,152).
- Business-type activities reported net transfers of \$669,174 from 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 \$20,047,093, a decrease of \$5,048,499 in comparison with the prior year. Approximately 10 percent of this amount (\$2,070,161) 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 \$4,998,626. 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 42.9 percent of total General Fund expenditures, while total fund balance represents 52.0 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 2021 are \$456,840 more than in 2020; consequently, the unassigned General Fund balance for working capital increased \$228,420 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 \$12,304,616, which results in an unassigned fund balance for unanticipated expenditures of \$1,230,462 (an increase of \$33,924). 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 \$4,998,626, as compared to \$5,554,310 for the previous year, a decrease of \$555,684 (due to an increase of nonspendable items of \$818,028).

The Community Center Operation Fund balance decreased \$1,306,755 and the Recreation Programs Fund balance decreased \$343,011, the decreases are attributable to service disruptions and closures associated with the COVID-19 pandemic.

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 decreased \$4,550,112, due to transfers out for costs related to the Owasso Boulevard North Reconstruction and Turtle Lake Road mill and overlay projects exceeding state aid and earnings on investments. The fund balance of the Street Renewal Fund decreased \$359,114. 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 Wabasso Neighborhood and Edgetown Acres Reconstruction project costs. Operating expenditures are for an annual street condition survey. Fund balance increased \$80,026 in the Capital Asset Replacement Fund. Significant expenditures in 2020 included various community center and park and recreation capital outlay and repairs and supplies in the amount of \$774,305, and public safety expenditures in the amount of \$747,213 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 (\$45,411), and computer acquisitions (\$29,713). In accordance with the General Fund, fund balance policy, a \$500,000 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 increased \$85,864. Significant expenditures include operating costs in the amount of \$20,455 for Community Center and park improvements and capital expenditures for Community Center improvements (\$387,485), park improvements (\$96,347) and trails (\$344,891). 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 (\$135,791), Wabasso trail segment (\$45,000) and Commons Master Plan project (\$1,527,794). In accordance with the General Fund fund balance policy, a \$1,500,000 transfer was made into the Community Investment Fund to improve fund balance and ensure that the Commons Master Plan phase II project costs are fully funded. An additional transfer in was made from the General Fund in the amount of \$49,572 for costs related to the COVID-19 pandemic.

The Owasso Blvd. North Reconstruction fund is a temporary capital project fund setup to account for the construction costs associated with the Owasso Blvd. North construction project. The project will be completed in the spring of 2021.

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 \$3,645,124 for water, \$5,453,702 for sewer, \$2,752,829 for surface water management, and \$931,606 for street lights. Water Fund net position increased \$132,406, primarily due to increased summer irrigation, a rate increase and contributions. Sewer Fund net position increased \$88,477, primarily due to a rate increase. Surface Water Fund net position increased \$1,508,791, primarily due to a rate increase and contributions. The Street Lights Fund net position increased \$545,307, primarily as a result of a rate increase and contributions.

General Fund Budgetary Highlights

Total General Fund revenues were \$2,568,857 more than estimated in the budget. Property taxes were under budget by \$91,281, due to abatements and the settlement of prior year's tax appeals. Licenses and permits surpassed anticipated levels by \$612,706, primarily due to building permits, intergovernmental revenues exceeded budget by \$1,827,133 due to Federal CARES Act revenue, state fire aid and state road maintenance aid, charges for services surpassed anticipated levels by \$193,020, primarily as a result of capital project administrative charges, and plan check fees.

Total General Fund expenditures were under budget by \$307,097 (2.6 percent). Within the general government information systems was under budget due to savings in computer software and maintenance costs. Public safety was over budget as a result of additional COVID-19 expenditures. Public works and Parks and recreation departments were under budget as a result of the delay of certain expenditures because of the COVID-19 pandemic. Building inspection was over budget, due to personal costs and contracted electrical inspections. The unbudgeted transfer out (\$2,402,382) 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, 2020 amounts to \$142,461,448 (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 8.5 percent (a 7.2 percent increase for governmental activities and a 10.5 percent increase for business-type activities).

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

	Governmental Activities		Business-Type Activities		Total	
	2020	2019	2020	2019	2020	2019
Land	\$ 7,084,410	\$ 7,001,880	\$ 325,202	\$ 325,202	\$ 7,409,612	\$ 7,327,082
Buildings and structures	41,630,014	38,656,748	15,136,090	15,643,040	56,766,104	54,299,788
Machinery and equipment	5,096,257	4,766,878	1,495,126	1,574,463	6,591,383	6,341,341
Distribution and collection systems	—	—	32,390,527	29,200,307	32,390,527	29,200,307
Infrastructure	27,802,878	27,941,623	—	—	27,802,878	27,941,623
Construction in progress	6,407,493	3,711,574	5,093,451	2,533,460	11,500,944	6,245,034
Total	<u>\$ 88,021,052</u>	<u>\$ 82,078,703</u>	<u>\$ 54,440,396</u>	<u>\$ 49,276,472</u>	<u>\$ 142,461,448</u>	<u>\$ 131,355,175</u>

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

- A variety of capital assets for governmental activities including the Commons Master Plan (\$3,429,292) were completed at a cumulative cost of \$7,624,245. Construction in progress at year-end for governmental activities is \$6,407,493.
- Various capital assets for business-type activities were completed at a cumulative cost of \$4,351,177. Construction in progress for business-type activities as of the end of the current fiscal year is \$5,093,451.

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 \$51,715,000 (excluding unamortized premiums), an increase of \$5,920,000 from 2019. The entire bonded debt amount is backed by the full faith and credit of the City. An additional \$1,330,000 of outstanding certificates of participation financed building improvements and a \$5,195,035 loan payable financed land acquisition. Unamortized premium on City debt totaled \$2,247,615. The liability for compensated absences totals \$522,915. The City's net pension liability is \$5,815,595.

	City of Shoreview's Outstanding Debt					
	Governmental Activities		Business-Type Activities		Total	
	2020	2019	2020	2019	2020	2019
General obligation improvement bonds	\$ 2,728,840	\$ 2,004,730	\$ —	\$ —	\$ 2,728,840	\$ 2,004,730
General obligation bonds	21,110,246	22,603,408	—	—	21,110,246	22,603,408
General obligation revenue bonds	—	—	30,123,529	23,035,290	30,123,529	23,035,290
Loans payable	5,195,035	5,195,035	—	—	5,195,035	5,195,035
Certificates of participation	1,330,000	1,745,000	—	—	1,330,000	1,745,000
Compensated absences	404,735	379,263	118,180	100,695	522,915	479,958
Net pension liability	4,566,405	3,930,400	1,249,190	1,017,856	5,815,595	4,948,256
Total	<u>\$ 35,335,261</u>	<u>\$ 35,857,836</u>	<u>\$ 31,490,899</u>	<u>\$ 24,153,841</u>	<u>\$ 66,826,160</u>	<u>\$ 60,011,677</u>

The increase in outstanding debt presented in the table above is partially due to the City issuing \$850,000 of General Obligation Improvement Bonds and \$8,575,000 of General Obligation Revenue Bonds in 2020.

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 \$106,283,451. The City's net debt applicable to this limit totals \$8,422,988.

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 2020 annual average unemployment rate (not seasonally adjusted) for the City was 4.8 percent, which compares favorably to 6.2 percent unemployment for the state of Minnesota, and 8.1 percent unemployment nationally
- The current property tax collection rate for the current period is 99.6 percent.
- Building permit activity in the current period resulted in permit valuation equal to \$69.3 million. New residential and commercial construction accounted for 54 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 14 percent of building permit values.
- The 2021 adopted levy supports the 2021 budget.

All of these factors were considered in preparing the City's budget for the 2021 fiscal year.

Water, sewer, surface water management, and street light rates were increased for the 2021 budget year. The increase for the average customer was 9.8 percent for water, 2.0 percent for sewer, 3.0 percent for surface water management, and 5.0 percent for street lights. The total impact on the average residential customer is estimated to be 4.7 percent. These rate increases were necessary to support operating costs, capital costs, and debt repayment.

The COVID-19 pandemic caused substantial volatility in the economy and changes to the City's operations in 2020, and is expected to continue to impact the City's finances and operations in fiscal 2021 and beyond. Significant uncertainty remains about the breadth and duration of the pandemic. At this time, the City is unable to determine what effect this may have on its future financial condition.

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**

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BASIC FINANCIAL STATEMENTS

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CITY OF SHOREVIEW, MINNESOTA
Statement of Net Position
December 31, 2020

Statement 1

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Assets			
Cash and investments	\$ 26,625,678	\$ 13,787,268	\$ 40,412,946
Accrued interest receivable	74,312	20,628	94,940
Accounts receivable	391,238	2,446,199	2,837,437
Loan receivable	125,282	–	125,282
Taxes receivable	299,980	–	299,980
Special assessments receivable	1,637,073	23,880	1,660,953
Internal balances	(117,811)	117,811	–
Due from other governmental units	196,275	5,163	201,438
Prepaid items	862,018	174,756	1,036,774
Capital assets			
Nondepreciable	13,491,903	5,418,653	18,910,556
Depreciable (net of accumulated depreciation)	74,529,149	49,021,743	123,550,892
Total assets	<u>118,115,097</u>	<u>71,016,101</u>	<u>189,131,198</u>
Deferred outflows of resources			
Deferred pension resources	616,276	168,589	784,865
Liabilities			
Accounts payable	322,396	87,091	409,487
Salaries payable	121,921	33,456	155,377
Contracts payable	273,390	358,998	632,388
Accrued bond interest payable	324,965	272,556	597,521
Deposits payable	724,328	14,769	739,097
Due to other governmental units	15,978	4,317	20,295
Unearned revenue	70,917	–	70,917
Compensated absences payable			
Due within one year	18,666	5,449	24,115
Due in more than one year	386,069	112,731	498,800
Loan payable			
Due in more than one year	5,195,035	–	5,195,035
Certificates of participation payable			
Due within one year	430,000	–	430,000
Due in more than one year	900,000	–	900,000
Bonds payable			
Due within one year	1,535,000	1,965,000	3,500,000
Due in more than one year	22,304,086	28,158,529	50,462,615
Net pension liability			
Due in more than one year	4,566,405	1,249,190	5,815,595
Total liabilities	<u>37,189,156</u>	<u>32,262,086</u>	<u>69,451,242</u>
Deferred inflows of resources			
State aid received for subsequent years	4,000,000	–	4,000,000
Deferred pension resources	189,044	51,714	240,758
Total deferred inflows of resources	<u>4,189,044</u>	<u>51,714</u>	<u>4,240,758</u>
Net position			
Net investment in capital assets	57,978,651	25,874,728	83,853,379
Restricted for			
Business loan program	165,777	–	165,777
Cable television	9,165	–	9,165
Debt service	2,887,967	–	2,887,967
Economic development	164,926	–	164,926
Housing and redevelopment	229,814	–	229,814
Recycling	775,630	–	775,630
Trunk facility	–	95,090	95,090
Tax increment purposes	2,781,545	–	2,781,545
Infrastructure improvements	52,815	–	52,815
Unrestricted	12,306,883	12,901,072	25,207,955
Total net position	<u>\$ 77,353,173</u>	<u>\$ 38,870,890</u>	<u>\$ 116,224,063</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, 2020

	<u>Expenses</u>	<u>Charges For Services</u>
Functions/programs		
Primary government		
Governmental activities		
General government	\$ 3,026,853	\$ 1,726,043
Public safety	5,309,626	39,299
Public works	4,872,473	1,178,316
Parks and recreation	7,112,278	1,558,277
Community development	2,329,567	1,203,753
Interest on long-term debt	716,615	-
Total governmental activities	<u>23,367,412</u>	<u>5,705,688</u>
Business-type activities		
Water	3,330,641	3,798,620
Sewer	4,361,002	4,604,235
Surface water	1,607,915	2,017,272
Street lights	384,425	749,902
Total business-type activities	<u>9,683,983</u>	<u>11,170,029</u>
Total primary government	<u>\$ 33,051,395</u>	<u>\$ 16,875,717</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
\$ 6,323	\$ –	\$ (1,294,487)	\$ –	\$ (1,294,487)
324,342	–	(4,945,985)	–	(4,945,985)
365,050	1,225,051	(2,104,056)	–	(2,104,056)
211,028	146,350	(5,196,623)	–	(5,196,623)
3,829	–	(1,121,985)	–	(1,121,985)
–	–	(716,615)	–	(716,615)
<u>910,572</u>	<u>1,371,401</u>	<u>(15,379,751)</u>	<u>–</u>	<u>(15,379,751)</u>
5,893	8,091	–	481,963	481,963
1,286	–	–	244,519	244,519
685	–	–	410,042	410,042
–	–	–	365,477	365,477
<u>7,864</u>	<u>8,091</u>	<u>–</u>	<u>1,502,001</u>	<u>1,502,001</u>
<u>\$ 918,436</u>	<u>\$ 1,379,492</u>	<u>(15,379,751)</u>	<u>1,502,001</u>	<u>(13,877,750)</u>
General revenues				
Property taxes		12,945,692	–	12,945,692
Tax increment collections		1,631,801	–	1,631,801
Franchise tax		1,248,483	–	1,248,483
Grants and contributions not restricted to specific programs		2,035,827	–	2,035,827
Unrestricted investment earnings		502,407	130,168	632,575
Gain on disposal of capital assets		70,694	–	70,694
Transfers		(669,174)	669,174	–
Total general revenues and transfers		<u>17,765,730</u>	<u>799,342</u>	<u>18,565,072</u>
Change in net position		<u>2,385,979</u>	<u>2,301,343</u>	<u>4,687,322</u>
Net position – beginning		<u>74,967,194</u>	<u>36,569,547</u>	<u>111,536,741</u>
Net position – ending		<u>\$ 77,353,173</u>	<u>\$ 38,870,890</u>	<u>\$ 116,224,063</u>

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

CITY OF SHOREVIEW, MINNESOTA

Balance Sheet

Governmental Funds

December 31, 2020

	General	Community Center Operation	Recreation Programs	Municipal State Aid
Assets				
Cash and investments	\$ 5,589,116	\$ 861,874	\$ 668,770	\$ 1,642,126
Accrued interest receivable	15,470	4,081	2,158	11,666
Accounts receivable (net of allowance for uncollectibles)	67,120	8,775	-	-
Loan receivable	-	-	-	-
Taxes receivable	202,134	-	-	-
Special assessments receivable	23	-	-	-
Interfund receivable	-	-	-	-
Due from other governmental units	12,087	19	-	-
Prepaid items	846,669	1,362	-	-
Total assets	<u>\$ 6,732,619</u>	<u>\$ 876,111</u>	<u>\$ 670,928</u>	<u>\$ 1,653,792</u>
Liabilities				
Accounts payable	\$ 110,142	\$ 46,770	\$ 3,803	\$ -
Salaries payable	77,645	27,217	6,853	-
Contracts payable	-	-	-	-
Deposits payable	425,524	297,804	-	-
Interfund payable	-	-	-	-
Due to other governmental units	12,951	1,757	20	-
Unearned revenue	-	-	-	-
Total liabilities	<u>626,262</u>	<u>373,548</u>	<u>10,676</u>	<u>-</u>
Deferred inflows of resources				
Unavailable revenue – loan receivable	-	-	-	-
Unavailable revenue – property taxes	49,834	-	-	-
Unavailable revenue – special assessments	-	-	-	-
State aid received for subsequent years	-	-	-	4,000,000
Total deferred inflows of resources	<u>49,834</u>	<u>-</u>	<u>-</u>	<u>4,000,000</u>
Fund balances (deficits)				
Nonspendable	846,669	1,362	-	-
Restricted	-	-	-	-
Committed	-	501,201	660,252	-
Assigned	211,228	-	-	-
Unassigned	4,998,626	-	-	(2,346,208)
Total fund balances (deficits)	<u>6,056,523</u>	<u>502,563</u>	<u>660,252</u>	<u>(2,346,208)</u>
Total liabilities, deferred inflows of resources, and fund balances (deficits)	<u>\$ 6,732,619</u>	<u>\$ 876,111</u>	<u>\$ 670,928</u>	<u>\$ 1,653,792</u>

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

Street Renewal	Capital Asset Replacement	Community Investment	Owasso Blvd. North Reconstruction	Other Governmental Funds	Intra- Activity Eliminations	Total Governmental Funds
\$ 2,333,982	\$ 1,280,415	\$ 4,340,493	\$ -	\$ 7,081,027	\$ -	\$ 23,797,803
7,720	1,898	11,736	-	13,251	-	67,980
-	-	216,092	-	99,251	-	391,238
-	-	-	-	125,282	-	125,282
22,967	37,153	-	-	33,488	-	295,742
216,688	-	-	-	1,420,362	-	1,637,073
-	-	-	-	745,119	(745,119)	-
-	-	-	171,563	12,606	-	196,275
-	-	-	-	13,987	-	862,018
<u>\$ 2,581,357</u>	<u>\$ 1,319,466</u>	<u>\$ 4,568,321</u>	<u>\$ 171,563</u>	<u>\$ 9,544,373</u>	<u>\$ (745,119)</u>	<u>\$ 27,373,411</u>
\$ -	\$ 30,926	\$ -	\$ 13,993	\$ 103,090	\$ -	\$ 308,724
-	-	-	-	5,646	-	117,361
-	-	101,659	104,755	66,976	-	273,390
-	-	-	-	1,000	-	724,328
-	-	-	-	745,119	(745,119)	-
-	-	1,250	-	-	-	15,978
-	-	66,762	-	4,155	-	70,917
-	30,926	169,671	118,748	925,986	(745,119)	1,510,698
-	-	-	-	125,282	-	125,282
5,799	9,247	-	-	8,135	-	73,015
203,898	-	-	-	1,413,425	-	1,617,323
-	-	-	-	-	-	4,000,000
<u>209,697</u>	<u>9,247</u>	<u>-</u>	<u>-</u>	<u>1,546,842</u>	<u>-</u>	<u>5,815,620</u>
-	-	-	-	13,987	-	862,018
-	-	-	52,815	6,095,027	-	6,147,842
2,371,660	1,279,293	4,398,650	-	299,865	-	9,510,921
-	-	-	-	1,244,923	-	1,456,151
-	-	-	-	(582,257)	-	2,070,161
<u>2,371,660</u>	<u>1,279,293</u>	<u>4,398,650</u>	<u>52,815</u>	<u>7,071,545</u>	<u>-</u>	<u>20,047,093</u>
<u>\$ 2,581,357</u>	<u>\$ 1,319,466</u>	<u>\$ 4,568,321</u>	<u>\$ 171,563</u>	<u>\$ 9,544,373</u>	<u>\$ (745,119)</u>	<u>\$ 27,373,411</u>
Fund balance reported above						\$ 20,047,093
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.						80,790,287
Other long-term assets are not available to pay for current period expenditures and, therefore, are reported as unavailable revenue in the funds.						1,815,620
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.						6,294,361
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.						(27,579,950)
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.						(4,014,238)
Net position of governmental activities						<u>\$ 77,353,173</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, 2020

	General	Community Center Operation	Recreation Programs	Municipal State Aid
Revenues				
Taxes				
General property taxes	\$ 8,731,545	\$ -	\$ -	\$ -
Tax increments	-	-	-	-
Franchise tax	-	-	-	-
Special assessments	-	-	-	-
Licenses and permits	1,034,606	-	-	-
Intergovernmental	2,428,255	316	1,020	871,701
Charges for services	1,750,700	1,039,621	512,759	-
Fines and forfeits	36,689	-	-	-
Earnings on investments	97,369	25,673	13,570	73,372
Billboard fees	-	-	-	-
Antenna fees	-	-	-	-
Park dedication fees	-	-	-	-
Other	20,071	10	-	-
Total revenues	<u>14,099,235</u>	<u>1,065,620</u>	<u>527,349</u>	<u>945,073</u>
Expenditures				
Current				
General government	2,402,517	-	-	-
Public safety	4,475,639	-	-	-
Public works	1,681,351	-	-	-
Parks and recreation	2,230,343	2,665,000	1,022,307	-
Community development	868,431	-	-	-
Capital outlay				
General government	-	-	-	-
Public works	-	-	-	-
Parks and recreation	-	-	-	-
Community development	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Fiscal charges	-	-	-	-
Total expenditures	<u>11,658,281</u>	<u>2,665,000</u>	<u>1,022,307</u>	<u>-</u>
Revenues over (under) expenditures	<u>2,440,954</u>	<u>(1,599,380)</u>	<u>(494,958)</u>	<u>945,073</u>
Other financing sources (uses)				
Bond issuance	-	-	-	-
Premium on bond issuance	-	-	-	-
Transfers in	920,000	292,625	151,947	-
Transfers out	(2,887,382)	-	-	(5,495,185)
Total other financing sources (uses)	<u>(1,967,382)</u>	<u>292,625</u>	<u>151,947</u>	<u>(5,495,185)</u>
Net change in fund balances	473,572	(1,306,755)	(343,011)	(4,550,112)
Fund balances (deficits) – January 1	5,582,951	1,809,318	1,003,263	2,203,904
Fund balances (deficits) – December 31	<u>\$ 6,056,523</u>	<u>\$ 502,563</u>	<u>\$ 660,252</u>	<u>\$ (2,346,208)</u>

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

Statement 4

Street Renewal	Capital Asset Replacement	Community Investment	Owasso Blvd. North Reconstruction	Other Governmental Funds	Intra- Activity Eliminations	Total Governmental Funds
\$ 980,183	\$ 1,596,437	\$ -	\$ -	\$ 1,448,502	\$ -	\$12,756,667
-	-	-	-	1,633,950	-	1,633,950
-	-	859,588	-	388,895	-	1,248,483
54,333	-	-	-	237,881	-	292,214
-	-	-	-	-	-	1,034,606
-	-	16,495	171,563	407,656	-	3,897,006
-	-	-	-	848,696	-	4,151,776
-	-	-	-	-	-	36,689
48,554	11,935	73,811	3	118,298	-	462,585
-	-	54,091	-	-	-	54,091
-	-	444,904	-	-	-	444,904
-	-	144,842	-	-	-	144,842
6,315	12,391	2,324	-	7,107	-	48,218
<u>1,089,385</u>	<u>1,620,763</u>	<u>1,596,055</u>	<u>171,566</u>	<u>5,090,985</u>	<u>-</u>	<u>26,206,031</u>
-	-	-	-	426,822	-	2,829,339
-	747,213	-	-	-	-	5,222,852
4,665	64,095	-	-	707,862	-	2,457,973
-	253,337	20,455	171,563	-	-	6,363,005
-	-	-	-	1,566,759	-	2,435,190
-	-	-	-	87,242	-	87,242
-	-	344,891	5,258,825	2,442,101	-	8,045,817
-	520,968	483,832	-	1,657,090	-	2,661,890
-	-	-	-	329,737	-	329,737
-	-	-	-	1,730,000	-	1,730,000
-	-	-	-	712,756	-	712,756
-	-	-	-	15,211	-	15,211
<u>4,665</u>	<u>1,585,613</u>	<u>849,178</u>	<u>5,430,388</u>	<u>9,675,580</u>	<u>-</u>	<u>32,891,012</u>
<u>1,084,720</u>	<u>35,150</u>	<u>746,877</u>	<u>(5,258,822)</u>	<u>(4,584,595)</u>	<u>-</u>	<u>(6,684,981)</u>
-	-	-	132,063	717,937	-	850,000
-	-	-	11,429	57,298	-	68,727
119,986	500,000	1,549,572	5,242,000	4,939,629	(12,995,569)	720,190
(1,563,820)	(455,124)	(2,210,585)	-	(385,908)	12,995,569	(2,435)
<u>(1,443,834)</u>	<u>44,876</u>	<u>(661,013)</u>	<u>5,385,492</u>	<u>5,328,956</u>	<u>-</u>	<u>1,636,482</u>
<u>(359,114)</u>	<u>80,026</u>	<u>85,864</u>	<u>126,670</u>	<u>744,361</u>	<u>-</u>	<u>(5,048,499)</u>
<u>2,730,774</u>	<u>1,199,267</u>	<u>4,312,786</u>	<u>(73,855)</u>	<u>6,327,184</u>	<u>-</u>	<u>25,095,592</u>
<u>\$ 2,371,660</u>	<u>\$ 1,279,293</u>	<u>\$ 4,398,650</u>	<u>\$ 52,815</u>	<u>\$ 7,071,545</u>	<u>\$ -</u>	<u>\$20,047,093</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, 2020

Statement 5

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

Net change in fund balances – total governmental funds.	\$ (5,048,499)
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.	8,198,477
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.	(706,136)
Revenues in the Statement of Activities that do not provide current financial resources and are not reported as revenues in the funds.	2,963
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.	887,183
Long-term pension activity is not reported in governmental funds.	216,767
The transfer out of governmental capital assets contributed to enterprise funds.	(1,507,308)
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.	(3,838)
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>346,370</u>
Change in net position of governmental activities.	<u><u>\$ 2,385,979</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, 2020

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	\$ 3,617,056	\$ 5,629,827	\$ 3,700,981	\$ 839,404	\$ 13,787,268	\$ 2,827,875
Accrued interest receivable	4,470	8,815	4,672	2,671	20,628	6,332
Accounts receivable						
Customers	747,240	989,759	447,070	109,162	2,293,231	–
Customer accounts certified to county	50,250	67,415	24,778	10,525	152,968	–
Taxes receivable	–	–	–	–	–	4,238
Due from other governmental units	182	2,734	1,940	307	5,163	–
Prepaid items	2,320	172,436	–	–	174,756	–
Total current assets	<u>4,421,518</u>	<u>6,870,986</u>	<u>4,179,441</u>	<u>962,069</u>	<u>16,434,014</u>	<u>2,838,445</u>
Noncurrent assets						
Special assessments receivable	10,754	10,576	2,367	183	23,880	–
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	2,579,239	87,475	8,538	723	2,675,975	7,246,199
Distribution and collection systems	21,972,045	15,279,472	16,928,184	3,528,992	57,708,693	–
Construction in progress	1,265,400	1,671,233	1,809,818	347,000	5,093,451	–
Total capital assets	45,025,840	19,042,227	19,032,706	3,876,715	86,977,488	14,211,871
Less accumulated depreciation	(17,264,361)	(9,549,045)	(4,356,191)	(1,367,495)	(32,537,092)	(6,981,106)
Total capital assets (net of accumulated depreciation)	<u>27,761,479</u>	<u>9,493,182</u>	<u>14,676,515</u>	<u>2,509,220</u>	<u>54,440,396</u>	<u>7,230,765</u>
Total noncurrent assets	<u>27,772,233</u>	<u>9,503,758</u>	<u>14,678,882</u>	<u>2,509,403</u>	<u>54,464,276</u>	<u>7,230,765</u>
Total assets	<u>32,193,751</u>	<u>16,374,744</u>	<u>18,858,323</u>	<u>3,471,472</u>	<u>70,898,290</u>	<u>10,069,210</u>
Deferred outflows of resources						
Deferred pension resources	71,501	62,632	34,456	–	168,589	18,601
Liabilities						
Current liabilities						
Accounts payable	38,213	11,285	10,611	26,982	87,091	13,672
Salaries payable	13,421	11,868	7,439	728	33,456	4,560
Contracts payable	–	–	358,998	–	358,998	–
Accrued bond interest payable	189,505	39,847	43,204	–	272,556	39,234
Deposits payable	14,769	–	–	–	14,769	–
Due to other governmental units	2,210	–	2,107	–	4,317	–
Compensated absences payable	2,250	2,003	1,061	135	5,449	546
Bonds payable	1,205,000	290,000	470,000	–	1,965,000	300,000
Total current liabilities	<u>1,465,368</u>	<u>355,003</u>	<u>893,420</u>	<u>27,845</u>	<u>2,741,636</u>	<u>358,012</u>
Noncurrent liabilities						
Compensated absences payable (net of current portion)	46,547	41,432	21,951	2,801	112,731	11,284
Bonds payable (net of current portion)	16,832,905	6,047,562	5,278,062	–	28,158,529	3,162,807
Net pension liability	529,801	464,084	255,305	–	1,249,190	137,830
Total noncurrent liabilities	<u>17,409,253</u>	<u>6,553,078</u>	<u>5,555,318</u>	<u>2,801</u>	<u>29,520,450</u>	<u>3,311,921</u>
Total liabilities	<u>18,874,621</u>	<u>6,908,081</u>	<u>6,448,738</u>	<u>30,646</u>	<u>32,262,086</u>	<u>3,669,933</u>
Deferred inflows of resources						
Deferred pension resources	21,933	19,212	10,569	–	51,714	5,706
Net position						
Net investment in capital assets	9,723,574	3,961,291	9,680,643	2,509,220	25,874,728	3,767,958
Restricted for trunk facility	–	95,090	–	–	95,090	–
Unrestricted	3,645,124	5,453,702	2,752,829	931,606	12,783,261	2,644,214
Total net position	<u>\$ 13,368,698</u>	<u>\$ 9,510,083</u>	<u>\$ 12,433,472</u>	<u>\$ 3,440,826</u>	<u>38,753,079</u>	<u>\$ 6,412,172</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.					117,811	
Net position of business-type activities					<u>\$ 38,870,890</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, 2020

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	\$ 3,772,663	\$ 4,598,930	\$ 2,010,913	\$ 749,582	\$ 11,132,088	\$ 1,392,126
Water meter sales	13,507	–	–	–	13,507	–
Other	12,450	5,305	6,359	320	24,434	–
Total operating revenues	<u>3,798,620</u>	<u>4,604,235</u>	<u>2,017,272</u>	<u>749,902</u>	<u>11,170,029</u>	<u>1,392,126</u>
Operating expenses						
MCES sewer service charges	–	2,176,704	–	–	2,176,704	–
Administrative charges	252,660	329,760	110,290	35,160	727,870	–
Personal services	899,060	776,986	415,518	36,927	2,128,491	220,670
Materials and supplies	68,935	32,645	10,363	315	112,258	221,302
Water meters	39,190	–	–	–	39,190	–
Contractual services	480,584	564,943	621,838	41,474	1,708,839	156,022
Utilities	182,866	11,813	9,314	168,891	372,884	25,798
Insurance	10,473	21,073	2,583	244	34,373	18,856
Depreciation	971,343	340,585	334,337	100,979	1,747,244	730,644
Total operating expenses	<u>2,905,111</u>	<u>4,254,509</u>	<u>1,504,243</u>	<u>383,990</u>	<u>9,047,853</u>	<u>1,373,292</u>
Operating income (loss)	<u>893,509</u>	<u>349,726</u>	<u>513,029</u>	<u>365,912</u>	<u>2,122,176</u>	<u>18,834</u>
Nonoperating revenues (expenses)						
General property taxes	–	–	–	–	–	181,813
Earnings on investments	28,293	55,553	29,527	16,795	130,168	39,822
Intergovernmental revenue	5,893	1,286	685	–	7,864	370
Gain on sale of capital assets	–	–	–	–	–	70,694
Loss on disposal of capital assets	–	–	–	–	–	(6,751)
Other	–	–	–	–	–	30,953
Interest	(396,199)	(68,536)	(81,365)	–	(546,100)	(83,006)
Fiscal charges	(32,967)	(47,240)	(36,185)	–	(116,392)	(376)
Total nonoperating revenues (expenses)	<u>(394,980)</u>	<u>(58,937)</u>	<u>(87,338)</u>	<u>16,795</u>	<u>(524,460)</u>	<u>233,519</u>
Income (loss) before contributions and transfers	<u>498,529</u>	<u>290,789</u>	<u>425,691</u>	<u>382,707</u>	<u>1,597,716</u>	<u>252,353</u>
Contributions	46,299	–	1,269,100	200,000	1,515,399	–
Transfers						
Transfers in	578	688	–	–	1,266	120,569
Transfers out	(413,000)	(203,000)	(186,000)	(37,400)	(839,400)	(190)
Total transfers	<u>(412,422)</u>	<u>(202,312)</u>	<u>(186,000)</u>	<u>(37,400)</u>	<u>(838,134)</u>	<u>120,379</u>
Change in net position	132,406	88,477	1,508,791	545,307	2,274,981	372,732
Net position – January 1,	13,236,292	9,421,606	10,924,681	2,895,519	36,478,098	6,039,440
Net position – December 31	<u>\$ 13,368,698</u>	<u>\$ 9,510,083</u>	<u>\$ 12,433,472</u>	<u>\$ 3,440,826</u>	<u>\$ 38,753,079</u>	<u>\$ 6,412,172</u>
Change in net position reported above					\$ 2,274,981	
Amounts reported for business-type activities in the Statement of Activities are different because:						
Transfer in of capital assets from governmental activities.					1,507,308	
Governmental activities contribution revenue reported above					(1,507,308)	
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.					26,362	
Change in net position of business-type activities					<u>\$ 2,301,343</u>	

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, 2020

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	\$ 3,692,939	\$ 4,629,238	\$ 2,015,537	\$ 751,106	\$11,088,820	\$ –
Receipts from interfund services provided	–	–	–	–	–	1,392,126
Payments to suppliers	(775,675)	(2,798,388)	(651,503)	(197,999)	(4,423,565)	(426,066)
Payments to employees	(901,497)	(790,572)	(432,295)	(36,527)	(2,160,891)	(244,195)
Payments for interfund services used	(252,660)	(329,760)	(110,290)	(35,160)	(727,870)	–
Miscellaneous revenue	6,152	1,420	6,375	–	13,947	59,241
Net cash flows from operating activities	<u>1,769,259</u>	<u>711,938</u>	<u>827,824</u>	<u>481,420</u>	<u>3,790,441</u>	<u>781,106</u>
Cash flows from noncapital financing activities						
Transfers from other funds	578	688	–	–	1,266	–
Transfer to other funds	(413,000)	(203,000)	(186,000)	(37,400)	(839,400)	–
Net cash flows from noncapital financing activities	<u>(412,422)</u>	<u>(202,312)</u>	<u>(186,000)</u>	<u>(37,400)</u>	<u>(838,134)</u>	<u>–</u>
Cash flows from capital and related financing activities						
Proceeds from sales of capital assets	–	–	–	–	–	99,319
Proceeds from the sale of bonds	2,481,951	3,727,743	2,807,959	–	9,017,653	–
Acquisition and construction of capital assets	(1,379,391)	(1,966,727)	(1,205,153)	(673,641)	(5,224,912)	(702,786)
Receipts from taxpayers	–	–	–	–	–	180,782
Transfers from other funds	–	–	–	–	–	120,569
Transfers to other funds	–	–	–	–	–	(190)
Contributions	8,091	–	62,500	–	70,591	–
Principal paid on capital debt	(1,175,000)	(285,000)	(445,000)	–	(1,905,000)	(285,000)
Interest and paying agent fees on capital debt	(473,767)	(102,204)	(113,084)	–	(689,055)	(98,814)
Net cash flows from capital and related financing activities	<u>(538,116)</u>	<u>1,373,812</u>	<u>1,107,222</u>	<u>(673,641)</u>	<u>1,269,277</u>	<u>(686,120)</u>
Cash flows from investing activities						
Earnings on investments	<u>26,895</u>	<u>54,097</u>	<u>26,737</u>	<u>15,738</u>	<u>123,467</u>	<u>37,886</u>
Net change in cash and cash equivalents	845,616	1,937,535	1,775,783	(213,883)	4,345,051	132,872
Cash and cash equivalents – January 1	2,771,440	3,692,292	1,925,198	1,053,287	9,442,217	2,695,003
Cash and cash equivalents – December 31	<u>\$ 3,617,056</u>	<u>\$ 5,629,827</u>	<u>\$ 3,700,981</u>	<u>\$ 839,404</u>	<u>\$ 13,787,268</u>	<u>\$ 2,827,875</u>
Reconciliation of operating income (loss) to net cash flows from operating activities						
Operating income (loss)	\$ 893,509	\$ 349,726	\$ 513,029	\$ 365,912	\$ 2,122,176	\$ 18,834
Adjustments to reconcile operating income (loss) to net cash flows from operating activities						
Miscellaneous revenue	6,152	1,420	6,375	–	13,947	59,241
Depreciation	971,343	340,585	334,337	100,979	1,747,244	730,644
Decrease (increase) in receivables	(105,681)	25,003	(1,735)	1,204	(81,209)	301
Decrease (increase) in prepaid items	1,738	12,885	2,704	182	17,509	2,439
Decrease (increase) in deferred outflows	(37,112)	(31,823)	(16,920)	–	(85,855)	(7,983)
Increase (decrease) in payables	99,782	68,757	21,487	13,143	203,169	(2,632)
Increase (decrease) in deferred inflows	(60,472)	(54,615)	(31,453)	–	(146,540)	(19,738)
Total adjustments	<u>875,750</u>	<u>362,212</u>	<u>314,795</u>	<u>115,508</u>	<u>1,668,265</u>	<u>762,272</u>
Net cash flows from operating activities	<u>\$ 1,769,259</u>	<u>\$ 711,938</u>	<u>\$ 827,824</u>	<u>\$ 481,420</u>	<u>\$ 3,790,441</u>	<u>\$ 781,106</u>
Noncash investing, capital, and financing activities						
Contributions of capital assets –						
Governmental funds	\$ 38,208	\$ –	\$ 1,269,100	\$ 200,000	\$ 1,507,308	\$ –
Capital asset purchase on account –						
Accounts payable	–	(10,871)	9,932	–	(939)	–
Contracts payable	(12,794)	(166,317)	358,998	–	179,887	–
Due from other governmental units –						
Contribution	–	–	(62,500)	–	(62,500)	–
Proceeds from sales of capital assets	–	–	–	–	–	(20,550)
Miscellaneous revenue	(259)	(134)	(5,690)	–	(6,083)	(27,918)
Taxes receivable	–	–	–	–	–	1,031

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

CITY OF SHOREVIEW, MINNESOTA

Statement of Fiduciary Net Position

Fiduciary Fund

December 31, 2020

Statement 9

	<u>Custodial Fund</u>
Assets	
Cash and investments	\$ 412,772
Accrued interest receivable	<u>1,060</u>
Total assets	<u>413,832</u>
Liabilities	
Accounts payable	<u>65,398</u>
Net position	
Restricted for other organizations	<u><u>\$ 348,434</u></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, 2020

Statement 10

	<u>Custodial Fund</u>
Additions	
Earnings on investments	<u>\$ 12,904</u>
Deductions	
Payment of interest earnings to other organizations	6,430
Contractual services	<u>65,398</u>
Total deductions	<u>71,828</u>
Net change in fiduciary net position	(58,924)
Net position - beginning	<u>407,358</u>
Net position - ending	<u><u>\$ 348,434</u></u>

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

CITY OF SHOREVIEW

Notes to Financial Statements
December 31, 2020

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, 2020

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, 2020

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 *Owasso Blvd. North Reconstruction Fund* (Capital Project Fund type) accounts for construction costs associated with the Owasso Boulevard North construction project.

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
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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 certain assets and the related obligations and activity of the Irondale and Mounds View Hockey Associations held by the City in a custodial capacity for the guarantee of minimum ice time rentals at the Blaine Super Rink complex.

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.

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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:

	Original and Final Budget	Actual	Over Budget
Nonmajor funds			
Special revenue fund			
Cable TV	\$ 202,488	\$ 265,048	\$ 62,560
Economic Development Authority	160,036	305,040	145,004
Housing and Redevelopment Authority	200,505	253,081	52,576

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.

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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 2020 totaled \$1,157,803. 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.

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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. For this purpose, plan contributions are recognized as of employer payroll paid dates and benefit payments, and refunds are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Note 2 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 (\$27,579,950) difference are as follows:

Long-term debt payable	\$ (25,885,035)
Issuance premium	(1,016,279)
Accrued interest payable	(285,731)
Compensated absences	<u>(392,905)</u>
Net adjustment to reduce fund balances – total governmental funds to arrive at net position – governmental activities	<u>\$ (27,579,950)</u>

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 \$6,294,361 difference are as follows:

Net position of the internal service funds	\$ 6,412,172
Add: Internal payable representing charges in excess of costs to business-type activities – prior years	(91,449)
Add: Internal receivable representing charges to business-type activities in excess of costs– current year	<u>(26,362)</u>
Net adjustment to increase fund balances – total governmental funds to arrive at net position – governmental activities	<u>\$ 6,294,361</u>

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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 (\$4,014,238) difference are as follows:

Deferred outflows of pension resources	\$ 597,675
Long-term net pension liability	(4,428,575)
Deferred inflows of pension resources	<u>(183,338)</u>
Net adjustment to reduce fund balances – total governmental funds to arrive at net position – governmental activities	<u>\$ (4,014,238)</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 \$8,198,477 difference are as follows:

Capital outlay	\$ 11,124,686
Depreciation expense	<u>(2,926,209)</u>
Net adjustment to increase net changes in fund balances – total governmental funds to arrive at changes in net position of governmental activities	<u>\$ 8,198,477</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 \$2,963 difference are as follows:

Loan receivable deferred inflow of resources	
At December 31, 2019	\$ (56,124)
At December 31, 2020	125,282
General property taxes deferred inflow of resources	
At December 31, 2019	(67,952)
At December 31, 2020	73,015
Special assessments deferred inflow of resources	
At December 31, 2019	(1,688,581)
At December 31, 2020	<u>1,617,323</u>
Net adjustment to increase net changes in fund balances – total governmental funds to arrive at changes in net position of governmental activities	<u>\$ 2,963</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 \$887,183 difference are as follows:

Debt issued or incurred	
General obligation improvement bonds of 2020	\$ (850,000)
General obligation improvement bonds of 2020 premium	(68,727)
Principal repayments	
General obligation improvement bonds	185,000
General obligation capital improvement plan bonds	130,000
General obligation street reconstruction bonds	495,000
General obligation tax abatement bonds	505,000
Certificates of participation	415,000
Premium/discount on debt issuance	<u>75,910</u>
Net adjustment to net changes in fund balances – total governmental funds to arrive at changes in net position of governmental activities	<u>\$ 887,183</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 (\$3,838) difference are as follows:

Compensated absences	\$ (22,662)
Accrued interest	<u>18,824</u>
Net adjustment to net changes in fund balances – total governmental funds to arrive at changes in net position of governmental activities	<u><u>\$ (3,838)</u></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 \$840,826 and the bank balance was \$1,907,306. 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, 2020, 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 Home Loan Bank	1.0%	Level 2	\$ –	\$ 400,052	\$ –	\$ 400,052
Federal Farm Credit Bank	2.4%	Level 2	–	960,129	–	960,129
Municipal bonds	**	Level 2	1,685,978	8,541,690	1,046,540	11,274,208
Marketable certificates of deposit	**	Level 2	2,670,624	2,688,860	–	5,359,484
Investment pools/mutual funds						
Minnesota Municipal Money Market						
4M Fund	N/A	Amortized Cost	14,338,311	–	–	14,338,311
4M Plus Fund	N/A	Amortized Cost	3,916,803	–	–	3,916,803
Western Asset Institutional Govt.	N/A	Level 1	297,603	–	–	297,603
First American Government Oblig.	N/A	Level 1	3,405,024	–	–	3,405,024
Wells Fargo Advantage Government Money Market Fund	N/A	Level 1	19,738	–	–	19,738
Total investments			<u>\$26,334,081</u>	<u>\$12,590,731</u>	<u>\$1,046,540</u>	39,971,352
Deposits						840,826
Petty cash						13,540
Totals						<u>\$40,825,718</u>
Government-wide Statement of Net Position						
Cash and investments						\$40,412,946
Statement of Fiduciary Net Position – Custodial Fund						
Cash and investments						412,772
Totals						<u>\$40,825,718</u>

** – 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.

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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, 2020, 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 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, 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 investment in First American Government Obligation received a AAA credit rating from Fitch Ratings Company. The City’s investments in municipal bonds were rated A, Aa, Aaa and Baa by Moody’s Investors Service, Inc. and A, AA and AAA by Standard & Poor’s Ratings Services in the amount of \$964,707, \$5,783,211, \$365,385, \$383,020, \$750,986, \$2,823,561 and \$203,338, 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, 2020 are as follows:

	Accounts Receivable	Certified Utility Accounts Receivable	Utility Customer Accounts Receivable	Delinquent Property Taxes	Special Assessment Receivable	Total
Major funds						
General	\$ 19,421	\$ –	\$ –	\$ 21,329	\$ –	\$ 40,750
Street Renewal	–	–	–	2,482	179,192	181,674
Capital Asset Replacement	–	–	–	3,958	–	3,958
Water	–	10,385	60,147	–	5,362	75,894
Sewer	–	13,932	76,408	–	8,183	98,523
Surface Water	–	5,121	34,475	–	1,626	41,222
Street Lights	–	2,175	13,078	–	–	15,253
Nonmajor governmental funds	–	–	–	3,931	1,300,781	1,304,712
	<u>\$ 19,421</u>	<u>\$ 31,613</u>	<u>\$ 184,108</u>	<u>\$ 31,700</u>	<u>\$ 1,495,144</u>	<u>\$ 1,761,986</u>

CITY OF SHOREVIEW
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Note 5 CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2020 was as follows:

	Beginning Balance	Increases	Decreases	Adjustments	Ending Balance
Primary government					
Governmental activities					
Capital assets, not being depreciated					
Land	\$ 7,001,880	\$ 82,530	\$ –	\$ –	\$ 7,084,410
Construction in progress	3,711,574	8,123,927	–	(5,428,008)	6,407,493
Total capital assets, not being depreciated	<u>10,713,454</u>	<u>8,206,457</u>	<u>–</u>	<u>(5,428,008)</u>	<u>13,491,903</u>
Capital assets, being depreciated					
Building and structures	54,093,877	654,979	–	3,518,444	58,267,300
Machinery and equipment	10,795,806	815,653	135,005	244,798	11,721,252
Infrastructure	65,337,003	643,075	1,521,409	1,664,766	66,123,435
Total capital assets, being depreciated	<u>130,226,686</u>	<u>2,113,707</u>	<u>1,656,414</u>	<u>5,428,008</u>	<u>136,111,987</u>
Less accumulated depreciation for					
Building and structures	15,437,129	1,200,157	–	–	16,637,286
Machinery and equipment	6,028,928	716,246	120,179	–	6,624,995
Infrastructure	37,395,380	1,740,450	815,273	–	38,320,557
Total accumulated depreciation	<u>58,861,437</u>	<u>3,656,853</u>	<u>935,452</u>	<u>–</u>	<u>61,582,838</u>
Total capital assets being depreciated – net	<u>71,365,249</u>	<u>(1,543,146)</u>	<u>720,962</u>	<u>5,428,008</u>	<u>74,529,149</u>
Governmental activities capital assets – net	<u>\$ 82,078,703</u>	<u>\$ 6,663,311</u>	<u>\$ 720,962</u>	<u>\$ –</u>	<u>\$ 88,021,052</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	2,533,460	6,820,698	–	(4,260,707)	5,093,451
Total capital assets, not being depreciated	<u>2,858,662</u>	<u>6,820,698</u>	<u>–</u>	<u>(4,260,707)</u>	<u>5,418,653</u>
Capital assets, being depreciated					
Building and structures	21,174,167	–	–	–	21,174,167
Machinery and equipment	2,649,401	26,574	–	–	2,675,975
Distribution and collection systems	53,450,622	63,896	66,532	4,260,707	57,708,693
Total capital assets, being depreciated	<u>77,274,190</u>	<u>90,470</u>	<u>66,532</u>	<u>4,260,707</u>	<u>81,558,835</u>
Less accumulated depreciation for					
Building and structures	5,531,127	506,950	–	–	6,038,077
Machinery and equipment	1,074,938	105,911	–	–	1,180,849
Distribution and collection systems	24,250,315	1,134,383	66,532	–	25,318,166
Total accumulated depreciation	<u>30,856,380</u>	<u>1,747,244</u>	<u>66,532</u>	<u>–</u>	<u>32,537,092</u>
Total capital assets being depreciated – net	<u>46,417,810</u>	<u>(1,656,774)</u>	<u>–</u>	<u>4,260,707</u>	<u>49,021,743</u>
Business-type activities capital assets – net	<u>\$ 49,276,472</u>	<u>\$ 5,163,924</u>	<u>\$ –</u>	<u>\$ –</u>	<u>\$ 54,440,396</u>

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

Governmental activities	
General government	\$ 214,165
Public safety	86,774
Public works	1,744,014
Parks and recreation	878,027
Community development	3,229
Capital assets held by the City's internal service funds are charged to the various functions based on their usage of the assets	<u>730,644</u>
Total depreciation expense – governmental activities	<u><u>\$ 3,656,853</u></u>
Business-type activities	
Water	\$ 971,343
Sewer	340,585
Surface water	334,337
Street lights	<u>100,979</u>
Total depreciation expense – business-type activities	<u><u>\$ 1,747,244</u></u>

COMMITMENTS

At December 31, 2020, 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>
Owasso Boulevard N Reconstruction	\$ 283,433

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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, 2020, the governmental activities long-term debt of the City consisted of the following:

	Issue Date	Final Maturity Date	Interest Rate	Authorized and Issued	Outstanding 12/31/2020
G.O. improvement bonds					
2009 Improvement Bonds	11/15/2009	02/01/2021	3.00-4.00%	\$ 235,000	\$ 25,000
2013 Refunding Improvement Bonds	03/06/2013	02/01/2022	2.00	235,000	20,000
2013 Improvement Bonds	12/05/2013	02/01/2035	3.00-4.00	1,775,000	1,350,000
2014 Refunding Improvement Bonds	12/04/2014	02/01/2022	2.00-3.00	100,000	30,000
2015 Improvement Bonds	09/17/2015	02/01/2026	2.00-4.00	295,000	195,000
2018 Refunding Improvement Bonds	12/27/2018	02/01/2025	5.00	150,000	130,000
2020 Improvement Bonds	11/24/2020	02/01/2036	1.00-5.00	850,000	850,000
Total G.O. improvement bonds				<u>3,640,000</u>	<u>2,600,000</u>
Other G.O. improvement bonds					
G.O. Refunding Street Reconstruction Bonds of 2013	03/06/2013	02/01/2022	2.00	1,380,000	410,000
G.O. Street Reconstruction Bonds of 2013	03/06/2013	02/01/2028	2.00-2.375	2,415,000	1,375,000
G.O. Capital Improvement Plan Refunding Bonds of 2014	12/04/2014	02/01/2030	2.00-3.00	4,670,000	3,355,000
G.O. Tax Abatement Bonds of 2017	11/16/2017	02/01/2038	3.00-5.00	12,865,000	11,940,000
G.O. Street Reconstruction Bonds of 2018	12/27/2018	02/01/2034	3.00-5.00	3,180,000	3,035,000
Total other G.O. improvement bonds				<u>24,510,000</u>	<u>20,115,000</u>
Unamortized premium	N/A	N/A	N/A	<u>N/A</u>	<u>1,124,086</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>1,330,000</u>
Compensated absences	N/A	N/A	N/A	<u>N/A</u>	<u>404,735</u>
Net pension liability	N/A	N/A	N/A	<u>N/A</u>	<u>4,566,405</u>
Total city indebtedness – governmental activities				<u>\$ 38,770,000</u>	<u>\$ 35,335,261</u>

N/A – Not Applicable

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BUSINESS-TYPE ACTIVITIES

As of December 31, 2020, 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 12/31/2020
G.O. revenue bonds					
Water Revenue Bonds of 2007	11/01/2007	02/01/2023	3.50–4.15 %	\$ 845,000	\$ 215,000
Sewer Revenue Bonds of 2007	11/01/2007	02/01/2023	3.50–4.15	260,000	65,000
Surface Water Revenue Bonds of 2007	11/01/2007	02/01/2023	3.50–4.15	600,000	150,000
Surface Water Revenue Bonds of 2009	11/15/2009	02/01/2021	3.00–4.00	1,180,000	125,000
Water Revenue Bonds of 2013A	03/06/2013	02/01/2023	2.00	775,000	250,000
Surface Water Revenue Bonds of 2013A	03/06/2013	02/01/2023	2.00	960,000	305,000
Water Refunding Revenue Bonds of 2013B	03/06/2013	02/01/2022	2.00	610,000	135,000
Sewer Refunding Revenue Bonds of 2013B	03/06/2013	02/01/2022	2.00	285,000	45,000
Water Revenue Bonds of 2013C	12/05/2013	02/01/2024	3.00	305,000	125,000
Surface Water Revenue Bonds of 2013C	12/05/2013	02/01/2024	3.00	190,000	80,000
Water Refunding Revenue Bonds of 2014	12/04/2014	02/01/2026	2.00–3.00	915,000	520,000
Sewer Refunding Revenue Bonds of 2014	12/04/2014	02/01/2026	2.00–3.00	730,000	405,000
Surface Water Refunding Revenue Bonds of 2014	12/04/2014	02/01/2026	2.00–3.00	265,000	155,000
Water Revenue Bonds of 2015	09/17/2015	02/01/2036	2.00–4.00	6,885,000	5,750,000
Sewer Revenue Bonds of 2015	09/17/2015	02/01/2031	2.00–4.00	1,650,000	1,280,000
Surface Water Revenue Bonds of 2015	09/17/2015	02/01/2031	2.00–4.00	860,000	670,000
Water Revenue Bonds of 2016	01/14/2016	02/01/2036	2.00–3.00	6,995,000	5,735,000
Sewer Revenue Bonds of 2016	01/14/2016	02/01/2031	2.00–3.00	230,000	170,000
Surface Water Revenue Bonds of 2016	01/14/2016	02/01/2031	2.00–3.00	380,000	285,000
Water Refunding Revenue Bonds of 2018	12/27/2018	02/01/2025	5.00	1,010,000	865,000
Sewer Refunding Revenue Bonds of 2018	12/27/2018	02/01/2025	5.00	245,000	210,000
Surface Water Refunding Revenue Bonds of 2018	12/27/2018	02/01/2025	5.00	100,000	85,000
Water Revenue Bonds of 2018	12/27/2018	02/01/2034	3.00–5.00	1,585,000	1,510,000
Sewer Revenue Bonds of 2018	12/27/2018	02/01/2029	3.00–5.00	345,000	315,000
Surface Water Revenue Bonds of 2018	12/27/2018	02/01/2034	3.00–5.00	1,020,000	975,000
Water Revenue Bonds of 2020	11/24/2020	02/01/2036	1.00–5.00	2,360,000	2,360,000
Sewer Revenue Bonds of 2020	11/24/2020	02/01/2036	1.00–5.00	3,545,000	3,545,000
Surface Water Revenue Bonds of 2020	11/24/2020	02/01/2036	1.00–5.00	2,670,000	2,670,000
Total G.O. revenue bonds				37,800,000	29,000,000
Unamortized premium	N/A	N/A	N/A	N/A	1,123,529
Compensated absences payable	N/A	N/A	N/A	N/A	118,180
Net pension liability	N/A	N/A	N/A	N/A	1,249,190
Total city indebtedness – business-type activities				\$ 37,800,000	\$ 31,490,899

N/A – Not Applicable

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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
2021	\$ 195,000	\$ 71,502	\$ 1,340,000	\$ 647,102	\$ 430,000	\$ 48,155
2022	185,000	71,715	1,380,000	605,675	440,000	33,750
2023	195,000	64,865	1,205,000	560,127	460,000	17,250
2024	230,000	57,565	1,240,000	512,682	—	—
2025	245,000	50,240	1,275,000	463,145	—	—
2026	190,000	43,685	1,310,000	411,883	—	—
2027	165,000	38,375	1,350,000	358,026	—	—
2028	170,000	33,185	1,395,000	309,742	—	—
2029	175,000	27,840	1,235,000	270,870	—	—
2030	180,000	22,880	1,275,000	233,220	—	—
2031	175,000	18,435	930,000	200,145	—	—
2032	165,000	14,060	955,000	171,870	—	—
2033	125,000	9,852	985,000	142,575	—	—
2034	100,000	5,890	1,015,000	112,178	—	—
2035	100,000	2,018	770,000	85,200	—	—
2036	5,000	40	790,000	61,800	—	—
2037	—	—	820,000	37,650	—	—
2038	—	—	845,000	12,675	—	—
Total	\$ 2,600,000	\$ 532,147	\$ 20,115,000	\$ 5,196,565	\$ 1,330,000	\$ 99,155

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.

CITY OF SHOREVIEW
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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
2021	\$ 1,965,000	\$ 712,533
2022	2,315,000	705,625
2023	2,340,000	622,275
2024	2,085,000	547,966
2025	2,095,000	486,593
2026	1,875,000	430,742
2027	1,730,000	380,974
2028	1,765,000	332,070
2029	1,825,000	281,914
2030	1,830,000	236,129
2031	1,880,000	195,027
2032	1,475,000	157,323
2033	1,515,000	123,066
2034	1,545,000	86,355
2035	1,360,000	51,144
2036	1,400,000	17,327
Total	<u>\$ 29,000,000</u>	<u>\$ 5,367,063</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
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CHANGE IN LONG-TERM LIABILITIES

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

	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
Governmental activities					
Bonds payable					
G.O. improvement bonds	\$ 1,935,000	\$ 850,000	\$ 185,000	\$ 2,600,000	\$ 195,000
Other G.O. improvement bonds	21,530,000	–	1,415,000	20,115,000	1,340,000
Premium	1,143,138	68,727	87,779	1,124,086	–
Total bonds payable	<u>24,608,138</u>	<u>918,727</u>	<u>1,687,779</u>	<u>23,839,086</u>	<u>1,535,000</u>
Loan payable	5,195,035	–	–	5,195,035	–
Certificates of participation	1,745,000	–	415,000	1,330,000	430,000
Compensated absences	379,263	434,673	409,201	404,735	18,666
Net pension liability	3,930,400	1,159,332	523,327	4,566,405	–
Total governmental activity long-term liabilities	<u>\$ 35,857,836</u>	<u>\$ 2,512,732</u>	<u>\$ 3,035,307</u>	<u>\$ 35,335,261</u>	<u>\$ 1,983,666</u>
Business-type activities					
G.O. revenue bonds					
G.O. revenue bonds	\$ 22,330,000	\$ 8,575,000	\$ 1,905,000	\$ 29,000,000	\$ 1,965,000
Premium	705,290	502,210	83,971	1,123,529	–
Total bonds payable	<u>23,035,290</u>	<u>9,077,210</u>	<u>1,988,971</u>	<u>30,123,529</u>	<u>1,965,000</u>
Compensated absences	100,695	136,970	119,485	118,180	5,449
Net pension liability	1,017,856	374,496	143,162	1,249,190	–
Total business-type activity long-term liabilities	<u>\$ 24,153,841</u>	<u>\$ 9,588,676</u>	<u>\$ 2,251,618</u>	<u>\$ 31,490,899</u>	<u>\$ 1,970,449</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, 2020 is backed by the full faith and credit of the City, including improvement, other improvement, and revenue bonds. Delinquent assessments receivable at December 31, 2020 totaled \$3,726.

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

CITY OF SHOREVIEW

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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, 2020. Future scheduled tax levies for all bonds outstanding at December 31, 2020 totaled \$12,701,155.

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, 2020, there is one industrial revenue bond outstanding, with an aggregate principal amount payable of \$507,318.

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 six 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.

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, 2020, was \$1,154,253 and the City rebated \$159,265 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.

CITY OF SHOREVIEW

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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, 2020, was \$1,497,764 and the City rebated \$181,017 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, 2020, was \$158,005 and the City rebated \$81,512 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, 2020, was \$2,713,473 and the City rebated \$344,828 in the current year.

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, 2020, was \$7,400,000 and the City rebated \$174,018 in the current year.

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TIF District #13 Shoreview Ridge, LLC (4100 Lexington)

In 2019 the City entered into a development agreement with Shoreview Ridge, LLC to assist the developer with the financing of certain costs associated with the 4100 Lexington project within TIF District #13. 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 2020 the City issued a Tax increment note in the amount of \$3,400,000 with interest of 4.75%. 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 2047. The outstanding principal balance as of December 31, 2020, was \$3,400,000 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, 2020, the following pledges were in place:

G.O. Capital Improvement Plan Refunding Bonds of 2014

The City pledged \$1,155,659 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 67 percent of the revenue stream, and \$3,854,669 of the pledge commitment remains outstanding.

G.O. Water Revenue Bonds

The City pledged \$1,494,129 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 2007–2020

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to finance water system infrastructure improvements and has a final maturity date of years 2022–2036. The pledged revenues represent 39 percent of the revenue stream, and \$21,067,865 of the pledge commitment remains outstanding.

G.O. Sewer Revenue Bonds

The City pledged \$544,150 of operating revenue, intergovernmental revenue and earnings on investments to meet the debt service commitment on the bonds. The debt was originally issued in years 2007–2020 to finance sewer system infrastructure improvements and it has a final maturity date of years 2022–2036. The pledged revenues represent 12 percent of the revenue stream, and \$6,934,074 of the pledge commitment remains outstanding.

G.O. Surface Water Revenue Bonds

The City pledged \$691,578 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 2007–2020 to finance surface water system infrastructure improvements and it has a final maturity date of years 2021–2036. The pledged revenues represent 34 percent of the revenue stream, and \$6,365,124 of the pledge commitment remains outstanding.

Refunding Certificates of Participation of 2011

The City pledged \$482,063 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 \$1,429,155 of the pledge commitment remains outstanding.

G.O. Tax Abatement Bonds of 2017

The City pledged \$852,540 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 \$15,714,775 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 Fees	Total
G.O. Capital Improvement Plan Refunding Bonds of 2014	\$ 1,721,470	\$ 565,811 *	\$ 1,155,659	\$ 285,000	\$ 83,382	\$ 368,382
G.O. Water Revenue Bonds	3,840,897	2,346,768 *	1,494,129	1,175,000	429,166	1,604,166
G.O. Sewer Revenue Bonds	4,661,074	4,116,924 *	544,150	285,000	115,776	400,776
G.O. Surface Water Revenue Bonds	2,047,484	1,355,906 *	691,578	445,000	117,550	562,550
Refunding Certificates of Participation of 2011	482,063	–	482,063	415,000	64,057	479,057
G.O. Tax Abatement Bonds of 2017	852,540	–	852,540	505,000	428,975	933,975
	<u>\$ 13,605,528</u>	<u>\$ 8,385,409</u>	<u>\$ 5,220,119</u>	<u>\$ 3,110,000</u>	<u>\$ 1,238,906</u>	<u>\$ 4,348,906</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.

Benefit increases are provided to benefit recipients each January. 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.

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GERF Contributions

Coordinated Plan members were required to contribute 6.50 percent of their annual covered salary in fiscal year 2020. 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, 2020 were \$541,046. The City's contributions were equal to the required contributions as set by state statute.

D. Pension Costs

GERF Pension Costs

At December 31, 2020, the City reported a liability of \$5,815,595 for its proportionate share of the GERF's net pension liability. The City's net pension liability reflected a reduction, due to the state of Minnesota's contribution of \$16.0 million. The state of Minnesota is considered a nonemployer contributing entity and the state's contribution meets the definition of a special funding situation. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportion of the net pension liability was based on the City's contributions received by the PERA during the measurement period for employer payroll paid dates from July 1, 2019 through June 30, 2020, relative to the total employer contributions received from all of the PERA's participating employers. The City's proportionate share was .0970 percent at the end of the measurement period and .0895 percent for the beginning of the period.

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	\$ 5,815,595
State's proportionate share of the net pension liability associated with the City	\$ 179,348

For the year ended December 31, 2020, the City recognized pension expense of \$300,571 for its proportionate share of the GERF's pension expense. In addition, the City recognized an additional \$15,609 as pension expense (and grant revenue) for its proportionate share of the state of Minnesota's contribution of \$16 million to the GERF.

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At December 31, 2020, 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	\$ 48,917	\$ 22,003
Changes in actuarial assumptions	–	205,987
Differences between projected and actual investment earnings	135,497	–
Changes in proportion	319,315	12,768
Contributions paid to the PERA subsequent to the measurement date	<u>281,136</u>	<u>–</u>
Total	<u>\$ 784,865</u>	<u>\$ 240,758</u>

A total of \$281,136 reported as deferred outflows of resources related to pensions resulting from city contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2021. 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>
2021	\$ (202,139)
2022	111,039
2023	213,565
2024	<u>140,506</u>
Total	<u>\$ 262,971</u>

E. Actuarial Assumptions

The total pension liability in the June 30, 2020 actuarial valuation was determined using an individual entry-age normal actuarial cost method and the following actuarial assumptions:

Inflation	2.25%	per year
Active member payroll growth	3.00%	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 disabilitants were based on Pub-2010 General Employee Mortality table 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.

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

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

Changes in Actuarial Assumptions

- The price inflation assumption was decreased from 2.50 percent to 2.25 percent.
- The payroll growth assumption was decreased from 3.25 percent to 3.00 percent.
- Assumed salary increase rates were changed as recommended in the June 30, 2019 experience study. The net effect is assumed rates that average 0.25 percent less than previous rates.
- Assumed rates of retirement were changed as recommended in the June 30, 2019 experience study. The changes result in more unreduced (normal) retirements and slightly fewer Rule of 90 and early retirements.
- Assumed rates of termination were changed as recommended in the June 30, 2019 experience study. The new rates are based on service and are generally lower than the previous rates for years two through five, and slightly higher thereafter.
- Assumed rates of disability were changed as recommended in the June 30, 2019 experience study. The change results in fewer predicted disability retirements for males and females.
- The base mortality table for healthy annuitants and employees was changed from the RP-2014 Table to the Pub-2010 General Mortality Table, with adjustments. The base mortality table for disabled annuitants was changed from the RP-2014 Disabled Annuitant Mortality Table to the Pub-2010 General/Teacher Disabled Annuitant Mortality Table, with adjustments.
- The mortality improvement scale was changed from MP-2018 to MP-2019.
- The assumed spouse age difference was changed from two years older for females to one year older.
- The assumed number of married male new retirees electing the 100.00 percent joint and survivor option changed from 35.00 percent to 45.00 percent. The assumed number of married female new retirees electing the 100.00 percent joint and survivor option changed from 15.00 percent to 30.00 percent. The corresponding number of married new retirees electing the life annuity option was adjusted accordingly.

Changes in Plan Provisions

- Augmentation for current privatized members was reduced to 2.00 percent for the period July 1, 2020 through December 31, 2023, and zero percent thereafter. Augmentation was eliminated for privatizations occurring after June 30, 2020.

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.

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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 stocks	35.5%	5.10%
International stocks	17.5%	5.30%
Bonds (fixed income)	20.0%	0.75%
Alternative assets (private markets)	25.0%	5.90%
Cash	2.0%	—
Total	100.0%	

F. Discount Rate

The discount rate used to measure the total pension liability in 2020 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 GERP 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:

	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 GERP net pension liability	\$ 9,320,379	\$ 5,815,595	\$ 2,924,427

H. Pension Plan Fiduciary Net Position

Detailed information about the GERP’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.

CITY OF SHOREVIEWNotes to Financial Statements
December 31, 2020**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	
2020	\$ 1,951	\$ 1,951	5%	5%	5%
2019	\$ 1,951	\$ 1,951	5%	5%	5%
2018	\$ 1,893	\$ 1,893	5%	5%	5%

Note 9 INTERFUND RECEIVABLES/PAYABLES AND TRANSFERS

Interfund receivable and payable balances at December 31, 2020 are as follows:

Fund	Receivable	Payable
Nonmajor governmental funds	\$ 745,119	\$ 745,119

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

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Interfund transfers at December 31, 2020 are as follows:

Transfers out	Transfer In					
	General Fund	Community Center Operation Fund	Recreation Programs Fund	Street Renewal	Capital Asset Replacement Fund	Community Investment Fund
General Fund	\$ -	\$ 292,625	\$ 151,947	\$ -	\$ 500,000	\$ 1,549,572
Municipal State Aid Fund	-	-	-	-	-	-
Street Renewal Fund	-	-	-	-	-	-
Capital Asset Replacement Fund	-	-	-	-	-	-
Community Investment Fund	-	-	-	-	-	-
Nonmajor Governmental Funds	200,000	-	-	119,986	-	-
Water Fund	370,000	-	-	-	-	-
Sewer Fund	160,000	-	-	-	-	-
Surface Water Fund	155,000	-	-	-	-	-
Street Lights Fund	35,000	-	-	-	-	-
Internal Service Fund	-	-	-	-	-	-
Total transfers out	\$ 920,000	\$ 292,625	\$ 151,947	\$ 119,986	\$ 500,000	\$ 1,549,572

Transfers out	Transfer In					
	Owasso Blvd. North Reconstruction Fund	Nonmajor Governmental Funds	Water Fund	Sewer Fund	Internal Service Funds	Total
General Fund	\$ -	\$ 390,803	\$ 578	\$ 688	\$ 1,169	\$ 2,887,382
Municipal State Aid Fund	5,242,000	253,185	-	-	-	5,495,185
Street Renewal Fund	-	1,563,820	-	-	-	1,563,820
Capital Asset Replacement Fund	-	455,124	-	-	-	455,124
Community Investment Fund	-	2,210,585	-	-	-	2,210,585
Nonmajor Governmental Funds	-	65,922	-	-	-	385,908
Water Fund	-	-	-	-	43,000	413,000
Sewer Fund	-	-	-	-	43,000	203,000
Surface Water Fund	-	-	-	-	31,000	186,000
Street Lights Fund	-	-	-	-	2,400	37,400
Internal Service Fund	-	190	-	-	-	190
Total transfers out	\$ 5,242,000	\$ 4,939,629	\$ 578	\$ 688	\$ 120,569	\$ 13,837,594

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 2020 transfers are considered routine and consistent with previous practices.

Note 11 OPERATING LEASE PAYABLE

During 2020 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, 2020 amounted to \$24,528.

Future minimum annual lease payments at December 31, 2020 are as follows:

<u>Year Ending December 31,</u>	<u>Copiers</u>
2021	\$ 24,528
2022	<u>12,264</u>
Total	<u>\$ 36,792</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.

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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, 2020.

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.

F. COVID-19

The COVID-19 pandemic has caused economic and financial market volatility in the United States and around the world, along with significant business and operational disruptions for many organizations. Due to

CITY OF SHOREVIEW
Notes to Financial Statements
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the unknown breadth and duration of this pandemic, any potential impact it may have on the City's future operations and financial condition cannot be determined at this time and has not been reflected in these financial statements.

Note 13 FUND BALANCES

A. CLASSIFICATIONS

At December 31, 2020, 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	\$ 846,669	\$ 1,362	\$ -	\$ 13,987	\$ 862,018
Restricted for					
Business loan program	-	-	-	165,777	165,777
Cable television	-	-	-	9,165	9,165
Debt service	-	-	-	1,754,909	1,754,909
Economic development	-	-	-	171,061	171,061
Housing and redevelopment	-	-	-	237,095	237,095
Recycling	-	-	-	779,037	779,037
Tax increment purposes	-	-	-	2,656,263	2,656,263
Infrastructure improvements	-	-	52,815	321,720	374,535
Total restricted	-	-	52,815	6,095,027	6,147,842
Committed to					
Community center operations	-	501,201	-	-	501,201
Recreation programs	-	660,252	-	-	660,252
Street improvements	-	-	2,371,660	-	2,371,660
Capital asset replacements	-	-	1,279,293	-	1,279,293
Community projects	-	-	4,398,650	-	4,398,650
Cable television	-	-	-	205,252	205,252
Slice of Shoreview event	-	-	-	94,613	94,613
Total committed	-	1,161,453	8,049,603	299,865	9,510,921
Assigned to					
Debt service	-	-	-	1,049,910	1,049,910
Computer systems	-	-	-	195,013	195,013
Recruitment costs	31,228	-	-	-	31,228
Public safety costs	180,000	-	-	-	180,000
Total assigned	211,228	-	-	1,244,923	1,456,151
Unassigned	4,998,626	-	(2,346,208)	(582,257)	2,070,161
Total	\$ 6,056,523	\$ 1,162,815	\$ 5,756,210	\$ 7,071,545	\$ 20,047,093

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, 2020, 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 and the City Council assigned a portion of fund balance to be used for recruitment and public safety costs.

C. DEFICIT FUND BALANCES

The City had deficit fund balances at December 31, 2020 as follows:

	<u>Amount</u>
Major Funds	
Capital Project	
Municipal State Aid	\$ 2,346,208
Nonmajor Funds	
Capital Project	
District #8 Lakeview Terrace	<u>582,257</u>
 Total	 <u><u>\$ 2,928,465</u></u>

The Municipal State Aid deficit will be eliminated through the recognition of future state aid allotments The District #8 Lakeview Terrace deficit will be eliminated through future tax increment revenue.

CITY OF SHOREVIEW
Notes to Financial Statements
December 31, 2020

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, 2020, the EDA had seven loans outstanding with interest rates ranging from 1.00 to 6.00 percent. The terms are 120 to 360 months and call for monthly payments. Four of the loans are interest only loans with a balloon payment at the end of the repayment term.

Future minimum loan receipts at December 31, 2020 are as follows:

<u>Year</u>	<u>Home Energy Improvement Loan Program</u>
2021	\$ 6,435
2022	5,726
2023	5,726
2024	5,726
2025	4,868
2026	3,151
2027	3,151
2028	3,151
2029	3,151
2030	3,151
2031	3,151
2032	3,151
2033	3,151
2034	1,597
2035	1,080
2036	1,080
2037	1,080
2038	1,080
2039	1,080
2040	1,080
2041	1,080
2042	1,080
2043	1,080
2044	1,080
2045	1,080
2046	1,080
2047	1,080
2048	1,080
2049	1,080
2050	<u>92,769</u>
Total	164,255
Less amount representing interest	<u>(38,973)</u>
Total loan receivable	<u><u>\$ 125,282</u></u>

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

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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, 2020

Statement 11
Page 1 of 2

	Original and Final Budget	Actual Amounts	Variance With Final Budget
Revenues			
General property taxes			
Current	\$ 8,822,826	\$ 8,727,366	\$ (95,460)
Other	–	4,179	4,179
Total general property taxes	<u>8,822,826</u>	<u>8,731,545</u>	<u>(91,281)</u>
Licenses and permits			
Business	44,700	39,975	(4,725)
Non-business	377,200	994,631	617,431
Total licenses and permits	<u>421,900</u>	<u>1,034,606</u>	<u>612,706</u>
Intergovernmental			
Federal			
CARES Act	–	1,763,193	1,763,193
CARES Act - election funding	–	11,907	11,907
State			
Road maintenance	265,000	290,567	25,567
Market value homestead credit	–	136	136
PERA aid	20,122	10,061	(10,061)
State fire aid	280,000	314,006	34,006
Local			
Aggregate gravel tax	1,000	1,254	254
Other	35,000	37,131	2,131
Total intergovernmental	<u>601,122</u>	<u>2,428,255</u>	<u>1,827,133</u>
Charges for services			
General government	600	620	20
Public works	401,500	350,578	(50,922)
Parks and recreation	36,500	5,897	(30,603)
Community development	76,000	211,732	135,732
Administrative charges			
Special revenue funds	195,210	195,210	–
Capital project funds	120,000	258,793	138,793
Enterprise funds	727,870	727,870	–
Total charges for services	<u>1,557,680</u>	<u>1,750,700</u>	<u>193,020</u>
Fines and forfeits	53,500	36,689	(16,811)
Earnings on investments	60,000	97,369	37,369
Other	13,350	20,071	6,721
Total revenues	<u>11,530,378</u>	<u>14,099,235</u>	<u>2,568,857</u>
Expenditures			
General government			
Current			
Council and Commissions	169,602	145,144	24,458
Administration	528,781	504,730	24,051
Human resources	342,315	329,352	12,963
Elections	50,930	45,674	5,256
Communications	238,637	193,245	45,392
Finance and accounting	628,969	634,135	(5,166)
Information systems	530,904	447,442	83,462
Legal	122,750	102,795	19,955
Total general government	<u>2,612,888</u>	<u>2,402,517</u>	<u>210,371</u>

CITY OF SHOREVIEW, MINNESOTA
 Required Supplementary Information
 Budgetary Comparison Schedule – General Fund
 For The Year Ended December 31, 2020

Statement 11
Page 2 of 2

	Original and Final Budget	Actual Amounts	Variance With Final Budget
Expenditures (continued)			
Public safety			
Current			
Police	2,479,250	2,519,988	(40,738)
Fire	1,811,350	1,955,651	(144,301)
Total public safety	<u>4,290,600</u>	<u>4,475,639</u>	<u>(185,039)</u>
Public works			
Current			
Public works administration and engineering	436,156	451,750	(15,594)
Streets	982,239	877,972	104,267
Trail management	182,507	162,668	19,839
Forestry	238,361	188,961	49,400
Total public works	<u>1,839,263</u>	<u>1,681,351</u>	<u>157,912</u>
Parks and recreation			
Current			
Parks and recreation administration	685,844	605,527	80,317
Municipal buildings	128,408	125,406	3,002
Park and sports area maintenance	1,581,970	1,499,410	82,560
Total parks and recreation	<u>2,396,222</u>	<u>2,230,343</u>	<u>165,879</u>
Community development			
Current			
Planning and zoning administration	489,804	516,128	(26,324)
Building inspection	336,601	352,303	(15,702)
Total community development	<u>826,405</u>	<u>868,431</u>	<u>(42,026)</u>
Total expenditures	<u>11,965,378</u>	<u>11,658,281</u>	<u>307,097</u>
Revenues over (under) expenditures	<u>(435,000)</u>	<u>2,440,954</u>	<u>2,875,954</u>
Other financing sources (uses)			
Transfers in	920,000	920,000	–
Transfers out	(485,000)	(2,887,382)	(2,402,382)
Total other financing sources (uses)	<u>435,000</u>	<u>(1,967,382)</u>	<u>(2,402,382)</u>
Net change in fund balance	<u>\$ –</u>	<u>473,572</u>	<u>\$ 473,572</u>
Fund balance – January 1		5,582,951	
Fund balance – December 31		<u>\$ 6,056,523</u>	

CITY OF SHOREVIEW, MINNESOTA

Required Supplementary Information

Statement 12

Budgetary Comparison Schedule – Community Center Operations Fund

For The Year Ended December 31, 2020

	Original and Final Budget	Actual Amounts	Variance With Final Budget
Revenues			
Intergovernmental			
Federal			
CARES Act	\$ –	\$ 316	\$ 316
Charges for services	3,384,540	1,039,621	(2,344,919)
Earnings on investments	15,000	25,673	10,673
Other	12,500	10	(12,490)
Total revenues	<u>3,412,040</u>	<u>1,065,620</u>	<u>(2,346,420)</u>
Expenditures			
Parks and recreation			
Current			
Personal services	2,288,390	1,728,899	559,491
Materials and supplies	614,594	298,357	316,237
Contractual services	637,265	637,744	(479)
Total expenditures	<u>3,540,249</u>	<u>2,665,000</u>	<u>875,249</u>
Revenues over (under) expenditures	<u>(128,209)</u>	<u>(1,599,380)</u>	<u>(1,471,171)</u>
Other financing sources (uses)			
Transfers in	275,000	292,625	17,625
Net change in fund balance	<u>\$ 146,791</u>	<u>(1,306,755)</u>	<u>\$ (1,453,546)</u>
Fund balance – January 1		1,809,318	
Fund balance – December 31		<u>\$ 502,563</u>	

CITY OF SHOREVIEW, MINNESOTA

Required Supplementary Information

Budgetary Comparison Schedule – Recreation Programs Fund

For The Year Ended December 31, 2020

Statement 13

	<u>Original and Final Budget</u>	<u>Actual Amounts</u>	<u>Variance With Final Budget</u>
Revenues			
Intergovernmental			
Federal			
CARES Act	\$ –	\$ 1,020	\$ 1,020
Charges for services	1,789,885	512,759	(1,277,126)
Earnings on investments	3,000	13,570	10,570
Total revenues	<u>1,792,885</u>	<u>527,349</u>	<u>(1,265,536)</u>
Expenditures			
Parks and recreation			
Current			
Personal services	1,639,899	883,154	756,745
Materials and supplies	113,558	40,785	72,773
Contractual services	299,341	98,368	200,973
Total expenditures	<u>2,052,798</u>	<u>1,022,307</u>	<u>1,030,491</u>
Revenues over (under) expenditures	<u>(259,913)</u>	<u>(494,958)</u>	<u>(235,045)</u>
Other financing sources (uses)			
Transfers in	150,000	151,947	1,947
Net change in fund balance	<u>\$ (109,913)</u>	<u>(343,011)</u>	<u>\$ (233,098)</u>
Fund balance – January 1		1,003,263	
Fund balance – December 31		<u>\$ 660,252</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, 2020

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 Proportionate Share of the Net Pension Liability	Proportionate Share of the Net Pension Liability and the City's 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%
12/31/2020	06/30/2020	0.0970%	\$ 5,815,595	\$ 179,348	\$ 5,994,943	\$ 6,828,899	85.16%	79.10%

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%
12/31/2020	\$ 541,046	\$ 541,046	\$ –	\$ 7,215,621	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, 2020

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, 2020, 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			
Public safety	\$ 4,290,600	\$ 4,475,639	\$ 185,039
Community Development	826,405	868,431	42,026

The General Fund over expenditures were funded by greater than anticipated revenues.

Note B PERA – GENERAL EMPLOYEES RETIREMENT FUND

2020 CHANGES IN ACTUARIAL ASSUMPTIONS

- The price inflation assumption was decreased from 2.50 percent to 2.25 percent.
- The payroll growth assumption was decreased from 3.25 percent to 3.00 percent.
- Assumed salary increase rates were changed as recommended in the June 30, 2019 experience study. The net effect is assumed rates that average 0.25 percent less than previous rates.
- Assumed rates of retirement were changed as recommended in the June 30, 2019 experience study. The changes result in more unreduced (normal) retirements and slightly fewer Rule of 90 and early retirements.
- Assumed rates of termination were changed as recommended in the June 30, 2019 experience study. The new rates are based on service and are generally lower than the previous rates for years two through five, and slightly higher thereafter.
- Assumed rates of disability were changed as recommended in the June 30, 2019 experience study. The change results in fewer predicted disability retirements for males and females.
- The base mortality table for healthy annuitants and employees was changed from the RP-2014 Table to the Pub-2010 General Mortality Table, with adjustments. The base mortality table for disabled annuitants was changed from the RP-2014 Disabled Annuitant Mortality Table to the Pub-2010 General/Teacher Disabled Annuitant Mortality Table, with adjustments.
- The mortality improvement scale was changed from MP-2018 to MP-2019.
- The assumed spouse age difference was changed from two years older for females to one year older.
- The assumed number of married male new retirees electing the 100.00 percent joint and survivor option changed from 35.00 percent to 45.00 percent. The assumed number of married female new retirees electing the 100.00 percent joint and survivor option changed from 15.00 percent to 30.00 percent. The corresponding number of married new retirees electing the life annuity option was adjusted accordingly.

CITY OF SHOREVIEW, MINNESOTA

Required Supplementary Information

Notes to RSI

December 31, 2020

2020 CHANGES IN PLAN PROVISIONS

- Augmentation for current privatized members was reduced to 2.00 percent for the period July 1, 2020 through December 31, 2023, and zero percent thereafter. Augmentation was eliminated for privatizations occurring after June 30, 2020.

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.
- 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.

CITY OF SHOREVIEW, MINNESOTA

Required Supplementary Information

Notes to RSI

December 31, 2020

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.
- 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**

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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, 2020

Statement 15

	Special Revenue	Debt Service	Capital Project	Totals Nonmajor Governmental Funds
Assets				
Cash and investments	\$ 1,633,724	\$ 2,774,737	\$ 2,672,566	\$ 7,081,027
Accrued interest receivable	2,894	6,432	3,925	13,251
Accounts receivable	99,251	-	-	99,251
Loan receivable	-	-	125,282	125,282
Taxes receivable	9,461	22,900	1,127	33,488
Special assessments receivable	-	1,420,362	-	1,420,362
Interfund receivable	-	-	745,119	745,119
Due from other governmental units	12,606	-	-	12,606
Prepaid items	13,987	-	-	13,987
Total assets	<u>\$ 1,771,923</u>	<u>\$ 4,224,431</u>	<u>\$ 3,548,019</u>	<u>\$ 9,544,373</u>
Liabilities				
Accounts payable	\$ 82,930	\$ 524	\$ 19,636	\$ 103,090
Salaries payable	5,646	-	-	5,646
Contracts payable	-	-	66,976	66,976
Deposits payable	1,000	-	-	1,000
Interfund payable	-	-	745,119	745,119
Unearned revenue	4,155	-	-	4,155
Total liabilities	<u>93,731</u>	<u>524</u>	<u>831,731</u>	<u>925,986</u>
Deferred inflows of resources				
Unavailable revenue – loan receivable	-	-	125,282	125,282
Unavailable revenue – property taxes	2,205	5,663	267	8,135
Unavailable revenue – special assessments	-	1,413,425	-	1,413,425
Total deferred inflows of resources	<u>2,205</u>	<u>1,419,088</u>	<u>125,549</u>	<u>1,546,842</u>
Fund balances (deficits)				
Nonspendable	13,987	-	-	13,987
Restricted	1,362,135	1,754,909	2,977,983	6,095,027
Committed	299,865	-	-	299,865
Assigned	-	1,049,910	195,013	1,244,923
Unassigned	-	-	(582,257)	(582,257)
Total fund balances (deficits)	<u>1,675,987</u>	<u>2,804,819</u>	<u>2,590,739</u>	<u>7,071,545</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 1,771,923</u>	<u>\$ 4,224,431</u>	<u>\$ 3,548,019</u>	<u>\$ 9,544,373</u>

CITY OF SHOREVIEW, MINNESOTA

Combining Statement of Revenues, Expenditures, and
 Changes in Fund Balances
 Nonmajor Governmental Funds
 For The Year Ended December 31, 2020

Statement 16

	Special Revenue	Debt Service	Capital Project	Totals Nonmajor Governmental Funds
Revenues				
Taxes				
General property taxes	\$ 414,882	\$ 984,127	\$ 49,493	\$ 1,448,502
Tax increments	-	-	1,633,950	1,633,950
Franchise tax	388,895	-	-	388,895
Special assessments	-	237,881	-	237,881
Intergovernmental	240,315	-	167,341	407,656
Charges for services	825,954	-	22,742	848,696
Earnings on investments	18,212	49,359	50,727	118,298
Other	7,107	-	-	7,107
Total revenues	<u>1,895,365</u>	<u>1,271,367</u>	<u>1,924,253</u>	<u>5,090,985</u>
Expenditures				
Current				
General government	183,125	-	243,697	426,822
Public works	707,862	-	-	707,862
Community development	479,784	-	1,086,975	1,566,759
Capital outlay				
General government	6,092	-	81,150	87,242
Public works	-	-	2,442,101	2,442,101
Parks and recreation	83,885	-	1,573,205	1,657,090
Community development	78,337	-	251,400	329,737
Debt service				
Principal	-	1,730,000	-	1,730,000
Interest	-	712,756	-	712,756
Fiscal charges	-	15,211	-	15,211
Total expenditures	<u>1,539,085</u>	<u>2,457,967</u>	<u>5,678,528</u>	<u>9,675,580</u>
Revenues over (under) expenditures	<u>356,280</u>	<u>(1,186,600)</u>	<u>(3,754,275)</u>	<u>(4,584,595)</u>
Other financing sources (uses)				
Bond issuance	-	11,513	706,424	717,937
Premium on bond issuance	-	-	57,298	57,298
Transfers in	93,253	997,922	3,848,454	4,939,629
Transfers out	(200,000)	(62,115)	(123,793)	(385,908)
Total other financing sources (uses)	<u>(106,747)</u>	<u>947,320</u>	<u>4,488,383</u>	<u>5,328,956</u>
Net change in fund balances	249,533	(239,280)	734,108	744,361
Fund balances – January 1	1,426,454	3,044,099	1,856,631	6,327,184
Fund balances – December 31	<u>\$ 1,675,987</u>	<u>\$ 2,804,819</u>	<u>\$ 2,590,739</u>	<u>\$ 7,071,545</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, 2020

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	\$ 807,313	\$ 117,321	\$ 94,390	\$ 345,403	\$ 269,297	\$ 1,633,724
Accrued interest receivable	1,304	393	245	391	561	2,894
Accounts receivable	–	99,251	–	–	–	99,251
Taxes receivable	–	–	–	3,647	5,814	9,461
Due from other governmental units	12,591	–	–	6	9	12,606
Prepaid items	–	13,987	–	–	–	13,987
Total assets	<u>\$ 821,208</u>	<u>\$ 230,952</u>	<u>\$ 94,635</u>	<u>\$ 349,447</u>	<u>\$ 275,681</u>	<u>\$ 1,771,923</u>
Liabilities						
Accounts payable	\$ 41,294	\$ 2,027	\$ 22	\$ 6,020	\$ 33,567	\$ 82,930
Salaries payable	877	521	–	1,545	2,703	5,646
Deposits payable	–	–	–	–	1,000	1,000
Unearned revenue	–	–	–	4,155	–	4,155
Total liabilities	<u>42,171</u>	<u>2,548</u>	<u>22</u>	<u>11,720</u>	<u>37,270</u>	<u>93,731</u>
Deferred inflows of resources						
Unavailable revenue – property taxes	–	–	–	889	1,316	2,205
Fund balances						
Nonspendable	–	13,987	–	–	–	13,987
Restricted	779,037	9,165	–	336,838	237,095	1,362,135
Committed	–	205,252	94,613	–	–	299,865
Total fund balances	<u>779,037</u>	<u>228,404</u>	<u>94,613</u>	<u>336,838</u>	<u>237,095</u>	<u>1,675,987</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 821,208</u>	<u>\$ 230,952</u>	<u>\$ 94,635</u>	<u>\$ 349,447</u>	<u>\$ 275,681</u>	<u>\$ 1,771,923</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, 2020

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	\$ -	\$ -	\$ -	\$ 158,256	\$ 256,626	\$ 414,882
Franchise tax	-	388,895	-	-	-	388,895
Intergovernmental	63,842	30,394	-	145,516	563	240,315
Charges for services	825,954	-	-	-	-	825,954
Earnings on investments	8,201	2,468	1,543	2,456	3,544	18,212
Other	34	750	6,323	-	-	7,107
Total revenues	<u>898,031</u>	<u>422,507</u>	<u>7,866</u>	<u>306,228</u>	<u>260,733</u>	<u>1,895,365</u>
Expenditures						
Current						
General government	-	175,071	8,054	-	-	183,125
Public works	707,862	-	-	-	-	707,862
Community development	-	-	-	305,040	174,744	479,784
Capital outlay						
General government	-	6,092	-	-	-	6,092
Parks and recreation	-	83,885	-	-	-	83,885
Community development	-	-	-	-	78,337	78,337
Total expenditures	<u>707,862</u>	<u>265,048</u>	<u>8,054</u>	<u>305,040</u>	<u>253,081</u>	<u>1,539,085</u>
Revenues over (under) expenditures	<u>190,169</u>	<u>157,459</u>	<u>(188)</u>	<u>1,188</u>	<u>7,652</u>	<u>356,280</u>
Other financing sources (uses)						
Transfers in	-	1,644	-	91,609	-	93,253
Transfers out	-	(200,000)	-	-	-	(200,000)
Total other financing sources (uses)	<u>-</u>	<u>(198,356)</u>	<u>-</u>	<u>91,609</u>	<u>-</u>	<u>(106,747)</u>
Net change in fund balances	190,169	(40,897)	(188)	92,797	7,652	249,533
Fund balances – January 1	588,868	269,301	94,801	244,041	229,443	1,426,454
Fund balances – December 31	<u>\$ 779,037</u>	<u>\$ 228,404</u>	<u>\$ 94,613</u>	<u>\$ 336,838</u>	<u>\$ 237,095</u>	<u>\$ 1,675,987</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.

G.O. Improvement Bonds of 2020 – This fund was established to provide financing for the 2020 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, 2020

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	Refunding Certificates of Participation of 2011	G.O. Street Reconstruction Refunding Bonds of 2013	G.O. Street Reconstruction Bonds of 2013	G.O. Street Reconstruction Bonds of 2018
Assets				
Cash and investments	\$ 459,513	\$ 190,752	\$ 165,946	\$ 265,801
Accrued interest receivable	2,113	156	145	357
Taxes receivable				
Delinquent	-	1,223	1,083	1,252
Due from county	-	3,705	3,289	4,286
Special assessments receivable				
Delinquent	-	-	-	-
Deferred	-	-	-	-
Due from county	-	-	-	-
Total assets	<u>\$ 461,626</u>	<u>\$ 195,836</u>	<u>\$ 170,463</u>	<u>\$ 271,696</u>
Liabilities				
Accounts payable	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Deferred inflows of resources				
Unavailable revenue – property taxes	-	1,223	1,083	1,252
Unavailable revenue – special assessments	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>1,223</u>	<u>1,083</u>	<u>1,252</u>
Fund balances				
Restricted	461,626	194,613	169,380	270,444
Assigned	-	-	-	-
Total fund balances	<u>461,626</u>	<u>194,613</u>	<u>169,380</u>	<u>270,444</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 461,626</u>	<u>\$ 195,836</u>	<u>\$ 170,463</u>	<u>\$ 271,696</u>

CITY OF SHOREVIEW, MINNESOTA

Subcombining Balance Sheet
 Nonmajor Debt Service Funds
 December 31, 2020

	G.O. Tax Abatement Bonds of 2017	G.O. Improvement Refunding Bonds of 2013	G.O. Improvement Bonds of 2008/ Refunding 2018	G.O. Improvement Bonds of 2009
Assets				
Cash and investments	\$ 110,264	\$ 4,061	\$ 68,727	\$ 1,799
Accrued interest receivable	-	-	158	-
Taxes receivable				
Delinquent	1,759	47	-	-
Due from county	5,747	139	-	-
Special assessments receivable				
Delinquent	-	-	-	1,425
Deferred	-	-	45,217	24,445
Due from county	-	-	723	3,923
Total assets	<u>\$ 117,770</u>	<u>\$ 4,247</u>	<u>\$ 114,825</u>	<u>\$ 31,592</u>
Liabilities				
Accounts payable	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Deferred inflows of resources				
Unavailable revenue – property taxes	1,759	47	-	-
Unavailable revenue – special assessments	-	-	45,217	25,870
Total deferred inflows of resources	<u>1,759</u>	<u>47</u>	<u>45,217</u>	<u>25,870</u>
Fund balances				
Restricted	116,011	4,200	69,608	5,722
Assigned	-	-	-	-
Total fund balances	<u>116,011</u>	<u>4,200</u>	<u>69,608</u>	<u>5,722</u>
Total liabilities, deferred inflows of resources, and fund balance	<u>\$ 117,770</u>	<u>\$ 4,247</u>	<u>\$ 114,825</u>	<u>\$ 31,592</u>

G.O. Improvement Bonds of 2013	G.O. Improvement Refunding Bonds of 2014	G.O. Improvement Bonds of 2015	G.O. Improvement Bonds of 2020	Closed Bonds	Total Nonmajor Debt Service Funds
\$ 239,252	\$ 27,839	\$ 123,516	\$ 70,097	\$ 1,047,170	\$ 2,774,737
455	59	286	34	2,669	6,432
-	-	-	-	299	5,663
-	-	-	-	71	17,237
1,448	20	117	-	-	3,010
1,163,107	7,990	79,624	90,032	-	1,410,415
-	362	1,929	-	-	6,937
<u>\$ 1,404,262</u>	<u>\$ 36,270</u>	<u>\$ 205,472</u>	<u>\$ 160,163</u>	<u>\$ 1,050,209</u>	<u>\$ 4,224,431</u>
<u>\$ 447</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 77</u>	<u>\$ -</u>	<u>\$ 524</u>
-	-	-	-	299	5,663
1,164,555	8,010	79,741	90,032	-	1,413,425
<u>1,164,555</u>	<u>8,010</u>	<u>79,741</u>	<u>90,032</u>	<u>299</u>	<u>1,419,088</u>
239,260	28,260	125,731	70,054	-	1,754,909
-	-	-	-	1,049,910	1,049,910
<u>239,260</u>	<u>28,260</u>	<u>125,731</u>	<u>70,054</u>	<u>1,049,910</u>	<u>2,804,819</u>
<u>\$ 1,404,262</u>	<u>\$ 36,270</u>	<u>\$ 205,472</u>	<u>\$ 160,163</u>	<u>\$ 1,050,209</u>	<u>\$ 4,224,431</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, 2020

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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 - (abatement)	\$ -	\$ (1,113)	\$ 211,427	\$ 187,725
Special assessments	-	-	-	-
Earnings on investments	22,063	-	982	913
Total revenues	<u>22,063</u>	<u>(1,113)</u>	<u>212,409</u>	<u>188,638</u>
Expenditures				
Debt service				
Principal	415,000	130,000	195,000	155,000
Interest	62,057	1,300	10,150	31,719
Fiscal charges	2,000	40	309	302
Total expenditures	<u>479,057</u>	<u>131,340</u>	<u>205,459</u>	<u>187,021</u>
Revenues over (under) expenditures	<u>(456,994)</u>	<u>(132,453)</u>	<u>6,950</u>	<u>1,617</u>
Other financing sources (uses)				
Bond issuance	-	-	-	-
Transfers in	460,000	5,975	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>460,000</u>	<u>5,975</u>	<u>-</u>	<u>-</u>
Net change in fund balances	3,006	(126,478)	6,950	1,617
Fund balances – January 1	458,620	126,478	187,663	167,763
Fund balances – December 31	<u>\$ 461,626</u>	<u>\$ -</u>	<u>\$ 194,613</u>	<u>\$ 169,380</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, 2020

	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	\$ 247,649	\$ 330,540	\$ 7,899	\$ –
Special assessments	–	–	–	13,829
Earnings on investments	2,381	–	–	994
Total revenues	<u>250,030</u>	<u>330,540</u>	<u>7,899</u>	<u>14,823</u>
Expenditures				
Debt service				
Principal	145,000	505,000	10,000	20,000
Interest	115,645	428,525	500	7,000
Fiscal charges	258	450	15	50
Total expenditures	<u>260,903</u>	<u>933,975</u>	<u>10,515</u>	<u>27,050</u>
Revenues over (under) expenditures	<u>(10,873)</u>	<u>(603,435)</u>	<u>(2,616)</u>	<u>(12,227)</u>
Other financing sources (uses)				
Bond issuance	–	–	–	–
Transfers in	–	522,000	–	–
Transfers out	–	–	–	–
Total other financing sources (uses)	<u>–</u>	<u>522,000</u>	<u>–</u>	<u>–</u>
Net change in fund balances	<u>(10,873)</u>	<u>(81,435)</u>	<u>(2,616)</u>	<u>(12,227)</u>
Fund balances – January 1	281,317	197,446	6,816	81,835
Fund balances – December 31	<u>\$ 270,444</u>	<u>\$ 116,011</u>	<u>\$ 4,200</u>	<u>\$ 69,608</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	G.O. Improvement Bonds of 2020	Closed Bonds	Total Nonmajor Debt Service Funds
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 984,127
16,838	112,659	8,270	20,523	65,762	-	237,881
-	2,861	370	1,797	214	16,784	49,359
<u>16,838</u>	<u>115,520</u>	<u>8,640</u>	<u>22,320</u>	<u>65,976</u>	<u>16,784</u>	<u>1,271,367</u>
25,000	85,000	15,000	30,000	-	-	1,730,000
1,500	47,835	1,125	5,400	-	-	712,756
83	447	4	11	11,242	-	15,211
<u>26,583</u>	<u>133,282</u>	<u>16,129</u>	<u>35,411</u>	<u>11,242</u>	<u>-</u>	<u>2,457,967</u>
<u>(9,745)</u>	<u>(17,762)</u>	<u>(7,489)</u>	<u>(13,091)</u>	<u>54,734</u>	<u>16,784</u>	<u>(1,186,600)</u>
-	-	-	-	11,513	-	11,513
6,140	-	-	-	3,807	-	997,922
-	-	-	-	-	(62,115)	(62,115)
<u>6,140</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>15,320</u>	<u>(62,115)</u>	<u>947,320</u>
(3,605)	(17,762)	(7,489)	(13,091)	70,054	(45,331)	(239,280)
9,327	257,022	35,749	138,822	-	1,095,241	3,044,099
<u>\$ 5,722</u>	<u>\$ 239,260</u>	<u>\$ 28,260</u>	<u>\$ 125,731</u>	<u>\$ 70,054</u>	<u>\$ 1,049,910</u>	<u>\$ 2,804,819</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.

Tax Increment Financing District #12 Mead Metals/TSI – This fund is used to account for the receipt and use of tax increment collections in tax increment district number twelve 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.

Edgetown Acres Reconstruction
Commons Master Plan
Turtle Lake Road Mill and Overlay
Wabasso Neighborhood Reconstruction
County Road E Trail
St. Albans Water Main Extension
County Road E Water Main Extension

CITY OF SHOREVIEW, MINNESOTA

Subcombining Balance Sheet
 Nonmajor Capital Project Funds
 December 31, 2020

	Tax Increment Financing			
	District #1 Deluxe	District #4 Scandia Shores	District #6 Gateway	District #8 Lakeview Terrace
Assets				
Cash and investments	\$ 1,378,743	\$ 74,926	\$ 14,739	\$ 162,495
Accrued interest receivable	2,590	168	65	367
Loan receivable	77,586	47,696	-	-
Taxes receivable				
Delinquent	-	-	-	-
Due from county	-	-	-	-
Interfund receivable	745,119	-	-	-
Total assets	<u>\$ 2,204,038</u>	<u>\$ 122,790</u>	<u>\$ 14,804</u>	<u>\$ 162,862</u>
Liabilities				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Contracts payable	-	-	-	-
Interfund payable	-	-	-	745,119
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>745,119</u>
Deferred inflows of resources				
Unavailable revenue – loan receivable	77,586	47,696	-	-
Unavailable revenue – property taxes	-	-	-	-
Total deferred inflows of resources	<u>77,586</u>	<u>47,696</u>	<u>-</u>	<u>-</u>
Fund balances (deficits)				
Restricted	2,126,452	75,094	14,804	-
Assigned	-	-	-	-
Unassigned	-	-	-	(582,257)
Total fund balances (deficits)	<u>2,126,452</u>	<u>75,094</u>	<u>14,804</u>	<u>(582,257)</u>
Total liabilities, deferred inflows of resources, and fund balances (deficits)	<u>\$ 2,204,038</u>	<u>\$ 122,790</u>	<u>\$ 14,804</u>	<u>\$ 162,862</u>

Tax Increment Financing							Total
District #9 TSI Inc.	District #10 Elevage	District #11 Loden	District #12 Mead Metals/ TSI	Information Technology	Edgetown Acres Reconstruction		Nonmajor Capital Project Funds
\$ 50,425	\$ 176,084	\$ 210,376	\$ 2,491	\$ 194,105	\$ 408,182	\$	2,672,566
128	307	100	2	198	-		3,925
-	-	-	-	-	-		125,282
-	-	-	-	267	-		267
-	-	-	-	860	-		860
-	-	-	-	-	-		745,119
<u>\$ 50,553</u>	<u>\$ 176,391</u>	<u>\$ 210,476</u>	<u>\$ 2,493</u>	<u>\$ 195,430</u>	<u>\$ 408,182</u>	<u>\$</u>	<u>3,548,019</u>
\$ -	\$ -	\$ -	\$ -	\$ 150	\$ 19,486	\$	19,636
-	-	-	-	-	66,976		66,976
-	-	-	-	-	-		745,119
-	-	-	-	150	86,462		831,731
-	-	-	-	-	-		125,282
-	-	-	-	267	-		267
-	-	-	-	267	-		125,549
50,553	176,391	210,476	2,493	-	321,720		2,977,983
-	-	-	-	195,013	-		195,013
-	-	-	-	-	-		(582,257)
<u>50,553</u>	<u>176,391</u>	<u>210,476</u>	<u>2,493</u>	<u>195,013</u>	<u>321,720</u>		<u>2,590,739</u>
<u>\$ 50,553</u>	<u>\$ 176,391</u>	<u>\$ 210,476</u>	<u>\$ 2,493</u>	<u>\$ 195,430</u>	<u>\$ 408,182</u>	<u>\$</u>	<u>3,548,019</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, 2020

	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	-	190,285	160,660	-
Intergovernmental	-	-	-	-
Charges for services	21,352	1,390	-	-
Earnings on investments	41,014	2,361	405	-
Total revenues	<u>62,366</u>	<u>194,036</u>	<u>161,065</u>	<u>-</u>
Expenditures				
Current				
General government	-	-	-	-
Community development	79,971	28,342	160,660	5,943
Capital outlay				
General government	-	-	-	-
Public works	-	-	-	-
Parks and recreation	-	-	-	-
Community development	-	251,400	-	-
Total expenditures	<u>79,971</u>	<u>279,742</u>	<u>160,660</u>	<u>5,943</u>
Revenues over (under) expenditures	<u>(17,605)</u>	<u>(85,706)</u>	<u>405</u>	<u>(5,943)</u>
Other financing sources (uses)				
Bond issuance	-	-	-	-
Premium on bond issuance	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>(17,605)</u>	<u>(85,706)</u>	<u>405</u>	<u>(5,943)</u>
Fund balances (deficits) – January 1	2,144,057	160,800	14,399	5,943
Fund balances (deficits) – December 31	<u>\$ 2,126,452</u>	<u>\$ 75,094</u>	<u>\$ 14,804</u>	<u>\$ -</u>

Tax Increment Financing

District #8 Lakeview Terrace	District #9 TSI Inc.	District #10 Elevage	District #11 Loden	District #12 Mead Metals/ TSI	Information Technology
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 49,493
340,083	90,896	461,432	388,104	2,490	-
-	-	-	-	-	41,262
-	-	-	-	-	-
2,306	803	1,931	630	12	1,248
<u>342,389</u>	<u>91,699</u>	<u>463,363</u>	<u>388,734</u>	<u>2,502</u>	<u>92,003</u>
-	-	-	-	-	243,697
205,393	82,368	347,038	177,251	9	-
-	-	-	-	-	81,150
-	-	-	-	-	-
-	-	-	-	-	-
<u>205,393</u>	<u>82,368</u>	<u>347,038</u>	<u>177,251</u>	<u>9</u>	<u>324,847</u>
<u>136,996</u>	<u>9,331</u>	<u>116,325</u>	<u>211,483</u>	<u>2,493</u>	<u>(232,844)</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	277,453
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>277,453</u>
136,996	9,331	116,325	211,483	2,493	44,609
(719,253)	41,222	60,066	(1,007)	-	150,404
<u>\$ (582,257)</u>	<u>\$ 50,553</u>	<u>\$ 176,391</u>	<u>\$ 210,476</u>	<u>\$ 2,493</u>	<u>\$ 195,013</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, 2020

	Edgetown Acres Reconstruction	Commons Master Plan	Turtle Lake Road Mill and Overlay	Wabasso Neighborhood Reconstruction
Revenues				
Taxes				
General property taxes	\$ -	\$ -	\$ -	\$ -
Tax increments	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Earnings on investments	13	-	-	2
Total revenues	<u>13</u>	<u>-</u>	<u>-</u>	<u>2</u>
Expenditures				
Current				
General government	-	-	-	-
Community development	-	-	-	-
Capital outlay				
General government	-	-	-	-
Public works	1,763,595	-	253,185	128,123
Parks and recreation	-	1,573,205	-	-
Community development	-	-	-	-
Total expenditures	<u>1,763,595</u>	<u>1,573,205</u>	<u>253,185</u>	<u>128,123</u>
Revenues over (under) expenditures	<u>(1,763,582)</u>	<u>(1,573,205)</u>	<u>(253,185)</u>	<u>(128,121)</u>
Other financing sources (uses)				
Bond issuance	558,456	-	-	73,984
Premium on bond issuance	45,668	-	-	6,959
Transfers in	1,481,178	1,573,205	253,185	127,642
Transfers out	-	-	-	(80,464)
Total other financing sources (uses)	<u>2,085,302</u>	<u>1,573,205</u>	<u>253,185</u>	<u>128,121</u>
Net change in fund balances	321,720	-	-	-
Fund balances – January 1	-	-	-	-
Fund balances – December 31	<u>\$ 321,720</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Statement 22
Page 2 of 2

County Road E Trail	St. Albans Water Main Extension	County Road E Water Main Extension	Total Nonmajor Capital Project Funds
\$ -	\$ -	\$ -	\$ 49,493
-	-	-	1,633,950
126,079	-	-	167,341
-	-	-	22,742
-	1	1	50,727
<u>126,079</u>	<u>1</u>	<u>1</u>	<u>1,924,253</u>
-	-	-	243,697
-	-	-	1,086,975
-	-	-	81,150
261,870	5,328	30,000	2,442,101
-	-	-	1,573,205
-	-	-	251,400
<u>261,870</u>	<u>5,328</u>	<u>30,000</u>	<u>5,678,528</u>
<u>(135,791)</u>	<u>(5,327)</u>	<u>(29,999)</u>	<u>(3,754,275)</u>
-	45,529	28,455	706,424
-	2,874	1,797	57,298
135,791	-	-	3,848,454
-	(43,076)	(253)	(123,793)
<u>135,791</u>	<u>5,327</u>	<u>29,999</u>	<u>4,488,383</u>
-	-	-	734,108
-	-	-	1,856,631
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,590,739</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, 2020

Statement 23

	Original and Final Budget	Actual Amounts	Variance With Final Budget
Revenues			
Intergovernmental	\$ 62,000	\$ 63,842	\$ 1,842
Charges for services			
Recycling fees	842,100	825,954	(16,146)
Earnings on investments	–	8,201	8,201
Other	200	34	(166)
Total revenues	<u>904,300</u>	<u>898,031</u>	<u>(6,269)</u>
Expenditures			
Public works			
Current			
Personal services	59,768	50,000	9,768
Materials and supplies	10,500	–	10,500
Contractual services	753,885	657,862	96,023
Total expenditures	<u>824,153</u>	<u>707,862</u>	<u>116,291</u>
Net change in fund balances	<u>\$ 80,147</u>	<u>190,169</u>	<u>\$ 110,022</u>
Fund balances – January 1		588,868	
Fund balances – December 31		<u>\$ 779,037</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, 2020

Statement 24

	Original and Final Budget	Actual Amounts	Variance With Final Budget
Revenues			
Franchise Taxes			
General Franchise tax	\$ 280,000	\$ 294,636	\$ 14,636
PEG Access tax	90,000	94,259	4,259
Total franchise tax	<u>370,000</u>	<u>388,895</u>	<u>18,895</u>
Intergovernmental			
Federal			
CARES Act	–	30,394	30,394
Earnings on investments	2,000	2,468	468
Other	2,400	750	(1,650)
Total revenues	<u>374,400</u>	<u>422,507</u>	<u>48,107</u>
Expenditures			
General government			
Current			
Personal services	42,669	37,755	4,914
Materials and supplies	500	1,182	(682)
Contractual services	159,319	136,134	23,185
Capital outlay	–	6,092	(6,092)
Parks and Recreation			
Capital outlay	–	83,885	(83,885)
Total expenditures	<u>202,488</u>	<u>265,048</u>	<u>(62,560)</u>
Revenues over (under) expenditures	<u>171,912</u>	<u>157,459</u>	<u>(14,453)</u>
Other financing sources (uses)			
Transfers in	–	1,644	1,644
Transfers out	(200,000)	(200,000)	–
Total other financing sources (uses)	<u>(200,000)</u>	<u>(198,356)</u>	<u>1,644</u>
Net change in fund balances	<u>\$ (28,088)</u>	<u>(40,897)</u>	<u>\$ (12,809)</u>
Fund balances – January 1		<u>269,301</u>	
Fund balances – December 31		<u>\$ 228,404</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, 2020

Statement 25

	Original and Final Budget	Actual Amounts	Variance With Final Budget
Revenues			
Charges for services	\$ 27,500	\$ –	\$ (27,500)
Earnings on investments	–	1,543	1,543
Contributions	35,000	6,323	(28,677)
Total revenues	<u>62,500</u>	<u>7,866</u>	<u>(54,634)</u>
Expenditures			
General government			
Current			
Materials and supplies	2,500	442	2,058
Contractual services	76,411	7,612	68,799
Total expenditures	<u>78,911</u>	<u>8,054</u>	<u>70,857</u>
Revenues over (under) expenditures	<u>(16,411)</u>	<u>(188)</u>	<u>16,223</u>
Other financing sources (uses)			
Transfer in	10,000	–	(10,000)
Net change in fund balances	<u>\$ (6,411)</u>	<u>(188)</u>	<u>\$ 6,223</u>
Fund balances – January 1		94,801	
Fund balances – December 31		<u>\$ 94,613</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, 2020

Statement 26

	Original and Final Budget	Actual Amounts	Variance With Final Budget
Revenues			
General property taxes			
Current	\$ 160,000	\$ 159,362	\$ (638)
Other - (abatement)	-	(1,106)	(1,106)
Total general property taxes	<u>160,000</u>	<u>158,256</u>	<u>(1,744)</u>
Intergovernmental			
Federal			
CARES Act	-	142,250	142,250
Local			
Recycling grant	6,900	3,266	(3,634)
Total intergovernmental	<u>6,900</u>	<u>145,516</u>	<u>138,616</u>
Earnings on investments	-	2,456	2,456
Total revenues	<u>166,900</u>	<u>306,228</u>	<u>139,328</u>
Expenditures			
Community development			
Current			
Personal services	88,893	86,581	2,312
Supplies	7,500	1,461	6,039
Contractual services	63,643	216,998	(153,355)
Total expenditures	<u>160,036</u>	<u>305,040</u>	<u>(145,004)</u>
Revenues over (under) expenditures	<u>6,864</u>	<u>1,188</u>	<u>(5,676)</u>
Other financing sources (uses)			
Transfer in	-	91,609	91,609
Net change in fund balance	<u>\$ 6,864</u>	<u>92,797</u>	<u>\$ 85,933</u>
Fund balances – January 1		<u>244,041</u>	
Fund balances – December 31		<u>\$ 336,838</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, 2020

Statement 27

	Original and Final Budget	Actual Amounts	Variance With Final Budget
Revenues			
General property taxes			
Current	\$ 260,000	\$ 258,841	\$ (1,159)
Other - (abatement)	-	(2,215)	(2,215)
Total general property taxes	<u>260,000</u>	<u>256,626</u>	<u>(3,374)</u>
Intergovernmental			
Local			
Other local grant	-	563	563
Earnings on investments	-	3,544	3,544
Total revenues	<u>260,000</u>	<u>260,733</u>	<u>733</u>
Expenditures			
Community development			
Current			
Personal services	159,105	161,255	(2,150)
Contractual services	41,400	13,489	27,911
Capital outlay	-	78,337	(78,337)
Total expenditures	<u>200,505</u>	<u>253,081</u>	<u>(52,576)</u>
Net change in fund balance	<u>\$ 59,495</u>	<u>7,652</u>	<u>\$ (51,843)</u>
Fund balances – January 1		<u>229,443</u>	
Fund balances – December 31		<u>\$ 237,095</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, 2020

Statement 28

	Short-Term Disability Self-Insurance	Liability Claims	Central Garage	Total
Assets				
Current assets				
Cash and investments	\$ 49,273	\$ 224,799	\$ 2,553,803	\$ 2,827,875
Accrued interest receivable	128	627	5,577	6,332
Taxes receivable	-	-	4,238	4,238
Total current assets	<u>49,401</u>	<u>225,426</u>	<u>2,563,618</u>	<u>2,838,445</u>
Noncurrent assets				
Capital assets				
Land	-	-	36,293	36,293
Buildings and structures	-	-	6,929,379	6,929,379
Machinery and equipment	-	-	7,246,199	7,246,199
Total capital assets	<u>-</u>	<u>-</u>	<u>14,211,871</u>	<u>14,211,871</u>
Less accumulated depreciation	<u>-</u>	<u>-</u>	<u>(6,981,106)</u>	<u>(6,981,106)</u>
Total capital assets (net of accumulated depreciation)	<u>-</u>	<u>-</u>	<u>7,230,765</u>	<u>7,230,765</u>
Total assets	<u>49,401</u>	<u>225,426</u>	<u>9,794,383</u>	<u>10,069,210</u>
Deferred outflows of resources				
Deferred pension resources	<u>-</u>	<u>-</u>	<u>18,601</u>	<u>18,601</u>
Liabilities				
Current liabilities				
Accounts payable	-	-	13,672	13,672
Salaries payable	-	-	4,560	4,560
Accrued bond interest payable	-	-	39,234	39,234
Compensated absences payable	-	-	546	546
Bonds payable	-	-	300,000	300,000
Total current liabilities	<u>-</u>	<u>-</u>	<u>358,012</u>	<u>358,012</u>
Noncurrent liabilities				
Compensated absences payable (net of current portion)	-	-	11,284	11,284
Bonds payable (net of current portion)	-	-	3,162,807	3,162,807
Net pension liability	<u>-</u>	<u>-</u>	<u>137,830</u>	<u>137,830</u>
Total noncurrent liabilities	<u>-</u>	<u>-</u>	<u>3,311,921</u>	<u>3,311,921</u>
Total liabilities	<u>-</u>	<u>-</u>	<u>3,669,933</u>	<u>3,669,933</u>
Deferred inflows of resources				
Deferred pension resources	<u>-</u>	<u>-</u>	<u>5,706</u>	<u>5,706</u>
Net position				
Net investment in capital assets	-	-	3,767,958	3,767,958
Unrestricted	49,401	225,426	2,369,387	2,644,214
Total net position	<u>\$ 49,401</u>	<u>\$ 225,426</u>	<u>\$ 6,137,345</u>	<u>\$ 6,412,172</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, 2020

Statement 29

	Short-Term Disability Self-Insurance	Liability Claims	Central Garage	Total
Operating revenues				
Customer billings	\$ 8,484	\$ —	\$ 1,383,642	\$ 1,392,126
Operating expenses				
Personal services	9,911	—	210,759	220,670
Materials and supplies	—	—	221,302	221,302
Contractual services	—	67,116	88,906	156,022
Utilities	—	—	25,798	25,798
Insurance	—	—	18,856	18,856
Depreciation	—	—	730,644	730,644
Total operating expenses	9,911	67,116	1,296,265	1,373,292
Operating income (loss)	(1,427)	(67,116)	87,377	18,834
Nonoperating revenues (expenses)				
General property taxes	—	—	181,813	181,813
Earnings on investments	804	3,942	35,076	39,822
Intergovernmental revenue	—	—	370	370
Gain on sale of capital assets	—	—	70,694	70,694
Loss on sale of capital assets	—	—	(6,751)	(6,751)
Other	—	30,067	886	30,953
Interest	—	—	(83,006)	(83,006)
Fiscal charges	—	—	(376)	(376)
Total nonoperating revenues (expenses)	804	34,009	198,706	233,519
Income (loss) before transfers	(623)	(33,107)	286,083	252,353
Transfers				
Transfer in	—	—	120,569	120,569
Transfer out	—	—	(190)	(190)
Total transfers	—	—	120,379	120,379
Change in net position	(623)	(33,107)	406,462	372,732
Net position – January 1,	50,024	258,533	5,730,883	6,039,440
Net position – December 31	\$ 49,401	\$ 225,426	\$ 6,137,345	\$ 6,412,172

CITY OF SHOREVIEW, MINNESOTA

Combining Statement of Cash Flows

Internal Service Funds

For The Year Ended December 31, 2020

Statement 30

	Short-Term Disability Self-Insurance	Liability Claims	Central Garage	Total
Cash flows from operating activities				
Receipts from interfund services provided	\$ 8,484	\$ -	\$ 1,383,642	\$ 1,392,126
Payments to suppliers	-	(67,116)	(358,950)	(426,066)
Payments to employees	(9,911)	-	(234,284)	(244,195)
Miscellaneous revenue	-	30,067	29,174	59,241
Net cash flows from operating activities	<u>(1,427)</u>	<u>(37,049)</u>	<u>819,582</u>	<u>781,106</u>
Cash flows from capital and related financing activities				
Proceeds from sales of capital assets	-	-	99,319	99,319
Acquisition and construction of capital assets	-	-	(702,786)	(702,786)
Receipts from taxpayers	-	-	180,782	180,782
Transfers from other funds	-	-	120,569	120,569
Transfers to other funds	-	-	(190)	(190)
Principal paid on capital debt	-	-	(285,000)	(285,000)
Interest and paying agent fees on capital debt	-	-	(98,814)	(98,814)
Net cash flows from capital and related financing activities	<u>-</u>	<u>-</u>	<u>(686,120)</u>	<u>(686,120)</u>
Cash flows from investing activities				
Earnings on investments	<u>770</u>	<u>3,808</u>	<u>33,308</u>	<u>37,886</u>
Net change in cash and cash equivalents	(657)	(33,241)	166,770	132,872
Cash and cash equivalents – January 1	49,930	258,040	2,387,033	2,695,003
Cash and cash equivalents – December 31	<u>\$ 49,273</u>	<u>\$ 224,799</u>	<u>\$ 2,553,803</u>	<u>\$ 2,827,875</u>
Reconciliation of operating income (loss) to net cash flows from operating activities				
Operating income (loss)	<u>\$ (1,427)</u>	<u>\$ (67,116)</u>	<u>\$ 87,377</u>	<u>\$ 18,834</u>
Adjustments to reconcile operating income (loss) to net cash flows from operating activities				
Miscellaneous revenue	-	30,067	29,174	59,241
Depreciation	-	-	730,644	730,644
Decrease (increase) in receivables	-	-	301	301
Decrease (increase) in prepaid items	-	-	2,439	2,439
Decrease (increase) in deferred outflows	-	-	(7,983)	(7,983)
Increase (decrease) in payables	-	-	(2,632)	(2,632)
Increase (decrease) in deferred inflows	-	-	(19,738)	(19,738)
Total adjustments	<u>-</u>	<u>30,067</u>	<u>732,205</u>	<u>762,272</u>
Net cash flows from operating activities	<u>\$ (1,427)</u>	<u>\$ (37,049)</u>	<u>\$ 819,582</u>	<u>\$ 781,106</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	-	-	1,031	1,031

**FINANCIAL SECTION –
SUPPLEMENTARY FINANCIAL INFORMATION**

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SUPPLEMENTARY FINANCIAL INFORMATION

CITY OF SHOREVIEW, MINNESOTA

Combining Schedule of Indebtedness

December 31, 2020

	<u>Interest Rate</u>	<u>Issue Date</u>	<u>Maturity Date</u>
Bonded indebtedness			
G.O. improvement bonds			
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
2020 Improvement Bonds	1.00–5.00%	11/24/2020	02/01/2036
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 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. Water Revenue Bonds of 2020	1.00–5.00%	11/24/2020	02/01/2036
G.O. Sewer Revenue Bonds of 2007	3.50–4.15%	11/01/2007	02/01/2023
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. Sewer Revenue Bonds of 2020	1.00–5.00%	11/24/2020	02/01/2036
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 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
G.O. Surface Water Revenue Bonds of 2020	1.00–5.00%	11/24/2020	02/01/2036
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		Outstanding 12/31/2019	2020		Outstanding 12/31/2020	Principal Due in 2021	Interest Due in 2021
Authorized and Issued	Payments		Issued	Payments			
\$ 235,000	\$ 185,000	\$ 50,000	\$ –	\$ 25,000	\$ 25,000	\$ 25,000	\$ 500
235,000	205,000	30,000	–	10,000	20,000	10,000	300
1,775,000	340,000	1,435,000	–	85,000	1,350,000	90,000	45,210
100,000	55,000	45,000	–	15,000	30,000	15,000	675
295,000	70,000	225,000	–	30,000	195,000	30,000	4,650
150,000	–	150,000	–	20,000	130,000	25,000	5,875
–	–	–	850,000	–	850,000	–	14,292
<u>2,790,000</u>	<u>855,000</u>	<u>1,935,000</u>	<u>850,000</u>	<u>185,000</u>	<u>2,600,000</u>	<u>195,000</u>	<u>71,502</u>
750,000	620,000	130,000	–	130,000	–	–	–
1,380,000	775,000	605,000	–	195,000	410,000	200,000	6,200
2,415,000	885,000	1,530,000	–	155,000	1,375,000	160,000	28,569
4,670,000	1,030,000	3,640,000	–	285,000	3,355,000	300,000	89,663
12,865,000	420,000	12,445,000	–	505,000	11,940,000	515,000	413,225
3,180,000	–	3,180,000	–	145,000	3,035,000	165,000	109,445
<u>25,260,000</u>	<u>3,730,000</u>	<u>21,530,000</u>	<u>–</u>	<u>1,415,000</u>	<u>20,115,000</u>	<u>1,340,000</u>	<u>647,102</u>
845,000	565,000	280,000	–	65,000	215,000	70,000	7,400
775,000	445,000	330,000	–	80,000	250,000	80,000	4,200
610,000	410,000	200,000	–	65,000	135,000	65,000	2,050
305,000	150,000	155,000	–	30,000	125,000	30,000	3,300
915,000	315,000	600,000	–	80,000	520,000	80,000	12,650
6,885,000	820,000	6,065,000	–	315,000	5,750,000	320,000	156,153
6,995,000	940,000	6,055,000	–	320,000	5,735,000	330,000	143,550
1,010,000	–	1,010,000	–	145,000	865,000	150,000	39,500
1,585,000	–	1,585,000	–	75,000	1,510,000	80,000	54,547
–	–	–	2,360,000	–	2,360,000	–	37,993
260,000	175,000	85,000	–	20,000	65,000	20,000	2,263
285,000	220,000	65,000	–	20,000	45,000	20,000	700
730,000	260,000	470,000	–	65,000	405,000	65,000	9,812
1,650,000	270,000	1,380,000	–	100,000	1,280,000	100,000	31,818
230,000	45,000	185,000	–	15,000	170,000	15,000	3,862
245,000	–	245,000	–	35,000	210,000	40,000	9,500
345,000	–	345,000	–	30,000	315,000	30,000	12,600
–	–	–	3,545,000	–	3,545,000	–	57,002
600,000	405,000	195,000	–	45,000	150,000	50,000	5,138
1,180,000	935,000	245,000	–	120,000	125,000	125,000	2,500
960,000	555,000	405,000	–	100,000	305,000	100,000	5,100
190,000	90,000	100,000	–	20,000	80,000	20,000	2,100
265,000	85,000	180,000	–	25,000	155,000	25,000	3,775
860,000	140,000	720,000	–	50,000	670,000	55,000	16,588
380,000	70,000	310,000	–	25,000	285,000	25,000	6,475
100,000	–	100,000	–	15,000	85,000	15,000	3,875
1,020,000	–	1,020,000	–	45,000	975,000	55,000	35,155
–	–	–	2,670,000	–	2,670,000	–	42,927
<u>29,225,000</u>	<u>6,895,000</u>	<u>22,330,000</u>	<u>8,575,000</u>	<u>1,905,000</u>	<u>29,000,000</u>	<u>1,965,000</u>	<u>712,533</u>
<u>57,275,000</u>	<u>11,480,000</u>	<u>45,795,000</u>	<u>9,425,000</u>	<u>3,505,000</u>	<u>51,715,000</u>	<u>3,500,000</u>	<u>1,431,137</u>
N/A	N/A	1,848,428	N/A	N/A	2,247,615	N/A	N/A
4,620,000	2,875,000	1,745,000	–	415,000	1,330,000	430,000	48,155
6,000,000	804,965	5,195,035	–	–	5,195,035	–	–
N/A	N/A	479,958	571,643	528,686	522,915	24,115	–
N/A	N/A	4,948,256	1,533,828	666,489	5,815,595	N/A	N/A
<u>\$ 67,895,000</u>	<u>\$ 15,159,965</u>	<u>\$ 60,011,677</u>	<u>\$ 11,530,471</u>	<u>\$ 5,115,175</u>	<u>\$ 66,826,160</u>	<u>\$ 3,954,115</u>	<u>\$ 1,479,292</u>

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

Exhibit 2

	<u>Tax Capacity Values</u> <u>2018/2019</u>		<u>Tax Capacity Values</u> <u>2019/2020</u>	
Taxable valuations				
Real estate	\$ 36,856,582		\$ 39,732,097	
Personal property	216,621		230,113	
Fiscal disparities net	586,096		655,666	
Less captured tax increment value	<u>(840,268)</u>		<u>(1,360,590)</u>	
Totals	<u>\$ 36,819,031</u>		<u>\$ 39,257,286</u>	
Tax levies				
Year of extension	2018		2019	
Year of collection	2019		2020	
	<u>Certified Levy</u>	<u>Tax Capacity Rate</u>	<u>Certified Levy</u>	<u>Tax Capacity Rate</u>
Taxes levied				
General Fund	\$ 8,185,180	22.191%	\$ 8,822,826	22.454%
Shoreview EDA	150,000	0.407%	160,000	0.407%
Capital project funds	2,511,000	6.808%	2,657,000	6.762%
Debt service funds	1,127,000	3.055%	996,000	2.535%
Central Garage Fund	<u>184,000</u>	<u>0.499%</u>	<u>184,000</u>	<u>0.468%</u>
Totals	<u>\$ 12,157,180</u>	<u>32.960%</u>	<u>\$ 12,819,826</u>	<u>32.626%</u>
Shoreview HRA	<u>\$ 210,000</u>	<u>0.595%</u>	<u>\$ 260,000</u>	<u>0.669%</u>

CITY OF SHOREVIEW, MINNESOTA

Schedule of Deferred Tax Levies

Other General Obligation Bonds

December 31, 2020

Exhibit 3

<u>Year of Tax Levy/Collection</u>	<u>G.O. Capital Improvement Plan Refunding Bonds of 2014</u>	<u>G.O. Street Reconstruction Refunding Bonds of 2013</u>	<u>G.O. Street Reconstruction Bonds of 2013</u>	<u>G.O. Street Reconstruction Bonds of 2018</u>	<u>G.O. Tax Abatement Bonds of 2017</u>	<u>Total</u>
2020/2021	\$ 184,000	\$ 212,000	\$ 190,000	\$ 250,000	\$ 334,000	\$ 1,170,000
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>\$ 3,452,046</u>	<u>\$ 212,000</u>	<u>\$ 1,383,062</u>	<u>\$ 3,739,150</u>	<u>\$ 3,709,336</u>	<u>\$ 12,495,594</u>

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CITY OF SHOREVIEW, MINNESOTA

Schedule of Deferred Tax Levies
 General Obligation Improvement Bonds
 December 31, 2020

Exhibit 4

Year of Tax Levy/ Collection	Refunding		Refunding		Total
	2013B	2013C	2018B	2020A	
2020/2021	\$ 8,000	\$ -	\$ -	\$ -	\$ 8,000
2021/2022	-	8,713	17,343	21,446	47,502
2022/2023	-	5,720	16,031	3,052	24,803
2023/2024	-	13,228	19,968	-	33,196
2024/2025	-	10,764	-	-	10,764
2025/2026	-	8,076	-	-	8,076
2026/2027	-	10,638	-	1,357	11,995
2027/2028	-	7,782	-	-	7,782
2028/2029	-	10,176	-	1,252	11,428
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	<u>\$ 8,000</u>	<u>\$ 117,112</u>	<u>\$ 53,342</u>	<u>\$ 27,107</u>	<u>\$ 205,561</u>

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CITY OF SHOREVIEW, MINNESOTA

Debt Service Payments to Maturity

Revenue Bonds

December 31, 2020

Exhibit 5

Page 1 of 3

	Water Revenue Bonds				
	2007	2013A	Refunding 2013B	2013C	Refunding 2014
Bonds payable	\$ 215,000	\$ 250,000	\$ 135,000	\$ 125,000	\$ 520,000
Future interest payable	13,503	7,600	2,750	7,725	42,638
Totals	<u>\$ 228,503</u>	<u>\$ 257,600</u>	<u>\$ 137,750</u>	<u>\$ 132,725</u>	<u>\$ 562,638</u>
Payments to maturity					
2021	\$ 77,400	\$ 84,200	\$ 67,050	\$ 33,300	\$ 92,650
2022	74,547	87,550	70,700	32,400	90,250
2023	76,556	85,850	-	31,500	93,094
2024	-	-	-	35,525	91,181
2025	-	-	-	-	99,038
2026	-	-	-	-	96,425
2027	-	-	-	-	-
2028	-	-	-	-	-
2029	-	-	-	-	-
2030	-	-	-	-	-
2031	-	-	-	-	-
2032	-	-	-	-	-
2033	-	-	-	-	-
2034	-	-	-	-	-
2035	-	-	-	-	-
2036	-	-	-	-	-
Totals	<u>\$ 228,503</u>	<u>\$ 257,600</u>	<u>\$ 137,750</u>	<u>\$ 132,725</u>	<u>\$ 562,638</u>

CITY OF SHOREVIEW, MINNESOTA

Debt Service Payments to Maturity

Revenue Bonds

December 31, 2020

	Water Revenue Bonds				
	2015	2016	Refunding 2018	2018	2020
Bonds payable	\$ 5,750,000	\$ 5,735,000	\$ 865,000	\$ 1,510,000	\$ 2,360,000
Future interest payable	1,349,712	1,299,350	113,375	390,996	375,216
Totals	<u>\$ 7,099,712</u>	<u>\$ 7,034,350</u>	<u>\$ 978,375</u>	<u>\$ 1,900,996</u>	<u>\$ 2,735,216</u>
Payments to maturity					
2021	\$ 476,153	\$ 473,550	\$ 189,500	\$ 134,547	\$ 37,993
2022	476,402	471,900	196,625	136,248	167,500
2023	474,653	470,150	198,125	137,297	181,250
2024	479,302	463,350	194,250	137,673	180,775
2025	477,153	461,500	199,875	137,797	181,500
2026	479,852	469,000	-	133,298	182,075
2027	477,028	465,387	-	133,672	182,500
2028	473,152	461,200	-	134,398	177,850
2029	477,971	461,350	-	136,022	178,125
2030	472,340	460,763	-	137,498	179,900
2031	476,538	459,400	-	133,897	183,140
2032	371,455	383,375	-	135,223	181,185
2033	371,613	383,175	-	136,300	179,060
2034	370,725	382,675	-	137,126	181,730
2035	373,988	381,875	-	-	179,193
2036	371,387	385,700	-	-	181,440
Totals	<u>\$ 7,099,712</u>	<u>\$ 7,034,350</u>	<u>\$ 978,375</u>	<u>\$ 1,900,996</u>	<u>\$ 2,735,216</u>

Sewer Revenue Bonds

2007	Refunding 2013B	Refunding 2014	2015	2016	Refunding 2018	2018
\$ 65,000	\$ 45,000	\$ 405,000	\$ 1,280,000	\$ 170,000	\$ 210,000	\$ 315,000
4,230	950	32,493	185,768	24,581	27,000	60,050
<u>\$ 69,230</u>	<u>\$ 45,950</u>	<u>\$ 437,493</u>	<u>\$ 1,465,768</u>	<u>\$ 194,581</u>	<u>\$ 237,000</u>	<u>\$ 375,050</u>
\$ 22,263	\$ 20,700	\$ 74,812	\$ 131,818	\$ 18,862	\$ 49,500	\$ 42,600
21,448	25,250	72,863	133,742	18,563	47,500	41,400
25,519	—	71,156	134,968	18,262	45,500	40,050
—	—	74,637	131,667	17,963	48,375	43,425
—	—	72,975	134,418	17,662	46,125	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>\$ 69,230</u>	<u>\$ 45,950</u>	<u>\$ 437,493</u>	<u>\$ 1,465,768</u>	<u>\$ 194,581</u>	<u>\$ 237,000</u>	<u>\$ 375,050</u>

CITY OF SHOREVIEW, MINNESOTA

Debt Service Payments to Maturity

Revenue Bonds

December 31, 2020

	Sewer Revenue Bonds	Surface Water Revenue Bonds			
	2020	2007	2009	2013A	2013C
Bonds payable	\$ 3,545,000	\$ 150,000	\$ 125,000	\$ 305,000	\$ 80,000
Future interest payable	564,002	9,276	2,500	9,250	4,800
Totals	<u>\$ 4,109,002</u>	<u>\$ 159,276</u>	<u>\$ 127,500</u>	<u>\$ 314,250</u>	<u>\$ 84,800</u>
Payments to maturity					
2021	\$ 57,002	\$ 55,138	\$ 127,500	\$ 105,100	\$ 22,100
2022	253,705	53,100	—	103,100	21,500
2023	269,330	51,038	—	106,050	20,900
2024	271,180	—	—	—	20,300
2025	269,805	—	—	—	—
2026	268,280	—	—	—	—
2027	271,530	—	—	—	—
2028	269,555	—	—	—	—
2029	272,355	—	—	—	—
2030	272,430	—	—	—	—
2031	274,777	—	—	—	—
2032	271,845	—	—	—	—
2033	273,625	—	—	—	—
2034	270,115	—	—	—	—
2035	271,308	—	—	—	—
2036	272,160	—	—	—	—
Totals	<u>\$ 4,109,002</u>	<u>\$ 159,276</u>	<u>\$ 127,500</u>	<u>\$ 314,250</u>	<u>\$ 84,800</u>

Surface Water Revenue Bonds						
Refunding 2014	2015	2016	Refunding 2018	2018	2020	Total
\$ 155,000	\$ 670,000	\$ 285,000	\$ 85,000	\$ 975,000	\$ 2,670,000	\$29,000,000
12,637	96,862	41,225	11,375	252,115	425,084	5,367,063
<u>\$ 167,637</u>	<u>\$ 766,862</u>	<u>\$ 326,225</u>	<u>\$ 96,375</u>	<u>\$ 1,227,115</u>	<u>\$ 3,095,084</u>	<u>\$34,367,063</u>
\$ 28,775	\$ 71,588	\$ 31,475	\$ 18,875	\$ 90,155	\$ 42,927	\$ 2,677,533
28,025	69,937	30,975	18,125	87,955	189,315	3,020,625
27,369	68,013	30,475	17,375	85,480	202,315	2,962,275
26,806	71,312	29,975	21,500	87,605	206,165	2,632,966
26,212	70,113	29,475	20,500	89,480	206,290	2,581,593
30,450	68,912	28,944	–	86,555	201,340	2,305,742
–	67,653	28,350	–	88,505	201,315	2,110,974
–	71,180	27,725	–	85,705	206,065	2,097,070
–	69,474	27,069	–	88,530	205,590	2,106,914
–	67,735	31,312	–	86,280	206,865	2,066,129
–	70,945	30,450	–	88,955	204,870	2,075,027
–	–	–	–	86,555	202,685	1,632,323
–	–	–	–	89,016	205,277	1,638,066
–	–	–	–	86,339	202,645	1,631,355
–	–	–	–	–	204,780	1,411,144
–	–	–	–	–	206,640	1,417,327
<u>\$ 167,637</u>	<u>\$ 766,862</u>	<u>\$ 326,225</u>	<u>\$ 96,375</u>	<u>\$ 1,227,115</u>	<u>\$ 3,095,084</u>	<u>\$34,367,063</u>

CITY OF SHOREVIEW, MINNESOTA

Debt Service Payments to Maturity

General Obligation Improvement Bonds

December 31, 2020

		G.O. Improvement Bonds		
		2009	Refunding 2013B	2013C
Bonds payable		\$ 25,000	\$ 20,000	\$ 1,350,000
Future interest payable		500	400	371,540
Total		<u>\$ 25,500</u>	<u>\$ 20,400</u>	<u>\$ 1,721,540</u>
Payments to maturity				
	2021	\$ 25,500	\$ 10,300	\$ 135,210
	2022	-	10,100	137,435
	2023	-	-	134,585
	2024	-	-	131,735
	2025	-	-	138,735
	2026	-	-	110,880
	2027	-	-	108,320
	2028	-	-	110,680
	2029	-	-	107,960
	2030	-	-	109,800
	2031	-	-	101,300
	2032	-	-	97,900
	2033	-	-	99,400
	2034	-	-	100,700
	2035	-	-	96,900
	2036	-	-	-
		<u>\$ 25,500</u>	<u>\$ 20,400</u>	<u>\$ 1,721,540</u>

Exhibit 6

G.O. Improvement Bonds				
Refunding 2014	2015	Refunding 2018	2020	Total
\$ 30,000	\$ 195,000	\$ 130,000	\$ 850,000	\$ 2,600,000
900	14,250	16,750	127,807	532,147
<u>\$ 30,900</u>	<u>\$ 209,250</u>	<u>\$ 146,750</u>	<u>\$ 977,807</u>	<u>\$ 3,132,147</u>
\$ 15,675	\$ 34,650	\$ 30,875	\$ 14,292	\$ 266,502
15,225	33,750	29,625	30,580	256,715
—	32,700	28,375	64,205	259,865
—	36,750	27,125	91,955	287,565
—	36,050	30,750	89,705	295,240
—	35,350	—	87,455	233,685
—	—	—	95,055	203,375
—	—	—	92,505	203,185
—	—	—	94,880	202,840
—	—	—	93,080	202,880
—	—	—	92,135	193,435
—	—	—	81,160	179,060
—	—	—	35,452	134,852
—	—	—	5,190	105,890
—	—	—	5,118	102,018
—	—	—	5,040	5,040
<u>\$ 30,900</u>	<u>\$ 209,250</u>	<u>\$ 146,750</u>	<u>\$ 977,807</u>	<u>\$ 3,132,147</u>

CITY OF SHOREVIEW, MINNESOTA

Debt Service Payments to Maturity

Other General Obligation Bonds

December 31, 2020

Exhibit 7

	Street Refunding 2013	Street 2013	Capital Plan Refunding 2014	Tax Abatement 2017	Street 2018	Total
Bonds payable	\$ 410,000	\$ 1,375,000	\$ 3,355,000	\$ 11,940,000	\$ 3,035,000	\$ 20,115,000
Future interest payable	8,300	128,303	499,669	3,774,775	785,518	5,196,565
Total	<u>\$ 418,300</u>	<u>\$ 1,503,303</u>	<u>\$ 3,854,669</u>	<u>\$ 15,714,775</u>	<u>\$ 3,820,518</u>	<u>\$ 25,311,565</u>
Payments to maturity						
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>\$ 418,300</u>	<u>\$ 1,503,303</u>	<u>\$ 3,854,669</u>	<u>\$ 15,714,775</u>	<u>\$ 3,820,518</u>	<u>\$ 25,311,565</u>

CITY OF SHOREVIEW, MINNESOTA

Debt Service Payments to Maturity

Certificates of Participation

December 31, 2020

Exhibit 8

	Refunding Certificates of Participation 2011
Bonds payable	\$ 1,330,000
Future interest payable	99,155
Total	<u>\$ 1,429,155</u>
Payments to maturity	
2021	\$ 478,155
2022	473,750
2023	477,250
	<u>\$ 1,429,155</u>

CITY OF SHOREVIEW, MINNESOTA
Combining Schedule of Property and Equipment
For The Year Ended December 31, 2020

	Capital Assets				Balance – December 31, 2020
	Balance – January 1, 2020	Increases	Decreases	Adjustments	
Governmental activities					
Governmental activities (excluding internal service funds)					
Land	\$ 6,965,587	\$ 82,530	\$ –	\$ –	\$ 7,048,117
Buildings and structures	47,164,498	654,979	–	3,518,444	51,337,921
Machinery and equipment	4,117,388	112,867	–	244,798	4,475,053
Infrastructure	65,337,003	643,075	1,521,409	1,664,766	66,123,435
Construction in progress	3,711,574	8,123,927	–	(5,428,008)	6,407,493
Total	<u>127,296,050</u>	<u>9,617,378</u>	<u>1,521,409</u>	<u>–</u>	<u>135,392,019</u>
Internal service fund					
Central garage					
Land	36,293	–	–	–	36,293
Buildings and structures	6,929,379	–	–	–	6,929,379
Machinery and equipment	6,678,418	702,786	135,005	–	7,246,199
Total central garage	<u>13,644,090</u>	<u>702,786</u>	<u>135,005</u>	<u>–</u>	<u>14,211,871</u>
Total governmental activities	<u>140,940,140</u>	<u>10,320,164</u>	<u>1,656,414</u>	<u>–</u>	<u>149,603,890</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	26,574	–	–	2,579,239
Distribution system	20,995,486	63,896	–	912,663	21,972,045
Construction in progress	863,728	1,314,335	–	(912,663)	1,265,400
Total water utility	<u>43,621,035</u>	<u>1,404,805</u>	<u>–</u>	<u>–</u>	<u>45,025,840</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	14,016,734	–	–	1,262,738	15,279,472
Construction in progress	1,144,432	1,789,539	–	(1,262,738)	1,671,233
Total sewer utility	<u>17,252,688</u>	<u>1,789,539</u>	<u>–</u>	<u>–</u>	<u>19,042,227</u>
Surface water management utility					
Land	286,166	–	–	–	286,166
Machinery and equipment	8,538	–	–	–	8,538
Collection system	15,403,898	–	–	1,524,286	16,928,184
Construction in progress	490,921	2,843,183	–	(1,524,286)	1,809,818
Total surface water management utility	<u>16,189,523</u>	<u>2,843,183</u>	<u>–</u>	<u>–</u>	<u>19,032,706</u>
Street light utility					
Machinery and equipment	723	–	–	–	723
Distribution system	3,034,504	–	66,532	561,020	3,528,992
Construction in progress	34,379	873,641	–	(561,020)	347,000
Total street light utility	<u>3,069,606</u>	<u>873,641</u>	<u>66,532</u>	<u>–</u>	<u>3,876,715</u>
Total business-type activities	<u>80,132,852</u>	<u>6,911,168</u>	<u>66,532</u>	<u>–</u>	<u>86,977,488</u>
Total government	<u>\$ 221,072,992</u>	<u>\$ 17,231,332</u>	<u>\$ 1,722,946</u>	<u>\$ –</u>	<u>\$ 236,581,378</u>

Exhibit 9

Accumulated Depreciation				Net Capital Assets		
Balance – January 1, 2020	Increases	Decreases	Adjustments	Balance – December 31, 2020	Balance – January 1, 2020	Balance – December 31, 2020
\$ –	\$ –	\$ –	\$ –	\$ –	\$ 6,965,587	\$ 7,048,117
12,438,077	949,493	–	–	13,387,570	34,726,421	37,950,351
2,657,339	236,266	–	–	2,893,605	1,460,049	1,581,448
37,395,380	1,740,450	815,273	–	38,320,557	27,941,623	27,802,878
–	–	–	–	–	3,711,574	6,407,493
<u>52,490,796</u>	<u>2,926,209</u>	<u>815,273</u>	<u>–</u>	<u>54,601,732</u>	<u>74,805,254</u>	<u>80,790,287</u>
–	–	–	–	–	36,293	36,293
2,999,052	250,664	–	–	3,249,716	3,930,327	3,679,663
3,371,589	479,980	120,179	–	3,731,390	3,306,829	3,514,809
<u>6,370,641</u>	<u>730,644</u>	<u>120,179</u>	<u>–</u>	<u>6,981,106</u>	<u>7,273,449</u>	<u>7,230,765</u>
<u>58,861,437</u>	<u>3,656,853</u>	<u>935,452</u>	<u>–</u>	<u>61,582,838</u>	<u>82,078,703</u>	<u>88,021,052</u>
–	–	–	–	–	27,577	27,577
4,519,135	429,015	–	–	4,948,150	14,662,444	14,233,429
1,017,964	102,306	–	–	1,120,270	1,534,701	1,458,969
10,755,919	440,022	–	–	11,195,941	10,239,567	10,776,104
–	–	–	–	–	863,728	1,265,400
<u>16,293,018</u>	<u>971,343</u>	<u>–</u>	<u>–</u>	<u>17,264,361</u>	<u>27,328,017</u>	<u>27,761,479</u>
–	–	–	–	–	11,459	11,459
1,011,992	77,935	–	–	1,089,927	980,596	902,661
47,836	3,482	–	–	51,318	39,639	36,157
8,148,632	259,168	–	–	8,407,800	5,868,102	6,871,672
–	–	–	–	–	1,144,432	1,671,233
<u>9,208,460</u>	<u>340,585</u>	<u>–</u>	<u>–</u>	<u>9,549,045</u>	<u>8,044,228</u>	<u>9,493,182</u>
–	–	–	–	–	286,166	286,166
8,451	87	–	–	8,538	87	–
4,013,403	334,250	–	–	4,347,653	11,390,495	12,580,531
–	–	–	–	–	490,921	1,809,818
<u>4,021,854</u>	<u>334,337</u>	<u>–</u>	<u>–</u>	<u>4,356,191</u>	<u>12,167,669</u>	<u>14,676,515</u>
687	36	–	–	723	36	–
1,332,361	100,943	66,532	–	1,366,772	1,702,143	2,162,220
–	–	–	–	–	34,379	347,000
<u>1,333,048</u>	<u>100,979</u>	<u>66,532</u>	<u>–</u>	<u>1,367,495</u>	<u>1,736,558</u>	<u>2,509,220</u>
<u>30,856,380</u>	<u>1,747,244</u>	<u>66,532</u>	<u>–</u>	<u>32,537,092</u>	<u>49,276,472</u>	<u>54,440,396</u>
<u>\$ 89,717,817</u>	<u>\$ 5,404,097</u>	<u>\$ 1,001,984</u>	<u>\$ –</u>	<u>\$ 94,119,930</u>	<u>\$ 131,355,175</u>	<u>\$ 142,461,448</u>

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STATISTICAL SECTION

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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			
	2011	2012	2013	2014
Governmental activities				
Net investment in capital assets	\$ 40,029,233	\$ 40,154,929	\$ 41,391,324	\$ 40,908,853
Restricted	6,325,795	5,364,477	4,646,335	7,253,717
Unrestricted	10,991,847	12,597,300	10,639,322	13,905,130
Total governmental activities net position	<u>\$ 57,346,875</u>	<u>\$ 58,116,706</u>	<u>\$ 56,676,981</u>	<u>\$ 62,067,700</u>
Business-type activities				
Net investment in capital assets	\$ 20,704,816	\$ 21,585,799	\$ 21,332,825	\$ 22,829,472
Restricted	246,811	183,496	217,442	224,368
Unrestricted	6,974,381	7,185,024	8,556,468	8,141,056
Total business-type activities net position	<u>\$ 27,926,008</u>	<u>\$ 28,954,319</u>	<u>\$ 30,106,735</u>	<u>\$ 31,194,896</u>
Primary government				
Net investment in capital assets	\$ 60,734,049	\$ 61,740,728	\$ 62,724,149	\$ 63,738,325
Restricted	6,572,606	5,547,973	4,863,777	7,478,085
Unrestricted	17,966,228	19,782,324	19,195,790	22,046,186
Total primary government net position	<u>\$ 85,272,883</u>	<u>\$ 87,071,025</u>	<u>\$ 86,783,716</u>	<u>\$ 93,262,596</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					
2015	2016	2017	2018	2019	2020
\$ 41,037,296	\$ 42,222,816	\$ 42,933,016	\$ 46,904,126	\$ 50,530,530	\$ 57,978,651
7,856,109	6,620,922	6,692,255	6,640,221	6,681,314	7,067,639
12,962,834	14,277,070	16,713,271	16,300,744	17,755,350	12,306,883
<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>	<u>\$ 77,353,173</u>
\$ 24,444,045	\$ 22,950,528	\$ 23,889,946	\$ 23,247,084	\$ 26,376,882	\$ 25,874,728
23,338	13,267	80,825	47,983	36,105	95,090
7,264,111	9,716,503	9,843,259	12,157,890	10,156,560	12,901,072
<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>	<u>\$ 38,870,890</u>
\$ 65,481,341	\$ 65,173,344	\$ 66,822,962	\$ 70,151,210	\$ 76,907,412	\$ 83,853,379
7,879,447	6,634,189	6,773,080	6,688,204	6,717,419	7,162,729
20,226,945	23,993,573	26,556,530	28,458,634	27,911,910	25,207,955
<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>	<u>\$ 116,224,063</u>

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

	Fiscal Year		
	2011	2012	2013
Expenses			
Governmental activities			
General government	\$ 2,227,952	\$ 2,349,276	\$ 2,582,399
Public safety	2,783,332	3,113,032	3,543,388
Public works	3,909,642	3,998,390	6,798,886
Parks and recreation	6,169,365	6,128,769	6,123,840
Community development	1,398,228	2,904,944	2,210,253
Interest on long-term debt	911,854	595,009	730,200
Total governmental activities expenses	<u>17,400,373</u>	<u>19,089,420</u>	<u>21,988,966</u>
Business-type activities			
Water	2,281,299	2,206,516	2,238,481
Sewer	3,315,044	3,283,498	3,498,374
Surface water	966,638	1,019,008	954,828
Street lights	318,063	275,412	295,949
Total business-type activities expenses	<u>6,881,044</u>	<u>6,784,434</u>	<u>6,987,632</u>
Total primary government expenses	<u>\$ 24,281,417</u>	<u>\$ 25,873,854</u>	<u>\$ 28,976,598</u>
Program revenues			
Government activities			
Charges for services			
General government	\$ 1,309,819	\$ 1,248,377	\$ 1,405,214
Public safety	64,225	70,304	55,362
Public works	741,563	828,857	918,543
Parks and recreation	3,620,548	3,651,544	3,744,316
Community development	479,074	611,623	758,157
Operating grants and contributions	311,246	320,347	1,345,155
Capital grants and contributions	1,145,697	852,396	911,375
Total governmental activities program revenues	<u>7,672,172</u>	<u>7,583,448</u>	<u>9,138,122</u>
Business-type activities			
Charges for services			
Water	2,186,139	2,918,022	2,694,959
Sewer	3,548,325	3,568,777	3,777,352
Surface water	1,008,151	1,147,539	1,221,047
Street lights	365,475	456,284	474,872
Operating grants and contributions	-	-	-
Capital grants and contributions	27,878	109,985	76,008
Total business-type activities program revenues	<u>7,135,968</u>	<u>8,200,607</u>	<u>8,244,238</u>
Total primary government program revenues	<u>\$ 14,808,140</u>	<u>\$ 15,784,055</u>	<u>\$ 17,382,360</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						
2014	2015	2016	2017	2018	2019	2020
\$ 2,529,960	\$ 2,561,018	\$ 2,779,242	\$ 2,889,824	\$ 2,738,134	\$ 2,818,666	\$ 3,026,853
3,568,459	3,676,952	3,836,127	4,469,412	4,145,531	4,369,668	5,309,626
5,178,104	4,201,869	4,591,903	4,191,821	4,619,159	4,272,497	4,872,473
6,726,335	6,800,000	7,247,189	7,265,886	7,180,495	8,436,181	7,112,278
1,580,709	1,459,408	3,047,976	1,658,775	1,566,796	2,006,036	2,329,567
680,281	409,442	342,529	479,563	759,972	768,658	716,615
<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>	<u>23,367,412</u>
2,251,547	2,376,328	2,736,575	2,867,238	3,090,385	3,123,860	3,330,641
3,569,836	3,599,737	3,721,041	3,813,241	3,777,594	4,118,957	4,361,002
1,032,375	1,095,693	1,275,433	1,273,020	1,306,195	1,366,392	1,607,915
305,615	305,572	295,184	305,275	317,788	325,531	384,425
<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>9,683,983</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>	<u>\$ 33,051,395</u>
\$ 1,286,854	\$ 1,493,962	\$ 1,513,923	\$ 1,428,626	\$ 1,506,804	\$ 1,572,258	\$ 1,726,043
52,034	56,076	55,164	50,779	62,596	59,193	39,299
833,176	840,649	922,381	912,497	961,129	983,472	1,178,316
3,837,325	3,866,453	3,832,222	4,066,937	3,824,104	5,144,790	1,558,277
746,075	541,413	797,376	1,232,151	697,794	1,265,253	1,203,753
1,401,114	670,100	985,665	797,103	1,012,976	912,161	910,572
3,360,726	1,342,886	1,112,367	1,300,509	1,243,109	1,468,899	1,371,401
<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>	<u>7,987,661</u>
2,481,331	2,589,260	2,871,346	3,244,714	3,313,619	3,102,813	3,798,620
3,859,639	3,945,284	4,054,563	4,280,337	4,346,724	4,509,362	4,604,235
1,371,166	1,474,485	1,618,068	1,782,349	1,855,874	1,947,975	2,017,272
495,367	521,184	555,704	640,876	681,628	724,438	749,902
–	129,750	22,715	406	7,379	9,635	7,864
173,961	656,855	417,907	40,561	501,000	207,943	8,091
<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>11,185,984</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>	<u>\$ 19,173,645</u>

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

	Fiscal Year		
	2011	2012	2013
Net (expense) revenue			
Governmental activities	\$ (9,728,201)	\$ (11,505,972)	\$ (12,850,844)
Business-type activities	254,924	1,416,173	1,256,606
Total primary government net expense	<u>\$ (9,473,277)</u>	<u>\$ (10,089,799)</u>	<u>\$ (11,594,238)</u>
General revenues and other changes in net position			
Governmental activities			
Taxes			
Property taxes	\$ 8,911,670	\$ 9,243,083	\$ 9,666,218
Tax increment collections	2,035,627	1,980,051	1,882,775
Franchise tax	287,206	301,530	456,242
Grants and contributions not restricted to specific programs	41,851	33,369	33,500
Unrestricted investment earnings	374,378	231,716	(553,422)
Gain on disposal of capital assets	64,709	26,561	56,763
Transfers	504,319	459,493	(130,957)
Total governmental activities	<u>12,219,760</u>	<u>12,275,803</u>	<u>11,411,119</u>
Business-type activities			
Unrestricted investment earnings	163,758	71,631	(235,147)
Transfers	(504,319)	(459,493)	130,957
Total business-type activities	<u>(340,561)</u>	<u>(387,862)</u>	<u>(104,190)</u>
Total primary government	<u>\$ 11,879,199</u>	<u>\$ 11,887,941</u>	<u>\$ 11,306,929</u>
Change in net position			
Governmental activities	\$ 2,491,559	\$ 769,831	\$ (1,439,725)
Business-type activities	(85,637)	1,028,311	1,152,416
Total primary government	<u>\$ 2,405,922</u>	<u>\$ 1,798,142</u>	<u>\$ (287,309)</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						
2014	2015	2016	2017	2018	2019	2020
\$ (8,746,544)	\$ (10,297,150)	\$ (12,625,868)	\$ (11,166,679)	\$ (11,701,575)	\$ (11,265,680)	\$ (15,379,751)
1,222,091	1,939,488	1,512,070	1,730,469	2,214,262	1,567,426	1,502,001
<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>	<u>\$ (13,877,750)</u>
\$ 9,776,446	\$ 10,347,760	\$ 10,903,874	\$ 11,088,974	\$ 11,616,082	\$ 12,365,629	\$ 12,945,692
1,816,702	1,148,397	753,738	861,608	1,027,508	959,072	1,631,801
1,120,948	1,395,125	1,278,643	1,275,995	1,259,315	1,254,280	1,248,483
33,218	35,331	58,743	34,541	65,663	41,864	2,035,827
849,339	294,151	208,622	328,996	473,304	926,217	502,407
78,143	44,577	43,147	91,798	71,356	90,307	70,694
462,467	588,446	643,670	702,501	694,896	750,414	(669,174)
<u>14,137,263</u>	<u>13,853,787</u>	<u>13,890,437</u>	<u>14,384,413</u>	<u>15,208,124</u>	<u>16,387,783</u>	<u>17,765,730</u>
328,537	98,325	80,404	105,764	119,561	299,578	130,168
(462,467)	(588,446)	(643,670)	(702,501)	(694,896)	(750,414)	669,174
<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>799,342</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>	<u>\$ 18,565,072</u>
\$ 5,390,719	\$ 3,556,637	\$ 1,264,569	\$ 3,217,734	\$ 3,506,549	\$ 5,122,103	\$ 2,385,979
1,088,161	1,449,367	948,804	1,133,732	1,638,927	1,116,590	2,301,343
<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>	<u>\$ 4,687,322</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>
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
2020	12,945,692	1,631,801	1,248,483	15,825,976

CITY OF SHOREVIEW

Fund Balances of Governmental Funds

Last Ten Fiscal Years

(Modified Accrual Basis of Accounting)

	Fiscal Year			
	2011	2012	2013	2014
General Fund				
Nonspendable				
Prepaid items	\$ 17,954	\$ 69,213	\$ 82,971	\$ 63,953
Assigned	—	—	—	—
Unassigned	<u>3,958,458</u>	<u>4,066,796</u>	<u>4,220,635</u>	<u>4,383,445</u>
Total General Fund	<u>\$ 3,976,412</u>	<u>\$ 4,136,009</u>	<u>\$ 4,303,606</u>	<u>\$ 4,447,398</u>
All other governmental funds				
Nonspendable				
Prepaid items	\$ 9,924	\$ 8,680	\$ 14,642	\$ 2,350
Restricted	5,955,357	5,105,880	6,832,418	7,097,111
Committed	5,030,274	5,562,550	5,517,902	7,046,321
Assigned	1,200,724	1,858,594	967,183	2,090,550
Unassigned	<u>(46,333)</u>	<u>(222,622)</u>	<u>(1,294,351)</u>	<u>(907,931)</u>
Total all other governmental funds	<u>\$ 12,149,946</u>	<u>\$ 12,313,082</u>	<u>\$ 12,037,794</u>	<u>\$ 15,328,401</u>

Table 4

Fiscal Year					
2015	2016	2017	2018	2019	2020
\$ 11,164	\$ 135,985	\$ 80,440	\$ 863,722	\$ 28,641	\$ 846,669
-	-	30,000	-	-	211,228
<u>4,615,960</u>	<u>4,673,293</u>	<u>4,915,075</u>	<u>4,321,592</u>	<u>5,554,310</u>	<u>4,998,626</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>	<u>\$ 6,056,523</u>
\$ 3,925	\$ 22,169	\$ 4,058	\$ 20,541	\$ 26,585	\$ 15,349
6,220,156	4,954,524	16,266,250	7,301,624	5,490,701	6,147,842
8,957,012	10,065,588	12,466,505	11,101,004	11,339,921	9,510,921
2,804,058	2,936,626	2,619,061	3,022,851	3,449,549	1,244,923
<u>(1,104,502)</u>	<u>(989,146)</u>	<u>(904,624)</u>	<u>(803,321)</u>	<u>(794,115)</u>	<u>(2,928,465)</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>	<u>\$ 13,990,570</u>

CITY OF SHOREVIEW

Changes in Fund Balances of Governmental Funds

Last Ten Fiscal Years

(Modified Accrual Basis of Accounting)

	Fiscal Year			
	2011	2012	2013	2014
Revenues				
Taxes				
General property taxes	\$ 8,843,965	\$ 9,011,334	\$ 9,463,973	\$ 9,617,824
Tax increments	2,035,627	1,980,051	1,882,775	1,811,837
Franchise tax	287,206	301,530	456,242	1,120,948
Special assessments	193,372	181,035	149,647	262,313
Licenses and permits	441,243	540,755	648,306	628,033
Intergovernmental	1,180,975	913,123	1,973,301	2,474,156
Charges for services	5,272,954	5,380,786	5,857,355	5,698,863
Fines and forfeits	62,135	67,000	52,440	49,430
Earnings on investments	352,042	216,714	(508,781)	787,765
Payments in lieu of taxes	110,000	110,000	—	—
Billboard fees	—	43,557	51,667	50,300
Antenna fees	319,150	246,611	243,606	300,670
Loan payments	21,750	—	—	—
Miscellaneous	87,816	154,427	147,399	365,766
Total revenues	<u>19,208,235</u>	<u>19,146,923</u>	<u>20,417,930</u>	<u>23,167,905</u>
Expenditures				
Current				
General government	2,062,470	2,205,967	2,385,455	2,352,792
Public safety	2,697,842	3,027,782	3,458,358	3,483,427
Public works	2,235,780	2,335,935	5,172,372	2,614,448
Parks and recreation	5,746,983	5,620,067	5,634,141	6,218,662
Community development	1,392,619	2,903,360	2,206,684	1,581,136
Capital outlay	2,191,037	1,362,235	6,938,968	1,600,173
Debt service				
Principal	1,125,000	1,335,000	1,395,000	1,265,000
Interest	359,612	397,416	329,902	408,211
Fiscal charges	7,601	10,407	126,892	5,254
Payment to refunded bond escrow agent	85,989	—	—	—
Total expenditures	<u>17,904,933</u>	<u>19,198,169</u>	<u>27,647,772</u>	<u>19,529,103</u>
Revenues over (under) expenditures	<u>1,303,302</u>	<u>(51,246)</u>	<u>(7,229,842)</u>	<u>3,638,802</u>
Other financing sources (uses)				
Issuance of refunding debt	4,620,000	—	2,365,000	100,000
Debt issuance	—	—	4,190,000	—
Premium on debt issuance	—	—	285,435	5,822
Discount on debt issuance	(44,759)	—	—	—
Payments to refunded bond escrow agent	(4,575,241)	—	(135,000)	(860,000)
Sale of capital assets	752	250	3,290	7,914
Transfers in	341,000	373,729	413,426	541,861
Transfers out	—	—	—	—
Total other financing sources (uses)	<u>341,752</u>	<u>373,979</u>	<u>7,122,151</u>	<u>(204,403)</u>
Net change in fund balances	<u>\$ 1,645,054</u>	<u>\$ 322,733</u>	<u>\$ (107,691)</u>	<u>\$ 3,434,399</u>
Debt service as a percentage of noncapital expenditures	<u>9.4%</u>	<u>9.7%</u>	<u>8.3%</u>	<u>9.3%</u>

Table 5

Fiscal Year					
2015	2016	2017	2018	2019	2020
\$ 10,124,526	\$ 10,726,142	\$ 10,907,023	\$ 11,433,913	\$ 12,189,888	\$ 12,756,667
1,193,506	753,761	861,608	1,027,508	956,923	1,633,950
1,395,125	1,278,643	1,275,995	1,259,315	1,254,280	1,248,483
294,239	323,464	311,968	351,436	310,318	292,214
500,102	695,250	1,000,637	634,797	1,097,166	1,034,606
1,341,381	1,674,144	1,484,186	1,778,150	1,681,388	3,897,006
5,886,182	5,896,213	6,126,896	5,832,229	7,464,997	4,151,776
52,581	51,264	47,899	59,366	55,843	36,689
274,698	196,028	307,559	445,005	851,395	462,585
-	-	-	-	-	-
51,809	53,363	58,716	52,862	58,312	54,091
359,711	399,928	430,740	464,364	427,865	444,904
-	-	-	-	-	-
155,786	223,692	426,631	118,077	398,013	193,060
<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>	<u>26,206,031</u>
2,355,197	2,516,388	2,633,535	2,518,533	2,597,979	2,829,339
3,592,309	3,751,349	4,384,589	4,059,505	4,282,209	5,222,852
2,551,991	2,886,255	2,116,201	2,586,700	2,277,693	2,457,973
6,260,728	6,551,569	6,622,590	6,593,145	7,695,620	6,363,005
1,444,053	3,016,431	1,626,053	1,643,991	2,012,138	2,435,190
1,498,097	2,574,263	5,166,469	18,232,967	6,957,100	11,124,686
1,265,000	1,030,000	1,010,000	1,849,965	1,475,000	1,730,000
326,013	267,231	245,175	538,698	708,939	712,756
9,526	3,082	126,460	51,392	12,131	15,211
-	-	-	-	-	-
<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>32,891,012</u>
<u>2,326,732</u>	<u>(324,676)</u>	<u>(691,214)</u>	<u>(14,617,874)</u>	<u>(1,272,421)</u>	<u>(6,684,981)</u>
-	-	-	150,000	-	-
295,000	-	12,865,000	3,180,000	-	850,000
14,637	-	831,537	164,640	-	68,727
-	-	-	-	-	-
(1,490,000)	-	-	-	(160,000)	-
4,107	4,369	13,849	807,190	-	-
581,498	611,573	658,554	667,292	700,000	720,190
-	-	-	-	-	(2,435)
<u>(594,758)</u>	<u>615,942</u>	<u>14,368,940</u>	<u>4,969,122</u>	<u>540,000</u>	<u>1,636,482</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>\$ (5,048,499)</u>
<u>8.9%</u>	<u>6.5%</u>	<u>6.7%</u>	<u>12.0%</u>	<u>10.4%</u>	<u>11.2%</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							
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%
2020	33,291,754	7,081,355	230,113	14,654	1,360,590	39,257,286	32.626%	3,542,781,700	1.1%

Percentage of Total Net Tax Capacity Value

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%
2020	84.8%	18.0%	0.6%	0.0%	3.4%	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		
	2011	2012	2013
Tax Capacity Rates:			
City of Shoreview			
General Fund	21.634%	23.148%	25.557%
Special revenue	0.085%	0.197%	0.231%
Capital project	6.821%	7.552%	8.545%
Debt service	1.797%	1.582%	1.929%
Internal service	0.334%	0.773%	0.708%
Total city tax rate	30.671%	33.252%	36.970%
Shoreview HRA	0.198%	0.254%	0.289%
Overlapping rates			
Ramsey County	50.801%	56.945%	60.638%
Ramsey County Library	3.877%	4.372%	4.602%
Total county tax rate	54.678%	61.317%	65.240%
Rice Creek Watershed	1.618%	2.348%	2.322%
Metro Watershed	–	3.043%	3.643%
School Districts			
District No. 621	25.573%	29.044%	29.444%
District No. 623	14.566%	17.065%	15.464%
Other			
Regional rail	3.921%	4.330%	4.528%
Metropolitan Council	2.313%	2.706%	2.776%
Mosquito Control	0.503%	0.571%	0.573%
Total Direct and Overlapping Tax Capacity Rates:			
Grass Lake, No. 621	117.857%	131.474%	139.820%
Rice Creek, No. 621	119.475%	133.822%	142.142%
Metro Watershed, No. 621	–	134.517%	143.463%
Grass Lake, No. 623	106.850%	119.495%	125.840%
Rice Creek, No. 623	108.468%	121.843%	128.162%
Metro Watershed, No. 623	–	122.538%	129.483%
State-Wide Tax Capacity Rates:			
Commercial, industrial, and non-electric public utilities	49.043%	51.100%	52.523%
Cabins	19.145%	20.750%	22.327%
Market Value Tax Rates:			
Overlapping rates			
School Districts			
District No. 621	0.19536%	0.21242%	0.22834%
District No. 623	0.19715%	0.19591%	0.24553%

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						
2014	2015	2016	2017	2018	2019	2020
25.842%	23.853%	24.267%	23.588%	22.822%	22.191%	22.454%
0.302%	0.306%	0.365%	0.356%	0.347%	0.407%	0.407%
8.580%	8.160%	8.302%	8.096%	7.771%	6.808%	6.762%
2.071%	1.848%	1.813%	1.693%	2.145%	3.055%	2.535%
0.695%	0.706%	0.610%	0.569%	0.532%	0.499%	0.468%
37.490%	34.873%	35.357%	34.302%	33.617%	32.960%	32.626%
0.345%	0.323%	0.332%	0.325%	0.318%	0.595%	0.669%
59.105%	54.462%	54.012%	51.173%	49.473%	48.565%	48.081%
4.630%	4.460%	4.873%	4.677%	4.489%	4.315%	4.221%
63.735%	58.922%	58.885%	55.850%	53.962%	52.880%	52.302%
2.346%	2.205%	2.108%	1.985%	1.826%	1.858%	1.925%
4.499%	4.259%	4.214%	3.813%	3.746%	3.387%	3.248%
29.734%	27.378%	26.245%	25.305%	28.464%	26.330%	24.964%
16.251%	17.180%	20.958%	18.894%	34.396%	31.686%	30.668%
4.196%	3.938%	4.091%	3.875%	3.830%	3.886%	3.918%
2.729%	2.525%	2.379%	2.243%	2.153%	2.098%	2.003%
0.554%	0.511%	0.475%	0.455%	0.440%	0.423%	0.403%
138.783%	128.470%	127.764%	122.355%	122.784%	119.172%	116.885%
141.129%	130.675%	129.872%	124.340%	124.610%	121.030%	118.810%
143.282%	132.729%	131.978%	126.168%	126.530%	122.559%	120.133%
125.300%	118.272%	122.477%	115.944%	128.716%	124.528%	122.589%
127.646%	120.477%	124.585%	117.929%	130.542%	126.386%	124.514%
129.799%	122.531%	126.691%	119.757%	132.462%	127.915%	125.837%
52.160%	50.840%	48.641%	45.802%	43.865%	42.416%	38.846%
22.836%	21.703%	21.167%	20.845%	20.779%	19.962%	17.997%
0.21069%	0.21901%	0.22261%	0.20712%	0.19725%	0.18765%	0.29347%
0.25826%	0.25930%	0.21044%	0.19350%	0.21951%	0.22529%	0.19816%

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

Table 8

Taxpayer	2020				2011			
	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	1.76%	\$ 43,700,000	\$ 873,250	2	2.84%
Terrace Apartments Company	37,881,800	473,524	2	1.21%	20,624,300	257,805	7	0.84%
McMillan Group LLC	29,655,000	370,688	3	0.94%	–	–	–	–
Deluxe Corporation	18,000,000	359,250	4	0.92%	30,500,000	609,250	3	1.98%
Shoreview Housing Phase 1 LLC	28,000,000	350,000	5	0.89%	–	–	–	–
Forstrom and Torgerson LLC, LLP	17,000,000	339,250	6	0.86%	–	–	–	–
Lakeshore Oaks Apts LLP	25,708,500	321,355	7	0.82%	–	–	–	–
Shoreview Senior Living LLC	24,734,900	309,186	8	0.79%	–	–	–	–
Medtronic	14,832,800	295,906	9	0.75%	15,049,700	300,244	5	0.98%
TSI Inc.	14,725,200	293,004	10	0.75%	8,945,100	178,152	9	0.58%
Ari - Shoreview Corp. Center, LLC	–	–	–	–	50,699,100	1,013,232	1	3.29%
Canis Rice Creek, LLC	–	–	–	–	16,383,200	326,164	4	1.06%
Dayton Hudson Corporation	–	–	–	–	15,000,000	299,250	6	0.97%
Xcel Energy/NSP	–	–	–	–	12,631,500	252,630	8	0.82%
Shoreview Grand	–	–	–	–	7,949,700	158,244	10	0.51%
Total	\$ 245,153,200	\$ 3,803,713		9.69%	\$ 221,482,600	\$ 4,268,221		13.87%

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						
		2011	2012	2013	2014	2015	2016	2017
Property Taxes:								
2010 and prior	\$ 8,731,773	\$ (30,366)	\$ (73,177)	\$ (3,047)	\$ 5,763	\$ 3,747	\$ 5,785	\$ -
2011	9,051,713	8,980,471	(7,542)	(11,727)	(65,999)	759	2,202	(1,804)
2012	9,360,028	-	9,262,995	28,098	(40,783)	(36,120)	3,508	668
2013	9,679,510	-	-	9,607,386	14,812	(26,344)	5,740	157
2014	10,009,093	-	-	-	9,922,551	11,781	1,371	458
2015	10,362,788	-	-	-	-	10,283,315	32,320	(21,193)
2016	10,767,725	-	-	-	-	-	10,708,778	17,544
2017	11,190,497	-	-	-	-	-	-	11,105,813
2018	11,741,840	-	-	-	-	-	-	-
2019	12,367,045	-	-	-	-	-	-	-
2020	13,079,686	-	-	-	-	-	-	-
Non-levy collections (2)		(8,254)	43,440	26,253	(38,859)	94,302	150,889	(12,367)
Total collections within fiscal year		<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>	<u>\$ 11,089,276</u>

Tax Increments:

2010 and prior	\$ 2,096,947	\$ 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	-	-	-	-	-	-	861,608
2018	1,027,508	-	-	-	-	-	-	-
2019	1,013,478	-	-	-	-	-	-	-
2020	1,616,200	-	-	-	-	-	-	-
Non-levy collections (2)		-	30,658	-	-	-	-	-
Total collections within fiscal year		<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>	<u>\$ 861,608</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	
2018	2019	2020		Amount	Percentage of Levy		Amount	Percentage of Levy
\$ -	\$ -	\$ -	98.6%	\$ 8,517,589	97.5%	\$ (214,184)	\$ -	0.00%
-	-	-	99.2%	8,896,360	98.3%	(155,353)	-	0.00%
2,777	-	-	99.0%	9,221,143	98.5%	(138,885)	-	0.00%
1,249	150	-	99.3%	9,603,150	99.2%	(76,360)	-	0.00%
1,696	350	15	99.1%	9,938,222	99.3%	(71,508)	(637)	-0.01%
2,436	1,064	-	99.2%	10,297,942	99.4%	(62,340)	2,506	0.02%
(8,941)	2,990	986	99.5%	10,721,357	99.6%	(42,833)	3,535	0.03%
30,948	(25,606)	2,688	99.2%	11,113,843	99.3%	(72,540)	4,114	0.04%
11,690,537	(7,701)	(7,787)	99.6%	11,675,049	99.4%	(61,209)	5,582	0.05%
-	12,224,575	19,129	98.8%	12,243,704	99.0%	(109,520)	13,821	0.11%
-	-	13,020,882	99.6%	13,020,882	99.6%	(13,661)	45,143	0.35%
(105,163)	177,146	(97,461)					-	
<u>\$ 11,615,539</u>	<u>\$ 12,372,968</u>	<u>\$ 12,938,452</u>					<u>\$ 74,064</u>	
\$ -	\$ -	\$ -	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%
-	-	-	99.2%	861,608	99.2%	(6,746)	-	0.00%
1,027,508	-	-	100.0%	1,027,508	100.0%	-	-	0.00%
-	956,923	17,750	94.4%	974,673	96.2%	(38,805)	-	0.00%
-	-	1,616,200	100.0%	1,616,200	100.0%	-	-	0.00%
-	-	-					-	
<u>\$ 1,027,508</u>	<u>\$ 956,923</u>	<u>\$ 1,633,950</u>					<u>\$ -</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
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	154.3	148.0	34.8	550.5
2020	214.8	159.8	186.2	65.1	625.9

	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
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%	21.9%	21.0%	4.9%	78.0%
2020	27.2%	20.2%	23.5%	8.2%	79.1%

- (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
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
25.3	94.7	20.2	140.2	15.4	706.1
25.8	101.1	15.7	142.6	22.6	791.1

Percentage of Total Water Sold					
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%
3.6%	13.4%	2.9%	19.9%	2.2%	100.0%
3.3%	12.7%	2.0%	18.0%	2.9%	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
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
2020	25.00	1.67	2.68	3.71	6.11	32.30	34.21	270.02	270.02

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	
	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
Base Rate Per Unit	\$ 35.76	\$ 15.11	\$ 26.02	\$ 39.90	\$ 54.26	\$ 7.29	\$ 5.46

Sewer						Street Lighting	
Use Rate per unit (Based on Winter Water Use)						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	9.11	6.83
	37.91	16.02	27.58	42.29	57.52	9.47	7.10
	39.05	16.50	28.41	43.56	59.25	9.85	7.38
	40.22	17.00	29.26	44.87	61.03	10.24	7.68
	41.43	17.51	30.14	46.22	62.86	10.85	8.14
	42.67	18.04	31.04	47.61	64.75	12.48	9.36
	43.95	18.58	31.97	49.04	66.69	13.23	9.92
	45.27	19.14	32.93	50.51	68.69	13.89	10.42
	46.18	19.52	33.59	51.52	70.06	14.31	10.73

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
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
2020	25.00	2.68	3.71	6.11

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
\$ 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
46.18	4.94	270.02	42.96

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
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
2020	2,600,000	20,115,000	–	1,330,000	5,195,035	17,465,000

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>	
\$ 2,130,000	\$ 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	4.16%	1.95%	2,264
2,775,000	3,275,000	1,848,428	54,583,463	3.71%	1.67%	2,061
6,035,000	5,500,000	2,247,615	60,487,650	3.68%	1.71%	2,266

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
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
2020	2,600,000	20,115,000	–	17,465,000	6,035,000	5,500,000

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>
\$ -	\$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
2,247,615	53,962,615	1,293,283	52,669,332	1.49%	1,973

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CITY OF SHOREVIEW

Direct and Overlapping Governmental Activities Debt
as of December 31, 2020

Table 15

Governmental Unit	Gross Debt Outstanding (1)	Estimated Percentage Applicable (2)	Estimated Share of Overlapping Debt
Overlapping debt			
Ramsey County	\$ 201,587,000	6.646%	\$ 13,397,366
Independent School District No. 621 (Mounds View)	206,185,000	30.691%	63,280,326
Independent School District No. 623 (Roseville)	172,285,000	3.738%	6,439,201
Special Independent School District No. 916 (Vo-Tech)	75,365,000	11.931%	8,991,719
Metropolitan Council	1,688,625,662	0.858%	14,486,046
Rice Creek Watershed District	255,531	16.198%	41,391
Total overlapping debt			106,636,049
City of Shoreview direct debt (1)			30,364,121
Total direct and overlapping debt			<u>\$ 137,000,170</u>

Debt Ratios

Ratio of debt per capita (26,695 population, Table 18)	\$ 5,132.05
Ratio of debt to net tax capacity valuations (after fiscal disparities) (\$39,257,286, Table 6)	348.98%
Ratio of debt to estimated actual market value of property (\$3,542,781,700, Table 6)	3.87%

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			
	2011	2012	2013	2014
Debt limit	\$ 85,157,333	\$ 77,057,004	\$ 72,148,140	\$ 72,386,496
Total net debt applicable to limit	12,442,328	11,798,714	13,168,149	16,872,663
Legal debt margin	<u>\$ 72,715,005</u>	<u>\$ 65,258,290</u>	<u>\$ 58,979,991</u>	<u>\$ 55,513,833</u>
Total net debt applicable to the limit as a percentage of debt limit	14.61%	15.31%	18.25%	23.31%

Table 16

Fiscal Year					
2015	2016	2017	2018	2019	2020
\$ 79,220,802	\$ 80,951,568	\$ 85,839,363	\$ 92,044,536	\$ 98,141,004	\$ 106,283,451
11,095,214	10,064,636	8,985,056	10,947,380	9,620,097	8,422,988
<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>	<u>\$ 97,860,463</u>
14.01%	12.43%	10.47%	11.89%	9.80%	7.93%

Legal Debt Margin Calculation for Fiscal Year 2020

Market value (payable 2020 value, Table 6)	\$3,542,781,700
Debt limit (3% of market value)	106,283,451
Debt applicable to limit	
Other general obligation bonds	8,175,000
Certificates of participation	1,330,000
Less cash set aside for repayment of general obligation debt	<u>(1,082,012)</u>
Total net debt applicable to limit	<u>8,422,988</u>
Legal debt margin	<u>\$ 97,860,463</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						
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
2020	3,832,806	1,933,768	1,899,038	1,175,000	396,199	1.21
Sewer Revenue Bonds						
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
2020	4,661,074	3,913,924	747,150	285,000	68,536	2.11
Surface Water Management Revenue Bonds						
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
2020	2,047,484	1,169,906	877,578	445,000	81,365	1.67

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.

<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>
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	11,146	7,549	3.2 %
2017	26,366	1,383,265,824	52,464	11,297	7,615	2.9 %
2018	26,447	1,437,817,602	54,366	11,389	7,652	2.3 %
2019	26,480	1,471,837,840	55,583	11,656	7,580	2.6 %
2020	26,695	1,642,810,300	61,540	11,715	7,580	4.8 %

Notes/Sources:

- (1) Population figures other than census year are estimates provided by the Metropolitan Council. The last census figures available are for 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 2011–2019 data is for Ramsey County, in which the City resides, the smallest region applicable to the City that this information is available for. The 2020 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	2020			2011		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Wells Fargo	1,200	1	11.89%	711	2	5.88%
Deluxe Corporation	1,150	2	11.40%	1,067	1	8.82%
Cummins Power Generation	600	3	5.95%	–	–	–
Target Corporation	500	4	4.95%	300	4	2.48%
TSI Inc.	485	5	4.81%	300	4	2.48%
Westinghouse (PaR Nuclear)	300	6	2.97%	–	–	–
PaR Systems	275	7	2.73%	130	7	1.07%
Hill-Rom Corporation	250	8	2.48%	–	–	–
Ally Financial Services	247	9	2.45%	–	–	–
Kowalski's	219	10	2.17%	–	–	–
Empi, Inc.	–	–	–	432	3	3.57%
Taylor Corporation	–	–	–	200	6	1.65%
City of Shoreview	–	–	–	130	7	1.07%
Kozlak's Royal Oak Restaurant	–	–	–	70	9	0.58%
Rainbow Foods	–	–	–	70	9	0.58%
Total	5,226		51.79%	3,410		28.18%

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,				
	2011	2012	2013	2014	2015
General government	12.66	14.69	13.46	14.22	13.80
Public safety					
Emergency services	0.08	0.07	0.08	0.08	–
Public works					
Engineering	4.05	4.03	4.03	4.03	3.83
Maintenance	6.83	6.84	7.12	7.68	7.68
Parks and recreation					
Administration	5.00	4.00	4.00	4.44	4.50
Maintenance	9.71	9.95	9.95	10.00	10.00
Community center	36.68	36.44	36.61	38.44	38.52
Recreation programs	28.54	29.13	29.74	32.73	31.52
Community development	5.82	5.84	6.56	6.95	7.00
Water	8.35	8.40	8.39	8.41	8.28
Sewer	7.35	7.41	7.41	7.44	7.30
Surface water	3.52	3.55	3.55	3.67	3.74
Street lights	0.20	0.20	0.20	0.28	0.20
Central garage	2.40	2.40	2.40	2.40	2.40
	<u>131.19</u>	<u>132.95</u>	<u>133.50</u>	<u>140.77</u>	<u>138.77</u>
Full-time	79.00	79.00	79.00	83.36	82.00
Part-time	0.75	1.55	1.55	0.42	1.10
Associate	51.44	52.40	52.95	56.99	55.67
	<u>131.19</u>	<u>132.95</u>	<u>133.50</u>	<u>140.77</u>	<u>138.77</u>

Source: City Finance Department

Table 20

Budgeted Full-Time Equivalent Employees as of December 31,				
<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
14.59	14.08	13.60	13.40	13.42
-	-	-	-	-
4.01	3.43	3.05	3.05	3.13
7.63	7.64	8.07	8.33	8.78
4.10	4.60	5.02	5.44	6.10
10.02	9.83	11.25	11.55	11.58
37.55	37.04	42.25	43.52	46.13
34.47	32.94	33.90	37.93	40.25
7.25	7.25	7.39	8.14	8.92
8.18	8.29	8.02	8.69	8.41
7.20	7.31	7.03	7.15	7.42
3.96	4.04	4.03	4.03	4.45
0.25	0.15	0.10	0.20	0.35
2.40	2.40	2.40	2.40	2.35
<u>141.61</u>	<u>139.00</u>	<u>146.11</u>	<u>153.83</u>	<u>161.29</u>
84.32	84.86	84.56	87.47	91.08
1.60	0.50	0.60	1.13	1.63
55.69	53.64	60.95	65.23	68.58
<u>141.61</u>	<u>139.00</u>	<u>146.11</u>	<u>153.83</u>	<u>161.29</u>

CITY OF SHOREVIEW

Operating Indicators by Function

Last Ten Fiscal Years

Function	Fiscal Year		
	2011	2012	2013
Police (contracted with Ramsey County Sheriff's Department)			
Calls for service	6,443	6,661	7,057
Fire (contractual service with Lake Johanna Fire Department)			
Calls for service	988	1,060	1,275
Public works			
Salt (tons)	438	373	500
Crack sealant (pounds)	13,500	9,000	12,000
Asphalt repairs (tons of asphalt)	775	505	380
Recyclables collected (tons)	2,985	3,165	3,242
Trails resurfaced (miles)	5.00	9.90	5.00
Parks and recreation			
Recreation program users (registered participants)	26,317	28,601	25,726
Community program attendance (non-fee programs)	57,055	49,542	47,964
Community center users	699,025	692,616	698,892
Community development			
Permits issued	922	867	1,312
Permit valuation (millions)	\$ 21.9	\$ 29.9	\$ 42.4
Water			
Water main breaks	3	3	10
Meters replaced	25	16	23
Curb box repairs (water valves)	385	225	75
Hydrants repaired	75	18	25
Average annual residential water use per household	81,368	91,605	82,554
Average daily consumption (millions of gallons)	2.69	3.01	2.69
Maximum daily gallons pumped (millions)	5.91	6.97	7.68
Sewer			
Sewage flow (millions of gallons)	914	791	871
Miles jetted	82	82	62
Miles rodded	32	35	32
Miles inspected	60	40	40
Surface water management			
Material dredged from ponds (yards)	–	–	–
Sweepings collected (tons of material)	200	250	350
Miles of street swept	353	405	794
Street sweeping rounds per year	4	5	9
Lake augmentation, gallons pumped (millions)	–	110.7	8.7
Central garage			
Gallons of gas	14,676	14,980	17,333
Gallons of diesel	20,002	23,183	24,727
Oil changes	116	114	78
Tires replaced	17	54	53

Sources: Various city departments

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

Public works Crack sealant and Park and recreation 2020 operating indicators were affected by the COVID-19 pandemic.

N/A Indicators are not available for these years.

Table 21

Fiscal Year						
2014	2015	2016	2017	2018	2019	2020
8,128	8,574	8,533	8,839	8,895	9,150	8,110
1,449	1,597	1,784	1,858	1,948	2,037	2,020
460	250	300	400	678	552	484
7,500	12,600	15,000	10,000	8,000	9,500	1,000
278	265	232	453	770	436	245
2,762	2,735	2,683	2,421	2,508	2,488	2,583
–	6.20	7.72	7.30	6.50	–	5.30
29,270	28,404	27,478	27,814	25,089	53,288	7,910
39,261	43,218	33,150	36,524	17,245	32,666	28,305
593,172	620,509	564,444	544,713	528,918	511,220	194,896
1,053	1,141	1,332	1,602	1,307	2,222	2,715
\$ 40.3	\$ 21.7	\$ 41.9	\$ 100.3	\$ 27.9	\$ 77.0	\$ 69.3
15	5	7	10	16	12	7
45	34	52	32	20	32	33
105	97	85	128	105	138	131
35	11	32	10	22	35	12
73,557	72,575	73,879	70,850	69,882	64,069	73,724
2.43	2.14	2.26	2.24	2.27	2.04	2.25
5.88	5.24	5.54	4.86	4.84	4.33	4.92
813	764	840	763	840	865	772
81	52	62	72	68	80	63
30	22	–	–	–	–	–
44	62	45	45	50	85	68
–	–	–	–	–	–	1,000
350	250	83	180	188	719	257
794	904	792	1,017	904	678	618
9	8	7	9	8	6	6
–	–	–	–	–	–	–
14,469	19,780	20,053	18,608	24,054	24,962	24,890
20,914	17,677	17,497	16,572	17,030	22,440	17,592
89	90	84	81	64	87	85
39	29	35	53	53	40	58

CITY OF SHOREVIEW

Capital Asset Statistics by Function

Last Ten Fiscal Years

Function	Fiscal Year			
	2011	2012	2013	2014
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)	92.63	92.69	92.69	93.21
Culture and recreation				
Parks acreage	268	268	268	268
Parks	10	10	10	10
Park buildings	8	8	8	8
Picnic shelters	6	6	7	7
Community center (square footage)	111,000	111,000	111,000	111,000
Water				
Water mains (miles)	103.0	103.0	103.0	103.0
Fire hydrants	1,325	1,327	1,328	1,330
Wells	6	6	6	6
Maximum storage capacity (millions of gallons)	4	4	4	4
Sewer				
Sanitary sewers (miles)	108.2	108.2	108.2	108.5
Lift stations	17	17	17	17
Surface water management				
Storm water lift stations	4	4	4	4
Storm ponds	200	200	201	202
Street lights	692	701	717	731

Sources: Various city departments

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

Table 22

Fiscal Year					
2015	2016	2017	2018	2019	2020
2	2	2	2	2	2
4	4	3	3	3	3
60	79	78	82	79	83
93.21	93.32	93.32	93.32	93.32	93.32
268	268	268	268	273	273
10	10	10	10	11	11
8	8	8	8	8	8
7	7	7	7	7	7
111,000	111,000	111,000	134,992	134,992	134,992
103.0	103.4	103.4	104.0	104.0	104.2
1,328	1,332	1,336	1,340	1,340	1,340
6	6	6	6	6	6
4	4	4	4	4	4
108.5	108.6	108.6	108.6	108.6	108.6
18	19	19	19	19	19
4	4	4	4	4	4
198	198	198	198	198	198
764	787	809	809	807	818

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